

1st February 2021

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

Frenkel Topping Group plc
("Frenkel Topping", the "Company" or the "Group")

Acquisitions of A & M Bacon Limited and Partners in Costs Limited

Frenkel Topping (AIM: FEN), the specialist independent financial advisor and asset manager focused on asset protection for vulnerable clients, is pleased to announce that it has acquired the entire issued share capital of A & M Bacon Limited ("**A & M Bacon**") (through the purchase of its holding company) and Partners in Costs Limited ("**PIC**") (through the purchase of its holding company and the purchase of shares directly in PIC) (the "**Acquisitions**"). A & M Bacon is a firm of civil and commercial litigation costs specialists and PIC is one of the UK's leading costs law specialists with costs lawyers and costs consultants.

The combined total maximum consideration is £9.0 million of which £5.0 million is payable in cash and £0.9 million through the issue of 2,000,000 ordinary shares of 0.5p each in the Company ("**Ordinary Shares**") on completion (the "**Initial Consideration**") and a further £3.1 million deferred consideration (the "**Deferred Consideration**") is payable in cash in two tranches on 31 January 2022 and 31 January 2023. Further details on the financial terms of the Acquisitions are set out below.

Transaction Rationale

The Acquisitions are firmly in line with the Company's strategy to pursue quality opportunities in, and to drive consolidation of, the pre-settlement professional services marketplace in personal injury and clinical negligence. Both PIC and A & M Bacon are leading specialist cost firms.

In addition to certain cost synergies, the claimants these two companies provide services to, will naturally benefit from the additional services that Frenkel Topping offer, such as welfare benefits assessments, trust advice in conjunction with forensic accounting and expert witness services throughout the entire timespan of a claim.

Bringing PIC and A&M Bacon into the wider Group will enhance the Company's chances of winning the AUM mandate in the result of a successful claim. This concurs with the Group's strategy to give financial advice to recipients of large personal injury/clinical negligence awards and to manage the damages within the Group's discretionary asset management business.

As set out in the Company's strategy, the focus is to ensure the Company has as many touch points as possible in the personal injury/clinical negligence space in order to capture as many revenue opportunities as possible.

The Acquisitions are cash generative and will be immediately earnings enhancing following completion.

About PIC and A & M Bacon

PIC was established as Northern Costing in 1996 and incorporated in 2001 with an office in Doncaster and fee earners nationwide. They currently employ 52 staff and specialise in civil litigation claims, including personal injury (ranging from catastrophic injury to clinical negligence), professional negligence, commercial claims and court of protection costs. In the year ended 30 April 2020, PIC had revenues of £3,640k, generated £734k profit before tax and reported £2,629k net assets as at 30 April 2020.

A & M Bacon was incorporated in 1999 and is based in Doncaster. They currently employ 12 staff. They are a leading costs firm dealing with commercial litigation, immigration claims, planning disputes,

ATE premium recovery and personal injury claims for both defendants and claimants. In the year ended 31 March 2020, A & M Bacon had revenues of £1,064k, generated £191k profit before tax and reported £707k net assets as at 31 March 2020.

There will be a number of synergies when these two businesses are combined within Frenkel Topping that will drive an increase in normalised EBITDA going forwards.

Reuben Glynn and Teresa Aitken will remain with the Group in their roles, with Reuben Glynn as Chief Executive of A&M Bacon and Teresa Aitken as Chief Executive of PIC. They have extensive experience in civil and commercial litigation costs. As shareholders in the Company, they will be fully incentivised to drive the future growth of the business.

Consideration for the Acquisitions

The Company has agreed to acquire PIC and its holding company (TMA Holdings Limited) from Teresa Aitken, and Bacon Legal Consulting Limited, the holding company for A & M Bacon, from Reuben Glynn (the “**Sellers**”) for a total consideration of £9 million.

Initial Consideration of £5.9 million:

- £5 million paid in cash at the time of the Acquisition (subject to a post-completion adjustment following a completion accounts process)
- £0.9m payable with the issue of 2,000,000 Ordinary Shares at the average rolling share price for the last 30 days up to 29 January 2021, being 45p.

Deferred consideration of £3.1 million is payable in cash in two tranches on 31 January 2022 and 31 January 2023.

Admission

Application will be made by the Company for 2,000,000 Ordinary Shares to be admitted to trading on AIM (“**Admission**”). It is expected that Admission of the new Ordinary Shares will occur on or around 8:00 a.m. on 5 February 2021. These Ordinary Shares will be subject to lock-in arrangements for the next two years.

Total Voting Rights

Following the Admission, the total number of Ordinary Shares in the Company will be 113,157,349. There are 3,105,708 shares held in treasury and thus the total number of voting rights in the Company are 110,051,641 (the “**Figure**”). This Figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in the Company under the FCA’s Disclosure Guidance and Transparency Rules.

Richard Fraser, Chief Executive Officer of Frenkel Topping, said:

“The acquisitions fit exactly into our strategy of acquiring high-quality businesses in the personal injury and clinical negligence market and builds on the successful acquisition and integration of Forths last year. I have known Reuben and Teresa for many years and have been greatly impressed with what they and their team have built, and I very much look forward to welcoming them into the enlarged business. These acquisitions will further strengthen our offering and drive the continued growth of Frenkel Topping.”

Reuben Glynn, Chief Executive Officer of A & M Bacon, said:

“I am extremely excited to join the Frenkel Topping Group. A&M Bacon have become the leading costs specialist in local government and Court of Protection.

Unfortunately, last year we lost our founder Michael Bacon after a short illness. Michael was a true legal cost legend. Michael would have wholeheartedly supported this opportunity.

Together with Frenkel Topping I am looking forward to providing the highest level of service to Professional deputies and their protected parties.”

Teresa Aitken, Chief Executive Officer of PIC, said:

“The client remains the centre of everything we do at PIC. As a team we are excited to be on board with the Frenkel Topping Group to ultimately ensure that together the injured client receives a seamless service.

We're particularly looking forward to getting involved and helping to shape the knowledge hub through training and opportunities to young adults to achieve their potential as well as the Frenkel Topping charitable foundation for those individuals who through life experience are unable to access damages to help them deal with life's challenges.

Together, as a Group we're keen to make a real difference to our society.”

For further information:

Frenkel Topping Group plc

Richard Fraser, Chief Executive Officer
Elaine Cullen-Grant, Chief Financial Officer

Tel: 0161 886 8000
www.frenkeltopping.co.uk

finnCap Ltd

Carl Holmes / Giles Rolls (Corporate Finance)
Tim Redfern / Richard Chambers (ECM)

Tel: 020 7220 0500

About Frenkel Topping Group:

The financial services firm consists of Frenkel Topping Limited, Ascencia Investment Management, Obiter Wealth Management, Equatas Accountants and Forth Associates.

The Group specialises in providing financial advice and asset protection services to clients at times of financial vulnerability, with particular expertise in the field of personal injury and clinical negligence.

With more than 30 years' experience in the industry, Frenkel Topping has earned a reputation for commercial astuteness underpinned by a strong moral obligation to its clients, employees and wider society, with a continued focus on its Environmental, Social and Governance (ESG) impact.

Through its core business, Frenkel Topping Limited, the firm supports litigators pre-settlement in achieving maximum damages, by providing expert witness services, and post-settlement to achieve the best long-term financial outcomes for clients after injury. It boasts a client retention rate of 99%.

The Group's discretionary fund manager, Ascencia, provides financial portfolios for clients in unique circumstances. In recent years Ascencia has diversified its portfolios to include a Sharia-law-compliant portfolio and a number of ESG portfolios in response to increased interest in socially responsible investing (SRI).

Obiter provides a generalist wealth management service - including advice on Savings and Investments; Tax planning; Life Insurance; Critical Illness and Income protection; Endowment advice and Keyman Insurance, with a particular specialism in financial advice on pensions and pension sharing orders for the clients of divorce and family lawyers. Obiter applies the same core principles of honesty, transparency, responsibility and reliability to individuals, regardless of background or situation.

In 2019, Frenkel Topping launched its accountancy arm, Equatas, to assist clients with tax planning and move closer to providing a full end-to-end service under the Group brand, improving the experience for clients and maintaining the Group's standards throughout the client journey.

In 2020 Frenkel Topping acquired Forth Associates, a specialist forensic accounting services business which assists in financial and legal disputes. The acquisition makes Frenkel Topping the largest independent provider of financial expert witness reports to the claimant marketplace.

For more information visit: www.frenkeltopping.co.uk