

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the contents of this document or as to what action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are a resident of the United Kingdom or, if not, another appropriately authorised independent professional adviser.

If you have sold or otherwise transferred all of your Ordinary Shares in Frenkel Topping Group plc you should deliver this document together with the accompanying Form of Proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you sell or otherwise transfer, or have sold or otherwise transferred, only part of your holding of Existing Shares, please retain these documents and consult the stockbroker, banker or other agent through whom the sale or transfer was made.

The issue of the Placing Shares will not constitute an offer to the public requiring an approved prospectus under section 85 of the Financial Services and Markets Act 2000 (as amended) and accordingly this document does not constitute a prospectus, nor does it constitute an admission document drawn up in accordance with the AIM Rules. This document does not constitute or form part of any offer or invitation to sell or issue, or a solicitation of any offer to acquire, purchase or subscribe for, Ordinary Shares.

It is expected that Admission in respect of the First Placing will become effective and dealings in the First Placing Shares will commence on 11 July 2022 and Admission in respect of the Second Placing will become effective and dealings in such Second Placing Shares will commence on 1 August 2022 (subject to the passing of the Resolutions). Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM and will be made in respect of the First Placing Shares and, subject to the passing of the Resolutions, in respect of the Second Placing Shares. The Placing Shares will, when issued, rank *pari passu* in all respects with the Existing Shares, including the right to receive all dividends or other distributions declared, made or paid on or after the date that they are issued.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the Financial Conduct Authority ('FCA'). Neither the FCA nor the London Stock Exchange has examined or approved the contents of this document. Neither the Existing Shares nor the Placing Shares are or will be traded on any other investment exchange and no application has been or will be made for the Existing Shares or the Placing Shares to be admitted to trading on any such exchange.

A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

Frenkel Topping Group plc

(Incorporated in England and Wales with registered no. 4726826)

Placing of 5,657,800 First Placing Shares at 70 pence per Ordinary Share

**Conditional Placing of 8,627,915 Second Placing Shares
at 70 pence per Ordinary Share**

and

Notice of General Meeting

This document should be read in its entirety and in conjunction with the accompanying Form of Proxy and Notice of General Meeting. Your attention is drawn to the letter from the Chairman of the Company, set out on pages 10 to 15 of this document, and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting.

Notice of a General Meeting of Frenkel Topping Group plc to be held at Frenkel House 15 Carolina Way, Salford, Manchester, M50 2ZY at 11.00 a.m. on 29 July 2022 is set out at the end of this document. For the reasons given below in relation to the conduct of the General Meeting, you are urged to complete and return the enclosed Form of Proxy in accordance with the instructions printed thereon so as to arrive as soon as possible and, in any event, not later than 11.00 a.m. on 27 July 2022.

Shareholders who hold their Existing Shares in uncertificated form in CREST may alternatively use the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual as explained in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by Neville Registrars Ltd by no later than 11.00 a.m. on 27 July 2022 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).

finnCap Limited ("finnCap"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting for the Company and for no one else in connection with the matters described in this document, and accordingly

will not be responsible to any person other than the Company for providing the protections afforded to customers of finnCap, or for providing advice to any other person in relation to the arrangements described in this document.

The release, publication or distribution of this document into certain jurisdictions may be restricted by law, and any persons into whose possession this document comes should therefore inform themselves about and observe any applicable restrictions or requirements. No action has been taken by the Company or finnCap that would permit possession or distribution of this document in any jurisdiction where action for that purpose is required. Any failure to comply with any such restrictions or requirements may constitute a violation of the securities laws of any such jurisdiction.

This document does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of, issue or purchase, any security (including, without limitation, the Placing Shares). Copies of this document can be downloaded from the Company's website, www.frenkeltoppinggroup.co.uk. However, the contents of the Company's website or any hyperlinks accessible from the Company's website do not form part of this document and Shareholders should not rely on them.

The Placing Shares have not been, nor will they be, registered under the Securities Act and may not be offered, sold or delivered in, into or from the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Subject to certain exemptions, this document does not constitute an offer of Ordinary Shares to any person with a registered address, or who is resident in, the United States. There will be no public offer in the United States. The Placing Shares will not qualify for distribution under the relevant securities laws of Australia, New Zealand, Canada, the Republic of South Africa or Japan, nor has any prospectus in relation to the Placing Shares been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Accordingly, subject to certain exemptions, the Placing Shares will not be offered, sold, taken up, delivered or transferred in, into or from a Restricted Jurisdiction or to or for the account or benefit of any national, resident or citizen of a Restricted Jurisdiction. This document does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any Ordinary Shares to any person in a Restricted Jurisdiction and is not for distribution in, into or from a Restricted Jurisdiction. The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the placing of the Placing Shares nor have they approved this document or confirmed the accuracy or adequacy of any information contained in it. Any representation to the contrary is a criminal offence in the US.

This document includes statements that are, or may be deemed to be, forward-looking statements that are based on current expectations or beliefs, as well as assumptions about future events. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "anticipates", "targets", "aims", "continues", "expects", "intends", "hopes", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not facts. They appear in a number of places through this document and include statements regarding the Directors' intentions, beliefs or current expectations concerning, amongst other things, the Company's results of operations, financial condition, liquidity, prospects, growth and strategies. By their nature, forward-looking statements contained in this document based on past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Subject to any requirement under the AIM Rules or other applicable legislation or regulation, neither the Company nor finnCap undertakes any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Undue reliance should not be placed on forward-looking statements, which speak only as of the date of this document. There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in expectations and assumptions used and changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions.

Where third party information has been used in this document, the source of such information has been identified. The Company takes responsibility for compiling and extracting, but has not independently verified, market data provided by third parties or industry or general publications and takes no further responsibility for such data.

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Directors & Advisers

Directors	Tim Linacre (<i>Non-Executive Chairman</i>) Richard Fraser (<i>Chief Executive Officer</i>) Elaine Cullen-Grant (<i>Chief Financial Officer</i>) Mark Holt (<i>Chief Operating Officer</i>) Christopher Mills (<i>Non-Executive Director</i>) The Rt. Hon. Mark Christopher Field (<i>Non-Executive Director</i>) Zoe Holland (<i>Non-Executive Director</i>)
Company Secretary	Elaine Cullen-Grant
Nominated Adviser & Company	finnCap Ltd One Bartholomew Close London EC1A 7BL
Legal Advisers To The Company	BDB Pitmans LLP One Bartholomew Close London EC1A 7BL
Legal Advisers To The Nominated	Fieldfisher LLP
Adviser & Broker	Riverbank House 2 Swan Lane London EC4R 3TT
Registrars	Neville Registrars Limited Neville House Steelpark Road Halesowen B62 8HD

Placing Statistics

Number of Existing Shares as at the date of this document	113,157,349
Number of First Placing Shares to be issued pursuant to the First Placing	5,657,800
Number of Second Placing Shares to be issued pursuant to the Second Placing	8,627,915
Total number of Placing Shares to be issued pursuant to the Placing	14,285,715
Enlarged Issue Share Capital	127,443,064
Placing Price	70 pence
Aggregate gross proceeds of the Placing	£10 million

The statistics above assume the passing of the Resolutions at the General Meeting and therefore the Admission of all new Ordinary Shares pursuant to the Placing.

Expected Timetable of Principal Events

2022

Launch Announcement	2.45 p.m. on 5 July 2022
Publication of this document	6 July 2022
Admission and commencement of dealings in the First Placing Shares	8.00 a.m. on 11 July 2022
Expected date for CREST accounts to be credited in respect of the First Placing Shares	As soon as possible after admission on 11 July 2022
Where applicable, expected date for dispatch of share certificates in respect of the First Placing Shares	By 15 July 2022
Latest time and date for receipt of Forms of Proxy for the General Meeting	11.00 a.m. on 27 July 2022
General Meeting	11.00 a.m. on 29 July 2022
Admission and commencement of dealings in the Second Placing Shares	8.00 a.m. on 1 August 2022
Expected date for CREST accounts to be credited in respect of the Second Placing Shares	As soon as possible after admission on 1 August 2022
Where applicable, expected date for dispatch of share certificates in respect of the Second Placing Shares	By 5 August 2022

Notes

1. Some of the times and dates above are indicative only and if any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.
2. All of the above times refer to London time unless otherwise stated
3. Events listed in the above timetable following the General Meeting are conditional on the passing of the Resolutions at the General Meeting.

Definitions

The following definitions apply throughout this document and the Form of Proxy unless the context requires otherwise:

“Act”	Companies Act 2006
“Admission”	the admission of the Placing Shares to trading on AIM in accordance with Rule 6 of the AIM Rules
“AIM”	the AIM Market of the London Stock Exchange
“AIM Rules”	the rules applicable to companies governing their admission to AIM, and following admission their continuing obligations to AIM, as set out in the AIM Rules for Companies published by the London Stock Exchange from time to time
“AUM”	means assets under management
“business day”	a day (excluding Saturdays, Sundays and public holidays) on which banks are generally open for business in the City of London
“certificated” or in “certificated form”	where a share or other security is not in uncertificated form (that is, not in CREST)
“Circular”	this circular to Shareholders giving (amongst other things) details of the Placing and incorporating the Notice of General Meeting
“CN”	clinical negligence
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
“EBITDA”	earnings before interest, taxes, depreciation and amortization
“EEA”	the European Economic Area
“Enlarged Issued Share Capital”	the 127,443,064 Ordinary Shares which shall be in issue immediately following Admission of the Second Placing Shares
“Euroclear”	Euroclear UK & International Limited, a company incorporated under the laws of England and Wales
“Executive Directors”	Richard Fraser, Ellaine Cullen-Grant and Mark Holt
“Existing Shares”	the 113,157,349 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM
“FCA”	the UK Financial Conduct Authority
“finnCap”	means finnCap Ltd, nominated adviser, sole broker and bookrunner to the Company
“First Placing”	the placing by finnCap (on behalf of the Company) of the First Placing Shares at the Placing Price

“First Placing Shares”	the 5,657,800 Ordinary Shares, to be allotted and issued pursuant to the First Placing
“Frenkel Directors” or “Directors”	any member of the Company’s board of directors
“Frenkel Group” or “Group”	Frenkel Topping and its subsidiaries and subsidiary undertakings (each as defined in the Act)
“Frenkel Topping” or the “Company”	Frenkel Topping Group plc
“Form of Proxy”	the form of proxy for use by Shareholders in connection with the General Meeting, which is enclosed with this Circular
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“General Meeting”	the general meeting of the Company convened for 11.00 a.m. on 29 July 2022 (or any adjournment thereof) at which the Resolutions will be proposed, notice of which is set out at the end of this Circular
“Independent Directors”	all of the Directors excluding Christopher Mills
“London Stock Exchange”	London Stock Exchange plc
“Market Abuse Regulation”	the Market Abuse Regulation (2014/596/EU) (incorporating the technical standards, delegated regulations and guidance notes, published by the European Commission, London Stock Exchange, the FCA and the European Securities and Markets Authority)
“Notice of General Meeting”	the notice of General Meeting set out at the end of this Circular
“Ordinary Shares”	the ordinary shares of 0.5 pence each in the capital of the Company
“Overseas Shareholders”	Shareholders of Frenkel Topping who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom
“PI”	personal injury
“Placing”	together, the First Placing and the Second Placing
“Placing Agreement”	the placing agreement entered into on 5 July 2022 between the Company and finnCap
“Placing Price”	70 pence per Placing Share
“Placing Shares”	together, the First Placing Shares and the Second Placing Shares
“pounds”, “£”, “penny”, “pence”, “p” or “Sterling”	the lawful currency of the United Kingdom
“Registrars”	Neville Registrars Limited
“Resolutions”	the resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting
“Restricted Jurisdiction”	US (including its territories and possessions, any state of the United States and the District of Columbia), Australia, Canada, the Republic of South Africa or Japan or any other jurisdiction in which the offer of the Placing Shares would be unlawful
“RTAs”	road traffic accidents

“Second Placing”	the conditional placing by finnCap (on behalf of the Company) of the Second Placing Shares at the Placing Price subject to, <i>inter alia</i> , the passing of the Resolutions
“Second Placing Shares”	the 8,627,915 new Ordinary Shares to be allotted and issued pursuant to the Second Placing
“Securities Act”	the United States Securities Act of 1933, as amended
“Shareholders”	holders of Ordinary Shares
“Substantial Shareholder”	a person who holds any legal or beneficial interest directly or indirectly in 10 per cent. or more of the ordinary shares of a company admitted to trading on AIM as more fully defined in the AIM Rules
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“uncertificated” or in “uncertificated form”	in respect of a share or other security, where that share or other security is recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
“US” or “United States”	United States of America

Letter from the Chairman

Frenkel Topping Group plc

(Incorporated in England and Wales under the Companies Act 1985 with registered no. 04726826)

Directors:

Tim Linacre (Non-Executive Chairman)
Richard Fraser (Chief Executive Director)
Elaine Cullen-Grant (Chief Financial Officer)
Mark Holt (Chief Operating Officer)
Christopher Mills (Non-Executive Director)
The Rt. Hon. Mark Christopher Field (Non-Executive Director)
Zoe Holland (Non-Executive Director)

Registered Address:

Frenkel House
15 Carolina Way
Manchester
M50 2ZY

6 July 2022

To Shareholders and, for information only, to holders of options over Ordinary Shares

Dear Shareholder,

**Placing of 5,657,800 First Placing Shares at 70 pence per Ordinary Share
Conditional Placing of 8,627,915 Second Placing Shares at 70 pence per Ordinary Share
and
Notice of General Meeting**

Introduction

The Company announced on 5 July 2022 that it had conditionally raised approximately £10 million gross (approximately £9,655,139.79 net of expenses) pursuant to the Placing.

The First Placing is being made pursuant to existing authorities to allot shares for cash and disapply pre-emption rights under section 551 and section 571 of the Act, which the Directors were granted at the Annual General Meeting of the Company held on 22 June 2022. Accordingly, completion of the First Placing is due to take place on Admission of the First Placing Shares which is expected to occur at 8.00 a.m. on 11 July 2022.

The Company's existing share allotment authorities, which allow it to allot and issue shares on a non pre-emptive basis, are currently insufficient to allow the Second Placing, to proceed. The Company requires further share authorities to allot the Second Placing Shares as well as additional Ordinary Shares of up to 10 per cent. of the Enlarged Issued Share Capital. Accordingly, the Second Placing is conditional, *inter alia*, on the passing of the Resolutions by the Shareholders at the General Meeting, which has been convened for 29 July 2022, notice of which is set out at the end of this document. The Resolutions will be held on a poll. If the Resolutions are passed, Admission of the Second Placing Shares is expected to occur at 8.00 a.m. on 1 August 2022.

The purpose of this document is to explain the background to and reasons for the Placing and why the Directors believe it to be in the best interests of the Company and its Shareholders as a whole that you vote in favour of the Resolutions at the General Meeting, which has been convened for 11.00 a.m. on 29 July 2022 at Frenkel House, 15 Carolina Way, Salford, Manchester, M50 2ZY. The Notice of General Meeting is set out at the end of this document.

Please see the paragraph heading 'IMPORTANT NOTICE REGARDING THE GENERAL MEETING' set out toward the end of this letter.

Background to and reasons for the Placing

In July 2020 the Company set out its refocused M&A strategy to consolidate the professional service firms market in the Personal Injury and Clinical Negligence space and raised £13 million from new and existing Shareholders in order to prosecute a roll-up of professional services firms in this specific niche sector. This allowed the Company to increase its touch points with claimants, through the timespan of a claim, which the Directors believe greatly enhances the Company's chances of winning the AUM mandate of any successful claim, whilst generating meaningful revenues in the process.

Since then, the Company has deployed the net proceeds of the July 2020 fundraising acquiring five businesses spanning forensic accountants, cost consultants and the transformational acquisition of Cardinal Management Limited which has close partnerships with NHS Major Trauma Centres. The combination of these strategic acquisitions has significantly expanded the Group's reach and created further touchpoints in the PI and CN space which has generated strong momentum and engagement with other legal and professional services providers in the sector, greatly increasing the Group's service to its clients. The Group has also delivered £4.6 million of EBITDA, an increase of 84 per cent. to the previous financial year.

The Group remains focused on its stated M&A strategy of consolidating ownership of the full supply chain in the PI and CN space and accordingly will primarily utilise the net proceeds of the Placing to continue consolidating the marketplace. The Board has already entered discussions with various acquisition opportunities and in particular is looking to expand the Group's footprint in care & case management and are in varying stages of discussions with three targets. Having successfully deployed the £13 million raised in July 2020 it now requires the additional funding to complete the buy and build strategy and to make some careful investment in technology in order to accelerate the integration of the businesses and capitalize on the synergistic benefits.

The Professional Services Market

During the litigation process of any PI or CN claim, there can be in excess of 30 different expert witness reports that may be required. These include, but are not limited to, medical, financial and care and case management. In the course of preparing these expert witness reports, professional service firms develop a working relationship and rapport with claimants. The Directors believe that these relationships are key to securing the financial advisory mandate for any settlement monies paid out in the event of a successful claim.

Care & Case Management

The Directors believe that Care & Case Management reports are the largest reports required by litigating solicitors pre-settlement. These independent expert reports are used to quantify the additional costs associated with meeting a client's needs as a result of injury or illness. In addition, post-settlement, clients require expert rehabilitation plans tailored to their specific needs including the appointment of a case manager. Case managers work on an ongoing basis with claimants and their families, reviewing care plans and care providers to ensure claimants are receiving the best possible care. This ongoing relationship presents the opportunity for repeat revenues post-settlement and a greater number of touchpoints in the journey of a potential claimant.

Care and Case management represents c. £85 million annually and are involved in c. 2,000 cases per year.

Professional Services landscape

The professional services market as a whole is highly fragmented with a considerable number of different verticals and no clear market leader in any of them. The Directors believe that the majority of these Expert Witness professional services firms are struggling to grow due to the longer working capital cycles of expert witness report work (i.e. firms are paid once a verdict has been reached in the claim) and that these firms could benefit from the balance sheet strength and the financial acumen of Frenkel Topping.

Whilst Care & Case Management firms do not suffer the same working capital restraints the Directors believe it to be one of the most attractive subsectors due to their revenue profiles and also represents a significant opportunity to consolidate due to its heavily fragmented nature.

The PI and CN Market

Unfortunately, around 25,700 people are seriously injured in RTAs per annum with a further 1,560 people being fatally injured. The Directors believe around 75 per cent. of these 25,700 RTAs involve a claim. This generates approximately 19,000 claimants that will require expert witness reports. The total market for pre-settlement disbursements such as Expert Witness reports is estimated at £0.4 billion and an estimated £1 billion is paid out in damages for catastrophic injuries in the PI market.

In addition, NHS Resolution (which manages negligence and other claims against the National Health Service) paid out £1.6 billion for the year ending 30 June 2020 as damages.

When combined, the PI and CN markets represents a total opportunity of c. £2.6 billion of AUM mandates per annum, in addition to the professional services required for such claims.

Use of Proceeds

The net proceeds of the Placing will be used primarily to continue the Company's M&A strategy, consolidating the heavily fragmented professional services market in the PI and CN space. The Placing proceeds will be used in part to invest in the businesses of any acquisitions made by the Company, satisfy the deferred consideration elements of recent acquisitions and also invest in integration efforts of all acquired businesses by upgrading and enhancing the IT infrastructure and architecture of the firm.

The Board will consider acquisitions that are earnings enhancing in the first full year of ownership and have clear synergies in the PI and CN markets particularly in Care and Case management and is already in discussions with a number of targets – three of which are in the due diligence phase. The Board believes that raising funds in this way, in advance of specific acquisitions, will grant the Group the flexibility and speed to act decisively.

One such potential target is "Project Summer", one of the largest expert witness providers in the UK with estimated annual run rate revenues of £4 million and EBITDA of £0.8 million. Talks are at an advanced stage with the Company expecting to pay c.1.25x-1.5x annual run rate revenue as total consideration. Further updates on Project Summer will be made as and when appropriate but completion is expected to be within Q3 of this year.

In addition, the Company will utilise some of the net proceeds to invest in the Group's IT infrastructure. The Directors believe this investment will allow the Group to integrate and mature any acquired technologies in order to support further collaboration and cross selling across the Group. In turn, this will improve the efficiency of the Group's fee earners and client service teams allowing them to foster greater client care and build an excellent platform for future growth.

Current Trading and Future Prospects

As stated at the time of announcement of the Group's results on 25 April 2022, for the year ended 31 December 2021, Frenkel Topping has had a strong start to the current financial year with a solid pipeline of new business opportunities and benefitting from the momentum built in 2021. This tailwind has been maintained since then and the Group continues to show resilience through challenging times in the wider economy and alongside its 99 per cent. retention rates has a solid pipeline of new business opportunities.

The Group is trading in line with expectations and therefore remains confident about the future and the full year outturn.

The Placing

The First Placing is conditional (amongst other things) on the Placing Agreement not having been terminated and Admission of the First Placing Shares occurring on or before 8.00 a.m. on 11 July 2022 (or such later date and/or time as finnCap and the Company may agree, being no later than 8.00 a.m. on 12 August 2022).

The Second Placing is conditional (amongst other things) on the Placing Agreement not having been terminated, the passing of the Resolutions at the General Meeting and Admission of the Second Placing

Shares occurring on or before 8.00 a.m. on 1 August 2022 (or such later date and/or time as finnCap and the Company may agree, being no later than 8.00 a.m. on 12 August 2022).

finnCap is acting as nominated adviser and broker to the Company in connection with the Placing.

Placing Agreement

Pursuant to the Placing Agreement, finnCap, as agent for the Company, has conditionally agreed to use reasonable endeavours to procure places for the Placing Shares at the Placing Price.

The First Placing is conditional upon (amongst other things): (i) the Warranties being true and accurate and not misleading (and remaining true and accurate and not misleading if they were repeated at Admission of the First Placing Shares) and Admission of the First Placing Shares occurring on or before 8.00 a.m. on 11 July 2022 (or such later date and/or time as finnCap and the Company may agree, being no later than 8.00 a.m. on 12 August 2022). The Second Placing is conditional upon (amongst other things): (i) the Admission of the First Placing Shares having occurred; (ii) the Resolutions being passed at the General Meeting; and (iii) Admission of the Second Placing Shares having occurred not later than 8.00 a.m. on 1 August 2022 or such later date as the Company and finnCap may agree, but in any event not later than 8.00 a.m. on 12 August 2022.

The Placing Agreement contains customary warranties from the Company in favour of finnCap in relation to, *inter alia*, the accuracy of the information in the documentation published in connection with the Placing and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify finnCap in relation to certain liabilities that they may incur in respect of the Placing.

finnCap (acting in good faith) has the right to terminate the Placing Agreement in certain circumstances prior to Admission, including (but not limited to): in the event that any of the warranties in the Placing Agreement given by the Company by reference to the circumstances prevailing from time to time cease to be true and accurate in any respect which finnCap considers to be material in the context of the Placing or in the event of a material adverse change affecting the business, financial trading position or prospects of the Company. finnCap shall also have a further right to rescind the Placing Agreement without incurring any liability to the Company, following consultation with the Company to the extent practicable, if, at any time before Admission there occurs (amongst other things) the outbreak or escalation of hostilities or acts of terrorism involving the United Kingdom or the declaration by the United Kingdom of a national emergency or war or any other occurrence of any kind which (by itself or together with any other such occurrence) in finnCap's reasonable opinion is likely to materially and adversely affect the market's position or prospects of the Group taken as a whole.

The Placing Agreement also provides for the Company to pay all agreed costs, charges and expenses of, or incidental to, the Placing and Admission including all legal and other professional fees and expenses up to the specified amounts stipulated in the Placing Agreement.

Placing Shares

The Placing Shares, when issued, will be fully paid and will rank *pari passu* in all respects with the existing Ordinary Shares in issue, including the right to receive all dividends and other distributions declared, made or paid after the date of issue.

Application will be made to the London Stock Exchange for admission of the Placing Shares to trading on AIM.

It is expected that Admission of the First Placing Shares will take place at 8.00 a.m. on 11 July 2022 and that dealings in the First Placing Shares on AIM will commence at the same time. It is expected that Admission of the Second Placing Shares will take place at 8.00 a.m. on 1 August 2022 and that dealings in the Second Placing Shares on AIM will commence at the same time.

Related Party Transactions

North Atlantic Smaller Companies Investment Trust plc (“**NASCIT**”) is subscribing for 3,500,000 Placing Shares in the Placing at the Placing Price. The subscription by NASCIT constitutes a related party transaction for the purposes of the AIM Rules by virtue of NASCIT being a Substantial Shareholder of the Company and Christopher Mills, CEO of NASCIT, being a Non-Executive Director of the Company. The Independent Directors consider, having consulted with the Company’s nominated adviser, finnCap, that the terms upon which NASCIT is participating in the Placing are fair and reasonable insofar as the Company’s shareholders are concerned.

Canaccord Genuity Wealth Management (“**Canaccord**”) is subscribing for 1,571,429 Placing Shares in the Placing at the Placing Price. The subscription by Canaccord constitutes a related party transaction for the purposes of the AIM Rules by virtue of Canaccord being a Substantial Shareholder of the Company. The Directors consider, having consulted with the Company’s nominated adviser, finnCap, that the terms upon which Canaccord is participating in the Placing are fair and reasonable insofar as the Company’s shareholders are concerned.

General Meeting

The General Meeting will be held at 11.00 a.m. on 29 July 2022 at Frenkel House, 15 Carolina Way, Salford, Manchester, M50 2ZY as set out at the end of this document. The Resolutions will address the matters set out below:

- **Resolution 1** – an ordinary resolution seeking general authority for the Directors to allot and issue the Second Placing Shares.
- **Resolution 2** – an ordinary resolution seeking authority for the Directors to allot Ordinary Shares of up to 10 per cent. of the Enlarged Issued Share Capital.
- **Resolution 3** – a special resolution to disapply the statutory pre-emption rights in connection with the issue of the Second Placing Shares and the additional Ordinary Shares of up to 10 per cent. of the Enlarged Issued Share Capital.

Action to be taken

IMPORTANT NOTICE REGARDING THE GENERAL MEETING

The General Meeting will be held on 29 July 2022 at 11.00 a.m. as a physical meeting with Shareholders invited to attend in person.

As this is being held as a physical meeting, members will not be able to participate by electronic facilities, however Shareholders will be able to view the meeting via Zoom (if they wish to do so). Login details for this will be sent out separately ahead of the meeting. Please note that this facility will allow members to view and listen to the business of the General Meeting, but you will not be able to ask questions and vote in the meeting through Zoom. Shareholders appointing a proxy to vote on their behalf are recommended to appoint the Chairman of the General Meeting as their proxy. The Chairman will vote all proxy votes at the meeting in accordance with shareholder instructions which will have been provided beforehand.

A Form of Proxy is enclosed for use at the General Meeting.

Shareholders can appoint a proxy by following the Notes to the Notice of General Meeting.

All proposed resolutions will be put to a vote on a poll. This will result in a more accurate reflection of the views of Shareholders by ensuring that every vote is recognised. On a poll, each Shareholder has one vote for every Ordinary Share held. If you have any questions on the business of the meeting, you can send them in advance of the General Meeting to enquiries@frenkeltopping.co.uk and we shall respond directly.

Completed Forms of Proxy should be returned in the reply paid envelope provided to Neville Registrars Ltd as soon as possible and, in any event, by not later than 11.00 a.m. on 27 July 2022.

If you hold your Ordinary Shares in uncertificated form in CREST, you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual. Further details are also set

out in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by Neville Registrars Ltd by no later than 11.00 a.m. on 27 July 2022 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).

Recommendation

The Directors consider the Resolutions to be proposed at the General Meeting to be in the best interests of the Company and its Shareholders as a whole.

Accordingly, the Directors recommend that you vote in favour of the Resolutions, as they intend to do in respect of their own holdings of Ordinary Shares of the current issued share capital of the Company.

The Directors accept responsibility for the information set out in this document. To the best of their knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

Yours faithfully,

Tim Linacre

Chairman

Frenkel Topping Group plc

(the 'Company')

(Incorporated in England and Wales under the Companies Act 1985 with registered no. 04726826)

Notice of General Meeting

NOTICE IS HEREBY GIVEN that a general meeting of the Company ("**Meeting**") will be held at 11.00 a.m. on 29 July 2022 at Frenkel House, 15 Carolina Way, Salford, Manchester, M50 2ZY, to consider, and if thought fit, pass the following resolutions, of which the resolutions numbered 1 and 2 will be proposed as ordinary resolutions and the resolution numbered 3 will be proposed as a special resolution.

In each of the resolutions below, terms defined in the circular to shareholders published by the Company dated 6 July 2022 ("**Circular**"), of which this notice forms part, shall have the same meanings:

ORDINARY RESOLUTION

1. That in accordance with the requirements of section 551 of the Companies Act 2006 (the "**Act**"), and in addition to any existing authority (and without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authority), the directors of the Company (the "**Directors**") be and they are hereby generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for, or to convert any security into, shares in the Company such authority to be limited to a maximum aggregate nominal amount of £431,395.75 (8,627,915 new Ordinary Shares) **PROVIDED** that such authority shall expire on the earlier of (i) the conclusion of the annual general meeting of the Company to be held in 2023; and (ii) the date falling 18 months from the date of the passing of this Resolution unless any such authorities are renewed, varied or revoked by the Company prior to or on that date and provided also that the Company may, before such expiry, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after such expiry and the directors of the Company may allot shares in the Company or grant rights pursuant to any such offer or agreement as if the authority conferred by this Resolution had not expired.
2. That in addition to any existing authority, the Directors are generally and unconditionally authorised pursuant to section 551 of the Act to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares ("**Allotment Rights**"), but so that:
 - a. the maximum amount of shares that may be allotted or made the subject of Allotment Rights under this authority are shares up to 10 per cent. of the Enlarged Issued Share Capital with a maximum aggregate nominal value of £637,215.32; and
 - b. this authority shall expire at the close of business on 30 June 2023 or, if earlier, on the conclusion of the Company's annual general meeting to be held in 2023. The Company may make any offer or agreement before such expiry which would or might require shares to be allotted or Allotment Rights to be granted after such expiry and the Directors may allot shares or grant Allotment Rights under any such offer or agreement as if the authority had not expired.

SPECIAL RESOLUTION

3. Subject to Resolutions 1 and 2 being passed, in accordance with section 570(1) of the Act, and in addition to any existing authority, the Directors be and they are hereby empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authorities conferred by Resolutions 1 and 2 as if section 561 of the Act did not apply to such allotment, **PROVIDED** that this power shall be limited to the allotment and issue of new Ordinary Shares up to a maximum aggregate nominal amount of £1,068,611.07 and **PROVIDED ALSO** that such power may be renewed, revoked or varied by special resolution and that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry, and the directors of the Company may allot equity securities pursuant to any such offer or agreement as if such powers had not expired.

By order of the Board

Elaine Cullen-Grant
Company Secretary

6 July 2022

Registered office:

Frenkel House
15 Carolina Way
Manchester
M50 2ZY

Notes:

1. Pursuant to Regulation 41 of The Uncertificated Securities Regulations 2001, the Company specifies that only those shareholders registered in the register of members of the Company as at:
 - 6.00 p.m. on 28 July 2022; or,
 - if the Meeting is adjourned, at 6.00 p.m. on the day two days prior to the adjourned meetingshall be entitled to attend and vote at the Meeting.

Appointment of proxies

2. A member is entitled to attend, speak and vote at the Meeting and is entitled to appoint one or more proxies to attend, speak and vote in his stead. A proxy need not be a member of the Company. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
3. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, each different proxy appointment form must be received by Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD not less than 48 hours before the time appointed for the Meeting.
4. A vote withheld is not a vote in law which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
5. A form of proxy is enclosed. To be valid any form of proxy and power of attorney or other authority under which it is signed or a notarially certified or office copy of such power of authority must be lodged with the Company's Registrars Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD so as to be received not less than 48 hours before the time appointed for the Meeting or any adjourned meeting. The return of a form of proxy will not preclude a member from attending and voting at the Meeting in person should he subsequently decide to do so.
6. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
7. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & International Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST manual. The message must be transmitted so as to be received by the issuer's agent, Neville Registrars Limited (ID: 7RA11) not less than 48 hours before the time appointed for the Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST applications host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
8. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.
9. The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
10. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

10. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

