*The information contained within this announcement was deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 as amended.  With the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.*

**Frenkel Topping Group plc**

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

**Pre-Close Trading Update to 30th June 2023**

Ahead of the announcement of its half-year results due on 29 September 2023, Frenkel Topping (AIM: FEN), a specialist financial and professional services firm operating within the personal injury and clinical negligence marketplace, is pleased to provide the following trading update for the six month period ended 30th June 2023 (“HY2023”) and an outlook for the current financial year (“FY2023”).

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | H1 2023\*  (£m) | H1 2022\*  (£m) | % change | FY2022  Full year (£m) |
| Revenue | 16.0 | 11.1 | 44% | 24.8 |
| Recurring revenue | 5.9 | 5.4 | 9% | 11.0 |
| Gross profit | 6.6 | 5.0 | 32% | 11.1 |
| EBITDA\*\* | 3.5 | 2.7 | 30% | 6.1 |
| Profit attributable to shareholders | 1.7 | 0.9 | 89% | 1.7 |
| EPS (basic) | 1.4 pence | 0.8 pence | 75% | 1.5 pence |
| Cash generated from operating activities | 1.5 | 0.6 | 150% | 0.7 |

\*Unaudited

\*\*EBITDA before share based compensation, acquisition strategy, integration and reorganisation costs

Assets Under Management ("AUM") has grown to £1,261m (HY2022: £1,155m). The Company is also pleased to again report its outstanding client retention rate maintained at 99%.

This performance demonstrates the Company’s continued resilience in a challenging financial market, as well as the progress made by the Company in diversifying revenue streams via its focused acquisition strategy and consolidation of the Personal Injury (PI) and Clinical Negligence (CN) space.

Of note is the performance of the Group’s discretionary fund manager, Ascencia Investment Management (“Ascencia”), where assets on a DFM Mandate increased to £761m (HY2022: £667m).

As we saw in the previous financial year the Group’s recurring revenue has continued to be supplemented by transactional revenue delivered by the Group’s businesses acquired during the last 3 years, underlining the success of diversifying revenue streams, seeing total revenues at £16m, but with a consequential change in margin profile.

The Company’s group businesses have enjoyed real momentum in the period with Cardinal Management Limited (“Cardinal”) adding two new sites to its Major Trauma Centre portfolio in recent months through John Radcliffe Hospital, run by Oxford University Hospitals NHS Foundation Trust and Alder Hey Children's Hospital opting to join Cardinal after a competitive tender process.

**Outlook**

The business goes into the second half of the year carrying real momentum from H1, benefiting from the diversification of revenue and encouraging growth in transactional revenue. We do expect financial markets to remain challenging, which will continue to moderately impact AUM growth and the Company’s recurring revenue generated from this. However, the Board maintains confidence in the full year outturn and its expectation for the year which are tracking in line with management’s expectation.

**Notice of results and update on strategy**

Final, unaudited results for the six months ended 30th June 2023 are expected to be announced on 29 September 2023.

*\* The financial expectations noted above are preliminary. Adj. EBITDA defined as before share based compensation, acquisition, integration and re-organisation costs.*

**For further information:** 

|  |  |
| --- | --- |
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| Richard Fraser, Chief Executive Officer | Tel: 0161 886 8000 |
|  |  |
| **finnCap Ltd (Nominated Advisor & Broker)** | Tel: 020 7220 0500 |
| Carl Holmes/Abigail Kelly/Milesh Hindocha (Corporate Finance)  Tim Redfern / Charlotte Sutcliffe (ECM) |  |

**About Frenkel Topping Group**

The Frenkel Topping Group of companies 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 (PI) and clinical negligence (CN).

For more than 30 years the Group has worked with legal professionals and injured clients themselves to provide pre-settlement, at-settlement and post-settlement services to help achieve the best long-term outcomes for clients after injury. It boasts a client retention rate of 99%.

Frenkel Topping Group is focused on consolidating the fragmented PI and CN space in order to provide the most comprehensive suite of services to clients and deliver a best-in-class service offering from immediately after injury or illness and for the rest of their lives.

The group's services include the Major Trauma Signposting Partnership service inside NHS Major Trauma Centres, expert witness, costs, tax and forensic accountancy, independent financial advice, investment management, and care and case management.

The Group's discretionary fund manager, Ascencia, manages financial portfolios for clients in unique circumstances, often who have received a financial settlement after litigation. 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).

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.

For more information visit:      [www.frenkeltoppinggroup.co.uk](https://protect-eu.mimecast.com/s/WNCMCR1EKSxDwoTNKWD-?domain=frenkeltoppinggroup.co.uk)