

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")

Results for the 12 months ended 31 December 2024

Frenkel Topping Group (AIM: FEN), a specialist professional and financial services firm operating in the Personal Injury (PI) Clinical Negligence (CN) space, is pleased to announce its final results for the 12 months ended 31 December 2024 ("FY24") and an encouraging start to the 2025 financial year.

Financial Highlights

	FY 2024	FY 2023	% change
Revenue	<i>£37.4m</i>	<i>£32.8m</i>	<i>14%</i>
Recurring revenue	<i>£13.4m</i>	<i>£12.0m</i>	<i>12%</i>
Non-recurring revenue	<i>£24.0m</i>	<i>£20.8m</i>	<i>15%</i>
Gross profit	<i>£14.4m</i>	<i>£13.9m</i>	<i>4%</i>
Adjusted EBITDA*	<i>£8.0m</i>	<i>£8.0m</i>	<i>-</i>
Adjusted profit from operations	<i>£7.2m</i>	<i>£7.2m</i>	<i>-</i>
Profit before tax	<i>£4.2m</i>	<i>£3.2m</i>	<i>31%</i>
EPS – basic	<i>2.3p</i>	<i>1.4p</i>	<i>64%</i>
Adjusted EPS - basic*	<i>3.9p</i>	<i>4.3p</i>	<i>(10%)</i>

Total dividends (paid and proposed)	<i>1.375 pence per share</i>	<i>1.375 pence per share</i>
Cash generated from operating activities	<i>£2.0m</i>	<i>£3.2m</i>
Cash	<i>£3.1m</i>	<i>£2.4m</i>
Net cash/(debt)	<i>(£3.8m)</i>	<i>£2.4m</i>

**Adjusted EBITDA and Adjusted EPS are stated after adding back share based compensation, re-organisation, costs relating to our acquisition strategy and any exceptional items.*

Operational Highlights

- Funds under management ("FUM") of £1,560m (2023: £1,335m) – growth of 17% - a record year for assets added
- Funds on a discretionary mandate ("DFM") of £1,031m (2023: £820m) – growth of 26%, a landmark year as we cross £1bn and win a number of awards
- Money Market Solution launched in June 2023 grew to £130m (2023: £39m)
- Acquisition of Northwest Law Services ("NWL") – a leading firm of costs consultants, already exceeding expectations for revenue and profit contribution
- Sixteenth consecutive year of high client retention (99%) in investment management services
- One new Major Trauma Centre added by Cardinal Management Limited ("Cardinal") during the year and a further Centre added post year end at Sheffield Children's Hospital and Royal Stoke University Hospital respectively

- Record growth in number of Medico-Legal Expert Witnesses available – a key driver in future revenue growth
- Revolving Credit Facility of £7.5m put in place with Santander
- Record year of fundraising by Frenkel Topping Charitable Foundation – over £120k raised to support individuals who have suffered life-changing events
- Welfare Benefits team identified £2.7m (2023: £2.1m) of unclaimed benefits, demonstrating our commitment to supporting our clients
- Board have assessed the impact of changes in National Insurance & National Minimum Wage set by the Autumn Budget on future period and taking steps to minimise as far as is practicable

Richard Fraser, CEO of Frenkel Topping, said:

“Our 2024 results demonstrate the success of our growth strategy over recent years and the resilience of our business against the backdrop of challenges faced within our costs segment which had a modest impact on the year end outturn, as previously announced.

Pleasingly, we have had a record year of growth in FUM thanks to the skills and expertise of our sales team, aided by the excellent performance of our DFM, Ascencia Investment Management, which crossed the £1bn threshold, a landmark achievement.

Our professional services businesses have also continued to grow, with non-recurring revenue up by 15%, with 9% of the growth in this area coming from organic growth across our business units. This was aided by the acquisition of Northwest Law Services during April 2024, which is already outperforming our original expectations for revenue and profitability.

This demonstrates the strength of the acquisition strategy with the Company demonstrably identifying businesses that the management has been able to grow and capture upside opportunities as well as diversifying revenue streams. We will continue to explore synergies, to invest in our people, data and efficiencies in order to help us to further take advantage of opportunities that the enlarged Group presents.

We have started 2025 strongly, with a record first quarter and we remain confident for the year ahead.”

For further information:

Frenkel Topping Group plc

www.frenkeltoppinggroup.co.uk

Richard Fraser, Chief Executive Officer

Tel: 0161 886 8000

Cavendish Capital Markets Ltd (Nominated Adviser & Broker)

Tel: 020 7220 0500

Carl Holmes/ Isaac Hooper/ Fergus Sullivan (Corporate Finance)
Tim Redfern / Jamie Anderson (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

Chairman's Statement

Overview

On behalf of the Board of Directors, I am pleased to report on a year of progress for the Group against a challenging market backdrop, in which we continued to deliver against our strategy in the personal injury and clinical negligence space, as shown with the record growth in both FUM and funds on a discretionary mandate. We have carved out a leading position in our chosen niche market segment and we continue to consolidate and develop our offering, ensuring our clients receive the absolute best support and advice in a focused and consolidated manner.

The year was not without some headwinds, particularly within our Costs segment at Partners in Costs ("PIC"). However we have addressed these swiftly by way of strategic appointments and with a focus on optimising key business processes in this area. We now look forward with positivity with Partners in Costs having started the new financial year well and contributing positively again.

Additionally, we were pleased to welcome NWL to the Group during April 2024 to further strengthen our Costs offering. This has proved an excellent strategic fit within the Group, offering access to high-quality work with a customer-focused approach. We continue to look at other acquisition opportunities where these can complement and add to our existing offering, whilst also aligning with our values.

Consumer Duty

During 2024 the Group made considerable progress in the embedding of Consumer Duty, including the appointment of Executive and Non-Executive level 'champions' who meet on a regular basis to address our ongoing commitment to the Consumer Duty pillars. Management and the Board has worked hard to make sure there is robust governance in place around Consumer Duty and have ensured material regulatory implications have been fully addressed and fair value assessment and associated best practice has been completed and implemented. The pillars of Consumer Duty align with the Group's values in putting clients' needs first in order to improve outcomes for consumers.

Dividend

Total dividends proposed for the year are 1.375p per share (FY 2023: 1.375p).

Outlook

We have entered 2025 with challenges arising from the Autumn Budget 2024 in terms of increases in National Insurance (NI) and National Minimum Wage (NMW), which the team is working hard to minimise the impact of. Additionally, the work done during 2024 has given us a stable foundation from which to build. This, alongside our continued investment into people, data and efficiencies, means we are well positioned to begin to maximise the opportunities of our broad service offering.

We have seen a strong performance in Q1 and remain confident in achieving management expectations over the remainder of the year.

Christopher Mills
Chairman

Chief Executive Officer's Statement

Review of the Year

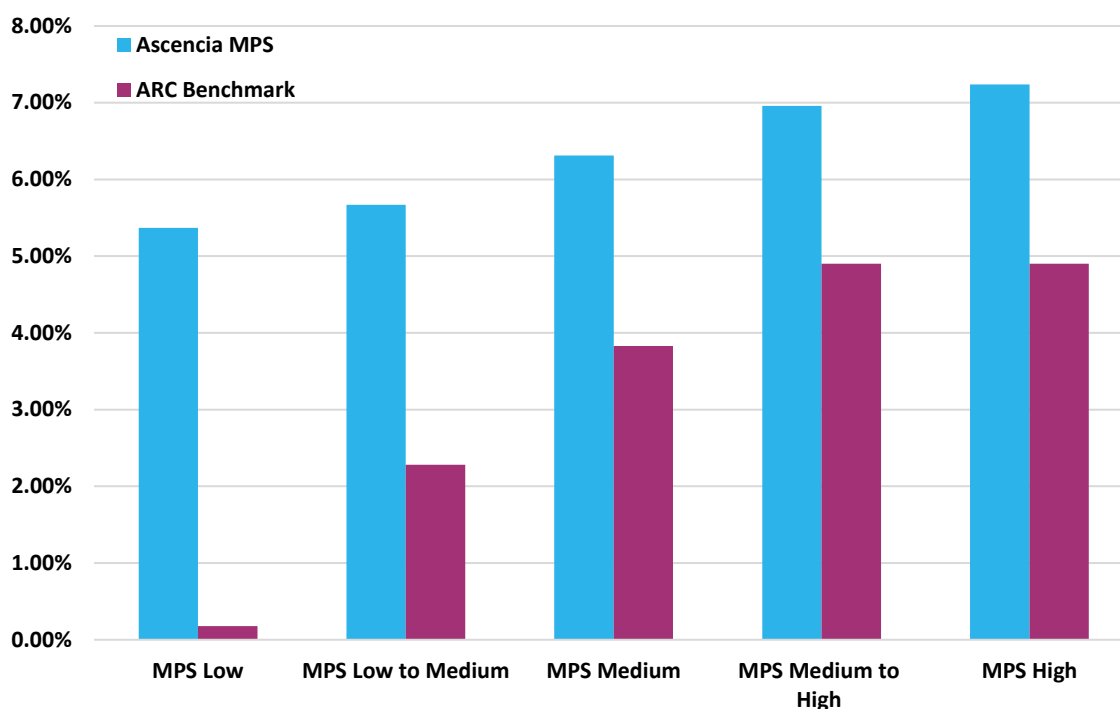
We are pleased to report our results for 2024, a year of record growth in FUM for the Group which has been the most pleasing result and development against a tough market backdrop.

This is in no small part, due to the skills and expertise of our consultants, our Business Development team and the work done across the Group in embedding our services within solicitor firms in order to ensure that we can be seen as a trusted partner when the time comes for their clients to invest their settlement award.

It was particularly pleasing to note that 31% of the new FUM added in FY2024 was added by team members who had previously come through our Graduate Scheme, which speaks volumes in regards to the success of this scheme and our continued investment in people.

Our in-house discretionary fund manager, Ascencia Investment Management (Ascencia), continued to show that its conservative multi-asset investment approach delivers a smooth client investment experience, focused on asset protection.

3 year return to 31st December 2024 compared to benchmarks are shown below:



Ascencia continued to demonstrate resilient performance in Q1 2025, despite heightened economic policy uncertainty and broader market volatility, with MPS Low to Medium returning 0.89% compared to ARC Sterling Balance Asset PCI returning -0.46%.

During FY2024 Ascencia was recognised as Highly Commended in the Defaqto Defensive Comparator Sector and awarded with the ARC 3D Research Award. We are also pleased to now report that Ascencia has been further recognised in the Defaqto MPS Awards 2025:

- **Defaqto Defensive Comparator Sector – Winner** - Ascencia Portfolio of Sharia Compliant Solutions 4
- **Defaqto Defensive Comparator Sector – Highly Commended** - Ascencia Safety First 3
- **Defaqto Cautious Comparator Sector – Highly Commended** - Ascencia Portfolio of Sharia Compliant Solutions 5
- **Defaqto Balanced Comparator Sector – Highly Commended** - Ascencia Portfolio of Sharia Compliant Solutions 6

We have seen a number of key successes across the wider Group, with growth in each operating segment, as set out in note 1 of the financial statements. This is a testament to the hard work of the staff across all of our business units and I would like to thank them for their efforts during the year, particularly the team within NWL who we welcomed to the Group during April 2024.

NWL has helped to strengthen our Costs offering which faced a challenging year but still managed to deliver growth in profit before tax of 10% compared to 2023 and remains a key area of focus for the year ahead. We have continued to grow our Costs Training Academy with three intakes during 2024 and the same again planned for 2025.

Within PIC, management addressed a number of challenges faced in the early part of the year in regards to recruitment and technology. The board addressed these challenges by restructuring management and business development to align with the Group's growth strategy and continued to invest in improvements to technology. We are pleased to report that these actions have led to an increase in instructions of 26% and increased revenue of 20% in Q1 FY25 compared to FY24. EBITDA has more than tripled in the same period.

Within Cardinal we were pleased to announce a new partnership with the NHS Major Trauma Centre (MTC) at Sheffield Children's Hospital during 2024, with a further partnership signed in Q1 2025 with Royal Stoke University Hospital. In addition to this, Cardinal also launched Re.Source v2.0, a directory made available to NHS staff at MTCs allowing medical professionals easy access to make referrals to patients for care needs after discharge from the MTC. These partnerships allow the NHS to facilitate additional support for patients at difficult times for them and their families.

Our Medico-Legal Expert Witness business, Somek and Associates ('Somek') attracted more than 70 new Associates during 2024, growing the overall number of Medico-Legal experts by 36% which is expected to drive significant revenue growth in this area. Due to the strength of our recruitment campaigns, the skills of our Associate Trainers and our robust processes, we believe we can achieve, and are on track to deliver, similar growth in the number of Associates during 2025 whilst still upholding the gold standard quality of our work.

Within Case Management we continued to increase our headcount and geographical reach in order to expand and fulfil the further untapped potential. Having evaluated a number of potential acquisition opportunities in this space the Board has resolved to focus on growing this business division organically, with our focus shifting to ensuring our Case Managers have full caseloads and can work efficiently.

National Insurance & National Minimum Wage

As announced post period end, following the most recent government financial budget the Board spent time assessing the impact on the current financial year (FY2025) and future periods. The anticipated impact of National Insurance (NI) and National Minimum Wage (NMW) is expected to be c.£360k in FY2025 and c.£500k thereafter on an annualised basis. The Board has worked hard, and continues to do so, in order to mitigate this external headwind as far as possible through cost control and technology efficiencies.

Market Landscape

According to industry data from NHS Litigation Authority, the NHS paid out Clinical Negligence Damages of £2.1bn across a total of 6,899 claims during the 12 months to 31 March 2024 (2023: £2.0bn across 6,888 claims).

Media sources suggest road traffic accidents accounted for 29,540 deaths or serious injuries with £2.4bn paid out on motor insurance claims during 2023.

Growth Strategy

Our strategic pillars to drive future growth are People, Data and Efficiencies.

People:

2024 has seen the continued success of our investment in people. In addition to the 31% of FUM added having come through members of the team who progressed through our Graduate Training Academy, we also welcomed seventeen new entrants to our Costs Training Academy, who have all contributed to revenue in the year.

We have a continued focus in this area in the year ahead, with a further three intakes to the Costs Academy and one within Financial Services planned.

Data:

We have made considerable progress with regards to how we manage our data during the year and this continues into 2025 with a focus on data integrity and consistency with a view to enabling the ability to identify opportunities and enact cross-selling across the Group.

Efficiencies:

Within our Costs segment, we were able to enhance file transfer technologies with reported time efficiency improvements of c13 days per month. We have further work ongoing in this area, both

within Costs and Financial Services, to further improve the time taken to handle work for our clients, cutting down on manual processing and allowing our team to focus on tasks which add value for our clients.

These pillars present significant opportunities to continue to grow the business, increase market share and move towards our goal of growing FUM by £300m per annum by 2027.

Outlook

2025 has seen a strong start across the Group, with Q1 slightly ahead of overall Group budget, buoyed by the level of FUM added during 2024 and with a healthy pipeline in place for the remainder of the year. This performance is echoed by our transactional businesses and we are particularly pleased with the performance of our Costs segment during the first quarter, delivering growth and the team having learnt from challenges faced in the prior year which we addressed and rectified expeditiously.

These successes and opportunities come against the backdrop of increased costs relating to Employer's NI and National Minimum Wage, which, as a people-based business, we are not immune to. However, despite these challenges management remains confident in our expectations for the year ahead and beyond

Richard Fraser
Chief Executive Officer

Chief Financial Officer's Report

Recurring Revenue

2024 saw record growth in both FUM (17%) and Funds on a Discretionary Mandate (26%) which in turn led to an increase of 12% in recurring revenue to £13.4m in 2024 (2023: £12.0m) and means we began 2025 on a strong footing.

Ascencia's 'Money Market Solution', launched in 2023 in order to provide clients with an investment solution that benefited from the higher interest rate environment, saw continued demand from both new and existing clients with total funds reaching £130m (2023: £39m) by the year end. Whilst funds in this product earn a lower fee than those invested in our other investment solutions, we have begun to see demand switch back towards our higher-margin fully-invested products.

Non-recurring revenue

Non-recurring revenue grew by 15% on the whole to £24.0m (2023: £20.8m). Of this, £1.4m or 6% was related to the acquisition of NWL, whilst pleasingly a further £1.8m or 9% came from organic growth in the existing Group.

A significant proportion of the organic growth occurred within our Medico-Legal Expert Witness business, Somek, which reported increased revenue of 20% (£1.15m) driven by the continued growth in the number of experts added in recent years, which remains a key focus area for growth moving forward.

Margin

In addition to the impact of lower margin investment solutions in the short term, margin has suffered during the year as a result of general wage inflation, increased technology costs and, as discussed within the CEO Statement, issues faced within our Costs segment.

	2024	2023
Revenue	37.4	32.8

Adjusted EBITDA	8.0	8.0
Adjusted EBITDA Margin	21.4%	24.4%

As a people-based service business, the impact of the Autumn Budget 2024 and general wage inflation represent continued pressures on our margin and it is unlikely that we will return to our 2023 level overnight. However, as discussed within the CEO Statement and Strategic Report, we continue to explore opportunities relating to Data and Efficiencies whilst also investing in our People with a view to improving efficiencies, minimising the overall impact of NI and NMW and driving margin improvements in the medium to long term.

Working Capital

Whilst pre-tax Cash from Operations remains positive at £3.4m, this is down from 2023's £4.2m. Of this, £0.4m can be explained by lower Profit from Operations as a result of acquisition costs and exceptional items.

There is also the impact of a slight lengthening of debtor days. Total debtor days, calculated including trade debtors and accrued income, are shown below by operating segment and as a comparative to the prior year:

	2024	2023
Financial Services	84	88
Costs	385	309
Other professional services	181	185
Total	197	178

The table shows that whilst timing of receipts in relation to Financial and Other Professional Services have showed slight improvement, our debtor days in relation to our Costs businesses have extended, a result of delays in the court systems.

Recent official County Court data shows that multi/fast track claims in the period ending June 2024 were taking on average 20.2 weeks longer than they did in 2019, representing a significant delay for those seeking justice, as well as for the Group's cashflow cycle and that of other professional parties involved. We welcome the Justice Committee's new enquiry into the work of the County Court, launched on 21st January 2025, to seek to address these issues.

Within our Court of Protection team, we have seen delays within the Senior Courts Costs Office (SCCO) also worsen. The SCCO provides a vital service to vulnerable individuals who lack capacity to manage their own affairs and require a court appointed deputy.

A Freedom of Information request submitted by the Professional Deputies Forum showed the average time from receipt of a provisional assessment to the assessment being carried out has grown significantly:

	2019/20	2020/21	2021/22	2022/23	2023/24	To July 2024
Average wait time (days)	35	42	105	175	280	308

In addition to these delays slightly impacting the Group's cashflows, they also impact on that of the court appointed deputies which can only serve as a deterrent to anyone in taking on such a role, in turn impacting on the vulnerable individuals.

The same report does also show that the SCCO has modestly increased staff numbers to try and address the delays. We welcome this but acknowledge it will take some time for the newer staff to become efficient in their roles and begin to reduce the delays.

The action taken by both the Justice Committee and the SCCO gives management sufficient confidence that these delays are being addressed and will not represent a long-term issue within our working capital cycle.

Revolving Credit Facility / Net Debt

During January 2025 the Group secured a revolving credit facility of £7.5m with Santander in order to fund previously committed acquisition related payments, the acquisition of NWL and give flexibility to continue to pursue our acquisition strategy. As such, by the year end we have moved to a net debt position for the first time:

	2024	2023
Net cash/(debt) (£m)	(3.8)	2.4

Earnings Per Share (EPS)

Whilst stated EPS has improved to 2.3 pence (2023: 1.4 pence) we have seen a drop off in Adjusted EPS to 3.9 pence (2023: 4.3 pence). This is as a result of finance costs in relation to debt taken on to fund the acquisition made in the year and deferred and contingent payments relating to acquisitions made in prior years.

As we move forward, continuing to grow profitability and increase cashflows we will begin to reduce debt levels and expect to see improvements in both stated and Adjusted EPS moving forward.

Elaine Cullen-Grant
Chief Financial Officer

GROUP STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2024

	2024 £'000	2023 £'000
REVENUE	37,401	32,809
Direct staff costs	(23,025)	(18,943)
GROSS PROFIT	14,376	13,866
Administrative expenses	(9,706)	(8,797)
Adjusted profit from operations	7,153	7,233
Share based compensation	(133)	(610)
Other adjustments to profit from operations	(2,350)	(1,554)
PROFIT FROM OPERATIONS	4,670	5,069
Finance and other income	21	20
Finance costs	(744)	(532)
Revaluation of contingent consideration	204	(1,364)
PROFIT BEFORE TAX	4,151	3,193
Income tax expense	(1,120)	(1,286)
PROFIT FOR THE YEAR	3,031	1,907
ITEMS THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS:		
Gains on property revaluation arising net of tax	30	80
TOTAL COMPREHENSIVE INCOME FOR YEAR	3,061	1,987
PROFIT ATTRIBUTABLE TO:		
Owners of the parent undertaking	2,795	1,661
Non-controlling interests	236	246
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Owners of the parent undertaking	2,825	1,741
Non-controlling interests	236	246
Earnings per ordinary share – basic (pence)	2.3p	1.4p
Earnings per ordinary share – diluted (pence)	2.1p	1.3p
Adjusted earnings per ordinary share – basic (pence)	3.9p	4.3p
Adjusted earnings per ordinary share – diluted (pence)	3.7p	4.0p

All amounts are derived from continuing operations.

The Notes to the Financial Statements form an integral part of these financial statements.

GROUP STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Group 2024 £'000	Group 2023 £'000
ASSETS		
NON-CURRENT ASSETS		
Goodwill and other intangibles	30,602	29,210
Property, plant and equipment	3,450	2,998
Loans receivable	101	151
	<hr/> 34,153	<hr/> 32,359
CURRENT ASSETS		
Accrued income	9,057	6,066
Trade receivables	12,480	11,282
Other receivables	911	896
Investments	114	107
Cash and cash equivalents	3,138	2,425
	<hr/> 25,700	<hr/> 20,776
TOTAL ASSETS	<hr/> 59,853	<hr/> 53,135
EQUITY AND LIABILITIES		
EQUITY		
Share capital	640	640
Share premium	22,706	22,706
Merger reserve	6,155	6,492
Revaluation reserve	589	559
Other reserve	(341)	(341)
Own shares reserve	(2,130)	(2,134)
Retained earnings	14,324	13,134
	<hr/> 41,943	<hr/> 41,056
Equity attributable to owners of the parent company	41,943	41,056
Non-controlling interests	308	344
	<hr/> 42,251	<hr/> 41,400
TOTAL EQUITY	<hr/> 42,251	<hr/> 41,400
CURRENT LIABILITIES	<hr/> 1,015	<hr/> 999
Current taxation	6,306	8,112
Trade and other payables		
	<hr/> 7,321	<hr/> 9,111
LONG TERM LIABILITIES	10,281	2,624
	<hr/> 59,853	<hr/> 53,135
TOTAL EQUITY AND LIABILITIES	<hr/> 59,853	<hr/> 53,135

GROUP STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Merger reserve	Other Reserve	Own shares Reserve	Retained Earnings	Revaluation reserve	Total controlling interest	Non-controlling interests	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance 1 January 2023	637	22,706	6,245	(341)	(2,211)	12,296	479	39,811	283	40,094
Issue of Share Capital	3	-	247	-	-	-	-	250	-	250
Share based compensation	-	-	-	-	77	-	-	77	-	77
Sale of own shares	-	-	-	-	-	443	-	443	-	443
Dividend paid	-	-	-	-	-	(1,266)	-	(1,266)	(185)	(1,451)
Total transactions with owners recognised in equity	3	-	247	-	77	(823)	-	(496)	(185)	(681)
Profit for year	-	-	-	-	-	1,661	-	1,661	246	1,907
Other comprehensive income	-	-	-	-	-	-	80	80	-	80
Total comprehensive income	-	-	-	-	-	1,661	80	1,741	246	1,987
Balance at 1 January 2024	640	22,706	6,492	(341)	(2,134)	13,134	559	41,056	344	41,400
Sale of own shares	-	-	-	-	-	-	-	-	-	-
Share based compensation	-	-	-	-	4	27	-	31	-	31
Non-controlling interests acquired	-	-	(337)	-	-	58	-	(279)	(58)	(337)
Dividend paid	-	-	-	-	-	(1,690)	-	(1,690)	(214)	(1,904)
Total transactions with owners recognised in equity	-	-	(337)	-	4	(1,605)	-	(1,938)	(272)	(2,210)
Profit for year	-	-	-	-	-	2,795	-	2,795	236	3,031
Other comprehensive income	-	-	-	-	-	-	30	30	-	30
Total comprehensive income	-	-	-	-	-	2,795	30	2,825	236	3,061
Balance at 31 December 2024	640	22,706	6,155	(341)	(2,130)	14,324	589	41,943	308	42,251

GROUP CASHFLOW STATEMENT
for the year ended 31 December 2024

	Group 2024 £'000	Group 2023 £'000
Profit before tax	4,151	3,193
Adjustments to reconcile profit before tax to cash generated from operating activities:		
Finance income	(21)	(20)
Finance costs	744	532
Revaluation of contingent consideration	(204)	1,364
Goodwill write off	-	62
Share based compensation	499	499
	234	
Depreciation and amortisation		720
	852	
(Increase)/decrease in accrued income, trade and other receivables	(2,547)	(2,736)
(Decrease)/increase in trade and other payables	192	612
Cash generated from operations	3,401	4,226
Income tax paid	(1,430)	(1,014)
Cash generated from operating activities	1,971	3,212
Investing activities		
Acquisition of property, plant and equipment	(238)	(290)
Acquisition and deferred consideration payments	(5,115)	(3,518)
Cash acquired on acquisition of subsidiaries	232	-
Cash used in investment activities	(5,121)	(3,808)
Financing activities		
Exercise of share options		1
	-	
Dividends paid	(1,903)	(1,451)
Loans received	7,179	237
Repayment of borrowing	(257)	(201)
Interest element of lease payments	(59)	(38)
Principal element of lease payments	(578)	(516)
Interest received	13	13
Other interest paid and foreign exchange losses	(532)	(10)
Cash (used in)/generated from financing activities	3,863	(1,965)
Decrease in cash and cash equivalents	713	(2,561)
Opening cash and cash equivalents	2,425	4,986
Closing cash and cash equivalents	3,138	2,425

Cash and cash equivalents are held at Santander UK plc.

Frenkel Topping Group Plc

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

GENERAL INFORMATION

The preliminary financial information does not constitute full accounts within the meaning of section 434 of the Companies Act 2006 but is derived from accounts for the years ended 31 December 2024 and 31 December 2023. The figures for the year ended 31 December 2024 are audited. The preliminary announcement is prepared on the same basis as set out in the statutory accounts for the year ended 31 December 2024. Those accounts upon which the auditors issued an unqualified opinion, did not include a reference to any matters to which the auditors drew attention by way of emphasis, without qualifying their report, and made no statement under section 498(2) or (3) of the Companies Act 2006, will be delivered to the Registrar of Companies following the Annual General Meeting.

Statutory accounts for the year ended 31 December 2023 have been filed with the registrar of Companies. The auditors report on those accounts was unqualified did not include a reference to any matters to which the auditors drew attention by way of emphasis, without qualifying their report, and made no statement under section 498(2) or (3) of the Companies Act 2006.

While the financial information included in this preliminary report has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standard (IFRS), as adopted by the U.K., this announcement does not in itself contain sufficient information to comply with IFRS.

Frenkel Topping Group Plc is incorporated and domiciled in the United Kingdom.

1 REVENUE AND SEGMENTAL REPORTING

All of the Group's revenue arises from activities within the UK.
Revenue arising from recurring and non-recurring sources is as follows:

	Group 2024 £'000	Group 2023 £'000
Recurring	13,405	11,961
Non-recurring	23,996	20,848
Total revenue	<u>37,401</u>	<u>32,809</u>

OPERATING SEGMENTS

The Group's chief operating decision maker is deemed to be the CEO. The CEO has identified the following operating segments:

Financial Services:

This segment includes our independent financial advisory, discretionary fund management and financial services businesses.

Costs Law:

This segment includes each of our costs law services businesses.

Other Professional Services:

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This segment includes our major trauma signposting, forensic accountancy, care and case management and medico-legal reporting businesses.

Central Services:

This is predominantly a cost centre for managing Group related activities or other costs not specifically related to a product.

	Financial services £'000	Costs Law £'000	Other Professional Services £'000	Central Services £'000	Total £'000
2024					
Revenue	14,207	9,852	13,206	136	37,401
Depreciation	419	166	267	-	852
Finance Income	18	1	1	1	21
Finance Costs	21	8	30	685	744
Profit before tax	4,312	1,769	2,628	(4,558)	4,151
Corporation tax	(412)	(228)	(513)	33	(1,120)
Profit After Tax	3,900	1,541	2,115	(4,525)	3,031
Additions to plant property and equipment	536	179	558	-	1,273
Additions/(disposals) to Goodwill and other intangibles	-	-	-	1,392	1,392
2023					
Revenue	12,778	8,355	11,570	106	32,809
Depreciation	341	115	264	-	720
Finance Income	12	1	2	5	20
Finance Costs	23	7	18	484	532
Profit before tax	4,153	1,609	2,598	(5,167)	3,193
Corporation tax	(625)	(306)	(352)	(3)	(1,286)
Profit After Tax	3,528	1,303	2,246	(5,170)	1,907
Additions to plant property and equipment	536	91	202	-	829
Additions/(disposals) to Goodwill and other intangibles	-	-	-	(369)	(369)

Measures of total assets and total liabilities are not shown as they are not regularly reviewed by the CEO.

	Group 2024 £'000	Group 2023 £'000
2 TAXATION		
ANALYSIS OF CHARGE IN YEAR		
CURRENT TAX		
UK corporation tax	1,163	1,251
Adjustments in respect of previous periods	(10)	(7)

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Total current tax charge	1,153	1,244
Deferred tax		
Temporary differences, origination and reversal	(33)	42
Total deferred tax charge/(credit)	(33)	42
Tax on profit on ordinary activities	1,120	1,286

FACTORS AFFECTING TAX CHARGE FOR YEAR

The corporation tax rate rose to 25% from 1 April 2024. The effective standard rate of tax applied to reported profit on ordinary activities is 25 per cent (2023: 23.52 per cent). There is no expiry date on timing differences, unused tax losses or tax credits.

The charge for the year can be reconciled to the profit per the income statement as follows:

	Group 2024 £'000	Group 2023 £'000
Profit before taxation	4,151	3,193
Profit multiplied by effective rate of corporation tax in the UK of 25% (2023: 23.52%)	1,038	751
EFFECTS OF:		
Expenses not deductible less capital allowances	155	241
Revaluation of contingent consideration not tax allowable	(51)	321
Deferred tax relating to Share based payments	(6)	(140)
Previous period adjustments	(10)	(7)
Deferred tax	(27)	162
Other (deductions)/charges	21	(42)
Total tax expense for year	1,120	1,286

3 EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

	Group 2024 £'000	Group 2023 £'000
Earnings		
Earnings for the purposes of basic and diluted earnings per share (net profit for the year attributable to equity holders of the parent)	2,795	1,661
Earnings for the purposes of adjusted basic earnings per share (as above, adjusted for share based compensation, acquisition strategy, reorganisation costs and unwinding of the discount on deferred consideration)	4,759	5,217
Number of shares	'000	'000
Weighted average number of ordinary shares for the purposes of basic earnings per share		
Weighted average shares in issue	128,013	127,693
Less: weighted average own shares held	(5,128)	(5,216)
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	122,885	122,477
Effect of dilutive potential ordinary shares:		
- Share options	7,254	7,300
	<hr/>	<hr/>
Weighted average number of ordinary shares for the purposes of diluted earnings per share	130,139	129,777
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Earnings per ordinary share – basic (pence)	2.3p	1.4p
Earnings per ordinary share – diluted (pence)	2.1p	1.3p
Adjusted earnings per ordinary share – basic (pence)	3.9p	4.3p
Adjusted earnings per ordinary share – diluted (pence)	3.7p	4.0p
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