

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

**Strategic Update**

Frenkel Topping (AIM: FEN), a specialist independent financial advisor and asset manager focused on asset protection for vulnerable clients, provides a strategic update for the group.

Since the changes to the executive team during the last few months, the Board has undertaken a detailed review of the Company's activities and competitive advantages. As a result of this, the Directors of the Company believe that the potential addressable market available to the Company is broader than that which the Company has historically targeted, being a focus on medical negligence or personal injury cases. As a result of this, the Board has made investments in the Company's cost base to reflect a restructuring of the Company along the following core business lines:

1. Continuing to offer expert witness and Independent Financial Advice to clients who have suffered personal injury or medical negligence claims as the established market leader.
2. Frenkel Topping Investment Management Limited ("FTIM") continues to offer low risk investment products that are designed to preserve our clients' assets but also offers higher return products that are more exposed to equities. The Company will continue to seek to expand FTIM's offering beyond the current three core portfolios offered and will seek to expand FTIM's services to a wider audience.
3. A recently launched new business, Obiter Wealth Management Limited ("Obiter"). This division will offer financial advice to clients who are in receipt of large lump sums that they need to invest. These clients may include the former owners of family businesses that they have recently sold, divorcees, retirees who are in receipt of a large lump sum or may need to invest their pension pot to provide income in retirement and charities who need to invest in very safe assets.

In order to permit the growth in the Company's existing business and the new activities referred to above, the Company has increased its cost base slightly this year and will continue to do so in 2018 and beyond. This will allow investments in information technology, compliance, marketing and additional hiring, which is described in more detail below.

Adding to the current infrastructure is expected to deliver disproportionate growth in operating profit in the medium term, as the Company is able to significantly increase the amount of assets under management that it is able to target and potentially with shorter sales cycles than is currently the case as it moves into targeting new end clients through Obiter. As part of the changes to the Company's strategy, the Company will have a lesser focus on utilising its cash resources to drive investment profits, including property revaluations, which have assisted the Company to trade broadly in line with its market expectations, as announced on 14 November 2017.

The Group also announces that it has accepted the first intake into its Graduate Development Scheme, who over a two year training programme will gain experience in all aspects of our business and will obtain the initial qualifications they need to become the Investment Advisors of the future. Most of those selected for the programme are existing employees and the expectation that existing

personnel will be considered for new positions helps staff morale. In addition, the improved work place offered in our new offices, improved information systems provided by our investment in technology and attractive employment terms all help staff retention, which the Board believes is important in driving the long term success of the Company.

Paul Richardson, Executive Chairman, commented: "Since the new executive team has been put in place, we have thoroughly reviewed the Company's strengths and the best way to leverage Frenkel Topping's competitive advantage in servicing vulnerable clients. The Company benefits from a high proportion of recurring revenue, which provides us with the confidence to make additional investments in Frenkel Topping's infrastructure. Whilst this will result in some increased costs, we believe that the addressable market will be greatly increased and we expect that these investments will drive significant additional revenue growth and drive a significant increase in shareholder value."

**This announcement contains inside information.**

**For further information:**

**Frenkel Topping Group plc**

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**About Frenkel Topping:** [www.frenkeltopping.co.uk](http://www.frenkeltopping.co.uk)

Frenkel Topping provides specialist independent financial advice focussed on asset protection for clients. The specialist independent financial adviser has a market leading position providing advice and fund management services for personal injury trusts and clinical negligence awards and is well placed to provide services to a wider customer base.

The Company provides a range of wealth management services including bespoke investment portfolios, financial and tax planning. It is focused on increasing its assets under management by growing the number of fee earners who are qualified to provide benefits protection for a variety of needs as the Company adds to its personal injury and clinical negligence specialism.

It has a national presence with offices in Manchester, Birmingham, Cardiff, London and Leeds and has relationships and infrastructure in place to further grow its reach and target markets.