

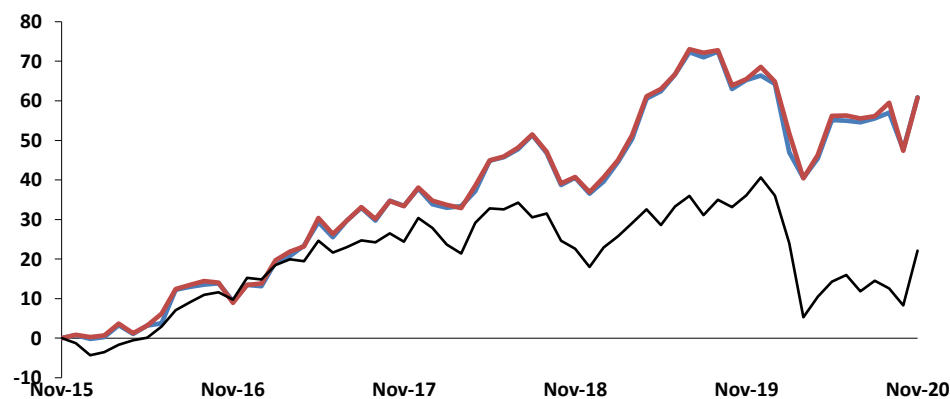


## Investment Objective and Benchmark Index

Finsbury Growth & Income Trust PLC invests principally in the securities of UK listed companies with the objective of achieving capital and income growth and providing a total return in excess of that of its benchmark, the FTSE All-Share Index (net dividends reinvested).

## Five Years Performance (%)

Past performance is not a guide to future performance. The value of investments and the income from them may fall as well as arise and is not guaranteed; An investor may receive back less than the original amount invested.



Net Asset Value per share (total return) +60.8%

Share Price (total return) +60.9%

Benchmark: FTSE All-Share Index (net dividends reinvested) +22.1%

Source: Morningstar

## Commentary

In November, the NAV was up 9.1% on a total return basis and the share price was up 9.0%, on a total return basis, while the index was up 12.7%.

The biggest positive contributor to this month's returns was Burberry, which rose 28% - demonstrating that the volatility in its share price can work both ways. The shares have been an easy short idea during 2020 and we hope it will stay an easy long idea over the next few years, as vaccines get to work and the promised "Roaring 2020s" get under way. Conspicuous consumption ought to be beneficial for luxury and fashion apparel. Burberry reported results in November and there was enough to reassure us that progress is being made elevating the brand. There were 118 million views of its September show – the highest ever. Sales from the Burberry.com platform almost doubled and, more prosaically but just as important, the company was cash flow positive again from August onward. 40% of revenues are from Chinese citizens – so Burberry represents a nice way for a UK investor to participate in the growth of that mighty polity.

Sage fell 5%, which is worse than it sounds in the context of a near 13% rise in the UK stock market. The company is having to step up the pace of its investment into new software services, as it deals with a technology transition, from desk-top to cloud, and intensifying competition. We have been encouraging the company to do just this for several years and expect investors will applaud the sacrifice of current profitability that results from the increased investment, but only if it does indeed lead to faster growth and happier and "stickier" customers. Roughly 13% of Sage's revenues last year, or £222m, derived from so-called "native cloud" – pure, recurring SaaS. Admittedly, well over half of this comes from Sage Intacct, a US business acquired in 2017. But that £222m was the result of 30% organic growth in 2019/20 and Sage sees plenty of opportunities to maintain this kind of growth rate, by cross-selling to existing customers and, let's hope, attracting new ones. When you look at how stock market investors value fast growing SaaS businesses around the world – which is very, very highly - you realise how finely poised the investment case for Sage is today. Much remains to be done, but the company does have customers, cash flows, a lowly-gearred balance sheet and some competitive technology.

## Biography

**Nick Train** began his career as an Investment Manager at GT Management in 1981, having graduated from Queen's College, Oxford with a second class honors in Modern History (1977-1980). He left GT in June 1998, after 17 years, on its acquisition by INVESCO. At his resignation he was a Director of GT Management (London), Investment Director of GT Unit Managers and Chief Investment Officer for Pan-Europe. He joined M&G in September 1998, as a Director of M&G Investment Management. In June 1999 he was appointed as Head of Global Equities at M&G. He left M&G in April 2000 to co-found Lindsell Train Limited. He is investment adviser to the Worshipful Company of Saddlers.

## Portfolio Manager Profile

Portfolio management services are provided by Lindsell Train Limited (Lindsell Train). Lindsell Train was formed in December 2000. However the principals, Michael Lindsell and Nick Train had worked together at GT Management from 1992 through to GT's takeover by INVESCO in 1998. Both Michael Lindsell and Nick Train went on to fulfill senior roles at INVESCO and M&G PLC respectively, where they continued to develop an in-depth knowledge of investment processes and the world's stock markets. Their shared investment philosophy is to invest in durable, cash generative businesses that are under-priced on their valuation analysis. They believe such businesses are rare and are under-valued by most other investors most of the time. They apply this approach by choosing a concentrated portfolio of approximately 30 stocks with the intention of holding them for the medium to long term. Lindsell Train is authorised and regulated by the Financial Conduct Authority.

## Investment Policy

The Company has a concentrated portfolio of up to 30 stocks with a low turnover and aims to provide shareholders with a total return in excess of that of the FTSE All-Share Index. The Portfolio Manager uses a bottom-up stock picking approach and looks to invest in a universe of excellent listed companies that appear mostly undervalued. The Company's investment policy is to invest principally in the securities of companies either listed in the UK or otherwise incorporated, domiciled or having significant business operations within the UK, whilst up to a maximum of 20% of the Company's portfolio, at the time of acquisition, can be invested in companies not meeting this criteria. The Company's policy is to invest no more than 15% of its gross assets in other listed investment companies (including listed investment trusts).

## Discount/ Premium Control Mechanism

The Directors have adopted an active discount management policy to establish and support an improved rating in the Company's shares through the use of share buybacks, with a view to limiting the discount to NAV per share at which the shares trade to no more than 5%. Shares bought back may be held in treasury for reissue at later dates at no more than the discount at which they were purchased, and in any event at a discount no greater than 5% to the prevailing NAV per share. In order to stop the share price trading at a significant premium to the NAV per share, the Company has the ability to issue new shares at a 0.7% premium to the higher of the cum or ex income NAV per share.

Finsbury Growth & Income Trust PLC conducts its affairs so that its shares can be recommended by independent financial advisers ("IFAs") to retail private investors. The shares are excluded from the Financial Conduct Authority's ("FCA's") restrictions which apply to non-mainstream investment products because they are shares in a UK-listed investment trust.

## Ten Largest Holdings as at 30 November 2020 (% of total investments)

Name	Sector	Total
Diageo	Consumer Goods	10.3
London Stock Exchange	Financials	10.2
Unilever	Consumer Goods	10.1
RELX	Consumer Services	9.7
Mondelez Int.	Consumer Goods	8.8
Schroders	Financials	7.9
Burberry Group	Consumer Goods	7.2
Hargreaves Lansdown	Financials	5.8
Heineken	Consumer Goods	5.4
Sage Group	Technology	5.3
<b>Total</b>		<b>80.7</b>

## Sector Breakdown as at 30 November 2020 (%)

Consumer Goods	50.1
Financials	25.8
Consumer Services	17.0
Technology	5.3
Industrials	1.8
<b>Total</b>	<b>100.0</b>

## Discrete Performance – Calendar Years (%)

Percentage Growth	2015	2016	2017	2018	2019	YTD
NAV	11.6	12.5	21.7	-0.8	23.1	-4.6
Share Price	12.4	12.6	21.5	-0.9	21.8	-3.3
Benchmark	1.0	16.8	13.1	-9.5	19.2	-13.2

## Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	Nov 15- Nov 16	Nov 16- Nov 17	Nov 17- Nov 18	Nov 18- Nov 19	Nov 19- Nov 20
NAV	9.0	22.4	5.5	17.6	-2.8
Share Price	9.3	22.0	5.3	17.6	-2.6
Index	9.8	13.4	-1.5	11.0	-10.3

Source: Morningstar.

\* Index source: FTSE International Limited ("FTSE") © FTSE 2020

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## Risk Warnings

This document is for information purposes only and does not constitute an offer or invitation to purchase shares in the Company and has not been prepared in connection with any such offer or invitation. Before investing in the Company, or any other investment product, you should satisfy yourself as to its suitability and the risks involved, and you may wish to consult a financial adviser.

Any return you receive depends on future market performance and is uncertain. The Company does not seek any protection from future market performance so you could lose some or all of your investment. Shares of the Company are bought and sold on the London Stock Exchange (LSE). The price you pay or receive, like other listed shares, is determined by supply and demand and may be at a discount or premium to the underlying net asset value per share of the Company. Usually, at any given time, the price you pay for a share will be higher than the price you could sell it. For further information on the principal risks the Company is exposed to please refer to the Company's Annual Report or Investor Disclosure Document available at [www.finsburygt.com](http://www.finsburygt.com).

The Company can borrow to purchase investments, this could potentially magnify any losses or gains made by the Company.

## Important Information

Finsbury Growth & Income Trust PLC is a public limited company whose shares are premium listed on the LSE and is registered with HMRC as an investment trust.

The Company has an indeterminate life.

This financial promotion is issued by Frostrow Capital LLP which is authorised and regulated by the Financial Conduct Authority ("FCA").

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## Fast Facts

As at 30 November 2020

Launch Date	1926
AIC Sector	UK Equity Income
Date of Appointment of Lindsell Train	December 2000
Annual Management Fee (payable by the company) †	
Ongoing charges*	0.6%
Year / interim end	30 September/ 31 March
Capital Structure	221,486,303 Ordinary shares of 25p
<b>Trust Characteristics</b>	
Number of Holdings	25
Net Assets (£m)	£1,870.5m
Market Capitalisation (£m)	£1,887.1m
Dividend Per Share**	16.6p
Current Net Yield	1.9%
Gearing	1.5%
Leverage***	Gross 101.5% Commitment 102.0%
Share Price (p)	852.00
NAV (p) (cum income)	844.50
Premium / (Discount) / to NAV (p)	0.9%

## Codes

Sedol	0781606
ISIN	GB0007816068
Legal Entity Identifier (LEI)	213800NN4ZKX2LG1GQ40
Global Intermediary Identification Number (GIIN)	QH4BH0.99999.SL.826
Bloomberg	FGT LN
EPIC	FGT

\*Calculated at the financial year end, includes management fees and all other operating expenses.

\*\*2nd Interim payable 13 Nov 20 :(Year ended Sep 19) 8.6p  
1st Interim payable 15 May 20 :(Year ended Sep 20) 8.0p

\*\*\*The Board has set the leverage limit for both the Gross and the Commitment basis at 125% of the Company's Net Asset Value.

†Lindsell Train – 0.45% pa of the Company's adjusted market capitalisation up to a value of £1 billion, such fee reducing to 0.405% pa of the Company's adjusted market capitalisation in excess of £1 billion up to a value of £2 billion, such fee reducing to 0.36% pa of the Company's adjusted market capitalisation in excess of £2 billion.

Frostrow – 0.15% pa of the Company's adjusted market capitalisation up to a value of £1 billion, such fee reducing to 0.135% pa of the Company's adjusted market capitalisation in excess of £1 billion up to a value of £2 billion, such fee reducing to 0.12% pa of the Company's adjusted market capitalisation in excess of £2 billion.

## How to Contact Us

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