

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).

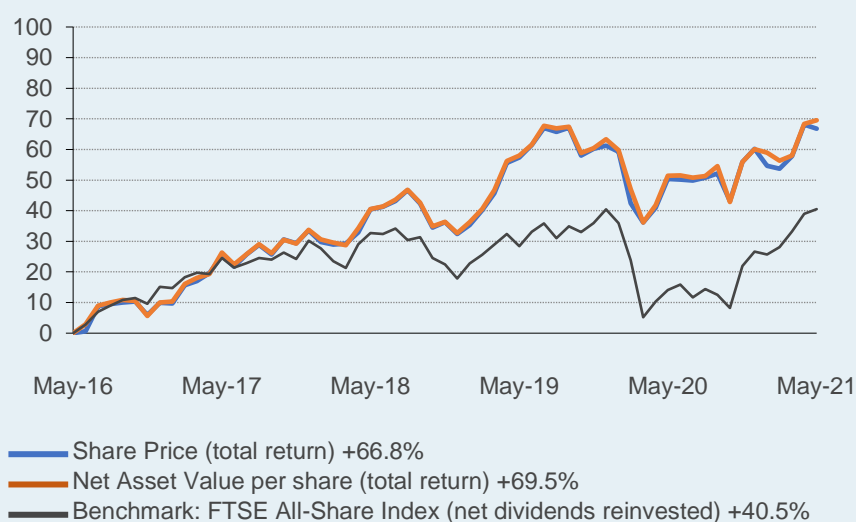
LINDSELL TRAIN



Portfolio Manager Nick Train

Five Year 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.



Source: Morningstar

Ten Largest Holdings as at 31 May 2021 (% of total investments)

Name	Sector	Total
Diageo	Consumer Staples	11.2
RELX	Consumer Discretionary	9.5
London Stock Exchange	Financials	8.8
Unilever	Consumer Staples	8.7
Mondelez Int.	Consumer Staples	8.4
Burberry Group	Consumer Staples	8.3
Schroders	Financials	8.1
Hargreaves Lansdown	Financials	6.1
Sage Group	Technology	5.2
Heineken	Consumer Staples	5.2
Total		79.5

Fast Facts

As at 31 May 2021

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 Ratio ('OCR')*	0.6%
Year / interim end	30 September/ 31 March
Capital Structure	224,991,303 Ordinary shares of 25p
Number of Holdings	25
Net Assets (£m)	£2,047.6m
Market Capitalisation (£m)	£2,031.7m
Dividend Per Share**	16.6p
Current Net Yield	1.8%
Gearing	1.0%
Leverage***	Gross 101.0% Commitment 101.5%
Share Price (p)	903.00
NAV (p) (cum income)	910.06
(Discount) / Premium to NAV	(0.8%)
Portfolio Turnover p.a.	1.5%
Active Share	86.0%

Codes

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

Sector Breakdown as at 31 May 2021 (%)

Consumer Staples	50.2
Financials	25.1
Consumer Discretionary	17.4
Technology	5.2
Industrials	2.1
Total	100.0

Discrete Performance – Calendar Years (%)

Percentage Growth 12 Month Return	2016	2017	2018	2019	2020	YTD
NAV	12.5	21.7	-0.8	23.1	-2.0	5.9
Share Price	12.6	21.5	-0.9	21.8	-0.7	4.2
Index	16.8	13.1	-9.5	19.2	-9.8	10.9

Standardised Discrete Performance (%)

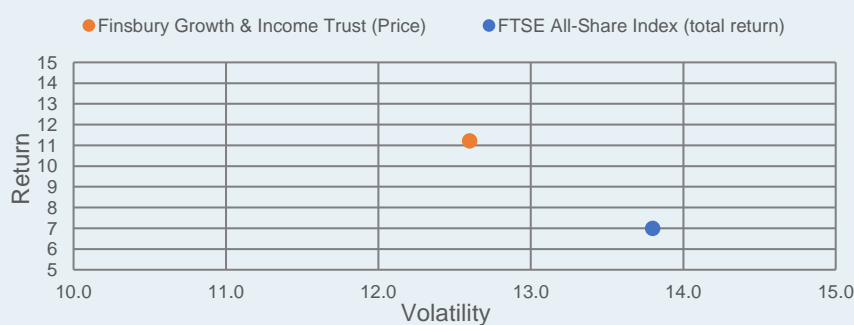
Percentage Growth 12 Month Return	May 16- May 17	May 17- May 18	May 18- May 19	May 19- May 20	May 20- May 21
NAV	26.4	11.2	12.4	-4.2	12.0
Share Price	25.4	12.0	12.1	-4.5	10.9
Index	24.5	6.5	-3.2	-11.2	23.1

Source: Morningstar.

* Index source: FTSE International Limited ("FTSE") © FTSE 2021

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Return vs Volatility (5 Years Annualised) – Chart (%)



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

**1st Interim payable 14 May 21 : (Year ended Sep 21) 8.0p
2nd Interim payable 13 Nov 20 : (Year ended Sep 20) 8.6p

***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.

Active Share is expressed as a percentage and shows the extent to which a fund's holdings and their weightings differ from those of the fund's benchmark index. A fund that closely tracks its index might have a low Active Share of less than 20% and be considered passive, while a fund with an Active Share of 60% or higher is generally considered to be actively managed.

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. Up to 20% of the portfolio, at the time of acquisition, can be invested in quoted companies outside the UK. 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 net asset value 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.

Commentary

In May, the NAV was up 0.7% on a total return basis and the share price was down 0.8%, on a total return basis, while the index was up 1.1%.

Burberry has become an increasingly big holding in the portfolio, following strong share price gains from its lows of last year and because we added to the position during that weakness. From its low point of £10.85 on 23rd March 2020, the shares have now risen 97% and are up 19% in calendar 2021, including a gain of 3.6% last month.

The company reported its final results in May and, in truth, we didn't know what to expect. Happily, they turned out better than feared. Burberry's business accelerated throughout the year, and a key message from management was that its Q4 full price sales were growing above pre-Covid levels, i.e. faster than the same quarter 2 years ago. That trend needs to continue. The company was able to confirm its strong balance sheet and pleasantly surprised us by proposing to pay both of last year's omitted dividends as a final dividend in August; as a signal of its confidence in continued recovery and future growth.

Burberry first listed as a public company in 2002 at a price of £2.30 and so is up over nine-fold in 20 years (compared to a bare doubling of the FT All-share over the same period). Burberry's increase in value over the years results from the work it has done to enhance the appeal and status of its brand and, in general, the growth of luxury as a category over the period, as wealthier consumers around the world buy more beautiful things. This growth in the market for luxury means there is more room for more brands to be successful.

Notwithstanding the excellent long-term returns, we note Burberry's share price gains have been lumpy and often coincide with periods of recovery from economic crises and recovering consumer confidence. For instance, over the roughly five years between its 2002 listing, in the aftermath of the bursting of the technology bubble and 9/11, and its temporary price peak in 2007, Burberry shares trebled. Then came the Financial Crisis of 2008/9. At their low point in November 2008, as investors worried luxury spending would be severely impaired, Burberry's shares briefly fell to c£2.00. But five years later, by 2013, after confidence in the global economy had been restored, the shares were trading over £15 – for a seven-fold increase. Over that 2008-2013 period Burberry's revenues and EBITDA more than doubled, as profit margins improved.

Could 2020-2025 bring similar gains for Burberry shareholders? Of course, we would never predict such a thing. But it does seem possible the next few years will bring higher revenues, with a higher proportion of those revenues deriving from full price sales. As its sales mix improves so should profit margins. If you add to that self-help the possibility of more market growth for luxury, driven by wealth-creation in the US and Asia, there is certainly the potential for higher earnings from Burberry and a higher rating attached to them.

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 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.

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 (the Company) 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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