

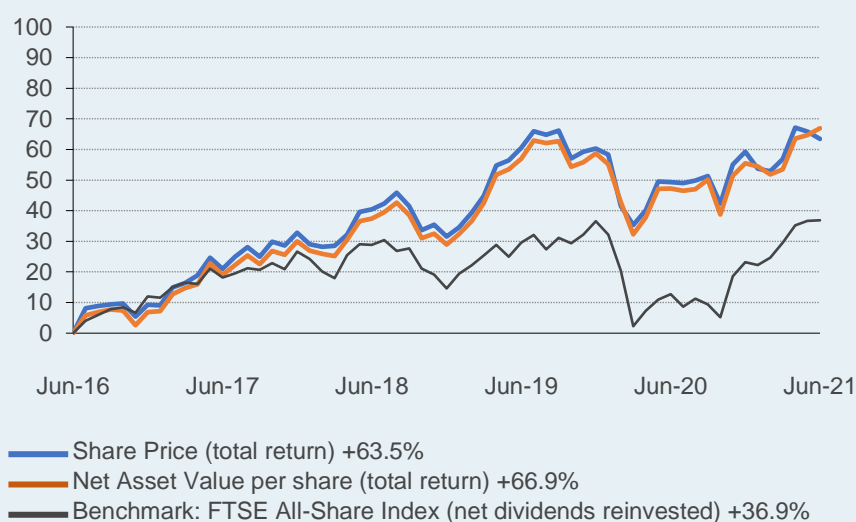
Investment Objective and Benchmark Index

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 30 June 2021 (% of total investments)

Name	Sector	Total
Diageo	Consumer Staples	11.3
RELX	Consumer Discretionary	9.8
London Stock Exchange	Financials	9.1
Unilever	Consumer Staples	8.6
Mondelez Int.	Consumer Staples	8.4
Burberry Group	Consumer Staples	7.9
Schroders	Financials	7.9
Hargreaves Lansdown	Financials	5.8
Sage Group	Technology	5.4
Heineken	Consumer Staples	5.2
Total		79.4

Fast Facts

As at 30 June 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)	£2,074.8m
Market Capitalisation (£m)	£2,002.4m
Dividend Per Share**	16.6p
Current Net Yield	1.9%
Gearing	1.0%
Leverage***	Gross 101.0% Commitment 101.7%
Share Price (p)	890.00
NAV (p) (cum income)	922.19
(Discount) / Premium to NAV	(3.5%)
Portfolio Turnover p.a.	1.5%
Active Share	85.9%

Codes

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

Sector Breakdown as at 30 June 2021 (%)

Consumer Staples	49.8
Financials	25.0
Consumer Discretionary	17.6
Technology	5.4
Industrials	2.2
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	7.3
Share Price	12.6	21.5	-0.9	21.8	-0.7	2.7
Index	16.8	13.1	-9.5	19.2	-9.8	11.1

Standardised Discrete Performance (%)

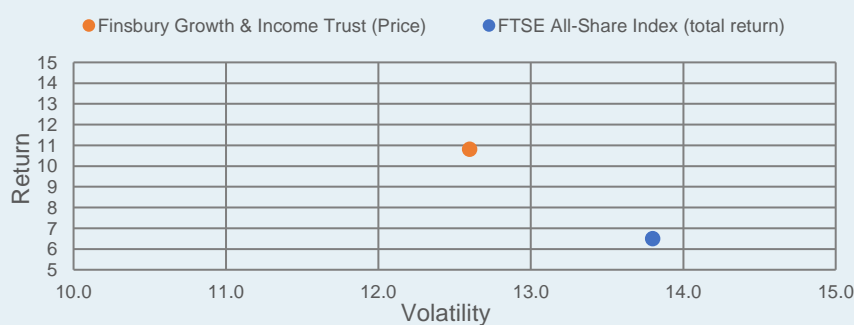
Percentage Growth 12 Month Return	Jun 16- Jun 17	Jun 17- Jun 18	Jun 18- Jun 19	Jun 19- Jun 20	Jun 20- Jun 21
NAV	19.0	15.4	14.3	-6.2	13.4
Share Price	21.0	16.1	14.3	-7.0	9.5
Index	18.1	9.0	0.6	-13.0	21.5

Source: Morningstar.

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

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

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 June, the NAV was up 1.3% on a total return basis and the share price was down 1.4%, on a total return basis, while the index was up 0.2%.

A simple and broadly accurate way of understanding our performance so far in 2021 is to propose that we underperformed during the first quarter because investors were chasing beaten-up UK value and recovery stocks – which we do not own. However, as the year has progressed, many of our longstanding holdings in growth companies have begun to perform better – either because their underlying business growth rate has accelerated or because it transpires they were worse hit by the pandemic than understood and have enjoyed their own “recovery” bounce.

Accordingly, during Q2 there were strong share price gains from companies representing two key long-term themes in your portfolio – namely digital winners and luxury and premium consumer brands. For instance, from the first of those categories, LSE was up 15% in the second quarter, Sage rose 12%, as did Experian and DMGT and RELX outperformed the market with gains of 7%.

Meanwhile, Diageo was up 16%, Fever-Tree 21%, Remy Cointreau 11%, Burberry 9% and Heineken (which owns more aspirational/premium brands than you might think) rose 13%. Similarly, Mondelez, the owner of Cadbury and Oreos was up 7% over the quarter, hitting an all-time share price high in the process. Mondelez stock is up over three-fold over the last 10 years – not nearly as much as NASDAQ, of course, but still satisfactory; especially if there are grounds to think it could treble again over the next decade (there are; good ones).

Another long-term portfolio theme is wealth management and it is worth noting that two of the three holdings to the theme underperformed during Q2, Hargreaves Lansdown and Schroders, up 3% and 0.4% respectively. The other, Rathbones, was up nearly 6%. The reason it is noteworthy is because it is increasingly evident that there are big growth and consolidation opportunities in the UK wealth management industry. We were interested in the comments made by a senior officer of Vanguard in the US (in an interview in the FT) – “Demand for financial advice will explode over the next decade. Advice is really in an early innings. The need will keep growing as baby boomers retire and millennials face challenges in their objective of saving for the long term.” If this is true for the US, it seems equally so for the UK. Certainly, the sight of JP Morgan acquiring Nutmeg in June – at £700m paying the equivalent of 20% of Nutmeg’s client assets – confirms that at least one global bank sees an opportunity to grow in the UK wealth sector. Schroders was an early investor in Nutmeg and has certainly made a tidy profit on its stake. JP Morgan’s entry into the space is a reminder of the joint venture Schroders has established with Lloyds Bank, which we hope will become a source of strong marginal asset growth. Meanwhile, at a slight tangent, the confirmation that Schroders considered a merger with M&G is indicative of the consolidation options being considered by boards across the industry. Returning to the main theme of this paragraph, perhaps the reason Rathbones gave a better share price return over the quarter is because it was able to execute on a deal itself. It has acquired the financial planning business Saunderson House, paying £150m for £4.7bn AUM, or over 3% of AUM. We welcome the combination, both because it makes strategic sense for Rathbones, but also because it is a reminder that when transactions in this sector happen they tend to do so at higher valuations than pertain for comparable quoted companies. Rathbones itself is valued at less than 2% of its AUM, as is Schroders.

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”).

* Index source: FTSE International Limited (“FTSE”) © FTSE 2021

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

How to Contact Us

Frostrow Capital LLP

25 Southampton Buildings
London, WC2A 1AL

Tel.: 0203 008 4910

Fax: 0203 043 8889

Website: www.frostrow.com

Email: info@frostrow.com

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.