

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).

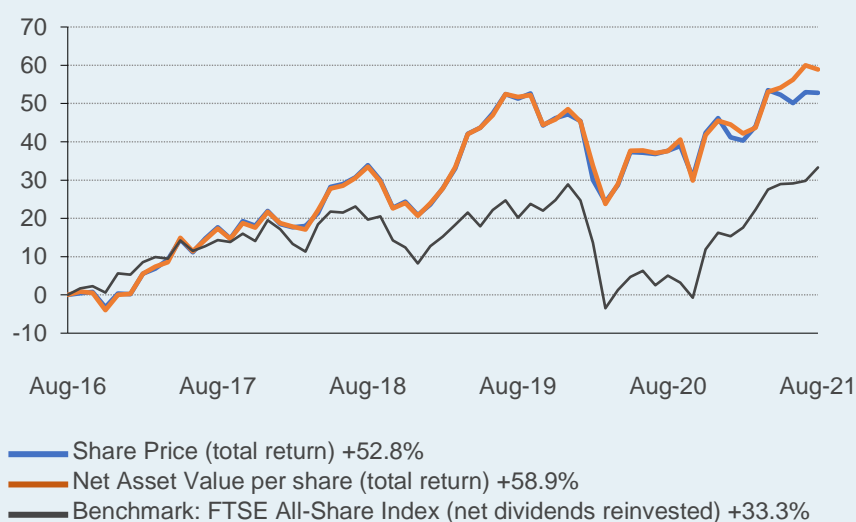
LINDSELL TRAIN



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 August 2021 (% of total investments)

Name	Sector	Total
Diageo	Consumer Staples	11.2
RELX	Consumer Discretionary	11.0
London Stock Exchange	Financials	9.0
Schroders	Financials	8.3
Mondelez Int.	Consumer Staples	8.3
Unilever	Consumer Staples	8.1
Burberry Group	Consumer Staples	7.0
Sage Group	Technology	5.8
Hargreaves Lansdown	Financials	5.5
Heineken	Consumer Staples	4.8
Total		79.0

Fast Facts	As at 31 August 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)	£2,110.0m
Market Capitalisation (£m)	£2,038.4m
Dividend Per Share**	16.6p
Current Net Yield	1.8%
Gearing	0.5%
Leverage***	Gross 100.5% Commitment 101.4%
Share Price (p)	906.00
NAV (p) (cum income)	937.82
(Discount) / Premium to NAV	(3.4%)
Portfolio Turnover p.a.	1.6%
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 31 August 2021 (%)

Consumer Staples	47.6
Financials	25.2
Consumer Discretionary	18.3
Technology	5.8
Industrials	3.1
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	9.1
Share Price	12.6	21.5	-0.9	21.8	-0.7	4.5
Index	16.8	13.1	-9.5	19.2	-9.8	14.7

Standardised Discrete Performance (%)

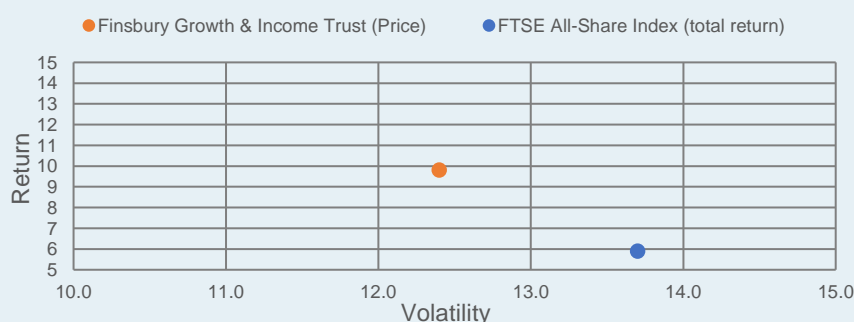
Percentage Growth 12 Month Return	Aug 16-Aug 17	Aug 17-Aug 18	Aug 18-Aug 19	Aug 19-Aug 20	Aug 20-Aug 21
NAV	17.4	13.8	13.6	-9.3	15.5
Share Price	17.6	13.8	13.0	-9.0	11.0
Index	14.3	4.7	0.4	-12.6	26.9

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 August, the NAV was down 0.7% on a total return basis and the share price was down 0.1%, on a total return basis, while the index was up 2.7%.

There were two adverse macro-economic or political developments for the portfolio in August.

First was investors' reaction to perceived anti-conspicuous consumption proclamations by the Chinese authorities. Shares of Western luxury goods businesses fell in response, including in your Company, Burberry and Remy – both down c10% in August. Burberry had scarcely begun to recover from the news of the loss of its (highly regarded, by us) chief executive in July. The company just can't catch a break at the moment.

An important reason for our holdings in Burberry and Remy is that the premium/luxury nature of their products not only allows them to participate in global growth (as they have all this century), but also protects shareholders against the effects of inflation. Because the brands confer pricing power. Certainly, both companies, particularly Remy, have been able to increase prices in 2021.

The above has become an important credential for successful equity investment in second half of 2021, because the other macro factor that has emerged through July and August is a spike in commodity and logistics costs. This spike could be the result of temporary COVID-disruption; or perhaps the monetary experiment of the last decade is at last feeding through into inflation. We don't know. In the short term all our consumer stocks fell in August, most of them highlighting increased costs. Fever-Tree and Heineken were hardest hit, off 7% and 5.5%. Unilever's drab year continued with a 2% drop.

Longer term, whatever the outcome on inflation, we are sure it is critical for our investments in companies that produce "real" stuff, as opposed to digital services – for them to be producing products customers actually aspire to consume or really can't do without. We want more luxury, more premium, more pricing power in the portfolio. This is why we continue to build the holding in Fever-Tree. It is also why Diageo is so important for the FGT – currently the biggest holding, just ahead of RELX. With each passing year more of Diageo's growth and value is accounted for by its super-premium and premium brands.

Just on Unilever, we hope it significant that HindustanLever – its quoted Indian subsidiary - has resumed its bull market. It was up 15% in August to a new high and has now trebled over the last 5 years. Unilever owns 62% of HindustanLever, a stake worth nearly £40bn. That's a big proportion of Unilever's own c£100bn market capitalisation. There are many reasons for shareholders to persevere with Unilever, but this exposure to India (and Brazil, China and Indonesia) has and will create value for shareholders.

On that point - where do you think is the biggest market in the world for Heineken 0.0? The answer, surprisingly to us, is Brazil. 0.0 is a great product, with decades of growth ahead of it, because Heineken's distribution and marketing abilities can make it a truly global success.

LSE rallied after its interim results, closing the month up 6.5% and up 15% from the lows of March, but still down 11% year-to-date. The results were necessarily inconclusive regarding the success of the Refinitiv deal – it has been part of the LSE for barely 6 months. However, there was certainly no new bad news. Reading and listening to LSE's senior management discussing the quality and growth potential of the combined data assets is inspiring. We continue to hope LSE and RELX and Experian will grow as businesses and their shares attain US-type valuations. There is plenty of upside in that case.

Hargreaves Lansdown fell in August, 7.5%, despite reporting final results which certainly impressed us. The dividend increased 8% (after stripping out last year's one-off special) and HL's surplus, truly unencumbered, capital is up to £190m, from c£140m last year – a big cushion. In the same sector, there were good gains from the two other wealth managers in the portfolio. Rathbones and Schroders are at highs for the year, with Schroders recently hitting an all-time high.

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

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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 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.