

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 September 2021 (% of total investments)

Name	Sector	Total
Diageo	Consumer Staples	11.9
RELX	Consumer Discretionary	11.1
London Stock Exchange	Financials	8.7
Unilever	Consumer Staples	8.2
Mondelez Int.	Consumer Staples	8.1
Schroders	Financials	8.1
Burberry Group	Consumer Staples	7.0
Sage Group	Technology	5.6
Hargreaves Lansdown	Financials	5.3
Remy Cointreau	Consumer Staples	4.9
Total		78.9

Fast Facts		As at 30 September 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)		£2,064.5m
Market Capitalisation (£m)		£1,970.9m
Dividend Per Share**		17.1p
Current Net Yield		2.0%
Gearing		0.3%
Leverage*** Gross 100.3% Commitment 101.4%		
Share Price (p)		876.00
NAV (p) (cum income)		917.61
(Discount) / Premium to NAV		(4.5%)
Portfolio Turnover p.a.		1.9%
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 30 September 2021 (%)

Consumer Staples	48.4
Financials	24.4
Consumer Discretionary	18.2
Technology	5.7
Industrials	3.3
Total	100.0

Discrete Performance – Calendar Years (%)

Percentage Growth 12 Month Return	Since Manager Appointment*	2016	2017	2018	2019	2020	YTD
NAV	593.9	12.5	21.7	-0.8	23.1	-2.0	6.8
Share Price	676.7	12.6	21.5	-0.9	21.8	-0.7	1.0
Index	179.6	16.8	13.1	-9.5	19.2	-9.8	13.6

*Cumulative since Manager appointment in December 2000

Standardised Discrete Performance (%)

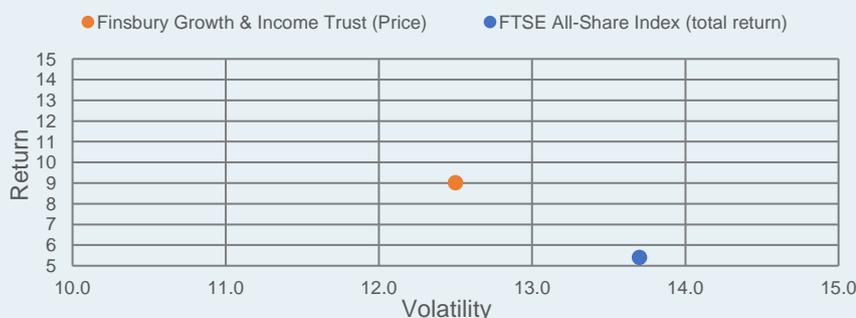
Percentage Growth 12 Month Return	Sep 16-Sep 17	Sep 17-Sep 18	Sep 18-Sep 19	Sep 19-Sep 20	Sep 20-Sep 21
NAV	13.7	13.1	17.4	-7.7	10.6
Share Price	14.2	13.2	17.4	-8.9	6.3
Index	11.9	5.9	2.7	-16.6	27.9

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 paid 14 May 21 : (Year ended Sep 21) 8.0p

2nd Interim payable 12 Nov 21 : (Year ended Sep 21) 9.1p

***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 September, the NAV was down 2.2% on a total return basis and the share price was down 3.3%, on a total return basis, while the index was down 1.0%.

Fever-Tree was a decent performer for FGT last month, up over 5%. Below is my colleague Ben's commentary on the results and our subsequent meeting with management.

"Thanks to Fever-Tree's capital-light business model and a rock-solid balance sheet, the company has been able to maintain its long-term focus throughout the trying last 18 months. Marketing spend has been upheld, new products introduced, and work has continued on new bottling facilities in the US. The results are apparent: H1 revenues were up 36% YoY, even though the On-Trade is still only just starting to re-open, with particularly strong performances in Europe (+79%) and Rest of World (+73%); while market shares were up across the board, including +300bps in France, and +100bps in the UK, to 38.5%. In the crucial US market sales were up 32% and it is impressive to learn that Fever-Tree's ginger beer sales there have doubled vs. 2019; along with tonic water +90%; ginger ale +69%; club soda +122%; and sparkling +634%, led by Sparkling Pink Grapefruit and Sparkling Lime & Yuzu, all also over the same two-year period.

An important aspect to our investment case for Fever-Tree is the extent and scale of the company's relationships with the leading global Spirits companies for co-promotions and activations, and we received more detail on this than usual. For instance, the company is currently working with Bacardi to promote Bombay Sapphire and Grey Goose in the US; with Diageo to promote Tanqueray in Sweden and Smirnoff in Ireland; with Pernod Ricard and William Grant & Sons to promote Lillet and Hendriks respectively in Denmark; with Remy Cointreau to promote The Botanist in Germany; with Brown-Forman to promote Jack Daniels in Italy; with Suntory to promote Jim Beam in the US; and with Campari to promote its namesake brand in Spain. Whatever the spirit, Fever-Tree has the mixer to match it, and as the only premium mixer brand with global recognition and scale it remains a partner of choice for these demanding, prestige-conscious companies. The big, premium spirits companies want Fever-Tree to be a success.

Of course, this is an attractive position to hold, especially when it comes with a business model that has the potential for 50% gross margins and 30% EBITDA margins at scale. This is exactly why we continue to encourage the company to keep pursuing its global potential, whilst some other investors seem to worry more about short-term margin impacts from elevated freight costs or channel / country mix etc. This is a young, dynamic UK growth company, and we believe it is still very early in its innings."

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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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.