

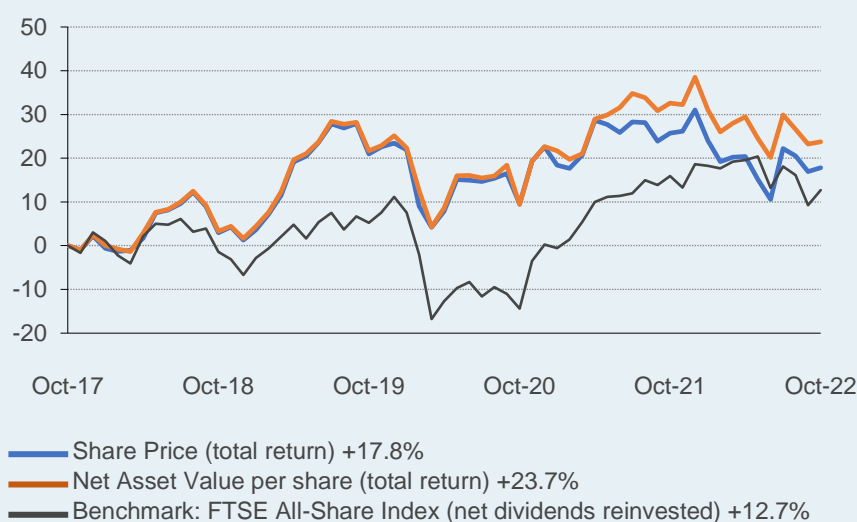
**Investment Objective and Benchmark Index**

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 October 2022 (% of total investments)**

| Name                  | Sector                 | Total       |
|-----------------------|------------------------|-------------|
| RELX                  | Consumer Discretionary | 12.2        |
| Diageo                | Consumer Staples       | 11.7        |
| London Stock Exchange | Financials             | 10.6        |
| Unilever              | Consumer Staples       | 9.3         |
| Mondelez Int.         | Consumer Staples       | 8.4         |
| Burberry Group        | Consumer Discretionary | 8.0         |
| Experian              | Industrials            | 6.7         |
| Sage Group            | Technology             | 6.5         |
| Schroders             | Financials             | 5.9         |
| Remy Cointreau        | Consumer Staples       | 5.2         |
| <b>Total</b>          |                        | <b>84.5</b> |

| <b>Fast Facts</b>  |  | As at 31 October 2022   |
|--|--|---|
| <b>Launch Date</b>   |  | 1926  |
| <b>AIC Sector</b>  |  | UK Equity Income  |
| Date of Appointment of Lindsell Train:<br>December 2000    |  |   |
| <b>Annual Management Fee</b> †<br>(payable by the company) |  |   |
| <b>Ongoing Charges Ratio ('OCR')*</b>                      |  | 0.6%  |
| <b>Year / interim end</b>                                  |  | 30 September/<br>31 March   |
| <b>Capital Structure</b>                                   |  | 215,128,434 Ordinary<br>shares of 25p<br>9,862,869<br>(in treasury) |
| <b>Number of Holdings</b>                                  |  | 22  |
| <b>Net Assets (£m)</b>                                     |  | £1,808.5m   |
| <b>Market Capitalisation (£m)</b>                          |  | £1,733.9m   |
| <b>Dividend Per Share**</b>                                |  | 18.1p   |
| <b>Current Net Yield</b>                                   |  | 2.2%  |
| <b>Gearing</b>   |  | 2.0%  |
| <b>Leverage***</b>   |  | Gross 102.0%<br>Commitment 102.0%                                   |
| <b>Share Price (p)</b>                                     |  | 806.00  |
| <b>NAV (p) (cum income)</b>                                |  | 840.64  |
| <b>(Discount) / Premium to NAV</b>                         |  | (4.1%)  |
| <b>Portfolio Turnover p.a.</b>                             |  | 5.9%  |
| <b>Active Share</b>  |  | 85.3%   |
| <b>Codes</b>   |  |   |
| <b>Sedol</b>   |  | 0781606   |
| <b>ISIN</b>  |  | GB0007816068  |
| <b>Legal Entity Identifier (LEI)</b>                       |  |   |
|  |  | 213800NN4ZKX2LG1GQ40  |
| <b>Global Intermediary Identification Number (GIIN)</b>    |  |   |
|  |  | QH4BH0.99999.SL.826   |
| <b>Bloomberg</b>   |  | FGT LN  |
| <b>EPIC</b>  |  | FGT   |

### Sector Breakdown as at 31 October 2022 (%)

|                        |              |
|------------------------|--------------|
| Consumer Staples       | 42.5         |
| Consumer Discretionary | 22.3         |
| Financials             | 22.0         |
| Technology             | 6.5          |
| Industrials            | 6.7          |
| <b>Total</b>           | <b>100.0</b> |

### Discrete Performance – Calendar Years (%)

|             | 2017 | 2018 | 2019 | 2020 | 2021 |
|-------------|------|------|------|------|------|
| NAV         | 21.7 | -0.8 | 23.1 | -2.0 | 13.0 |
| Share Price | 21.5 | -0.9 | 21.8 | -0.7 | 6.9  |
| Index       | 13.1 | -9.5 | 19.2 | -9.8 | 18.3 |

\*Cumulative since Manager appointment in December 2000

### Standardised Discrete Performance (%)

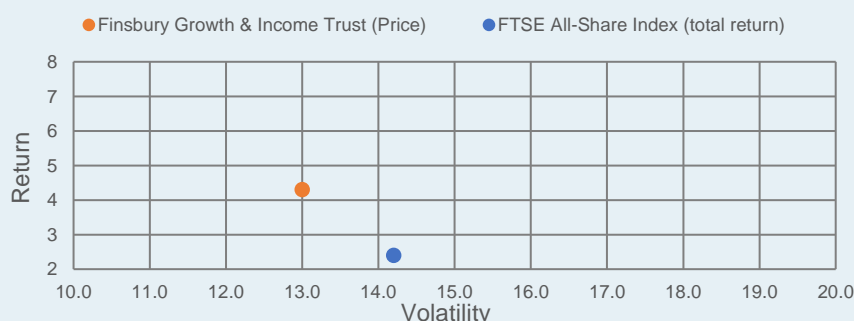
| Percentage Growth<br>12 Month Return |     |      |       |      |      |      |       | Since<br>Manager<br>Appointment |
|--------------------------------------|-----|------|-------|------|------|------|-------|---------------------------------|
|                                      | 1m  | 3m   | YTD   | 1yr  | 3yr  | 5yr  | 10yr  |                                 |
| NAV                                  | 0.4 | -4.8 | -10.7 | -6.7 | 1.7  | 23.7 | 177.4 | 560.8                           |
| Share Price                          | 0.8 | -3.6 | -10.1 | -6.3 | -2.6 | 17.8 | 165.0 | 638.4                           |
| Index                                | 3.1 | -4.6 | -5.0  | -2.8 | 7.1  | 12.7 | 83.2  | 176.8                           |

Source: Morningstar.

\* Index source: FTSE International Limited ("FTSE") © FTSE 2022

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 paid 13 May 22 :(Year ended Sep 22) 8.3p

2nd Interim paid 4 Nov 22 :(Year ended Sep 22) 9.8p

\*\*\*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).

### Share Buy-back and Issuance Mechanism

The Directors have adopted a share buy-back 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 a later date and it is the intention of the Board that any re-sale of treasury shares would only take place at a premium to the 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 NAV per share.

### Commentary

In October, the NAV was up 0.4% on a total return basis and the share price was up 0.8%, on a total return basis, while the index was up 3.1%.

Just after the month end, portfolio company Mondelez announced its third quarter results. The owner of Oreos biscuits and Cadbury chocolate reported another period of steady growth, driven by volume increases and pricing power. Alongside its results we note this comment from the CEO: "Chocolate is something people can't live without."

We also note this summary headline from a Dow Jones newswire, conveying its paraphrase of the Mondelez results: "As customers hunt for bargains, they're not cutting back on snacks, Mondelez says."

We imagine most investors want a proportion of their portfolio invested in a business like Mondelez, which can deliver inflation protection and steady real growth through good times and bad and we're pleased we retained your holding in it, albeit a US-listed company, after its takeover of Cadbury.

We are also pleased that several other portfolio constituents updated shareholders through the month of October with similarly reassuring reports about the stickiness of their products and services.

Unilever's 3rd quarter revealed revenues up 10.5% year-on-year. That comprised price increases of c12% and volume declines of 1.5% - a reassuringly low rate of attrition. ULVR noted that its billion Euro revenue brands, which combined account for over 50% of sales, grew by more: 14%. This, the company asserts, demonstrates that mega-brands retain both pricing power and growth potential, even in these tougher times. When you consider these major brands include Hellmann's, Magnum ice-cream and Rexona, the world's #1 deodorant, ULVR's assertion appears credible.

Heineken reported revenues up 20% on the same basis. Here underlying volumes of beer sold were up 8% and there was a benefit of c13% from price increases and, critically, consumers drinking more highly priced premium beer. Volumes of the Heineken brand itself, for instance, were up 11%.

Remy Cointreau's quarterly revenues were up 21% on a year ago, truly remarkable when you consider the same quarter back in 2021 was up over 50%. It seems clear that demand for premium cognac (Remy's biggest category) remains strong. Perhaps what we're seeing is that in tougher times consumers drink lower volumes of spirits but treat themselves to finer products.

Away from consumer brand owners, we applauded the London Stock Exchange's quarterly update; underlying revenues up 7%, with recurring revenues (the stickiest and hence most valuable) up more than expected within that. LSE's claim that the acquisition of Refinitiv has brought a meaningful enhancement of the quality of the company and its long-term growth rate seems better founded with each passing quarterly update. I was asked by an investment banker what we thought of these LSE results. My response was that they were encouraging and that it bewildered me that a company of this scale (£40bn) and potential was not a cornerstone holding in every UK pension fund.

RELX, another world-class UK data and analytics business (like LSE) reported quarterly revenues accelerating to 9% against last year, with a nudge up to 2023 guidance too. And Hargreaves Lansdown, currently subject to distracting publicity, reported a 15% increase in its revenues, with new client acquisition growing ahead of the industry and still very high client retention rates (92%).

Of the companies noted above, some saw share price rises on these reports, others fell. Such is the way of stock markets. To us, though, what is so critical through this period of economic and macro-economic uncertainty is to ensure our clients' savings are invested in durable businesses that have the potential to protect against monetary inflation and benefit from secular growth trends too.

### 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 2022

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](http://www.frostrow.com)

Email: [info@frostrow.com](mailto: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](http://www.finsburygt.com).*

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