

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).

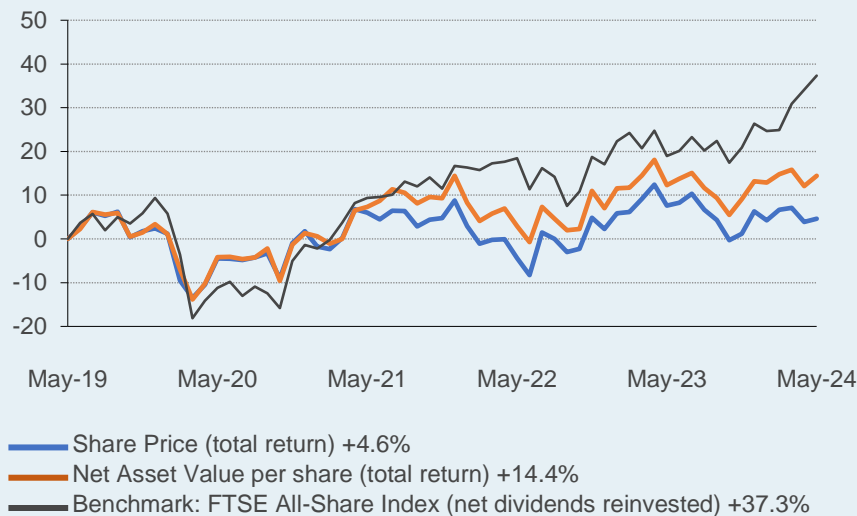
LINDSELL TRAIN



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 rise and is not guaranteed; An investor may receive back less than the original amount invested.



Source: Morningstar

Ten Largest Holdings as at 31 May 2024 (% of total investments)

Name	Sector	Total
Experian	Industrials	12.8
RELX	Consumer Discretionary	12.5
London Stock Exchange	Financials	12.4
Diageo	Consumer Staples	10.0
Unilever	Consumer Staples	9.8
Sage Group	Technology	9.6
Schroders	Financials	5.3
Hargreaves Lansdown	Financials	5.0
Burberry Group	Consumer Discretionary	4.6
Rightmove	Consumer Discretionary	3.9
Total		85.9

Fast Facts

As at 31 May 2024

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	181,750,494 Ordinary shares of 25p 43,240,809 (in treasury)
Number of Holdings	21
Net Assets (£m)	£1,658.2m
Market Capitalisation (£m)	£1,517.6m
Dividend Per Share**	19.3p
Current Net Yield	2.3%
Gearing	1.3%
Leverage***	Gross 101.3% Commitment 101.5%
Share Price (p)	835.00
NAV (p) (cum income)	912.36
(Discount) / Premium to NAV	(8.5%)
Portfolio Turnover p.a.	6.0%
Active Share^	85.2%

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 2024 (%)

Consumer Staples	30.3
Financials	24.5
Consumer Discretionary	22.8
Industrials	12.8
Technology	9.6
Total	100.0

Discrete Performance – Calendar Years (%)

	2019	2020	2021	2022	2023
NAV	23.1	-2.0	13.0	-6.5	5.8
Share Price	21.8	-0.7	6.9	-6.0	3.9
Index	19.2	-9.8	18.3	0.3	7.9

Standardised Discrete Performance (%)

	1m	3m	YTD	1yr	3yr	5yr	10yr	Since Manager Appointment**
NAV	2.1	-0.3	1.1	1.9	6.6	14.4	114.5	641.1
Share Price	0.7	-1.9	-1.5	-2.8	-1.3	4.6	95.5	690.2
Index	2.4	9.9	8.7	15.4	25.5	37.3	77.6	242.9

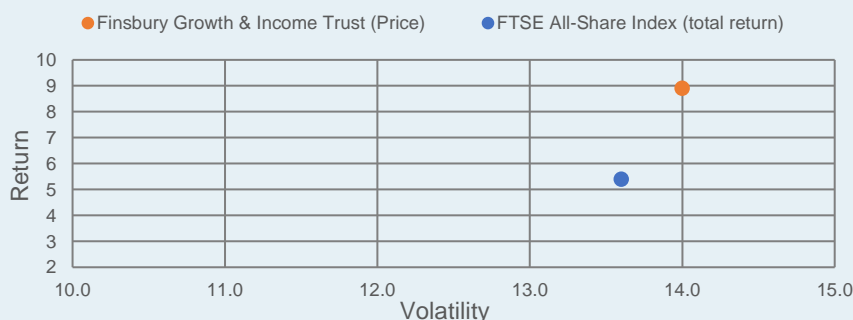
Source: Morningstar.

* Index source: FTSE International Limited ("FTSE") © FTSE 2024

**Cumulative since Manager appointment in December 2000

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Return vs Volatility (Annualised since Appointment of Lindsell Train: December 2000) – Chart (%)



Dividend Growth – 5 Years History

	2019	2020	2021	2022	2023
Dividend Rate	16.6p	16.6p	17.1p	18.1p	19.0p
YoY% Growth	8.5	-	3.0	5.8	5.0

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

**1st Interim paid 17 May 24 :(Year ended Sep 24) 8.8p

2nd Interim paid 10 Nov 23 :(Year ended Sep 23) 10.5p

***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 May, the NAV was up 2.1% on a total return basis and the share price was up 0.7%, on a total return basis, while the index was up 2.4%.

Three important portfolio holdings reported results in May – Burberry, Experian and Sage. Investors were unimpressed by the updates from Burberry and Sage, sending their share prices lower; while Experian's prompted a rally to a new high.

From our perspective and commenting generally on the trio, their results were broadly as we expected. Each company confirmed it is executing on its stated strategy, albeit to greater or lesser success in the short term. For each we believe successful implementation of the stated strategy should lead to higher future earnings and a higher P/E rating for those earnings. Accordingly, we intend to add to each when we judge appropriate.

Burberry's revenues were down c4% in its most recent year, to just under £3bn. Revenues are likely to fall further in the current one, as difficult trading conditions persist. We note that at today's market capitalisation of £3.6bn, Burberry is valued on c1.25x historic revenues. This seems low for a business that has generated operating margins of over 16%pa on average for the last decade and will definitely be too low if the current, relatively newly installed, CEO, CFO and Head of Design can restore excitement to the brand and grow revenues again.

Experian's results prompted analyst upgrades for medium term revenue growth and higher profit margins for the company. These seem credible to us. The lessons we have learned from watching successful digital and software businesses over the last decade is that growth rates and profitability can scale as such companies' services become increasingly valuable to a growing customer base. Experian is one of a relatively small set of UK-listed companies that offer participation in such effects. Those lessons also suggest that the ostensibly "high" prospective P/E that Experian trades on, of c28x, is, in fact, not high at all and the shares offer good value.

Sage's outlook, by contrast, disappointed investors, with growth expectations pulled back marginally. As long-term holders we must avoid being backward looking, but have to note that the new medium-term forecasts for Sage, of its revenues growing at high single or low-double digits, would have appeared incredible five years ago, when the company was struggling to grow at all. Sage has two big opportunities, it seems to us. To grow its Intacct subsidiary in the US and, using Sage's network of global partners, in other geographies too. Second, but associated, to take advantage of new AI-enhanced services to bring significant efficiency gains to existing and new customers worldwide. Again, as with Experian, there are few listed UK companies with a global strategic opportunity comparable to this and Sage's current market capitalisation of c£10bn could be much higher, we expect, if it can execute on that opportunity.

I suppose we should not have been surprised by the revelation in May that Hargreaves Lansdown has been approached with a buyout proposal from a Private Equity consortium. Its prior stock market valuation had seemed exceptionally low. But many UK-listed asset and private wealth management franchises seem exceptionally lowly valued too. We watch developments not just at HL, but across the whole sector with interest.

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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.

Target Market

The Company is suitable for investors seeking an investment that aims to deliver total returns over the longer term (at least five years), is compatible with the needs for retail clients, professional clients and eligible counterparties, and is eligible for all distribution channels.

The Company may not be suitable for investors who are concerned about short-term volatility and performance, have low or no risk tolerance or are looking for capital protection, who are seeking a guaranteed or regular income, or a predictable return profile. The Company does not offer capital protection.

Value Assessment

Frostrow Capital LLP has conducted an annual Value Assessment on the Company in line with Financial Conduct Authority (FCA) rules set out in the Consumer Duty regulation. The Assessment focuses on the nature of the product, including benefits received and its quality, limitations that are part of the product, expected total costs to clients and target market considerations.

Within this, the assessment considers quality of services, performance of the Company (against both benchmark and peers), total fees (including management fees and entry and exit fees as applicable to the Company), and also considers whether vulnerable consumers are able to receive fair value from the product.

Frostrow Capital LLP concluded that the Company is providing value based on the above assessment.

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").