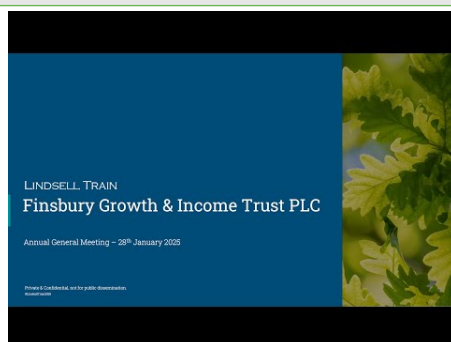


Finsbury Growth & Income Trust

Exciting times – more UK and zero overseas

Finsbury Growth & Income Trust's (FGT's) portfolio has changed considerably since 2019. There is a greater exposure to digital winners, which now make up close to two-thirds of the fund, a lower weighting in consumer companies and the non-UK positions have been sold. Managers Nick Train and Madeline Wright are excited about FGT's prospects. They believe the UK market is home to a range of leading global companies that are more attractively valued than their international peers. The managers are encouraged by an improvement in FGT's recent performance, following a disappointing few years. However, importantly, one should not lose sight of the trust's commendable long-term record of 3.7pp annualised outperformance versus the broad UK market since 2001.

Pre-recorded version of the managers' AGM presentation



Source:FGT

Why consider FGT?

Train and Wright consider FGT's top 10 holdings, which make up more than 90% of the very concentrated portfolio, are undervalued. They acknowledge that in recent years some of the trust's holdings have been disappointing. However, they note that FGT's historical strong returns have been generated from a core portfolio of exceptional businesses and are confident that returns can improve with the increased exposure to digital winners. Train believes that most portfolios are over-diversified and is influenced by the late renowned investor Charlie Munger, who believed that you only need to invest in eight great businesses. Train certainly has his interests aligned with FGT's other shareholders; the latest regulatory filing shows he owns around 3.6% of the company.

The trust's managers invest for the long term and portfolio turnover is very low. However, they have recently disclosed that they are building up two new positions following Rightmove, which entered the fund in September 2023. Shipbroker Clarkson and Intertek, which is a testing and assurance business, are both relatively under-followed, world-leading companies with high returns on equity that form part of FGT's exposure to digital winners.

Historically, the trust traded on a narrower discount. It is likely that FGT can be afforded a higher valuation with a continued improvement in its performance or when investor risk appetite improves. With its concentrated portfolio of high-quality UK growth companies that have the potential to thrive throughout the economic cycle, FGT looks well-positioned to benefit from any improvement in sentiment towards the currently out-of-favour UK market.

Investment companies
UK equities

4 February 2025

Price 954.00p
Market cap £1,424m
Total assets £1,564m

NAV £1,028.1

¹At 31 January 2025.

Discount to NAV 7.2%

Current yield 2.1%

Shares in issue 149.3m

Code/ISIN FGT/GB0007816068

Primary exchange LSE

AIC sector UK Equity Income

52-week high/low 959.0p 794.8p

NAV high/low 1,028.1p 877.8p

Net gearing 1.9%

¹At 31 December 2024.

Fund objective

Finsbury Growth & Income Trust's investment objective is to achieve capital and income growth and provide shareholders with a total return above that of the broad UK market index. It invests principally in the securities of companies either listed in the UK or otherwise incorporated, domiciled or having significant business operations within the UK, while up to a maximum of 20% of the portfolio, at the time of acquisition, may be invested in companies not meeting these criteria.

Bull points

- Very strong long-term absolute and relative performance versus the broad UK market.
- Disciplined strategy, with the managers investing with a very long-term perspective.
- The discount is at the wider end of the three-year range, which may offer a favourable entry point.

Bear points

- FGT has underperformed its benchmark for the last four consecutive years.
- Key person risk: Train has built up FGT's long-term record over the last 24+ years.
- Despite attractive valuations, UK shares remain out of favour with global investors.

Analyst

Mel Jenner +44 (0)20 3077 5700

investmenttrusts@edisongroup.com

[Edison profile page](#)

**Finsbury Growth & Income Trust
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Investment Research Limited**

FGT: Highly concentrated UK equity portfolio

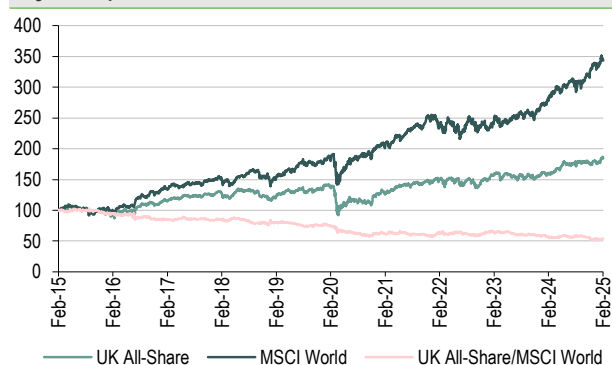
FGT has a very concentrated UK equity portfolio with around 20 holdings. At the end of 2024, each of the top six positions made up more than 10% of the fund, while more than 90% was held in the top 10 names. Recently, the remaining overseas companies were sold; the 2024 [annual report](#) (ending 30 September) listed small positions in Heineken (Netherlands), Mondelēz International (US) and Rémy Cointreau (France). With a typically low turnover of around 5% per year, portfolio changes are rare; before the purchases of Clarkson and Intertek, the last additions to the fund were Rightmove in September 2023 and Fevertree Drinks and Experian in early 2020.

The UK market remains attractively valued

Exhibit 1 shows that the UK market continues to be out of favour with global investors and has delivered around 50% less than the world market over the last decade. Although the UK is now a low single-digit allocation in global indices and does not have the range of major technology companies, which have led the outperformance of the US market in recent years, it is home to some market-leading businesses. Also, the UK remains very attractively valued, which may contribute to a robust level of M&A, which should provide some support for the domestic stock market.

Using Datastream indices, the UK's forward P/E multiple is around 50% and 35% lower than the US and world markets respectively, while the price-to-book differentials are even wider. The UK also offers a meaningfully higher dividend yield than both the US and world markets.

Exhibit 1: Performance of indices (last 10 years, £-adjusted)



Source: LSEG Data & Analytics, Edison Investment Research

Exhibit 2: Valuation of Datastream indices (at 3 February 2025)

	Last	High	Low	10-year average	Last vs 10Y-avg
P/E 12M forward (x)					
UK	11.0	16.0	9.1	13.1	84
US	22.3	23.4	14.0	18.6	120
World	17.4	19.9	12.4	15.8	110
Price-to-book (x)					
UK	0.9	1.7	0.7	1.0	83
US	5.2	5.3	2.3	3.4	152
World	2.5	2.5	1.4	1.9	127
Dividend yield (%)					
UK	3.3	6.4	2.7	3.6	92
US	1.2	2.7	1.2	1.8	69
World	2.0	3.4	1.8	2.3	87

Source: LSEG Data & Analytics, Edison Investment Research

Train's presentation at FGT's January 2025 AGM

While Train has outperformed the broad UK market by 3.7pp a year between 2001 and 2024, with a 9.0% annualised total return, unfortunately, 2024 marked the fourth year of consecutive underperformance. The manager apologises commenting that 'he is running out of ways to say sorry.' Prior to the recent rally, FGT's all-time high share price of 958p was achieved in 2019. There were subsequent rallies, but each time the trust's share's pulled back — in H124, for example, major performance detractors included Burberry, Diageo and Fevertree. Burberry's share price has since nearly doubled off the Q324 low, but Train admits it has been a 'torrid run.'

The manager explains that, since 2019, there has been a marked shift in the structure of the portfolio. Between 2019 and now, global consumer brands have declined from around 50% to around 30%, digital winners have increased from around 40% to 65%, while international companies have declined from around 18% to zero. Train and Wright prefer UK-listed leading global businesses, which they believe include some world-class data, data analytics, software and technology platform companies that are less expensive than their overseas peers.

Train explains that, over time, the UK market has changed and become more 'growthy.' In 2001, the 10 largest companies included telecoms, oil and bank stocks; however, the current top 10 list includes growth companies, such as RELX and London Stock Exchange Group. These two companies, along with other top 10 names Diageo and Unilever, have outperformed the US Nasdaq Composite Index (60% technology weighting) since 2001. Over this period,

RELX has moved from the 68th largest UK company to the fifth. London Stock Exchange Group listed in 2001 and has jumped up 116 index places and its share price has appreciated by 30x. Train believes that these UK businesses can continue to grow, as have the successful companies in the Nasdaq Composite, and contribute to the performance of the whole UK market. This could help to improve sentiment towards UK stocks, which has been depressed for a long time. The manager then suggests seven companies that could make up the UK's own 'Magnificent 7' to rival that in the US: Diageo, Experian, London Stock Exchange Group, RELX, Rightmove, Sage and Unilever. If these companies can continue to do well, this could counter the UK market's dowdy reputation says Train and allow it to generate more competitive returns.

Current portfolio positioning

Top 10 holdings

At the end of December 2024, FGT's top 10 holdings made up 92.4% of the portfolio, which was a higher concentration compared with 84.5% 12 months earlier; eight positions were common to both periods. The two new names in the December 2024 top 10 are Hargreaves Lansdown, which is a long-term holding, and Rightmove, which is one of the newer names in the portfolio where the managers have been increasing the company's weighting within the fund.

Exhibit 3: FGT's top 10 holdings

Company	Country	Sector	Portfolio end Dec 2024	Portfolio end Dec 2023
London Stock Exchange Group	UK	Financials	12.8	12.3
RELX	UK	Consumer discretionary	12.3	12.2
Sage Group	UK	Technology	12.3	9.9
Unilever	UK	Consumer staples	11.6	8.2
Experian	UK	Industrials	11.5	10.6
Diageo	UK	Consumer staples	11.3	9.5
Rightmove	UK	Consumer discretionary	6.0	N/A
Hargreaves Lansdown	UK	Financials	5.9	N/A
Schroders	UK	Financials	4.4	5.7
Burberry Group	UK	Consumer discretionary	4.3	5.9
			92.4	84.5

Source: FGT, Edison Investment Research. Note: N/A not in December 2023 top 10.

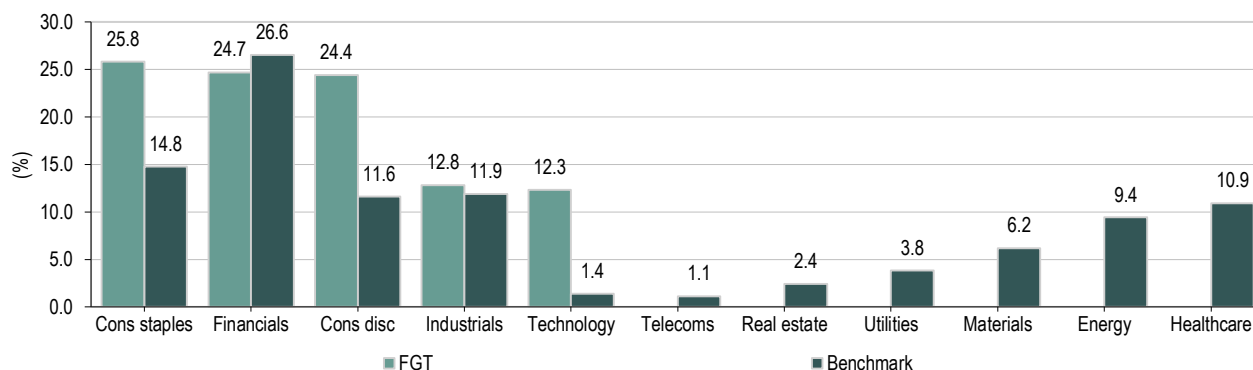
Sector breakdown

FGT had exposure to just five out of the 11 market sectors at the end of 2024, with the other six making up around a third of the benchmark. Over the 12 months to the end of December, there was a notable reduction in the trust's consumer staples exposure. This is partly due to the sale of overseas-listed stocks as the managers are finding exciting opportunities in the UK market; an area, which has been out of favour with global investors over a multiyear period.

Exhibit 4: Portfolio sector breakdown versus benchmark (% unless stated)

Industry	Portfolio end Dec 24	Portfolio end Dec 23	Change (pp)	UK index end Dec 24	Portfolio vs index (pp)
Consumer staples	25.8	34.3	(8.5)	14.8	11.0
Financials	24.7	22.9	1.8	26.6	(1.9)
Consumer discretionary	24.4	22.3	2.1	11.6	12.8
Industrials	12.8	10.6	2.2	11.9	0.9
Technology	12.3	9.9	2.4	1.4	10.9
Telecommunications	0.0	0.0	0.0	1.1	(1.1)
Real estate	0.0	0.0	0.0	2.4	(2.4)
Utilities	0.0	0.0	0.0	3.8	(3.8)
Basic materials	0.0	0.0	0.0	6.2	(6.2)
Energy	0.0	0.0	0.0	9.4	(9.4)
Healthcare	0.0	0.0	0.0	10.9	(10.9)
Total	100	100		100	

Source: FGT, Edison Investment Research, Note: Excludes cash.

Exhibit 5: FGT and benchmark sector breakdowns at end-December 2024


Source: FGT, Edison Investment Research

New holdings

By the time that FGT's December factsheet was released, two new positions, which Train and Wright had initiated a few weeks earlier, were large enough to be disclosed. Clarkson and Intertek have been added to the fund, both of which have high returns on equity and have performed better than the Nasdaq Composite Index this century. These are names that the managers have followed for a long time and increase the trust's exposure to UK-listed intellectual property and/or data companies. Share price weakness at both companies due to macro-economic concerns provided buying opportunities.

UK-listed **Clarkson** is the leading global shipbroking company and is considerably larger than other industry participants, including number two player Braemar Holdings. This scale gives Clarkson access to data that is not available to its competition. While shipping is a cyclical industry, ship brokers are intermediaries, so their business is less volatile. Over the last 20 years, Clarkson's revenue has risen by c 7x, which its share price has matched. The company provides hard-to-replicate transaction and data services, with its different operations following varied business cycles. Similar to other financial markets, there is increased use of technology both operationally and for data analysis. Clarkson believes it has the market-leading data services, which is a growing percentage of its overall business. FGT's managers believe that data services are not fully represented in Clarkson's share price.

The other new holding is UK-listed **Intertek**, one of just four global testing and assurance businesses, Intertek is another intermediary, which is well-placed to benefit from the increasing burden of global regulation and end-user demand for demonstrable quality and compliance with a widening range of metrics. This includes safety and, increasingly, traceability and supply chain visibility. Intertek's operations are widely diversified by geography and industry; a particularly important growth area is the transition from carbon to green energy. The company's business has high barriers to entry, and Intertek operates in a stable competitive environment, where there are opportunities for its competitors to become its customers given the shift from in-house to third-party testing, due to more complex regulation and higher penalties for non-compliance. Assurance is a growing part of the company's operations (having doubled from 10% in 2015), which is improving the quality of its revenue base as Intertek is increasingly seen as having the quality standard intellectual property required for ensuring product compliance.

Performance: Returns have improved over the last 12 months

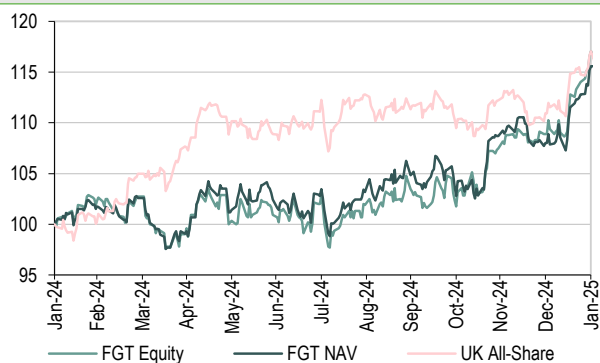
FGT is the second largest of 18 funds in the AIC UK Equity Income sector. It maintains its commendable long-term performance record, with its NAV total return ranking second over the last decade. Also, the trust's one-, three- and five-year rankings have improved considerably over the last 12 months, and the three-year NAV total return is now above the sector average. On 3 February 2025, FGT's valuation was modestly higher than the sector average. The trust has a competitive ongoing charges ratio and a relatively low level of gearing. Unsurprisingly, given its growth focus, FGT has the lowest dividend yield in the sector.

Looking at Morningstar analysis, FGT is the only fund in the sector that is categorised as large-cap growth, the peers are seen as either value or blended, large or mid-cap funds. It has the most concentrated portfolio in terms of the smallest number of holdings and largest percentage of the portfolio in the top 10 holdings, and has one of the lowest portfolio turnovers. FGT's exposure to cyclical businesses is lower than average, and it has the highest consumer defensive exposure.

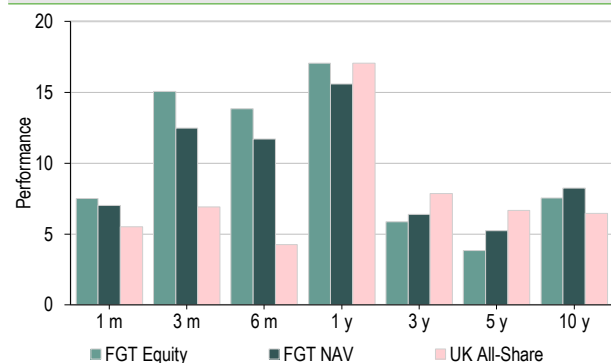
Exhibit 6: AIC UK Equity Income sector at 3 February 2025

% unless stated	Market cap (£m)	1Y NAV TR	3Y NAV TR	5Y NAV TR	10Y NAV TR	Disc (cum-fair)	Ongoing charge	Performance fee	Net gearing	Dividend yield
Finsbury Growth & Income	1,425.4	14.1	19.3	26.0	117.4	(6.4)	0.6	No	102	2.1
abrdn Equity Income Trust	153.9	23.7	9.9	10.8	32.8	(3.8)	0.9	No	113	7.1
BlackRock Income and Growth	39.8	17.2	22.8	34.1	78.0	(15.2)	1.2	No	104	2.4
Chelverton UK Dividend Trust	32.7	13.6	(13.4)	1.9	49.0	(3.4)	2.7	No	156	8.9
City of London	2,141.6	18.9	27.1	35.5	79.5	(2.5)	0.4	No	107	4.8
CT UK Capital and Income	323.4	12.4	16.9	21.4	92.6	(4.7)	0.7	No	107	3.8
CT UK High Income	82.2	17.0	21.4	22.3	60.3	(1.2)	1.1	No	108	5.8
Diverse Income Trust	218.9	20.1	(0.4)	25.3	79.4	(6.8)	1.1	No	100	4.6
Dunedin Income Growth	381.9	8.0	14.5	23.2	69.8	(11.9)	0.6	No	110	4.9
Edinburgh Investment	1,099.4	20.1	30.2	47.1	73.1	(10.2)	0.5	No	106	3.6
JPMorgan Claverhouse	402.1	17.8	18.4	29.7	79.9	(6.1)	0.7	No	108	4.9
Law Debenture Corporation	1,192.0	17.9	20.9	56.6	123.4	1.8	0.5	No	111	3.6
Lowland	332.8	13.9	9.8	18.9	53.7	(8.0)	0.7	No	114	4.9
Merchants Trust	810.4	11.8	10.2	33.3	76.9	(5.1)	0.5	No	112	5.2
Murray Income Trust	855.6	11.1	15.5	25.0	80.1	(11.1)	0.5	No	110	4.5
Schroder Income Growth	197.8	18.6	24.0	33.0	75.6	(12.1)	0.8	No	114	5.0
Shires Income	100.4	18.3	13.5	25.5	76.6	(9.4)	1.1	No	115	5.9
Temple Bar	792.7	29.7	31.4	33.0	76.7	(7.6)	0.5	No	108	3.4
Simple average	587.9	16.9	16.2	27.9	76.4	(6.9)	0.8		111	4.7
Rank	2	12	8	9	2	9	7		17	18

Source: Morningstar, Edison Investment Research. Note: Performance based on ex-par NAV. TR = total return.

Exhibit 7: Performance to end-January 2025 (one-year rebased)


Source: LSEG Data & Analytics, Edison Investment Research

Exhibit 8: Price, NAV and index performance (%)


Source: LSEG Data & Analytics, Edison Investment Research. Note: Three-, five- and 10-year annualised.

Exhibit 9: Share price and NAV total return performance, relative to indices (%)

	1 month	3 months	6 months	1 year	3 years	5 years	10 years
Price relative to UK All-Share	1.9	7.6	9.2	0.0	(5.5)	(12.5)	10.5
NAV relative to UK All-Share	1.4	5.2	7.1	(1.3)	(4.1)	(6.5)	17.9
Price relative to UK 350	1.8	7.5	9.1	(0.1)	(5.9)	(12.5)	11.1
NAV relative to UK 350	1.3	5.1	7.0	(1.3)	(4.5)	(6.4)	18.5
Price relative to MSCI World	3.0	5.4	1.7	(6.3)	(17.7)	(37.2)	(40.4)
NAV relative to MSCI World	2.5	3.0	(0.2)	(7.5)	(16.4)	(32.9)	(36.4)

Source: LSEG Data & Analytics, Edison Investment Research. Note: Data to end-December 2025. Geometric calculation.

FGT's relative returns are shown in Exhibit 9. There has been a notable improvement in the trust's performance over the last six months meaning that its share price is in line with the UK market over the last year, while its NAV is modestly behind. FGT's longer-term results remain solid with NAV and share price outperformance versus the UK market over the last decade.

Looking at the trust's top 10 holdings, seven companies' share prices have performed strongly over the last year led by Hargreaves Lansdown, which has received a takeover bid, London Stock Exchange Group and RELX. The three companies whose share prices have weakened over the last 12 months are Diageo, Schroders and Burberry.

Exhibit 10: Relative performance versus benchmark (10 year)


Source: LSEG Data & Analytics, Edison Investment Research

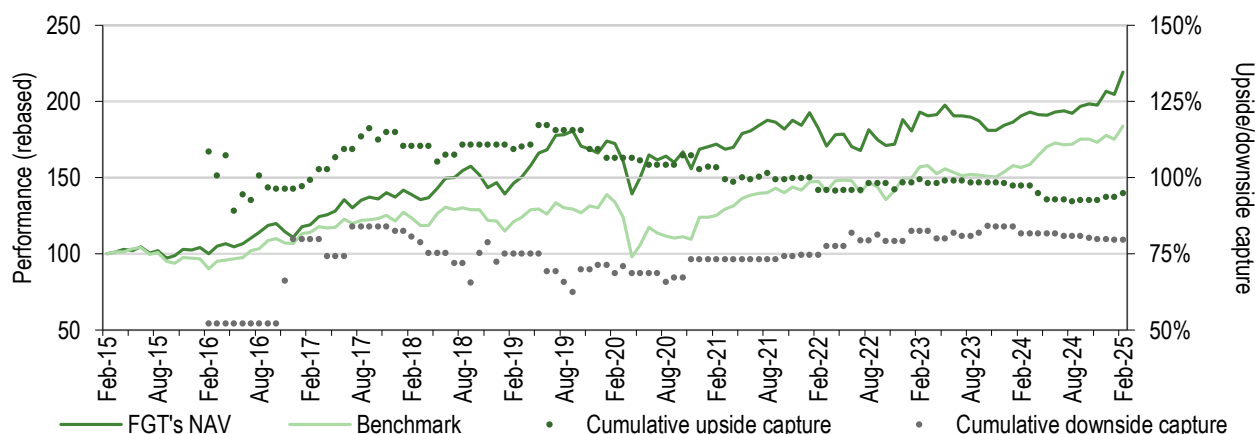
Exhibit 11: Five-year discrete performance data

12 months ending	Total share price return (%)	Total NAV return (%)	UK All-Share (%)	UK 350 (%)	MSCI World (%)
31/01/21	(2.9)	(0.5)	(7.5)	(8.0)	11.4
31/01/22	4.8	7.7	18.9	18.9	19.8
31/01/23	2.9	3.0	5.2	5.6	1.4
31/01/24	(1.5)	1.2	1.9	1.9	13.7
31/01/25	17.1	15.6	17.1	17.1	25.0

Source: LSEG Data & Analytics. Note: All % on a total return basis in pound sterling.

Upside/downside analysis

FGT's cumulative upside/downside capture over the last decade is shown below. The trust's upside capture of 95% suggests that it will modestly underperform during periods when the UK market is rising. FGT's defensive nature is illustrated by its downside capture rate of 80%, which indicates that FGT is likely to outperform by a meaningful amount during periods of UK stock price weakness.

Exhibit 12: FGT's upside/downside capture


Source: LSEG Data & Analytics, Edison Investment Research

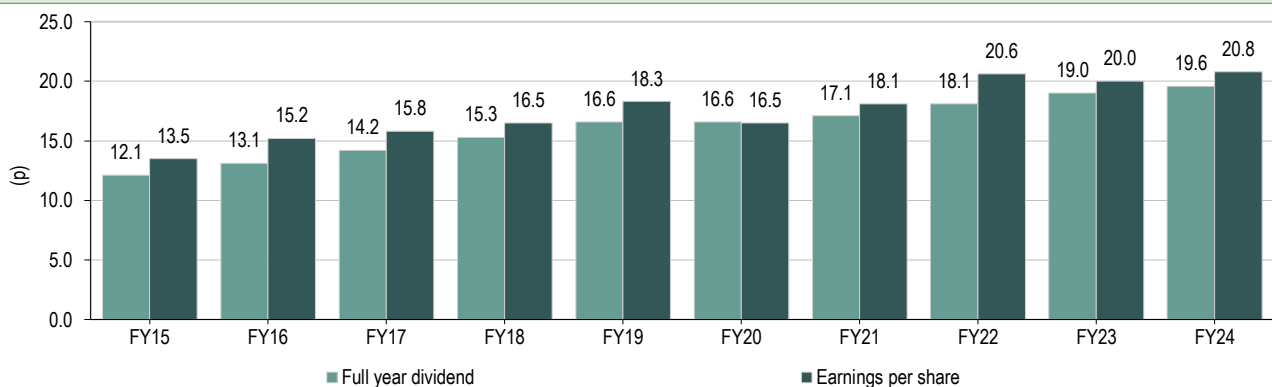
Cumulative upside/downside capture calculated as the geometric average NAV total return (TR) of the fund during months with positive/negative reference index TRs, divided by the geometric average reference index TR during these months. A 100% upside/downside indicates that the fund's TR was in line with the reference index's during months with positive/negative returns. Data points for the initial 12 months have been omitted in the chart due to the limited number of observations used to calculate the cumulative upside/downside capture ratios.

Dividends: Progressive distribution policy

FGT pays out two semi-annual interim dividends in May and November; if the second payment was a final rather than an interim dividend it would require shareholder approval at the trust's AGM, which is normally held in January. The board aims to increase or at least maintain the total distribution each year.

In FY24, the trust's 20.8p per share revenue return was 4.0% higher year-on-year, while its 19.6p per share FY24 annual dividend (c 1.1x covered) was 3.2% higher than 19.0p per share in FY23. At the end of FY24, FGT had revenue reserves of c £60.0m, which is equivalent to c 2.0x the last annual dividend payment. On 7 August 2024, following shareholder approval, the trust's large c £1.1bn non-distributable share premium account was cancelled and transferred into a special distributable reserve. This can be used to return cash to shareholders via dividends and share repurchases when required.

Exhibit 13: FGT's 10-year dividend and revenue history



Source: FGT, Edison Investment Research

Discount: Around the middle of the three-year range

Before Q221, FGT's shares typically traded close to NAV. However, since then, in keeping with many other trusts, its valuation has been more volatile and the current discount is around the middle of the trust's three-year range. The 7.2% share price discount to cum-income NAV compares with the 8.1%, 6.1%, 4.2% and 1.9% average discounts over the last one, three, five and 10 years respectively. There is scope for FGT to be afforded a higher valuation once its relative performance gets back on track or investors become less risk averse.

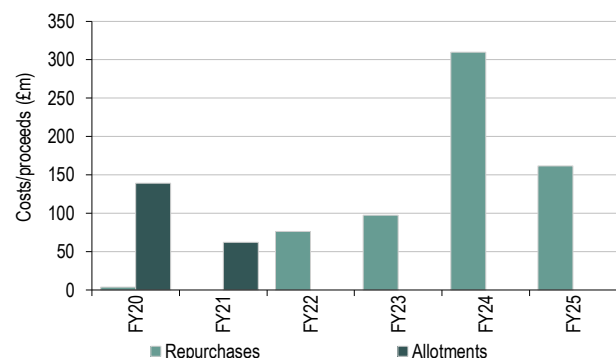
Since 2004, FGT's board has actively managed the trust's discount/premium by repurchasing shares when the discount exceeds 5% and issuing shares at a small premium when there are unfulfilled buy orders in the market. In FY24, c 36.8m shares were repurchased (c 18.0% of the share base) at an average discount of 7.4% and a cost of c £310.0m, which added 14p to NAV. Regular share buybacks have continued in FY25.

Exhibit 14: Discount over three years (%)



Source: LSEG Data & Analytics, Edison Investment Research

Exhibit 15: Buybacks and issuance



Source: Morningstar, Edison Investment Research

Fund profile: Concentrated, high-conviction portfolio

FGT was launched on 15 January 1926 and is listed on the Main Market of the London Stock Exchange. Boutique investment firm Lindsell Train was appointed as the trust's manager in December 2000, and since January 2001 the fund has been managed by one of its co-founders, Nick Train, who has more than 40 years of investment experience. He aims to achieve capital and income growth and a total return above that of the broad UK stock market from a concentrated portfolio of primarily UK companies. In 2019, Madeline Wright was appointed as FGT's deputy manager, having joined Lindsell Train in 2012.

The trust's policy is to invest principally in the securities of companies either listed in the UK or otherwise incorporated, domiciled or having significant business operations within the UK, while a maximum of 20% of the portfolio, at the time of acquisition, can be invested in companies not meeting these criteria. In practice, this means the holding in Manchester United, which is listed on the New York Stock Exchange but is essentially a UK business, is classified as within the UK by FGT rather than within the US. The trust's portfolio will normally comprise up to 30 investments. This level of concentration and the fund's potential overseas exposure mean performance can vary significantly from that of the benchmark. FGT's investment guidelines restrict it to a maximum of 15% of its NAV, at the time of investment, in a single issuer (net assets exclude the holding in Frostrow Capital, which is the trust's Alternative Investment Fund Manager) and, ordinarily, 50–100% of the fund will be invested in the largest 100 UK companies or comparable companies listed on overseas stock exchanges, and at least 70% will be invested in the largest 350 UK companies or their overseas equivalents. Up to 25% of gross assets may be invested in preference shares, bonds and other debt instruments, but they are generally not held, and no more than 10% of any one issue may be held. While up to 10% of gross assets may be in cash, the managers prefer to remain fully invested. Gearing of up to 25% of NAV is permitted.

Investment process: Very long-term holding periods

The managers focus on growth businesses with high-quality management teams that they believe are trading at a discount to their intrinsic value and can be held for the long term, thereby reducing the drag of transaction costs. Historical portfolio turnover of c 3.0% per year implies a more than 30-year holding period. For reasons of prudence, once a position reaches 10% of the fund it is not added to and is actively reduced if it reaches 12.5%. At the end of December 2024, FGT's active share was 83.9% (a measure of how a fund differs from its benchmark, with 100% representing no commonality and 0% full index replication).

Train and Wright seek companies with the following attributes: durability — businesses that can grow over the long term, regardless of the economic cycle; a high return on equity; and low capital intensity and high cash flow generation that can support sustained dividend growth.

The managers favour well-established firms (the average age of portfolio companies is c 150 years) and around half of FGT's portfolio companies have a large family ownership.

Train highlights three rules of thumb used in selecting portfolio companies: if a company's products taste good, buy the shares (FGT's holdings include AG Barr, Diageo and Unilever); the world will never be bored by being informed or entertained (London Stock Exchange, RELX and Manchester United); and the professionals are always too cautious about the stock market, which creates opportunities for those investors with a more constructive view.

Gearing

FGT has a three-year secured, fixed-term, £60m multi-currency revolving credit facility (plus an option of an additional £40m), with Bank of Nova Scotia, London Branch (Scotiabank) that expires in October 2025. At the end of FY24, £29.2m was drawn down. The managers employ modest levels of gearing as the trust's concentrated fund already brings an element of risk. At the end of December 2024, net gearing was 1.9%.

Fees and charges

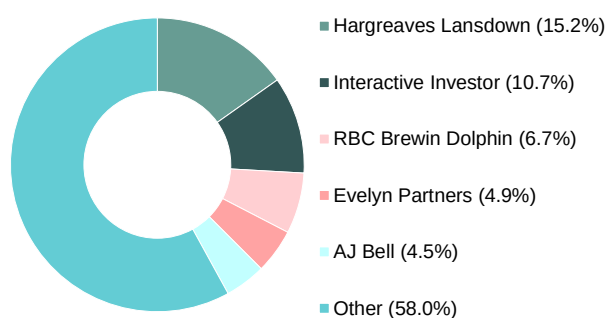
FGT's management fees and finance costs are allocated 75% to the capital account and 25% to the revenue account, reflecting the board's view about the trust's longer-term allocation of total returns between capital and income. Lindsell

Train receives an annual fee of 0.450% of FGT's market cap up to £1bn, 0.405% between £1bn and £2bn and 0.360% above £2bn (no performance fee is payable). Frostrow Capital is the trust's Alternative Investment Fund Manager, providing company management, secretarial, administrative and marketing services, and receives an annual fee of 0.150% of FGT's market cap up to £1bn, 0.135% between £1bn and £2bn and 0.120% above £2bn. In FY24, the trust's ongoing charges were 0.61%, which was in line with FY23.

Capital structure

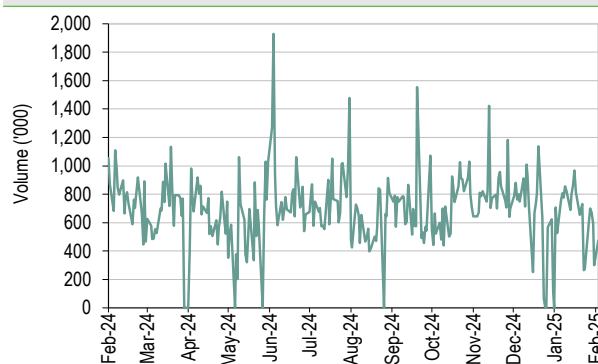
FGT is a conventional investment trust with one class of share; there are currently 150.2m ordinary shares outstanding. At the end of FY24, FGT's shareholder base was broken down as follows: wealth managers and private banks (40.0% vs 42.9% at the end of FY23); retail shareholders (37.2% vs 38.7%); institutional investors (16.3% vs 14.3%); and other (6.5% vs 4.1%). The trust's average daily trading volume over the last 12 months was c 717k shares.

Exhibit 16: Major shareholders at 31 January 2025



Source: Bloomberg, Edison Investment Research

Exhibit 17: Average daily volume (12M to 3 Feb 2025)



Source: LSEG Data & Analytics, Edison Investment Research

The board

Exhibit 18: FGT's board at the end of FY24

Board member	Date of appointment	Remuneration in FY24	Shareholdings at end FY24
Simon Hayes	29 June 2015	43,000	200,000
Kate Cornish-Bowden	26 October 2017	28,500	10,200
Lorna Tibbani	26 October 2017	28,500	11,500
Sandra Kelly (senior independent director)	09 October 2019	35,000	8,096
James Ashton	14 October 2020	28,500	1,575
Pars Purewal	28 November 2022	28,500	17,802

Source: FGT

Former chairman Simon Hayes retired at the 28 January 2025 AGM and was replaced by the newest board member Pars Purewal. He was appointed in November 2022, having spent 38 years at PricewaterhouseCoopers, including 25 years as a partner across a range of management teams. Purewal is a fellow of the Institute of Chartered Accountants in England and Wales, the chair of Royal London Asset Management, and a non-executive director of The Royal London Mutual Insurance Society and The Law Debenture Corporation. He was formerly on the boards of Brewin Dolphin Holdings, Federated Hermes and Beyond Food Foundation.

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