Finsbury Growth & Income Trust PLC

Factsheet as at 31 August 2025

Portfolio Manager
Nick Train

Fast Facts

As at 31 August 2025	
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	136,420,389 Ordinary shares of 25p 88,570,914 (in treasury)
Number of Holdings	21
Net Assets (£m)	£1,303.5m
Market Capitalisation (£m)	£1,216.9m
Dividend Per Share**	19.6p
Current Net Yield	2.2%
Net Gearing	1.9%
Leverage***	Gross 101.9% Commitment 101.9%
Share Price (p)	892.00
NAV (p) (cum income)	955.49
(Discount) / Premium to NAV	(6.6%)
Portfolio Turnover p.a.	25.8%
Active Share^	85.4%

Codes

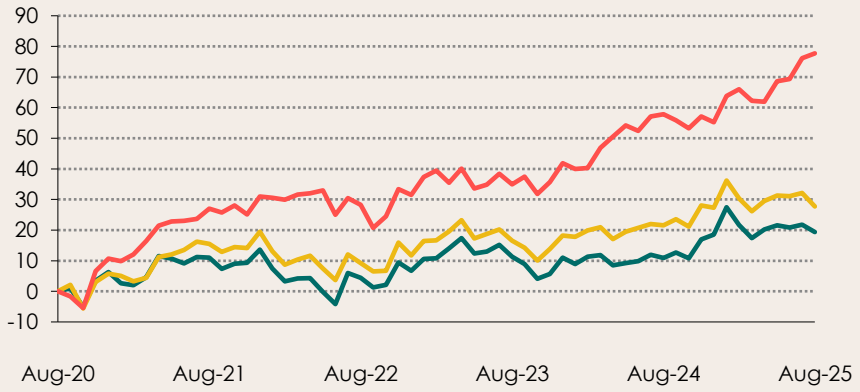
Sedol	0781606
ISIN	GB0007816068
Legal Entity Identifier (LEI)	213800NN4ZKX2LG1GQ40
Global Intermediary Identification Number (GIIN)	**QH4BH0.99999.SL.826**
Bloomberg	FGT LN
EPIC	FGT

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).

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.



Share Price (total return) +19.4%
Net Asset Value per share (total return) +27.7%
Benchmark: FTSE All-Share Index (net dividends reinvested) +77.7%

Source: Frostrow Capital LLP

Ten Largest Holdings as at 31 August 2025

(% of total investments)

Name	Sector	Total
Experian	Industrials	12.3
RELX	Consumer Discretionary	11.3
Sage Group	Technology	11.1
Unilever	Consumer Staples	10.6
London Stock Exchange	Financials	10.5
Diageo	Consumer Staples	10.4
Rightmove	Consumer Discretionary	8.5
Burberry Group	Consumer Discretionary	5.9
Schroders	Financials	4.2
Intertek Group	Industrials	3.5
Total		**88.3**

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Sector Breakdown as at 31 August 2025 (%)

Consumer Discretionary	27.2
Consumer Staples	24.5
Industrials	18.1
Financials	16.6
Technology	13.6
Total	**100.0**

Discrete Performance – Calendar Years (%)

	2020	2021	2022	2023	2024
NAV	-2.0	13.0	-6.5	5.8	7.7
Share Price	-0.7	6.9	-6.0	3.9	6.9
Index	-9.8	18.3	0.3	7.9	9.5

Standardised Discrete Performance (%)

	1m	3m	YTD	1yr	3yr	5yr	10yr	Since Manager Appointment**
NAV	-3.3	-2.7	0.4	5.1	16.9	27.7	111.6	687.9
Share Price	-2.0	-1.8	0.7	7.6	14.3	19.4	96.9	763.5
Index	0.9	5.4	14.5	12.6	38.6	77.7	108.5	295.3

Source: Frostrow Capital LLP

* Index source: FTSE International Limited ("FTSE") © FTSE 2025

**Cumulative since Manager appointment in December 2000

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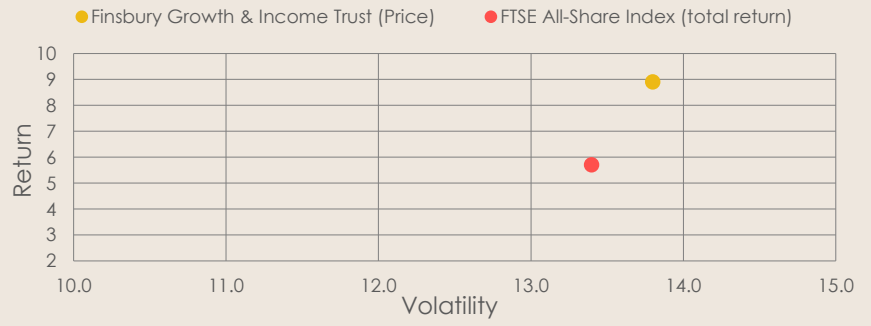
Return vs Volatility

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



Dividend Growth – 5 Years History

	2020	2021	2022	2023	2024
Dividend Rate	16.6p	17.1p	18.1p	19.0p	19.6p
YoY% Growth	-	3.0	5.8	5.0	3.2

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

**1st Interim payable 16 May 25 :(Year ended Sep 24) 8.8p

2nd Interim paid 8 Nov 24 :(Year ended Sep 24) 10.8p

***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.

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Commentary

In August, the NAV was down 3.3% on a total return basis and the share price was down 2.0% on a total return basis, while the index was up 0.9%.

We recently presented the UK Strategy to a client we had not seen for a few years. He commented that the change in the shape of the portfolio since we last met was greater than he had expected. In particular, he noted that by taking the holdings in UK-listed digital and intellectual property businesses to over 60% of the total, we had meaningfully reduced exposure to the company type he most associated our investment approach with; namely consumer brand owners. At the same time, he acknowledged by doing so we had given shareholders access to a new and potentially rewarding investment theme.

Our client is correct. Over the last few years we have been researching and initiating holdings in a variety of UK companies that we believe have a significant opportunity to accelerate their growth by deploying new digital tools, often AI-tools, on to their data assets or software services. Some of the companies benefitting from these trends have been held in the UK Strategy for over 20 years, namely London Stock Exchange Group (LSEG) and RELX. However, over the past five years we have added Experian and Rightmove, both top-10 positions, and more recently Autotrader, Clarkson and Intertek. Frankly we believe the potential investment returns from companies that are beneficiaries of, or driving, technology change, is so great, we may even consider increasing our exposure from here.

But the client had a further comment or question. Is the business risk of investing in, to name some names, Experian, LSEG or RELX higher than investing in consumer staple brands?

That is a fair question to put to us. Though, let me say at outset, it is perhaps ironic that, in fact, the performance problems we have had over the last three years have arisen predominantly because some of our consumer brand owners have been less reliable than we anticipated, most notably Diageo. Temporarily less reliable, we hope and expect, which is why we have added to the holding. But it is a fair and timely question because August was a month when our digital investments suffered price falls – led by Sage, down 11% and RELX, down 12%. August's sell-off in technology-related companies was worldwide and was, in part, the result of the rapidity that AI-tools are being deployed by corporations. Their success has led investors to wonder whether established data or software vendors will be disintermediated by new AI-agents.

For instance, will finance directors at small and medium-sized businesses still rely on Sage's specialised accounting software or finance professionals choose to access data via LSEG's terminals? Or will they just ask an AI-bot for the software functionality or data?

We have a number of thoughts on these issues. First, it is important to recognise there are similarities between the best consumer brands and the best owners of platform or data assets. Put simply, there are parallels between a consumer who wants a pint of Guinness and nothing else will do, and a solicitor who needs certainty that the legal precedent confirmed by RELX's LexisNexis service is accurate. The brand and the quality of the data or the cleverness of the analytic tool bring loyalty to the respective products. That loyalty brings repeat business and long-term pricing power. And it is repeat business and long-term pricing power that underpins long-term investor returns.

However, there are differences between consumer and digital companies too; often to the latter's advantage. Digital companies often charge for their services by regular subscriptions – the most reliable sort of repeat business. And although consumer brands are a type of intellectual property, their owners are still operating in an analogue world of physical stuff. That physicality of product means that returns on capital are unlikely to be as high as for a successful software or platform company. The returns on capital for Autotrader, say, or Rightmove are just intrinsically higher than available to Unilever (although Unilever's returns have been above the UK market average for decades). Finally, there is no doubt when you consider the secular growth being presented to, for example, Experian, as it sells analytic tools to banks as well as its raw data, or presented to Clarkson as it brings digital services to the global maritime industry, that these growth opportunities exceed those available to most consumer brands.

That combination in our digital investments of predictability, high returns on capital and big growth opportunities is a compelling one and explains why we have built exposure here, at the expense of some consumer brand owners.

Turning to the August sell-off. We believe AI is still far more of an opportunity than a threat to the companies we have chosen to invest in and that the price falls are, therefore, an opportunity. I remember asking RELX 20 years ago whether Google would eat its lunch. And in response, the company carefully and wholly correctly reassuring us that professionals, relying on business-critical data would not take the risk of relying on a service without domain specialisation, even if it was cheaper. We believe the same remains true today. As JP Morgan has put it succinctly in a recent report: "We think workflows centred around data, trust, compliance and deep domain logic are most insulated from disruption." Our companies offer this insulation in our view. It is, in addition, the ownership and accumulation of proprietary data that deepens the moats for the best of these companies. The attention attracted to Autotrader and Rightmove's platforms is a source of proprietary information. Experian's consumer division brings privileged and unique access to consumer financial data. Clarkson's dominant brokerage business creates information it alone can exploit.

Having said all that, one final thought. I mentioned Guinness earlier in this report. Amidst the justified excitement about digital growth companies, it is important to recognise the value for an investment portfolio of owning semi-eternal brands. Brands like Burberry, Fever-Tree, Johnnie Walker, Dove and Manchester United. These are all examples of enduring brands held in your portfolio that are highly likely, in our opinion, to remain relevant to and desirable for consumers for decades to come. That predictability is rare, compared to the average UK-listed company, and we continue to believe that scarcity still ought to command a high stock market value.

The top three absolute contributors to the Company's performance in August were Diageo, Unilever and Clarkson, and the top three absolute detractors were RELX, Sage and Rightmove.

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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.

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.

Important Information

Finsbury Growth & Income Trust PLC (the Company) is a public limited company whose shares are 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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