Investor Report

30 May 2025

CQS Natural Resources Growth and Income PLC
(the "Company")

Key Facts[1]

Portfolio Managers	Ian 'Franco' Francis Keith Watson Robert Crayfourd
Launch Date	August 2003
Total Gross Assets	£150.0m
Reference Currency	GBP
Ordinary Shares	Net Asset Value: 213.57p Mid-Market Price: 201.00p
Dividend Yield (est.)	3.3%
Net gearing[4]	6.4%
Discount	(5.9%)
Ordinary Shares in Issue	64,157,838
Ongoing Charge Ratio	2.00%
Annual Management Fee	1.2% p.a. on net assets up to £150 million 1.1% p.a. on net assets over £150 million and up to £200 million 1.0% p.a. on net assets over £200 million and up to £250 million 0.9% p.a. on net assets greater than £250 million
Bloomberg	CYN LN
Reuters	CYN.L
Sedol	0035392
Year End	30 June
Contact Information	CQSClientService@cqsm.com
Company Broker	Cavendish Capital Markets Limited 020 7220 0500
AGM	December
Dividend Information 2024/25	1.26p interim paid 22 Nov 2024 1.26p interim paid 28 February 2025 1.26 interim paid on 30 May 2025
Fiscal Year-End	30 June
Previous Dividend Information	2012/13 Total 5.50p 2013/14 Total 5.60p 2014/15 Total 5.60p 2015/16 Total 5.60p 2016/17 Total 5.60p 2017/18 Total 5.60p 2018/19 Total 5.60p 2019/20 Total 5.60p 2020/21 Total 5.60p 2021/22 Total 5.60p 2022/23 Total 8.60p 2023/24 Total 6.60p
Investor Report	Monthly Factsheet
Annual Report & Accounts	Published: October
Results Announced	Finals: October Interims: March



Portfolio Managers

Ian Francis, Keith Watson and Robert Crayfourd

Description

The Company aims to generate capital growth and income, predominantly from a portfolio of mining and resource equities, and from mining, resource and industrial fixed interest securities.

Key Advantages for the Investor

- Access to under-researched, mid and smaller-cap companies in the Natural Resources sector
- Quarterly dividend paid to shareholders
- Potential inflation hedge

Ordinary Share and NAV Performance[2]

	1 Month (%)	3 Months (%)	6 Months (%)	1 Year (%)	3 Year (%)	5 Year (%)	Since Inception (%)
NAV	7.0	10.5	3.6	(2.8)	(0.4)	183.4	681.8
Share Price	5.4	11.8	0.9	5.7	6.7	239.9	729.8
MSCI World Energy Sector Index[3]	1.2	(11.2)	(12.6)	(11.5)	1.4	118.6	473.6
MSCI World Metals & Mining Index[3]	1.2	(1.0)	(4.4)	(10.0)	(3.6)	70.3	451.9

Commentary[4]

It was a positive month for the Company's performance. Including the 1.26p interim dividend and despite a drag from continued strengthening of sterling against the dollar, the Fund returned 7%. An easing of fears around US trade war following the introduction of a 90-day tariff reprieve initially led to a sell-off in gold. However the metal price subsequently recovered as investor focus switched to concerns over the sustainability of US debt as the Trump administration announced the "Big Beautiful Bill" aimed at lowering taxes and increasing spending. The rise in US treasury yields did little to arrest US dollar softness with gold prices ending May unchanged.

Although the US stepped back from the extremely aggressive rhetoric on trade tariffs, uncertainty remains elevated and US treasury yields remain stubbornly high. The US debt sustainability concerns has reinforced the rise in US treasuries yields adding to support for gold's role as a risk-free reserve asset among central banks. This was supported by the People's Bank of China's seventh straight month of gold additions, adding 60k oz in May, taking it to 73.8Moz. This represents 7% of their reserves, versus the global average of 15%.

Official sector demand, along with that for bar and coin from emerging markets, remain the primary drivers to the gold price. However, increasing concerns on owning the US dollar and treasury assets could drive gold inflows from financial market participants, who have hitherto largely ignored the sector. While the gold price ended the month unchanged, related equities performed well with producers Emerald Resource, Ora Banda and West African Resources all rising between 15-20% during the month. We believe precious metal miners still offer the most compelling risk-reward profile in the resources sector given the historically low valuations and as stronger gold prices start to feed through to earnings. This supports the Company's current allocation of 52%. We are wary of portfolio concentration and so further outperformance of golds would likely lead to a reallocation into other commodity sectors.

The Company had already reduced its oil exposure, primarily due to demand concerns from China. A third month of OPEC production increases, as the organisation shifts to a market share rather than price protection strategy, illustrates the reason for this caution over oil. While fundamentally cautious, Middle Eastern tensions nevertheless remain extremely high and difficult to predict, especially with ongoing US/Iranian negotiations, and could provide support for the energy sector. Within this, our preference is weighted towards gas which we view as key to meeting growing power demand in the nearer-term from industries such as data centres. Shippers could benefit from disruption in the Straights of Hormuz should tensions escalate. Within the energy theme, the nuclear power sector received a strong boost from the introduction of four energy executive orders, signed by President Donald Trump on 23 May. The primary aim of these were to ensure the ramp-up in US nuclear generating capacity from 100 GW to 400 GW by 2050 and speed-up reactor deployment. Exposure to this industry provided a positive contribution to Company performance, led by the share price of uranium mine developer, Nexgen, that rose 17% over the month.

Sources:
1 Manulife | CQS Investment Management and Frostrow LLP as at the last business day of the month indicated at the top of this investor report.
2 Total return performance net of fees and expenses as at the last business day of the month indicated at the top of this investor report.
3 Source: MSCI is total return.
4 All market data sourced from Bloomberg unless otherwise stated. All returns quoted in local currency unless otherwise stated.
The Company may since have exited some or all of the positions detailed in the commentary.

Commentary (continued)

Base metals gained after the tariff reprieve with London Metal Exchange (LME) copper benchmark prices ending the month nearly 5% higher and related mining equities gaining broadly by a similar amount. It was notable, however, that the performance of base metal mining equities did no better than those of gold miners. An exception was Talon which rose 80% after reporting some strong exploration results.

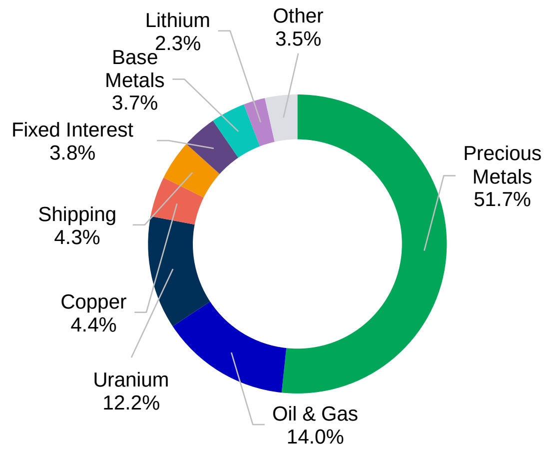
The Company continues to hold zero weight in iron ore as we see little scope for a Chinese property recovery and Rio plans to ramp up production from their West African Simandou mine. Iron ore has now convincingly broken below the $100/t level and we believe there is little cost curve support from the big three producers to see production curtailments.

The principal drag to performance during the month was exposure to the lithium mining sector with Sigma Lithium's share price down over 40%. Lithium carbonate prices fell sharply, losing over 15% in the month. This came on the back of a worsened supply-demand situation with sentiment on the outlook for electric vehicle (EV) sales deteriorating while supply remains resilient with many hedged producers maintaining output.

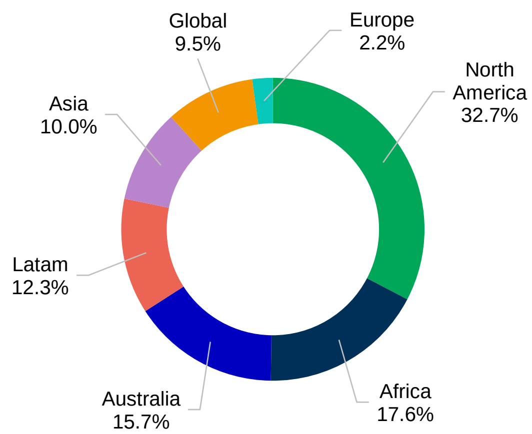
During the month the Company announced a fee reduction to 1% and an increased dividend of 8% paid quarterly based on the prior quarters NAV, along with tender offer to all shareholders, with agreement from Saba.

Portfolio Analysis[1,2]

Sector



Region



Top 20 Holdings (% of MV) [1,2]

Name	(% of MV)
NEXGEN ENERGY NPV	7.3
EMERALD RESOURCES NPV	6.5
WEST AFRICAN RESOURCES NPV	6.0
ORA BANDA MINING NPV	4.9
GREATLAND GOLD GBP0.001	4.7
REA HLDGS 9% CUM PREF GBP1	3.5
CALIBRE MINING CORP NPV	3.4
TAMBORAN RESOURCES CORP CDI NPV	3.0
SOUTHERN CROSS GOLD CONS-CDI NPV	2.8
FRONTLINE USD1.0000	2.3
Top 10 Holdings Represent	**44.4**

Name	(% of MV)
WHEATON PRECIOUS METALS CORP	2.2
UR ENERGY NPV	2.2
ROBEX RESOURCES NPV	2.2
TRANSOCEAN USD0.01	2.1
WESTGOLD RESOURCES NPV	2.1
BW LPG LTD USD 0.0100	2.0
LYNAS RARE EARTHS NPV	1.9
POLYMETALS RESOURCES NPV	1.9
G MINING VENTURE CORP 0.000001	1.9
DIAMONDBACK ENERGY USD0.01	1.7
Top 20 Holdings Represent	**64.6**

AIFMD Leverage Limit Report (% of NAV)

	Gross Leverage (%)[3]	Commitment Leverage (%)[3]
CQS Natural Resources Growth and Income	108	108

Sources:
1 Manulife | CQS Investment Management and Frostrow LLP as at the last business day of the month indicated at the top of this investor report.
2 All holdings data are rounded to one decimal place. Totals may therefore differ to sum of constituents.
3 Manulife | CQS Investment Management, as at the last business day of the month indicated at the top of this investor report. For methodology details see Article 4(3) of Directive 2011/61/EU (AIFMD) and Articles 6, 7, 9 and 10 of Delegated Regulation 231/2013.
4 Manulife | CQS Investment Management as at the last business day of the month indicated at the top of this investor report. For methodology details see Article 4(3) of Directive 2011/61/EU (AIFMD) and Articles 6, 8, 9, 10 and 11 of Delegated Regulation 231/2013.These include historic returns and past performance is not a reliable indicator of future results. The value of investments can go down as well as up. Please read the important legal notice at the end of this document.

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