Investor Report

31 August 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	£95.2m
Reference Currency	GBP
Ordinary Shares	Net Asset Value: 248.18p Mid-Market Price: 236.00p
Dividend Yield (est.)	3.4%
Net gearing[4]	10.2%
Discount	(4.9%)
Ordinary Shares in Issue	34,823,779
Ongoing Charge Ratio	2.00%
Annual Management Fee	Annual Management Fee 1.0% p.a. on net assets.
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 4.25p interim paid on 1 September 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 2024/25 Total 8.03p
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	16.98	18.54	30.97	28.61	21.81	167.79	826.69
Share Price	11.58	19.77	33.89	38.37	37.63	213.90	893.90
MSCI World Energy Sector Index[3]	2.03	11.80	(0.76)	2.77	12.76	173.80	541.29
MSCI World Metals & Mining Index[3]	9.76	15.98	14.78	13.17	28.74	75.75	540.09

Commentary[4]

The Company's NAV gained 17% during August compared to sterling returns of 9.8% for the MSCI World Metals and Mining Index and 4.2% for the WSCI World Energy Index. With gold and silver prices rising more than most other commodities over the month, gaining 4.8% and 8.2% respectively, exposure to precious metal equities remained the most significant driver to Company performance. Notable contributions were made by Equinox Gold and Ora Banda, whose share prices rose 41% and 30% respectively. Exposure to precious metals in aggregate represented 46% of assets at the end of August.

Despite making repeated all-time highs this year, we believe the global economic backdrop remains supportive for this asset class. Notwithstanding substantial revisions to historic US jobs data, which had been substantially overstated, employment trends remain soft while core inflation remains stubbornly sticky as US tariffs continue to feed through to the real economy. This suggests an economic backdrop of "stagflation" (stagnating growth and inflation) which is normally the most positive environment for gold and silver prices. With employment moving to the forefront of US FED rate setting criteria, the central bank now faces the unenviable task of balancing the need to lower interest rates, in order to defend broader employment, with the challenge of controlling inflationary pressures. In addition, the FED is also facing challenges to its independence by the Trump administration, adding a further dimension to potential risks around longer-term confidence in dollar assets. In this context, we believe the level of broader portfolio insurance, via precious metals, appears inadequate; broader investor exposure to the gold sector remains at historically low levels, with physical gold ETF's having a current value of $300bn, equivalent to a meagre 0.1% of "global assets", as evidenced by the slide in the dollar index.[5]

Industrial metals made more modest gains with copper and iron ore prices ending the month around 2% higher. This was seemingly helped by the US extending its tariff truce with China for another 90 days. The current status quo will maintain US tariffs on Chinese goods at 30% and Chinese tariffs on US goods at 10%. While providing additional time for further US inventory building, unless a permanent trade agreement can be reached, the triple-digit tariff rates will be re-introduced on 10 November, which will again add to US inflation pressures which have latterly been only marginally higher than generally expected.

Chinese data showed a weakening in fixed asset investments, which rose 1.6% year-on-year (versus 2.8% last month), continuing the deceleration evident since March. In addition, the region's property market remained weak. July floor space completions (important for base metals used in fit out) fell 29.5% year-on-year, while new starts declined 15.2% year-on-year, representing a sharp reversal of an improvement seen in June. As a result, we believe the outlook for iron ore demand remains subdued.

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.
5 Estimated using MSCI value of global assets as at 2023.
The Company may since have exited some or all of the positions detailed in the commentary.

Commentary (continued)[4]

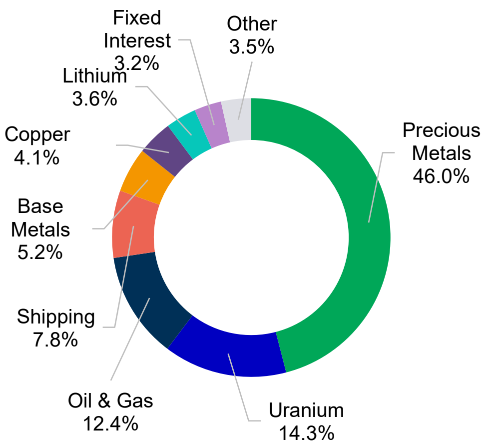
Crude oil prices softened over the month, with Brent falling 4.7%, driven by continued soft demand growth while the OPEC consortium continues to pursue its strategy to increase market share. Though "OPEC+" has substantially unwound its voluntary production cuts, we remain cautious on oil producers, whose valuations have remained resilient despite the softening market conditions. We prefer exposure to gas which is used to fulfil grid power during the energy transition. We will continue to monitor the energy sector closely for a good point to re-enter as, after months of OPEC regaining share, the market has become heavily exposed to supply shocks with Saudi Arabia is no longer willing to hold excess spare capacity to meet shortfalls. Whilst we like the overall backdrop, we anticipate more attractive valuations ahead, whilst accepting the risk of missing out if this were to happen sooner. Stricter sanctions on Russia would be one such shock but thus far we have seen little political will to enact any actions that cause oil price spikes and so we remain cautious.

Remaining with the energy transition theme, anticipation of nuclear fuel buying activity ahead of the annual World Nuclear Association gathering helped lift sentiment towards the nuclear power sector and uranium mining equities. As a result Nexgen, which is developing the Tier One Arrow deposit, provided a healthy contribution to performance with the share price rising 16% over the month.

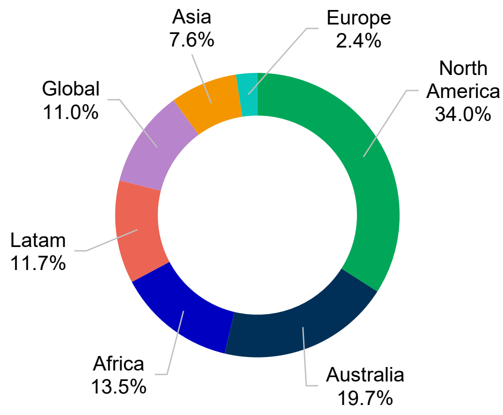
During the month, some profits were taken in rare earth producer Lynas which performed very well following the US government's investment into the US-based MP Minerals. Some rotation in precious metal equities also took place with holdings in Westgold Resources and Antipa Minerals reduced with some proceeds reinvested into a placement by First Nordic Minerals.

Portfolio Analysis[1,2]

Sector



Region



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

Name	(% of MV)
NEXGEN ENERGY NPV	7.8
EMERALD RESOURCES NPV	4.5
WEST AFRICAN RESOURCES NPV	4.4
FRONTLINE USD1.0000	4.0
EQUINOX GOLD CORP NPV	3.8
BW LPG LTD USD 0.0100	3.6
ORA BANDA MINING NPV	3.6
UR ENERGY NPV	3.1
GREATLAND RESOURCES NPV	2.9
REA HLDGS 9% CUM PREF GBP1	2.9
Top 10 Holdings Represent	**40.6**

Name	(% of MV)
SOUTHERN CROSS GOLD CONS-CDI NPV	2.6
TAMBORAN RESOURCES CORP CDI NPV	2.6
TALON METALS CORP NPV	2.5
SIGMA LITHIUM CORP NPV	2.5
POLYMETALS RESOURCES NPV	2.4
LYNAS RARE EARTHS NPV	2.3
TRANSOCEAN USD0.01	2.2
WHEATON PRECIOUS METALS CORP	2.1
ROBEX RESOURCES NPV	1.8
WESTGOLD RESOURCES NPV	1.8
Top 20 Holdings Represent	63.4

AIFMD Leverage Limit Report (% of NAV)

	Gross Leverage (%)[3]	Commitment Leverage (%)[3]
CQS Natural Resources Growth and Income	96	102

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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