Manulife | CQS Investment Management

Investor Report

June 30, 2026

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

Key Facts[1]

Portfolio Managers	Diana Racanelli Craig Bethune
Launch Date	August 2003
Total Gross Assets	£140.2m
Reference Currency	GBP
Ordinary Shares	Net Asset Value: 347.19p Mid-Market Price: 344.00p
Dividend Yield (est.)	8.0%
Net gearing[4]	11.3%
Discount	(0.9%)
Ordinary Shares in Issue	36,210,418
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 2025/26	6.02p interim paid On 28 November 2025 7.00p paid On 27 February 2026 8.34p paid 29 May 2026 6.94p payable 28 August 2026
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

Diana Racanelli and Craig Bethune

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	(14.8)	(15.0)	3.1	76.6	98.2	145.5	1273.6
Share Price	(6.3)	(5.8)	0.9	87.0	139.5	169.4	1440.5
MSCI World Energy Sector Index[3]	(4.5)	(13.5)	20.6	33.8	45.3	139.6	694.7
MSCI World Metals & Mining Index[3]	(10.7)	(1.2)	11.5	63.5	68.4	102.5	843.3

Commentary[4]

The Company's NAV declined by 14.8% in June as the broader resources markets fell. The MSCI World Metals & Mining Index and MSCI World Energy Index declined 10.7% and 4.5%, respectively, while the MSCI ACWI Select Gold Miners Index declined 15.1%

Oil reacted swiftly to the signing of the MOU between Iran and the U.S., down 23% by the end of June. Reports from the IEA indicating a potential oversupply with the opening of the Strait of Hormuz further pressured the commodity, and the oil futures curve dipped into contango, indicating the need to reduce global oil supply. All this occurred despite continued attacks between the U.S. and Iran during the ceasefire. While the IEA warned of weak demand, product markets such as diesel and gasoline continued to enjoy robust margins. Physical damage to refining assets within OPEC and Russia constrained supply, while real-world demand for oil products remained resilient despite the IEA's cautionary outlook. Our view was that the market had removed all conflict-related risk overnight and was underestimating the prospects of renewed conflict. The Company's holdings in refiners such as Valero and Par Pacific provided good returns during the month, with refining margins near all-time highs, while upstream producers faced pressure from lower oil prices. Despite the fall in crude oil prices, free cash flow within the energy sector remains robust.

The Company remains allocated to energy and precious metals over the more economically sensitive base metals, reflecting concerns that a higher oil price would hurt emerging market economies the most, which are also key drivers of base metal demand.

Precious metals suffered a sharp reversal in June, with gold declining 10.6% and silver down 21.7%, as geopolitical conflict reinforced volatility; a surging US dollar, mounting global rate-hike expectations and uncertainty around tariffs continued to weigh on the non-yielding bullion market. Market dynamics were increasingly influenced by real-yield volatility and positioning, with intraday moves reflecting rapid changes in the macro sentiment. Still, gold continues to benefit from strong global central bank purchases and, despite the recent pullback, trades at elevated levels, supporting relatively healthy producer margins despite rising input and operating cost pressures.

Effective from May 18, 2026, two senior Manulife Investment Management Group portfolio managers, Diana Racanelli and Craig Bethune, will assume responsibility for the management of the portfolio. The previous portfolio managers, Keith Watson and Robert Crayfourd, have resigned from Manulife CQS, and their notice period expired on June 2, 2026. There is no change to the Company's investment process, strategy or operations. Diana Racanelli, CFA and Craig Bethune, CFA, based in Toronto, are senior portfolio managers at Manulife Canada and have been with Manulife Canada for the past 12 years. Together, Diana Racanelli and Craig Bethune manage US$544 million in metals & mining and energy assets, as well as a further US$1,096 million in metals & mining and resources exposure in team-managed assets.

On May 27, 2026, the Company announced that Heads of terms have been agreed to appoint Tufton Investment Management Ltd as investment manager from September 14, 2026 and that Keith Watson and Robert Crayfourd will resume as the Company's portfolio managers at that time. Manulife CQS will remain as investment manager in the interim, with Diana Racanelli and Craig Bethune as interim portfolio managers.

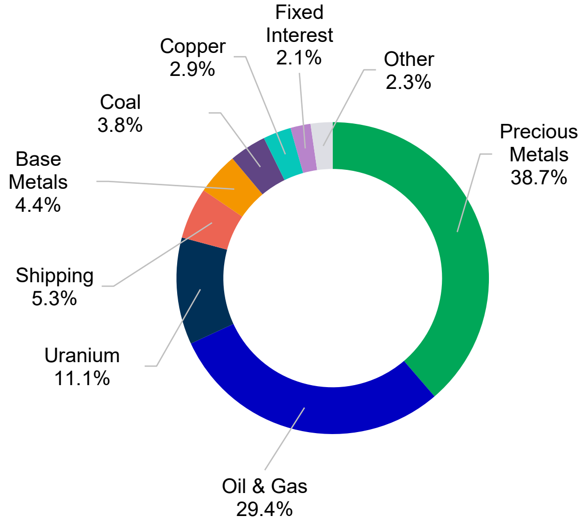
Sources:
1 Manulife | CQS Investment Management and Frostrow LLP as at the last business day of the month indicated at the top of this investor report.
2 Total return performance net of fees and expenses as at the last business day of the month indicated at the top of this investor report.
3 Source: 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[4]

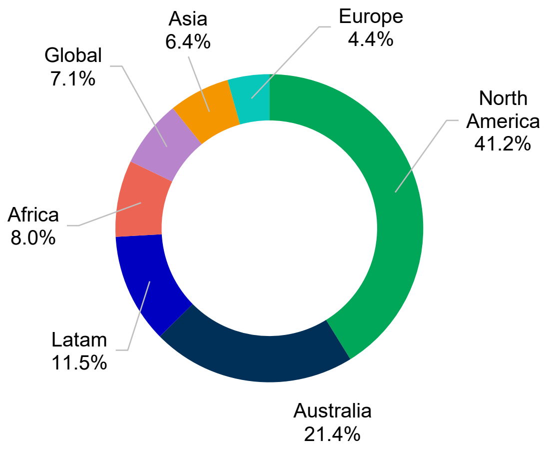
Silver experienced a sharper decline, falling 50% from its all-time high of nearly US$122 reached in late January 2026 and 18% year-to-date. Like gold, silver prices suffered from a shift in U.S. Federal Reserve rate-cut expectations toward potential increases. Because approximately half of silver demand comes from industrial use, silver was more heavily impacted than gold by fears of a global growth slowdown.

Portfolio Analysis[1,2]

Sector



Region



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

Name	(% of MV)
NEXGEN ENERGY NPV	5.4
TAMBORAN RESOURCES CORP USD0.001	5.2
SPARTAN DELTA CORP NPV	4.2
EMERALD RESOURCES NPV	3.7
GREATLAND RESOURCES NPV	3.3
BW LPG USD0.01	3.2
PREDICTIVE DISCOVERY NPV	3.0
CORE NATURAL RESOU USD0.0100	2.6
WEST AFRICAN RESOURCES NPV	2.5
TRANSOCEAN USD0.01	2.4
Top 10 Holdings Represent	**35.5**

Name	(% of MV)
ORA BANDA MINING NPV	2.4
TALON METALS CORP NPV	2.3
SUNCOR ENERGY NPV	2.3
SOUTHERN CROSS GOLD CONS-CDI NPV	2.2
UR ENERGY NPV	2.2
EQUINOX GOLD CORP NPV	2.1
FRONTLINE USD1.0000	2.0
G MINING VENTURE CORP 0.000001	2.0
POLYMETALS RESOURCES NPV	1.9
REA HLDGS 9% CUM PREF GBP1	1.5
Top 20 Holdings Represent	**56.4**

AIFMD Leverage Limit Report (% of NAV)

	Gross Leverage (%)[3]	Commitment Leverage (%)[3]
CQS Natural Resources Growth and Income	112	112

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.The AIFMD Leverage Limit Report includes the proceeds from the Tender Pool which were distributed in October 2025.
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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