

12 February 2025

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

**Receipt of requisition letter to convene a General Meeting of shareholders from Saba Capital Management, L.P. ("Saba")**

**Highlights**

- The Company has received a second notice from Saba demanding another general meeting of shareholders.
- The business of the general meeting will be to consider providing shareholders with an open-ended equivalent of the Company in exchange for their current shareholdings. However, the Board considers that this new proposal is without merit.
- The notice was served with no prior engagement by Saba.
- Following the rejection of Saba's proposals at the requisitioned general meeting on 4 February 2025, at which 98.6% of votes cast by non-Saba shareholders supported the current Board, it is clear that Saba now understands the importance of the current strategy and investment manager to shareholders as a whole.
- The scope of the Board's strategic review, announced on 7 January 2025, already includes, among other options, the possibility of offering an open-ended alternative with the option of a full cash exit at NAV for all shareholders.
- Saba's action now undermines a process that shareholders endorsed only one week ago.
- The Board is committed to ensuring that the outcome of the strategic review is in the best interests of all shareholders.
- The Directors advise shareholders to **take no action at this time**.

Christopher Casey, Chairman, commented:

*"We are disappointed to receive another requisition from Saba without any dialogue and which follows a very recent shareholder vote firmly endorsing the ongoing CYN Board strategy. Not only do we already hold an annual continuation vote, but we have announced a strategic review which is advanced. Our priority remains ensuring the best outcome for all shareholders."*

The Board of CQS Natural Resources Growth and Income PLC announces that, late on Monday 10 February, the Company has received a second requisition notice (the "Notice"), on instructions from Saba Capital Management, L.P.

The Notice requires the Company to convene a general meeting of shareholders (the "Second Requisitioned General Meeting"), pursuant to s303 of the Companies Act 2006.

The Notice was served with no prior engagement by Saba.

The summarised purpose of the Second Requisitioned General Meeting will be to consider, and if thought fit approve, the Company taking steps effectively to provide shareholders with an option to become shareholders of an open-ended investment vehicle with a similar investment strategy as the Company. The Notice also indicates that the open-ended investment vehicle could be managed by Manulife | CQS Investment Management or its affiliate. The full text included within the Notice is set out under "Further information" below.

Following the rejection of Saba's proposals at the requisitioned general meeting on 4 February 2025 (the "First Requisitioned General Meeting"), at which 98.6% of votes cast by non-Saba shareholders were against the Requisitioned Resolutions, it is clear that Saba now understands the importance of the current strategy and investment manager to shareholders as a whole.

However, the Board considers that this new proposal is without merit. It wilfully disregards the Board's public commitment to holding a strategic review to consider all options for the future of the Company by no later than 30 June 2025 and the existence of the annual continuation vote which has been in place since 2004 and is next due to be considered in December 2025. As far as the Company is aware, Saba did not cast its votes at the last continuation vote at the AGM in December 2024.

To reiterate the terms of the strategic review, as announced in the circular to shareholders dated 7 January 2025 (the "Circular"), the Board is currently reviewing the following:

- Maintaining the current investment policy and management arrangements, given the best practice annual continuation vote, together with providing liquidity to shareholders by means of buybacks, tenders and other similar actions;
- Introducing an increased dividend, to be funded in part by capital growth;
- Pursuing further discount management mechanisms;
- Providing a full cash exit at NAV for all shareholders; and
- If a suitable partner can be identified, to negotiate terms of a combination with another investment trust or open-ended investment company that would provide an ongoing investment opportunity with a natural resources and energy focus, together with the option of a full cash exit at NAV for all shareholders.

It is plain to see that the scope of the Board's strategic review already includes the possibility of offering an open-ended alternative, and the Board is committed to ensuring that the outcome of the strategic review is in the best interests of all shareholders. Saba's action now undermines a process that shareholders endorsed only one week ago.

The Board is therefore disappointed to note that Saba's actions in calling the Second Requisitioned General Meeting, so soon after the First Requisitioned General Meeting, are wasteful of shareholders' funds, the Company's resources and everyone's time.

The Directors advise shareholders to **take no action at this time**. A further announcement by the Company will follow in due course.

**Further information**

The Notice was received from Vidacos Nominees Limited. Vidacos Nominees Limited acts as the nominee company of Citibank N.A., London Branch (the "Custodian") pursuant to the instructions of the Custodian's client Jefferies LLC, a prime broker acting on behalf of its underlying customers ("Jefferies"). Jefferies has confirmed to the Custodian that its underlying customer Saba is the beneficial owner of at least 5% of the paid-up share capital of the Company, which is held in custody by the Custodian for Jefferies on behalf of its customer Saba.

The following extract from the Notice sets out Saba's request for the business of the Second Requisitioned General Meeting:

"(i) the general nature of the business of the general meeting will be to consider, and if thought fit approve, the taking by the Company of all necessary steps to implement a scheme or process by which the shareholders of the Company would become (or have the option to become) shareholders of a UK-listed open-ended investment company (or similar open-ended investment vehicle) implementing a substantially similar strategy; and (ii) such process or scheme could entail the shareholders of the Company rolling into an existing or newly established UK-listed open-ended investment company (or similar open-ended investment vehicle), in either case managed by the Company's existing investment manager or one of its affiliates."

For enquiries, please contact:

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#### **About CQS Natural Resources Growth and Income PLC (LSE: CYN)**

The Company actively invests in global energy and mining companies, with a focus on total return. It also pays a regular quarterly dividend. The flexible mandate allows the Company to shift its portfolio weighting between energy and mining, with the aim of maximising returns depending on the point in the cycle, whilst providing relative value opportunities.

The closed end structure is well suited to allowing the investment management team to focus on the best returns profile, rather than liquidity as is the case with Exchange Traded Funds ("ETFs"). The nature of this focus results in the Company holding a large proportion of its holdings in names that fall just below major index or ETF inclusion, adding additional upside potential should they become included. The portfolio is invested mostly in producers and developers across the natural resources sector, with strong earnings profiles and market caps typically in the region of £300m to £2bn, although also below and above this range.

The majority of holdings are listed in North America, Australia and/or the UK.

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