

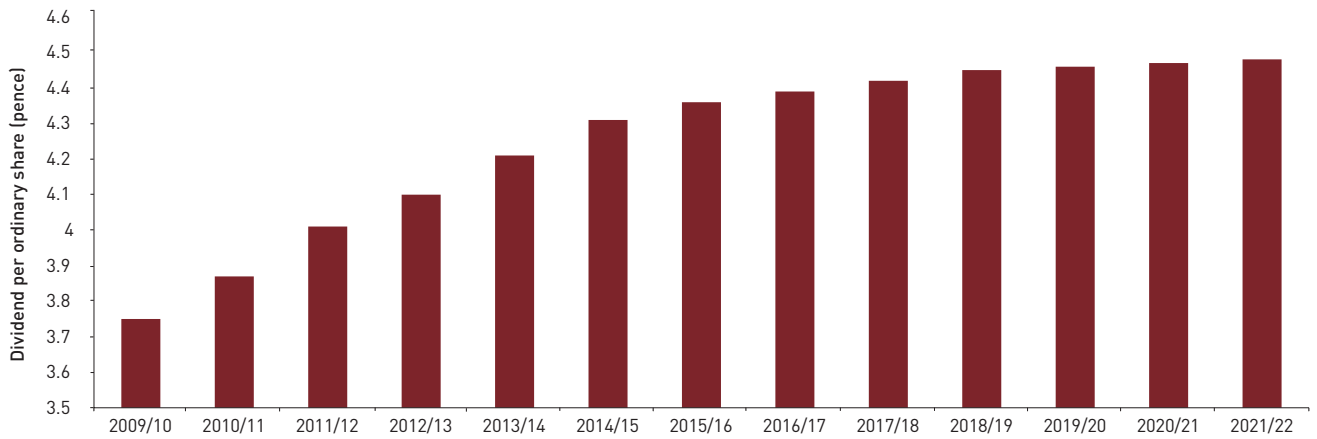


CQS
NEW CITY
HIGH YIELD FUND LIMITED



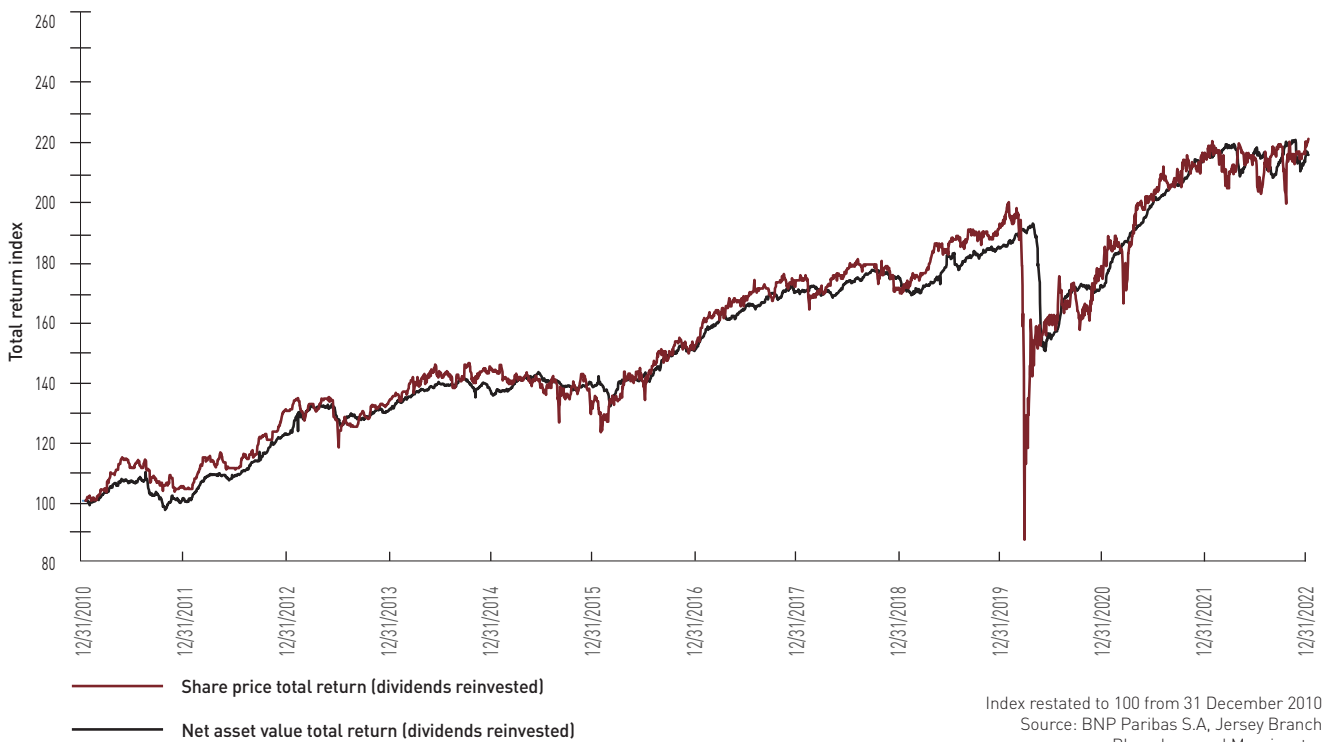
INTERIM REPORT
31 DECEMBER 2022

Dividends declared in respect of each financial year



Source: Bloomberg

Net asset value total return and Share price total return



Our Objective

To provide investors with a high dividend yield and the potential for capital growth by investing mainly in high yielding fixed interest securities.

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2 Financial Highlights and Dividend History

NAV and share price total return**	Six months to 31 December 2022	Six months to 31 December 2021
Net asset value* (NAV)	3.25%	5.49%
Ordinary share price	7.75%	5.64%

Capital Values	As at 31 December 2022	As at 30 June 2022	% change
Total assets less current liabilities (with the exception of the bank loan facility)	£271.9m	£268.0m	1.46%
NAV per ordinary share*	48.39p	49.30p	(1.85)%
Share price (bid) ¹	52.60p	51.20p	2.73%

Revenue and Dividends	Six months to 31 December 2022	Six months to 31 December 2021	% change
Revenue earnings per ordinary share**	2.27p	2.09p	8.61%
Dividends per ordinary share**	2.00p	2.00p	0.00%

Other Highlights	As at 31 December 2022	As at 30 June 2022
Premium**	8.70%	3.86%
Gearing**	12.65%	12.35%

Dividend History	Rate	xd date	Record date	Payment date
First interim 2023	1.00p	27 October 2022	28 October 2022	25 November 2022
Second interim 2023	1.00p	26 January 2023	27 January 2023	28 February 2023
Total	2.00p			
First interim 2022	1.00p	28 October 2021	29 October 2021	30 November 2021
Second interim 2022	1.00p	27 January 2022	28 January 2022	25 February 2022
Third interim 2022	1.00p	28 April 2022	29 April 2022	27 May 2022
Fourth interim 2022	1.48p	28 July 2022	29 July 2022	26 August 2022
Annual dividend per ordinary share	4.48p			

¹ Source: Bloomberg

* The definition of the terms used can be found in the glossary on page 22.

** A description of the Alternative Performance Measures used above and information on how they are calculated can be found on pages 23 and 24.

Statement from the Chair 3

Key Points

- NAV total return of 3.25%
- Ordinary share price total return of 7.75%
- Dividend yield of 8.52%, based on dividends at an annualised rate of 4.48 pence and a share price of 52.60 pence at 31 December 2022
- Ordinary share price at a premium of 8.70% at 31 December 2022
- £8.7m of equity raised during the six months to 31 December 2022

Investment and Share Price Performance

The six months ended 31 December 2022, covered by this interim report, saw positive total returns from both the NAV and the share price at 3.25% and 7.75% respectively. The Company's shares have continued to trade at a premium to their NAV and as at 31 December 2022, this stood at 8.70%.

Stock markets were volatile during the six months to 31 December 2022 as worries continued about high levels of inflation and the corresponding interest rate rises from central banks. The UK debt market was rattled by the short lived "mini budget" in September 2022 and although has since stabilised, yields are higher than previously prevailed. Ian "Franco" Francis, your investment manager, discusses the six months in more detail in his review on page 4.

Earnings and Dividends

The Company's earnings per ordinary share were 2.27 pence for the six months, compared to a figure of 2.09 pence earned in the same period last year. As expected, the revenue account is improving as portfolio income is increasing with rising interest rates.

The Company has declared two dividends of 1.00 pence so far in this financial period, maintaining the level of those declared in the same period last year. In the absence of unforeseen circumstances, the Board expects to follow the same pattern of dividend payments as declared last year and maintain or slightly increase the total level of dividends for the year. Based on an annual rate of 4.48 pence and a share price of 52.60 pence at the time of writing, this represents a dividend yield of 8.52%. The Board anticipates that earnings per ordinary share for the whole year will fall a little short of the total dividend, although less so than last year and is prepared to use a modest amount of reserves to make up the marginal shortfall. The Board pays great attention to dividend payments and since its launch in 2007, the level of dividends paid by the Company has increased every year.

Gearing

The Company has a £45m loan facility with Scotiabank Europe Plc ("Scotiabank") which is due to expire in December 2023. Of this facility, £33m was drawn down at 31 December 2022 and the Company had an effective gearing rate of 12.65%.

Share Issuance

Taking advantage of the premium rating that the market continues to attach to your Company's ordinary shares, £8.7m was raised from new and existing shareholders during the six month period ended 31 December 2022, with 17m ordinary shares issued from the block listing facility. A further £9.2m has been raised since 31 December 2022. As well as a modest increase in NAV from any issue of shares, over time existing shareholders benefit from lower ongoing charges and greater liquidity in the Company's shares.

Outlook

I believe that your Company has weathered recent storms well and with the economic environment looking a little more positive, at least as far as the inflation trajectory is concerned, fixed interest securities, which make up the majority of the Company's holdings, may now enjoy a somewhat smoother ride. As I have written before, most of your Company's fixed interest holdings have quite short remaining time to maturity and are therefore less impacted by interest rate changes but a more stable environment is usually helpful to the credit quality of the underlying issuers. All in all, the Board expects to be able to continue to reward shareholders with attractive dividends as described previously and remains comfortable with the Company's portfolio.

Caroline Hitch

Chair

27 February 2023

4 Investment Manager's Review

Market and economic review

The six month period under review from 30 June 2022 to 31 December 2022 was one which most people would want to forget. A seemingly unending litany of woe – weak markets, higher inflation, unstable governments, crippling energy prices and rising interest rates were but a few of the horror stories we saw during the late Summer and Autumn of 2022. Despite all the bad news, we saw some signs of stabilisation towards the end of the year and the forward-looking stock markets managed to eke out a positive return for the six months to 31 December 2022. For your Company, with the inclusion of dividends paid, the total net asset return for the six months to 31 December 2022 was a positive 3.25%.

During the six month period under review, inflation became much more embedded into the economy. At the end of June 2022, the UK CPI reading was an annual increase of 9.10%; by the end of December 2022, this had reached 10.50% although there are signs that it may have peaked. There was a similar pattern in other major economies such as the US and the EU. In response to the higher rates of inflation, most central banks have increased interest rates. In the UK, there was a series of consecutive interest rate rises with the base rate rising to 3.50% at the end of December 2022.

The bond markets had a very volatile period over the second half of 2022. UK 10-year gilts yields reached a 15 year high at 4.50% at the end of September on the back of former Prime Minister Liz Truss's growth plan which proposed billions of pounds in unfunded tax cuts, shooting up the country's risk premium. 10-year gilt yields have fallen back since then to reach 3.70% at the end of December 2022 but remain elevated as inflation persists.

In the US, the economy appears to be proving more resilient to the effects of inflation; the same cannot be said of the EU at present with growth slowing sharply.

Portfolio Review

During the period, there were several bonds called or repaid and we were able to invest the proceeds at higher coupon rates than we have done previously. Good examples of this are the Barclays AT1 7.75% being rolled over into an 8.75% coupon and the Shawbrook Group 7.785% FRN being called and replaced with a 12.10% coupon. We also took the opportunity in September 2022 when sterling was weak to sell some of our US dollar denominated Bombardier 7.50% 2025 bonds and replaced them with more attractive UK and Euro bonds. A new entry into the Top 10 is Albion Financing 8.75% 2027 (a European industrial group). The portfolio continues to be well diversified across a range of sectors as well as interest rates with a good proportion in floating rate notes. The weighting of the portfolio in non-sterling currencies was 35.21% of the portfolio as at 31 December 2022. The Company's policy is not to hedge its non-sterling holdings.

For the six months to 31 December 2022, the revenue account earnings were 2.27 pence compared to 2.09 pence for the same period last year. Earnings per ordinary share have improved as we have invested at slightly higher yields and received repayment of historic arrears from the REA preference shares we hold. In our regular discussions with shareholders, revenue and dividends are topics of crucial importance and the ability of any portfolio company to pay its coupon or expected dividend is one of the major indicators we follow.

Outlook

The outlook for the next six months should be a little more positive as inflation starts to fall with fuel prices dropping back and supply chains in manufacturing returning to near normal. The main danger here is wage inflation and worker unrest. As regards interest rates, they are expected to continue to rise in the short term and it is key that central banks stop tightening before they push economies into recession as money supply is already falling at a rapid rate, a leading indicator which usually signals recession is on the way. As regards high yield bond markets, they are now offering a better balanced risk reward opportunity with many well managed companies offering bond yields in excess of 7.00%.

Ian "Franco" Francis

New City Investment Managers

27 February 2023

Directors' Statements 5

Directors' Statement of Principal Risks and Uncertainties

When considering the total return of the Company, the Directors take account of the risk which has been taken in order to achieve that return. The Directors have carried out a robust assessment of the principal risks and mitigating factors facing the Company including those which would threaten its business model, future performance, solvency or liquidity. The following risk factors have been identified and are listed below:

- Dividend and earnings risk
- Market risk leading to a loss of share value
- Key person risk
- Gearing risk
- Operational risk
- Regulatory risk
- Political risk
- Financial risk

Information on these risks and how they are managed is given in the Annual Report and Financial Statements for the year ended 30 June 2022. In the view of the Board, these principal risks and uncertainties are as applicable to the remaining six months of the current financial year as they were in the six months under review.

Directors' Responsibility Statement in Respect of the Interim Report

We confirm that to the best of our knowledge:

- the unaudited condensed financial statements within the Interim Report have been prepared in accordance with IAS 34 – Interim Financial Reporting, as adopted by the European Union ("EU") and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as at 31 December 2022, as required by the Financial Conduct Authority's ("FCA") Disclosure Guidance and Transparency Rule ("DTR") 4.2.4R.
- the Statement from the Chair, Investment Manager's Review and the condensed financial statements include a fair review of the information required by the Disclosure Guidance and Transparency Rules ("DTR") 4.2.7R, being an indication of important events that have occurred during the first six months ended 31 December 2022 and their impact on the unaudited condensed financial statements;
- the Directors' Statement of Principal Risks and Uncertainties shown above is a fair review of the information required by DTR 4.2.7R; and
- the condensed set of financial statements include a fair review of the information required by DTR 4.2.8R, being related party transactions that have taken place during the six months ended 31 December 2022 and that have materially affected the financial position or performance of the Company during that period.

Signed on behalf of the Board

Caroline Hitch
Chair

27 February 2023

6 Classification of Investment Portfolio

By Currency	As at	As at	As at
	31 December 2022	31 December 2021	30 June 2022
	Total investments	Total investments	Total investments
	%	%	%
Sterling	64.79	65.57	62.16
US dollar	22.33	21.20	23.59
Euro	10.51	10.44	12.14
Swedish krona	1.81	1.05	1.52
Norwegian krone	0.39	1.44	0.40
Canadian dollar	0.09	0.23	0.12
Australian dollar	0.08	0.07	0.07
Total investments	100.00	100.00	100.00

By Asset Class	As at	As at	As at
	31 December 2022	31 December 2021	30 June 2022
	Total investments	Total investments	Total investments
	%	%	%
Fixed income securities*	81.09	83.31	81.14
Equity shares	18.91	16.69	18.86
Total investments	100.00	100.00	100.00

*Fixed income securities include fixed and floating rate securities, convertible securities and preference shares.

Classification of Investment Portfolio by Sector

	As at	As at	As at
	31 December 2022	31 December 2021	30 June 2022
	Total	Total	Total
	investments	investments	investments
	%	%	%
Financials	37.22	37.19	36.88
Energy	24.23	18.72	21.82
Consumer Discretionary	11.06	9.20	10.10
Consumer Staples	9.07	10.76	8.96
Information Technology	6.29	6.74	4.91
Industrials	6.04	6.49	10.80
Real Estate	3.84	8.69	4.27
Materials	2.25	2.21	2.26
Total investments	100.00	100.00	100.00

Investment Portfolio

As at 31 December 2022

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Company	Sector	Valuation £'000	Total Investments %
Shawbrook Group 22-08/06/2171 FRN	Financials	12,121	4.59
Co-Operative Fin 19-25/04/2029 FRN	Financials	11,711	4.44
Virgin Money 22-08/12/2170 FRN	Financials	11,575	4.39
Galaxy Finco Ltd 9.25% 19-31/07/2027	Financials	11,360	4.31
Aggregated Micro 8% 16-17/10/2036	Energy	10,831	4.11
Barclays Plc 22-15/12/2170 FRN	Financials	8,845	3.35
REA Finance 8.75% 15-31/08/2025	Consumer Staples	8,592	3.26
Stonegate Pub 8.25% 20-31/07/2025	Consumer Discretionary	8,214	3.11
Diversified Energy Co Plc	Energy	7,820	2.96
Albion Financing 8.75% 21-15/04/2027	Industrials	7,392	2.80
Top ten investments		98,461	37.32
Euronav NV	Energy	7,281	2.76
Arrow Bidco Llc 9.5% 19-15/03/2024	Consumer Discretionary	7,010	2.66
Boparan Finance 7.625% 20-30/11/2025	Consumer Staples	6,866	2.60
American Tan 7.75% 20-02/07/2025	Energy	6,732	2.55
Inspired Enterta 7.875% 21-01/06/2026	Information Technology	6,173	2.34
Azerion Hldgs 7.25% 21-28/04/2024	Information Technology	5,631	2.14
VPC Specialty Lending Invest	Financials	5,494	2.08
TVL Finance 9% 20-15/01/2025	Consumer Discretionary	5,200	1.97
Mangrove Luxco 7.775% 19-09/10/2025	Financials	5,176	1.96
Transocean Inc 11.5% 20-30/01/2027	Energy	4,982	1.89
Top twenty investments		159,006	60.27
Garfunkelux Hold 7.75% 20-01/11/2025	Financials	4,960	1.89
Ithaca Energy N 9% 21-15/07/2026	Energy	4,468	1.69
Matalan Finance 9.5% 18-31/01/2024	Consumer Discretionary	4,417	1.67
Shamaran 12% 21-30/07/2025	Energy	4,264	1.62
M&G Plc	Financials	4,133	1.57
Just Group Plc 8.125% 19-26/10/2029	Financials	4,100	1.55
Enquest Plc 11.625% 22-01/11/2027	Energy	3,871	1.47
REA Holdings Plc - PREF	Consumer Staples	3,843	1.46
Phoenix Group Holdings Plc	Financials	3,652	1.38
Deutsche Bank AG 14-30/05/2049 FRN	Financials	3,415	1.29
Top thirty investments		200,129	75.86
Welltec Intl 8.25% 21-15/10/2026	Energy	3,244	1.23
Stonegate Pub 8% 20-13/07/2025	Consumer Discretionary	3,218	1.22
Summer BC Holdco 9.25% 19-31/10/2027	Industrials	3,006	1.14
Channel Island Property Fund	Real Estate	3,000	1.13
Coburn Resources 12% 21-20/03/2026	Materials	2,990	1.12
Petrotal Corp 12% 21-16/02/2024	Energy	2,760	1.05
First Quantum 7.5% 17-01/04/2025	Materials	2,734	1.04
Booster Precisio 22-28/11/2026 SR	Industrials	2,657	1.01
RM Infrastructure Income Plc	Financials	2,656	1.01
Doric Nimrod Air Three Ltd	Industrials	2,633	1.00
Top forty investments		229,027	86.81
HDL Debenture 10.375% 93-31/07/2023	Real Estate	2,136	0.81
Tufton Oceanic Assets Ltd	Financials	2,127	0.81
Bluewater Hold 12% 22-10/11/2026	Energy	2,077	0.79
Gaming Innov 21-11/06/2024 FRN	Information Technology	1,919	0.73
Co-Op Wholesale 7.5% 11-08/07/2026	Consumer Staples	1,858	0.70
Oaknorth Bank 18-01/06/2028 FRN	Financials	1,800	0.68

Company	Sector	Valuation £'000	Total Investments %
Independent Oil 19-20/09/2024 FRN	Energy	1,700	0.64
AEW UK REIT Plc	Real Estate	1,690	0.64
Lloyds Banking 14-29/12/2049 FRN	Financials	1,689	0.64
Greenfood AB 21-04/11/2025 FRN	Consumer Staples	1,522	0.58
Top fifty investments		247,545	93.83
Newriver REIT Plc	Real Estate	1,451	0.55
Kent Global Plc 10% 21-28/06/2026	Energy	1,367	0.52
Eurobank Ergasia 22-06/12/2032 FRN	Financials	1,352	0.51
Cabonline GR 22-19/04/2026 FRN	Information Technology	1,343	0.51
Nor5ke Viking 21-03/05/2024 FRN	Information Technology	1,021	0.39
Palace Capital Plc	Real Estate	989	0.37
Regional REIT Ltd	Real Estate	876	0.33
REA Trading 9.5% 21-30/06/2024	Consumer Discretionary	825	0.32
Navigator Hlgs 8% 20-10/09/2025	Energy	818	0.31
REA Holdings Plc 7.5% 16-30/06/2026	Consumer Staples	770	0.29
Top sixty investments		258,357	97.93
Harbour Energy Plc	Energy	726	0.28
Marex Group 22-30/12/2170 FRN	Financials	628	0.24
Hoist Finance AB 20-31/12/2060 FRN	Financials	575	0.22
Croma Security Solutions Gro	Information Technology	513	0.19
West Bromwich BS 11% 18-12/04/2038	Financials	435	0.16
Casino Guichard 13-31/01/2049 FRN	Consumer Staples	362	0.14
Parkmead Group Plc/The	Energy	338	0.13
Secured Income Fund Plc	Financials	321	0.12
Floatel Intl 10% 21-24/09/2026	Energy	290	0.11
Floatel Intl 6% 21-24/09/2026	Energy	289	0.11
Top seventy investments		262,834	99.63
Other investments (32)		977	0.37
Total investments		263,811	100.00

Notes:

FRN – Floating Rate Note

PREF – Preference Shares

REIT – Real Estate Investment Trust

Ten Largest Holdings 9

	Valuation 30 June 2022 £'000	Purchases £'000	Sales £'000	Revaluation gain/(loss) £'000	Valuation 31 December 2022 £'000
Shawbrook Group 22-08/06/2171 FRN A British multinational banking and financial services company.	12,409	-	-	(288)	12,121
Co-Operative Fin 19-25/04/2029 FRN A retail and commercial bank in the UK.	8,616	2,979	-	116	11,711
Virgin Money 22-08/12/2170 FRN A British banking company concentrating on UK Retail and small and medium-sized enterprise regional banking services.	12,188	-	-	(613)	11,575
Galaxy Finco Ltd 9.25% 19-31/07/2027 A specialist provider of warranties for consumer electric products.	12,774	406	-	(1,820)	11,360
Aggregated Micro 8% 16-17/10/2036 A British company using small scale, established technologies to convert wood and waste into energy in the form of heat and electricity.	10,900	96	(280)	115	10,831
Barclays Plc 22-15/12/2170 FRN A global financial services provider engaged in retail banking, credit cards, wholesale banking, investment banking, wealth management and investment management services.	-	8,676	-	169	8,845
REA Finance 8.75% 15-31/08/2025 A cultivator of oil palms in the Indonesian province of East Kalimantan and producer of crude palm oil and palm products from fruit harvested from oil palms.	8,592	-	-	-	8,592
Stonegate Pub 8.25% 20-31/07/2025 An operator of various formats ranging from high-street pubs and traditional country inns to local community pubs, student pubs, and late-night bars and venues in the UK.	8,308	-	-	(94)	8,214
Diversified Energy Co Plc An energy company focusing on US natural gas.	7,490	-	-	330	7,820
Albion Financing 8.75% 21-15/04/2027 A provider of power generation equipment and temperature control solutions.	7,221	-	-	171	7,392
	88,498	12,157	(280)	(1,914)	98,461

Condensed Statement of Comprehensive Income

10 For the six months ended 31 December 2022

	Notes	Six months ended 31 December 2022 (Unaudited)			Six months ended 31 December 2021 (Unaudited)			Year ended 30 June 2022 (Audited)		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net capital gains/(losses)										
(Losses)/gains on financial assets designated at fair value	8	-	(3,301)	(3,301)	-	3,192	3,192	-	(14,459)	(14,459)
Foreign exchange (loss)/gain*		-	(163)	(163)	-	(15)	(15)	-	61	61
Revenue										
Investment income	3	12,764	-	12,764	11,049	-	11,049	22,362	-	22,362
Total income		12,764	(3,464)	9,300	11,049	3,177	14,226	22,362	(14,398)	7,964
Expenses										
Investment management fee	4	(787)	(261)	(1,048)	(800)	(267)	(1,067)	(1,595)	(531)	(2,126)
Other expenses	5	(386)	(50)	(436)	(386)	(71)	(457)	(772)	(75)	(847)
Total expenses		(1,173)	(311)	(1,484)	(1,186)	(338)	(1,524)	(2,367)	(606)	(2,973)
Profit/(loss) before finance cost and taxation		11,591	(3,775)	7,816	9,863	2,839	12,702	19,995	(15,004)	4,991
Finance income/(costs)										
Interest income		38	-	38	-	-	-	1	-	1
Interest expense	6	(450)	(150)	(600)	(190)	(61)	(251)	(456)	(152)	(608)
Profit/(loss) before taxation		11,179	(3,925)	7,254	9,673	2,778	12,451	19,540	(15,156)	4,384
Irrecoverable withholding tax		(197)	-	(197)	(207)	-	(207)	(377)	-	(377)
Profit/(loss) after taxation and total comprehensive income/(loss)		10,982	(3,925)	7,057	9,466	2,778	12,244	19,163	(15,156)	4,007
Basic and diluted earnings/(losses) per ordinary share (pence)	7	2.27	(0.81)	1.46	2.09	0.61	2.70	4.16	(3.29)	0.87

* Excludes foreign exchange gains and losses on financial assets designated through profit and loss, which are presented within (loss)/gain on financial assets designated at fair value.

The total column of this statement represents the Company's Condensed Statement of Comprehensive Income, prepared in accordance with IFRS. The supplementary revenue return and capital return columns are both prepared under guidance published by the Association of Investment Companies.

There is no other comprehensive income as all income is recorded in the Condensed Statement of Comprehensive Income above.

All revenue and capital items in the above statement are derived from continuing operations.

No operations were acquired or discontinued during the period.

The accompanying notes on pages 14 to 21 are an integral part of these condensed financial statements.

Condensed Statement of Financial Position

As at 31 December 2022

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	Notes	As at 31 December 2022 (Unaudited) £'000	As at 31 December 2021 (Unaudited) £'000	As at 30 June 2022 (Audited) £'000
Non-current assets				
Financial assets designated at fair value through profit or loss	8	263,811	269,249	263,393
Current assets				
Debtors and other receivables		5,818	3,707	3,819
Cash and cash equivalents		2,781	6,062	3,985
		8,599	9,769	7,804
Total assets		272,410	279,018	271,197
Non-current liabilities				
Bank loan	6	-	(33,000)	(33,000)
Current liabilities				
Bank loan	6	(33,000)	-	-
Creditors and other payables		(517)	(496)	(3,211)
Total liabilities		(33,517)	(33,496)	(36,211)
Net asset value		238,893	245,522	234,986
Stated capital and reserves				
Stated capital account	9	229,368	213,624	220,649
Special distributable reserve		50,385	50,385	50,385
Capital reserve		(55,535)	(33,676)	(51,610)
Revenue reserve		14,675	15,189	15,562
Equity shareholders' funds		238,893	245,522	234,986
Net asset value per ordinary share (pence)	10	48.39p	52.95p	49.30p

The condensed financial statements on pages 10 to 21 were approved by the Board of Directors and authorised for issue on 27 February 2023 and were signed on its behalf by:

Caroline Hitch
Chair

The accompanying notes on pages 14 to 21 are an integral part of these condensed financial statements.

12 **Condensed Statement of Changes in Equity**

For the six months ended 31 December 2022 (Unaudited)

	Notes	Stated capital account £'000	Special distributable reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
At 1 July 2022		220,649	50,385	(51,610)	15,562	234,986
Total comprehensive income for the period:						
Profit/(loss) for the period		-	-	(3,925)	10,982	7,057
Transactions with owners recognised directly in equity:						
Dividends paid	11	-	-	-	(11,869)	(11,869)
Net proceeds from issue of ordinary shares	9	8,719	-	-	-	8,719
At 31 December 2022		229,368	50,385	(55,535)	14,675	238,893

For the six months ended 31 December 2021 (Unaudited)

	Notes	Stated capital account £'000	Special distributable reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
At 1 July 2021		203,416	50,385	(36,454)	16,831	234,178
Total comprehensive income for the period:						
Profit for the period		-	-	2,778	9,466	12,244
Transactions with owners recognised directly in equity:						
Dividends paid	11	-	-	-	(11,108)	(11,108)
Net proceeds from issue of ordinary shares		10,208	-	-	-	10,208
At 31 December 2021		213,624	50,385	(33,676)	15,189	245,522

For the year ended 30 June 2022 (Audited)

	Notes	Stated capital account £'000	Special distributable reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
At 1 July 2021		203,416	50,385	(36,454)	16,831	234,178
Total comprehensive income for the year:						
Profit/(loss) for the year		-	-	(15,156)	19,163	4,007
Transactions with owners recognised directly in equity:						
Dividends paid	11	-	-	-	(20,432)	(20,432)
Net proceeds from issue of ordinary shares		17,233	-	-	-	17,233
At 30 June 2022		220,649	50,385	(51,610)	15,562	234,986

The accompanying notes on pages 14 to 21 are an integral part of these condensed financial statements.

Condensed Cash Flow Statement

For the six months ended 31 December 2022

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Notes	Six months ended 31 December 2022 (Unaudited) £'000	Six months ended 31 December 2021 (Unaudited) £'000	Year ended 30 June 2022 (Audited) £'000
Operating activities			
Profit before finance income/(cost) and taxation ¹	7,816	12,702	4,991
Adjustments to reconcile profit before finance cost and taxation to net cash flows:			
Realised gain on financial assets designated at fair value through profit or loss	8 (5,131)	(2,948)	(3,631)
Unrealised loss/(gain) on financial assets designated at fair value through profit or loss	8 8,432	(244)	18,090
Effective interest adjustment	8 (121)	(67)	(154)
Foreign exchange loss/(gain)	163	15	(61)
Purchase of financial assets designated at fair value through profit or loss ²	(41,403)	(74,340)	(110,433)
Proceeds from sale of financial assets designated at fair value through profit or loss ³	37,192	60,755	85,833
Changes in working capital			
Increase in other receivables	(1,998)	(317)	(508)
(Decrease)/increase in other payables	(2,097)	174	2,266
Irrecoverable withholding tax paid	(197)	(207)	(377)
Net cash inflow/(outflow) generated from/(used in) operating activities	2,656	(4,477)	(3,984)
Financing activities			
Dividends paid	11 (11,869)	(11,108)	(20,432)
Finance costs	(547)	(248)	(595)
Net proceeds from issuance of ordinary shares	9 8,719	10,483	17,508
Net cash outflow used in financing activities	(3,697)	(873)	(3,519)
Decrease in cash and cash equivalents	(1,041)	(5,350)	(7,503)
Cash and cash equivalents at the start of the period	3,985	11,427	11,427
Exchange (loss)/gain	(163)	(15)	61
Cash and cash equivalents at the end of the period	2,781	6,062	3,985

1 Included within profit before finance income/(cost) and taxation is dividend income of £2,507,000 (30 June 2022: £3,684,000; 31 December 2021: £1,455,000) and interest income of £10,257,000 (30 June 2022: £18,678,000; 31 December 2021: £9,594,000).

2 Amounts due to brokers as at 31 December 2022 relating to purchases of financial assets designated at fair value through profit amounted to £nil (30 June 2022: £613,000; 31 December 2021: £244,000).

3 Amounts due from brokers as at 31 December 2022 relating to sales of financial assets designated at fair value through profit amounted to £nil (30 June 2022: £nil; 31 December 2021: £nil).

The accompanying notes on pages 14 to 21 are an integral part of these condensed financial statements.

Notes to the Condensed Financial Statements

1. General Information

The Company was incorporated as a closed-end investment company with limited liability in Jersey under the Companies (Jersey) Law 1991 on 17 January 2007, with registered number 95691. The Company's ordinary shares were admitted to the Official List as maintained by the Financial Conduct Authority and admitted to trading on the Main Market of the London Stock Exchange on 7 March 2007.

The Company's registered address is IFC1, The Esplanade, St Helier, Jersey, JE1 4BP.

2. Accounting policies

2.1 Basis of accounting

The Annual Report and Financial Statements is prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority and with International Financial Reporting Standards ("IFRS") as adopted by the European Union which comprise standards and interpretations approved by the International Accounting Standards Board, and interpretations issued by the International Financial Reporting Standards and Standing Interpretations Committee as approved by the International Accounting Standards Committee which remain in effect. The Annual Report and Financial Statements are also prepared in accordance with the guidance set out in the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts issued by the Association of Investment Companies (the "AIC SORP") in November 2014 and updated most recently in April 2021 with consequential amendments where this does not conflict with IFRS. The Interim Report has been prepared in accordance with International Accounting Standards (IAS) 34 – Interim Financial Reporting ("IAS 34") as adopted by the European Union. They have also been prepared using the same accounting policies applied for the year ended 30 June 2022 Annual Report and Financial Statements, which was prepared in accordance with IFRS, except for any new standards and interpretations applicable to the Company during the six month period under review. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Standards and amendments to existing standards effective in the current period:

A number of amendments and interpretations to existing standards have been issued and are effective in the current period but are not relevant to the Company's operations. As such, the Directors believe that the application of these amendments and interpretations will not impact the Company's condensed financial statements.

Standards, amendments and interpretations issued but not yet effective

A number of amendments and interpretations to existing standards have been issued, but are not yet effective, that are not relevant to the Company's operations. The Directors believe that the application of these amendments and interpretations will not impact the Company's condensed financial statements when they become effective.

2.2 Going concern

The condensed financial statements have been prepared on the going concern basis. In assessing the going concern basis of accounting, the Directors have had regard to the guidance issued by the Financial Reporting Council. The Company's existing loan facility as detailed in Note 6 is due to expire on 17 December 2023 after which it is anticipated the Company will take out a new facility on comparable terms. After making enquiries of the Investment Manager and having considered the Company's investment objective, nature of the investment portfolio, loan facility, expenditure projections, impact of COVID-19 and the impact of the Russia-Ukraine conflict on the Company, the Directors consider that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Directors continue to adopt the going concern basis in preparing the interim financial statements.

2.3 Segmental reporting

The Company holds a wide variety of different investments in a wide range of issues locating in different geographies and operating in different sectors. However, resources are allocated and the business is managed by the Directors on an aggregated basis. Strategic and financial management decisions are determined centrally by the Directors and on this basis, the Company operates as a single investment management business and no segmental reporting is provided.

2.4 Seasonality

The Company's business is not subject to seasonal fluctuations.

3. Investment Income

	Six months ended 31 December 2022 (Unaudited) £'000	Six months ended 31 December 2021 (Unaudited) £'000	Year ended 30 June 2022 (Audited) £'000
Income from investments			
Dividend income	2,507	1,455	3,684
Interest on fixed interest securities*	10,257	9,594	18,678
Total income	12,764	11,049	22,362

* Fixed income securities include fixed and floating rate securities, convertible securities and preference shares.

4. Investment Management Fee

The Company's investment manager is CQS (UK) LLP ("CQS").

As per the Investment Management Agreement dated 18 September 2019, the management fee is charged at a rate of 0.8% per annum on the Company's total assets (being total assets less current liabilities, other than bank borrowings and ignoring any taxation which is or may be payable by the Company) up to £200m, 0.7% per annum of assets in excess of £200m and up to and including £300m and 0.6% per annum thereafter. The management fee is paid monthly in arrears.

The contract between the Company and CQS (UK) LLP may be terminated by either party giving not less than 12 months' notice of termination.

During the six month period ended 31 December 2022, investment management fees of £1,048,000 were incurred (year ended 30 June 2022: £2,126,000; six months ended 31 December 2021: £1,067,000), of which £343,000 was payable at the period end (as at 30 June 2022: £173,000; as at 31 December 2021: £355,000). Investment management fees have been allocated 75% to revenue and 25% to capital.

5. Other Expenses

During the six months ended 31 December 2022, the Company's other expenses were £436,000 (year ended 30 June 2022: £847,000; six months ended 31 December 2021: £457,000).

Secretarial and administration fees

Secretarial and administration fees were £102,000 during the six months ended 31 December 2022 (year ended 30 June 2022: £207,000; six months ended 31 December 2021: £104,000).

Directors' fees

The Directors' yearly remuneration, effective from 1 July 2021, is as follows:

Chair	£42,500
Audit Chair	£36,500
Other	£30,000

The Board has not approved any change in remuneration during the six month period ended 31 December 2022.

Directors fees for the six months ended 31 December 2022 were £85,000 (year ended 30 June 2022: £169,000; six months ended 31 December 2021: £85,000).

Audit fees and non-audit fees paid to the auditor

Audit fees accrued for the six month period were £25,000 (year ended 30 June 2022: £48,000; six months ended 31 December 2021: £23,000)

There were no non-audit fees paid to the auditor during the six month period ended 31 December 2022 (year ended 30 June 2022: £nil; six months ended 31 December 2021: £nil).

6. Bank loan and finance costs

	Six months ended 31 December 2022 (Unaudited) £'000	Six months ended 31 December 2021 (Unaudited) £'000	Year ended 30 June 2022 (Audited) £'000
Bank Loan facility	33,000	33,000*	33,000

*The bank loan of £33m as at the comparative period 31 December 2021 has been restated as 'Non-current liability' on the face of the Statement of Financial Position.

The Company has a short term unsecured loan facility of £45m with Scotiabank with the following salient terms:

- the Company has an option to increase the facility by a further £5m – no commitment fees are payable on the £5m until this option is exercised;
- the loan facility is due to expire on 17 December 2023;
- the interest on the loan would be a margin of 1.45% per annum plus the daily Sterling Overnight Index Average (SONIA) rate; and
- the commitment fees payable would be 0.375% or 0.425% per annum depending on the remaining commitment.

As at 31 December 2022, an amount of £33m (as at 31 December 2021: £33m; as at 30 June 2022: £33m) was drawn down from the facility. During the six month period ended 31 December 2022 and up until the date of this report, the Company has complied with all covenants of the loan facility which are as follows:

- the borrower shall not permit the adjusted asset coverage to be less than 4 to 1;
- the borrower shall not permit the NAV to be less than £95m at any time; and
- the borrower shall maintain an additional adjusted asset coverage of at least 1.5 to 1 at all times.

During the period, the Company incurred interest expense of £600,000 (year ended 30 June 2022: £608,000; six months ended 31 December 2021: £251,000)

7. Basic and diluted earnings/(losses) per ordinary share

	Revenue	Capital	Total
for the six months ended 31 December 2022	2.27p	(0.81)p	1.46p
for the six months ended 31 December 2021	2.09p	0.61p	2.70p
for the year ended 30 June 2022	4.16p	(3.29)p	0.87p

The revenue earnings per ordinary share is based on the net profit after taxation of £10,982,000 (year ended 30 June 2022: £19,163,000; six months ended 31 December 2021: £9,466,000) and on a weighted average of 483,222,238 (year ended 30 June 2022: 460,845,694; six months ended 31 December 2021: 453,397,510) ordinary shares in issue throughout the period.

The capital return per ordinary share is based on a net capital loss of £3,925,000 (six months ended 31 December 2021: a net capital gain of £2,778,000; year ended 30 June 2022: a net capital loss of £15,156,000) and on a weighted average of 483,222,238 (year ended 30 June 2022: 460,845,694; six months ended 31 December 2021: 453,397,510) ordinary shares in issue throughout the period.

There have been no transactions involving the Company's ordinary shares between 31 December 2022 and 27 February 2023 other than those disclosed in note 13.

8. Financial assets designated at fair value through profit or loss

All financial assets are valued at fair value through profit or loss. Gains or losses arising from changes in the fair value of investments are included in the Statement of Comprehensive Income.

	As at 31 December 2022 (Unaudited) £'000	As at 31 December 2021 (Unaudited) £'000	As at 30 June 2022 (Audited) £'000
Opening valuation	263,393	257,467	257,467
Purchases at cost	40,790	69,358	106,064
Sales proceeds	(37,192)	(60,835)	(85,833)
Realised gain on sales ¹	5,131	2,948	3,631
Effective interest adjustment	121	67	154
Unrealised (loss)/gain ²	(8,432)	244	(18,090)
Closing valuation	263,811	269,249	263,393
Net (losses)/gains on financial assets designated at fair value through profit or loss for the period/year	(3,301)	3,192	(14,459)

¹ Realised gain is made up of gains of £5,131,000 (30 June 2022: £5,680,000; 31 December 2021: £3,939,000) and losses of £nil (30 June 2022: £2,049,000; 31 December 2021: £991,000).

² Unrealised (loss)/gain is made up of gains of £6,113,000 (30 June 2022: £14,225,000; 31 December 2021: £8,849,000) and losses of £14,545,000 (30 June 2022: £32,315,000; 31 December 2021: £8,605,000).

Fair Value Hierarchy

International Financial Reporting Standard ("IFRS") 13 Fair Value Measurement requires an analysis of investments valued at fair value based on the reliability and significance of information used to measure their fair value. The Level is determined by the lowest (that is the least reliable or independently observable) level of input that is significant to the fair value measurement for the individual investment in its entirety as follows:

- **Level 1** – investments quoted in an active market;
- **Level 2** – investments whose fair value is based directly on observable current market prices or indirectly being derived from market prices;
- **Level 3** – investments whose fair value is determined using a valuation technique based on assumptions that are not supported by observable current market prices or based on observable market data.

Transfers in and out of the levels are deemed to have occurred at the start of the reporting period.

Investments valued using stock market active prices are disclosed as Level 1 and this is the case for the quoted equity investments that the Company holds. Securities in Level 2 are priced using evaluated prices from a third party vendor, together with a price comparison made to evaluated secondary and tertiary third party sources, including broker quotes and benchmarks. As a result, these investments are disclosed as Level 2 - recognising that the fair values of these investments are not as visible as quoted investments and their higher inherent pricing risk.

Investments included as Level 3 are priced by the investment manager using a valuation technique reviewed by the Board taking into account, where appropriate, latest dealing prices, broker statements, valuation information and other relevant factors.

Financial assets at fair value	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Fixed income securities*	235	209,180	4,513	213,928
Equity shares	45,926	3,834	123	49,883
As at 31 December 2022	46,161	213,014	4,636	263,811
Financial assets at fair value	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Fixed income securities*	14,919	208,109	1,284	224,312
Equity shares	39,253	5,448	236	44,937
As at 31 December 2021	54,172	213,557	1,520	269,249

Financial assets at fair value	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Fixed income securities*	234	209,627	3,845	213,706
Equity shares	45,195	4,038	454	49,687
As at 30 June 2022	45,429	213,665	4,299	263,393

*Fixed income securities include fixed and floating rate securities, convertible securities and preference shares.

Financial assets designated at fair value through profit or loss reconciliation - Level 3

IFRS 13 requires disclosure, by class of financial instrument, if the effect of changing one or more input to reasonably possible alternative assumptions would result in a significant change to the fair value measurement. The information used in determination of the fair value of Level 3 investments is chosen with reference to the specific underlying circumstances and position of the investee company. On that basis, the Board believes that the impact of changing one or more of the inputs to reasonably possible alternative assumptions would not change the fair value significantly. The following shows a reconciliation from the beginning to the end of the period for fair value measurements in Level 3 of the fair value hierarchy.

Level 3 Financial Assets	Six months ended 31 December 2022 (Unaudited) £'000
Opening valuation	4,299
Purchases	183
Sales	(677)
Unrealised gains	27
Realised gains	245
Transfers into Level 3	559
	4,636

Transfers into Level 3

Trevalli Mining Corp Enil (30 June 2022: £80,000) was transferred out of Level 1 to Level 3 because it was delisted during the six month period ended 31 December 2022.

NT Rig Holdco 7.5% 19-20/12/2021 £42,000 (30 June 2022: £438,000) and Oro Negro Dril 7.5% 14-24/01/2019 £55,000 (30 June 2022: £41,000) were transferred out of Level 2 to Level 3 because they have been categorized as default.

Quantitative information of significant unobservable inputs – Level 3

The following table summarises the significant unobservable inputs the Company used to value its significant investments categorised within Level 3 as at 31 December 2022:

Description	Fair value as at 31 December 2022 £000	Valuation technique	Significant Unobservable inputs	Range/input	Weighted Average
Matalan Finance 9.5% 18-31/01/2024	4,416	Vendor Pricing	Unadjusted Broker Quote	1	N/A
R.E.A Holdings Plc CW 15/07/2025	123	Black Scholes model	Volatility	28.8	N/A
Oro Negro Drilli 7.5% 24Jan2023	55	Vendor Pricing	Unadjusted Broker Quote	1	N/A
NT Rig Holdco 7.5% 19-31/12/2023	42	Vendor Pricing	Unadjusted Broker Quote	1	N/A
Total	4,636				

The remaining 22 investments classified as Level 3 have not been included in the above analysis as they have fair value of nil as at 31 December 2022.

9. Stated Capital

Authorised

The authorised share capital of the Company is represented by an unlimited number of ordinary shares of no par value.

Allotted, called up and fully-paid

	Number of ordinary shares	Amount received £'000	Share Issue Costs £'000	Share capital £'000
Total as at 1 July 2022	476,651,858			220,649
750,000 ordinary shares of no par value allotted on 4 August 2022 at 51.80p	750,000	389	(3)	386
500,000 ordinary shares of no par value allotted on 9 August 2022 at 52.00p	500,000	260	(2)	258
750,000 ordinary shares of no par value allotted on 16 August 2022 at 52.50p	750,000	394	(3)	391
500,000 ordinary shares of no par value allotted on 26 August 2022 at 53.00p	500,000	265	(2)	263
850,000 ordinary shares of no par value allotted on 31 August 2022 at 53.00p	850,000	450	(3)	447
500,000 ordinary shares of no par value allotted on 2 September 2022 at 53.16p	500,000	266	(2)	264
500,000 ordinary shares of no par value allotted on 15 September 2022 at 53.25p	500,000	266	(2)	264
500,000 ordinary shares of no par value allotted on 22 September 2022 at 53.30p	500,000	267	(2)	265
3,500,000 ordinary shares of no par value allotted on 1 November 2022 at 51.25p	3,500,000	1,793	(13)	1,780
500,000 ordinary shares of no par value allotted on 4 November 2022 at 51.50p	500,000	258	(3)	255
2,600,000 ordinary shares of no par value allotted on 8 November 2022 at 51.20p	2,600,000	1,331	(13)	1,318
500,000 ordinary shares of no par value allotted on 11 November 2022 at 51.30p	500,000	257	(3)	254
600,000 ordinary shares of no par value allotted on 15 November 2022 at 51.50p	600,000	309	(3)	306
750,000 ordinary shares of no par value allotted on 17 November 2022 at 51.60p	750,000	387	(4)	383
500,000 ordinary shares of no par value allotted on 24 November 2022 at 51.60p	500,000	258	(3)	255
950,000 ordinary shares of no par value allotted on 28 November 2022 at 51.60p	950,000	490	(5)	485
750,000 ordinary shares of no par value allotted on 1 December 2022 at 51.50p	750,000	386	(4)	382
500,000 ordinary shares of no par value allotted on 2 December 2022 at 51.40p	500,000	257	(3)	254
1,000,000 ordinary shares of no par value allotted on 5 December 2022 at 51.30p	1,000,000	515	(6)	509
Total issued share capital at 31 December 2022	493,651,858	8,798	(79)	229,368

The balance of shares held in treasury by the Company at 31 December 2022 was nil (30 June 2022: nil; 31 December 2021: nil).

Refer to note 13 for further information subsequent to the reporting period.

10. NAV per Ordinary Share

	31 December 2022 (Unaudited)	31 December 2021 (Unaudited)	30 June 2022 (Audited)
NAV (€'000)	238,893	245,522	234,986
Net asset per ordinary share (pence)	48.39	52.95p	49.30p

NAV per ordinary share has been calculated based on the share capital in issue as at period end. The issued share capital as at 31 December 2022 comprised of 493,651,858 ordinary shares (30 June 2022: 476,651,858 and 31 December 2021: 463,651,858).

11. Dividends

Amounts recognised as distributions to equity holders in the period:

	Six months ended 31 December 2022 (Unaudited) €'000	Six months ended 31 December 2021 (Unaudited) €'000	Year ended 30 June 2022 (Audited) €'000
Dividends in respect of the previous period			
– Fourth interim dividend	7,054	6,557	6,557
Dividends in respect of the period under review			
– First interim dividend	4,815	4,551	4,552
– Second interim dividend	-	-	4,636
– Third interim dividend	-	-	4,687
	11,869	11,108	20,432

Refer to note 13 for further information subsequent to the reporting period.

A second interim dividend of 1.00p per ordinary share in respect of the quarter ended 31 December 2022 is payable on 28 February 2023 to shareholders on the register on 27 January 2023. In accordance with the IFRS, this dividend has not been included as a liability in this set of condensed financial statements.

12. Related Parties

All transactions with related parties are carried out on an arm's length basis.

The Board

On 26 September 2022, Wendy Dorman purchased additional 37,529 ordinary shares and as at 31 December 2022, the Directors each beneficially held the following shares in the Company:

Caroline Hitch:	170,000 ordinary shares
Wendy Dorman:	149,529 ordinary shares
Duncan Baxter:	195,127 ordinary shares
Ian Cadby:	25,000 ordinary shares
John Newlands:	10,000 ordinary shares

There were no other transactions with the Board during the period, other than the above and the directors' fees disclosed in note 5.

Investment Manager

During the period, there were no transactions with the Investment Manager other than investment manager fees. Refer to note 4 for further information.

13. Subsequent Events

The Board have evaluated subsequent events for the Company through to 27 February 2023, the date the condensed financial statements were available to be issued and has concluded that the material events listed below do not require adjustment of the condensed financial statements.

Share Issues

Following the six month period ended 31 December 2022, the Company undertook a further seven issues of ordinary shares issuing, in total, an additional 17,850,000 ordinary shares of no par value for total consideration of £9.2m. As at the date of this report, the issued share capital of the Company was 511,501,858 ordinary shares of no par value.

Dividend Declaration

On 18 January 2023, the Company announced its second interim dividend of 1.00 pence per ordinary share, payable on 28 February 2023 to shareholders on the register on 27 January 2023, having an ex-dividend date of 26 January 2023.

Glossary of Terms and Definitions

Alternative Performance Measures (“APMs”)

Alternative performance measures are numerical measures of the Company’s current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The Company’s applicable financial framework includes IFRS and the AIC SORP. Refer to page 23 for further details.

Company

CQS New City High Yield Fund Limited.

Dividend yield

The annual dividend per ordinary share expressed as a percentage of the share price (bid price).

Net asset value or NAV and NAV per ordinary share

The value of total assets less total liabilities. Liabilities for this purpose include current and long-term liabilities. To calculate the Net asset value per ordinary share, the Net asset value is divided by the number of ordinary shares in issue.

Alternative Performance Measures

23

In accordance with European Securities and Markets Authority ('ESMA') Guidelines on APMs, the Board has considered what APMs are included in the interim financial statements which require further clarification.

The Company uses the following APMs (as described below) to present a measure of profitability which is aligned with the requirements of our investors and potential investors, to draw out meaningful data around revenues and earnings, and to provide additional information not required for disclosure under accounting standards:

- NAV and Ordinary share price total return
- Revenue earnings per ordinary share
- Dividends per ordinary share
- Premium/Discount
- Gearing

All APMs relate to past performance. The following tables detail the methodology of the Company's APMs.

NAV and Ordinary share price total return

The return to shareholders calculated on a per ordinary share basis by adding dividends paid and declared in the period to the increase or decrease in the share price (bid) or NAV. The dividends are assumed to have been reinvested in the form of ordinary shares or net assets.

2022	Dividend per ordinary share	NAV	Share price (bid)
31 December 2022 (Unaudited)	2.00p	48.39p	52.60p
30 June 2022 (Audited)	4.48p	49.30p	51.20p
Capital return		(1.85)%	2.73%
Effect of dividend reinvestment		5.10%	5.02%
Total return		3.25%	7.75%

2021	Dividend per ordinary share	NAV	Share price (bid)
31 December 2021 (Unaudited)	2.00p	52.95p	55.40p
30 June 2021 (Audited)	4.47p	52.62p	54.80p
Capital return		0.63%	1.09%
Effect of dividend reinvestment		4.86%	4.55%
Total return		5.49%	5.64%

Revenue earnings per ordinary share

Revenue earnings (which includes dividends paid out during the six month period ended 31 December 2022) divided by the weighted average number of ordinary shares in issue during the six month period ended 31 December 2022.

		Six months to 31 December 2022 (Unaudited)	Six months to 31 December 2021 (Unaudited)
Revenue earnings	a	£10,982,000	£9,466,000
Weighted average number of ordinary shares in issue	b	483,222,238	453,397,510
Revenue earnings per ordinary share	(a/b)*100	2.27p	2.09p

Dividends per ordinary share

The total amount of dividends declared for every issued ordinary share over the six month period ended 31 December 2022.

Dividend History	Rate	xd date	Record date	Payment date
First interim 2023	1.00p	27 October 2022	28 October 2022	25 November 2022
Second interim 2023	1.00p	26 January 2023	27 January 2023	28 February 2023
Interim dividend per ordinary share	2.00p			
First interim 2022	1.00p	28 October 2021	29 October 2021	30 November 2021
Second interim 2022	1.00p	27 January 2022	28 January 2022	25 February 2022
Interim dividend per ordinary share	2.00p			

Premium/Discount

A premium is the amount by which the market price per ordinary share of an investment company is higher than the NAV per ordinary share. If the market price per ordinary share is lower than the NAV, this is called a discount. The premium or discount is expressed as a percentage of the NAV per ordinary share.

		31 December 2022 (Unaudited)	30 June 2022 (Audited)
Share price (bid price)	a	52.60p	51.20p
NAV per ordinary share	b	48.39p	49.30p
Premium/(discount)	(a-b)/b	8.70%	3.86%

Gearing

The level of borrowing that the Company has undertaken. Represented by total assets (being total assets less current liabilities (excluding borrowings)) less all cash, expressed as a percentage of shareholders' funds (being the NAV of the Company) minus 100.

		31 December 2022 (Unaudited) £'000	30 June 2022 (Audited) £'000
Total assets		272,410	271,197
Current liabilities (excluding borrowings)		(517)	(3,211)
Cash and cash equivalents		(2,781)	(3,985)
Total	a	269,112	264,001
NAV	b	238,893	234,986
Gearing	[(a/b)-1]*100	12.65%	12.35%

Registered Number

95691

Registered Office

CQS New City High Yield Fund Limited

IFC1
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St Helier
Jersey JE1 4BP

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Company Secretary and Administrator Custodian Bankers and Depositary

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ISIN

JE 00B1LZS514

Shareholder Information

NAV/Share Price

The NAV of the Company's ordinary shares may be obtained by contacting CQS on 0207 201 6900 or by email at clientservice@cqsm.com or alternatively by visiting the Company's web site at www.ncim.co.uk.

