April 23, 2021

Barings Participation Investors Reports Preliminary First Quarter 2021 Results And Announces Quarterly Cash Dividend Of $0.20 Per Share

CHARLOTTE, N.C., April 23, 2021 /PRNewswire/ -- The Board of Trustees of Barings Participation Investors (NYSE: MPV) (the "Trust") met on April 23, 2021 and would like to report its preliminary financial results for the first quarter of 2021.

Financial Highlights[(1)]

	Three Months Ended March 31, 2021		Three Months Ended December 31, 2020	
	Total Amount	**Per Share**[(2)]	**Total Amount**	**Per Share**[(2)]
Net investment income	$ 2,059,249	$ 0.19	$ 3,695,382	$ 0.35
Net realized gains / (losses)	$ 141,450	$ 0.01	$ 241,437	$ 0.02
Net unrealized appreciation	$ 3,981,913	$ 0.38	$ 2,132,242	$ 0.20
Net increase in net assets resulting from operations	$ 6,182,613	$ 0.58	$ 6,892,182	$ 0.65
Total net assets (equity)	$ 150,359,992	$ 14.18	$ 144,177,379	$ 13.60

(1) All figures for 2021 are unaudited
(2) Based on shares outstanding at the end of the period of 10,601,700

Key Highlights:

Commenting on the quarter, Christina Emery, President, stated, "During the first quarter, Barings continued to drive origination flow into high quality, 1st lien senior secured middle-market investments. Additionally, our investment portfolio experienced further unrealized appreciation tied to tightening market spreads as well as improved financial performance at our underlying portfolio companies."

During the three months ended March 31, 2021, the Trust reported total investment income of $2.7 million, net investment income of $2.1 million, or $0.19 per share, and a net increase in net assets resulting from operations of $6.2 million, or $0.58 per share.

Net asset value ("NAV") per share as of March 31, 2021 was $14.18, as compared to $13.60 as of December 31, 2020. The increase in NAV per share was primarily attributable to net unrealized appreciation on the Trust's investment portfolio of approximately $0.38 per share and net investment income of $0.19 per share.

The Board of Trustees declared a quarterly dividend of $0.20 per share payable on May 14, 2021 to shareholders of record on May 3, 2021.

The Board of Trustees also approved the continuance of the Trust's current Investment Services Contract with Barings LLC.

Recent Portfolio Activity

During the three months ended March 31, 2021, the Trust made seven new investments totaling $9.3 million and 10 add-on investments in existing portfolio companies totaling $1.0 million. During the three months ended March 31, 2021, the Trust had one 1st lien senior secured loan repaid at par totaling $2.3 million, two mezzanine debt investments repaid at par totaling $2.9 million and realized four equity investments totaling $1.1 million.

Liquidity and Capitalization

As of March 31, 2021, the Trust had cash of $9.8 million, commercial paper investments of $3.0 million, and $15.0 million of borrowings outstanding. The Trust had unfunded commitments of $6.1 million as of March 31, 2021.

Net Capital Gains

The Trust realized net capital gains of $141,450 or $0.01 per share during the quarter ended March 31, 2021. During the quarter ended December 31, 2020, the Trust realized net capital losses of $241,437 or $0.02 per share.

Annual Meeting

At the Annual Meeting, which was held virtually on April 23, 2021, shareholders elected Edward P. Grace, III as an Independent Trustee and Clifford M. Noreen as an Interested Trustee for three-year terms and Eric J. Lloyd as an Interested Trustee for a one-year term.

About Barings Participation Investors

Barings Participation Investors is a closed-end management investment company advised by Barings LLC. Its shares are traded on the New York Stock Exchange under the trading symbol ("MPV").

About Barings LLC

Barings is a $345 billion* global investment manager sourcing differentiated opportunities and building long-term portfolios across public and private fixed income, real estate, and specialist equity markets. With investment professionals based in North America, Europe and Asia Pacific, the firm, a subsidiary of MassMutual, aims to serve its clients, communities and employees, and is committed to sustainable practices and responsible investment. Learn more at www.barings.com.

*Assets under management as of December 31, 2020

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Per share amounts are rounded to the nearest cent.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Cautionary Notice: Certain statements contained in this press release may be "forward looking" statements. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made and which reflect management's current estimates, projections, expectations or beliefs, and which are subject to risks and uncertainties that may cause actual results to differ materially. These statements are subject to change at any time based upon economic, market or other conditions and may not be relied upon as investment advice or an indication of the fund's trading intent. References to specific securities are not recommendations of such securities, and may not be representative of the fund's current or future investments. We undertake no obligation to publicly update forward looking statements, whether as a result of new information, future events, or otherwise.

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