July 22, 2021

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

CHARLOTTE, N.C., July 22, 2021 /PRNewswire/ -- The Board of Trustees of Barings Participation Investors (NYSE: MPV) (the "Trust") met on July 22, 2021 and would like to report its preliminary financial results for the second quarter of 2021.

Financial Highlights[1]	Three Months Ended June 30, 2021		Three Months Ended March 31, 2021	
	Total Amount	**Per Share**[2]	**Total Amount**	**Per Share**[2]
Net investment income	$ 2,109,084	$ 0.20	$ 2,059,266	$ 0.19
Net realized gains / (losses)	$ 1,161,263	$ 0.11	$ 141,435	$ 0.01
Net unrealized appreciation	$ 2,932,314	$ 0.28	$ 3,981,913	$ 0.38
Net increase in net assets resulting from operations	$ 6,202,662	$ 0.59	$ 6,182,613	$ 0.58
Total net assets (equity)	$ 154,442,288	$ 14.57	$ 150,359,992	$ 14.18

(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 second quarter, Barings continued to drive origination flow into high quality, 1st lien senior secured middle-market investments. Realizations increased due to the active M&A market. 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 June 30, 2021, the Trust reported total investment income of $2.8 million, net investment income of $2.1 million, or $0.20 per share, and a net increase in net assets resulting from operations of $6.2 million, or $0.59 per share.

Net asset value ("NAV") per share as of June 30, 2021 was $14.57, as compared to $14.18 as of March 31, 2021. The increase in NAV per share was attributable to net unrealized appreciation on the Trust's investment portfolio of approximately $0.28 per share, net investment income of $0.20 per share and net realized gains of $0.11 per share, partially offset by the quarterly dividend of $0.20 per share.

The Board of Trustees declared a quarterly dividend of $0.20 per share payable on August 13, 2021 to shareholders of record on August 2, 2021.

Recent Portfolio Activity

During the three months ended June 30, 2021, the Trust made nine new investments totaling $13.4 million and 10 add-on investments in existing portfolio companies totaling $3.1 million. During the three months ended June 30, 2021, the Trust had three 1st lien senior secured loans repaid at par totaling $3.6 million, three mezzanine debt investments repaid at par totaling $4.0 million and realized four equity investments totaling $1.2 million.

Liquidity and Capitalization

As of June 30, 2021, the Trust had cash of $10.0 million and $15.0 million of borrowings outstanding. The Trust had unfunded commitments of $5.4 million as of June 30, 2021.

Net Capital Gains

The Trust realized net capital gains of $1,161,263 or $0.11 per share during the quarter ended June 30, 2021. During the quarter ended March 31, 2021, the Trust realized net capital gains of $141,435 or $0.01 per share.

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 $382+ 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 June 30, 2021

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Per share amounts are rounded to the nearest cent.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

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