

## Barings Global Senior Secured Bond Fund\*

\*THE BARINGS GLOBAL SENIOR SECURED BOND FUND PRINCIPALLY INVESTS IN SUB-INVESTMENT GRADE AND/OR UNRATED DEBT SECURITIES. THE FUND'S INVESTMENT IN SENIOR SECURED DEBT SECURITIES DOES NOT GUARANTEE REPAYMENT OF THE PRINCIPAL OF INVESTMENTS BY THE INVESTORS.



### The Asset Triple A Awards<sup>1</sup>

Highly-commended Fixed Income Manager (Global) | 2023

### Asian Private Banker Asset Management Award for Excellence<sup>3</sup>

Best Fund Provider—High Yield Bond | 2024

### Fund Selector Asia Awards<sup>5</sup>

Fixed Income House of the Year—Hong Kong | 2024

### AsianInvestor Asset Management Awards<sup>2</sup>

Best High Yield Bond Award | 2024

### Citywire Asia Asset Management Awards<sup>4</sup>

Best Global High Yield Fixed Income Manager | 2022

### InsuranceAsia News Institutional Asset Management Awards<sup>6</sup>

Best Global Fixed Income Manager | 2023, 2024



AS OF 31 MARCH 2024

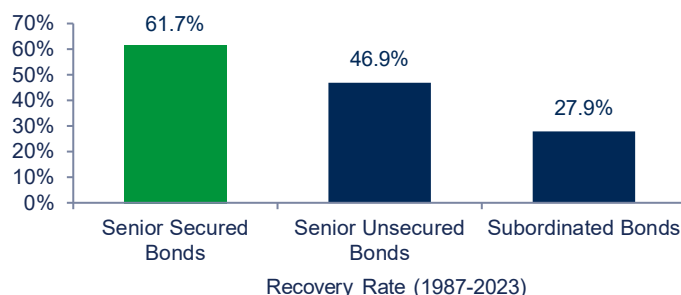
1. The Fund is subject to risks relating to investment, credit, interest rate fluctuations, downgrading, valuation, credit rating, and currency risks. The Fund's investment may be concentrated in North American and European markets and the value of the Fund may be more volatile. Further, investment in certain countries within the Eurozone may involve sovereign debt risks.
2. The Fund's investment in sub-investment grade or unrated debt instruments may be subject to higher liquidity, volatility and credit risks than investment grade instruments, as well as increased risk of loss of principal and interest. Investment in senior secured debt instruments is subject to credit/default risk of the issuer of the debt instruments and there is no guarantee of the repayment of principal of investment from the collateral pledged for the debt instruments in case of default.
3. RMB classes are subject to RMB currency risks. RMB is currently not freely convertible and conversion of RMB is subject to foreign exchange control policies and restrictions. There is no guarantee that RMB will not be subject to depreciation. Under exceptional circumstances, payment of realisation proceeds and/or dividend payment from underlying investments to the Fund in RMB may be delayed.
4. The Fund may invest in derivatives for hedging and/or investment purposes which may involve counterparty/credit, liquidity, valuation, volatility and over-the-counter transaction risks. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
5. The Fund's investment in debt instruments with loss-absorption features ("LAP") are subject to risks of contingent write-down or contingent conversion to ordinary shares upon occurrence of complex and unpredictable trigger events which may result in higher price volatility and total loss of amount invested. LAP may also be exposed to liquidity, valuation and sector concentration risk.
6. Dividends, at the discretion of the Directors, may be paid out of unrealised capital gains and/or gross income while charging some or all fees and expenses out of capital (which represent effectively paying dividends out of capital), resulting in an increase in distributable income. The Fund may also pay dividends directly out of capital. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or any capital gains attributable to that original investment and results in an immediate reduction of the Fund's net asset value per share.
7. Investors may suffer substantial loss of their investments in the Fund.

## WHY BARINGS GLOBAL SENIOR SECURED BOND FUND (THE "FUND")?

### 1. SENIORITY HELPS MITIGATE CREDIT LOSSES

Global senior secured bonds, while still subject to default risk, are more senior in the capital structure versus unsecured and subordinated credit instruments. This means that in the event of a default, senior secured bondholders are prioritized in the payment structure and better positioned from an eventual recovery on their principal investment. Being senior and secured in the capital structure may also be highly desirable in the current volatile market environment.

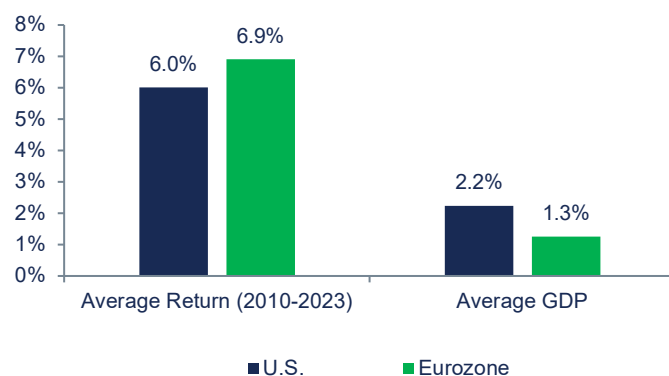
Moody's Global Average Corporate Debt Recovery Rates Measured By Ultimate Recoveries<sup>8</sup>



### 2. LOW GDP GROWTH HAS LIMITED IMPACT ON HIGH YIELD ISSUERS

Historically, the high yield market has performed reasonably well in low growth environments. For instance, since 2010—despite Europe experiencing slower growth versus the U.S.—the European high yield bond market has been able to consistently outperform the U.S. on a like for like currency hedged basis.

High Yield Does Not Require Strong Growth to Perform Well<sup>9</sup>



### 3. DISCOUNTED PRICES AND NEAR-TERM MATURITIES PROVIDE CAPITAL APPRECIATION POTENTIAL

The discounted prices across the high yield bond market, together with record low duration and resilient corporate fundamentals, is presenting potentially attractive total return opportunities as companies proactively refinance. In the current market environment, we believe refinancings present an opportunity to increase total return prospects beyond the yield level on offer.

Capital Appreciation opportunities<sup>10</sup>

	1-2 YEAR MATURITY	2-3 YEAR MATURITY
% of the outstanding market	9%	19%
Average Price	97.2	95.0
Yield to Maturity	8%	8%
Return potential if maturing 12 months before legal maturity date	11.0%	9.5%

## FUND OBJECTIVES<sup>11</sup>

The Fund invests principally in a portfolio of fixed and floating rate corporate bonds, notes and other fixed and floating rate income securities that are either secured or unsecured, and, either senior or subordinated (i.e. non-senior), focusing primarily on North American and European senior secured high yield (i.e. sub-investment grade) instruments which are listed or traded on recognised markets in Europe or North America.

## PERFORMANCE<sup>14</sup>

Cumulative Performance (%) <sup>12</sup>	YTD	1 Year	3 Years	5 Years	
	+1.57	+10.66	+6.33	+18.07	
Calendar Year Performance (%) <sup>12</sup>	2023	2022	2021	2020	2019
	+12.59	-10.13	+5.28	+2.35	+12.85

## AVAILABLE SHARE TRANCHE

	Tranche G USD Dist Monthly	Tranche G USD Acc	Tranche G HKD Unhedged Dist Monthly	Tranche G HKD Unhedged Acc	Tranche G EUR Hedged Dist Monthly
ISIN	IE00BFM0L210	IE00BFM0L103	IE00BFM0KR98	IE00BFM0KQ81	IE00BFM0L434
	Tranche G EUR Hedged Acc	Tranche G SGD Hedged Dist Monthly	Tranche G SGD Hedged Acc	Tranche G RMB Hedged Acc	Tranche G RMB Hedged Dist Monthly
ISIN	IE00BFM0L327	IE00BFM0KM44	IE00BFM0KL37	IE00BK71BB39	IE00BJN4S741

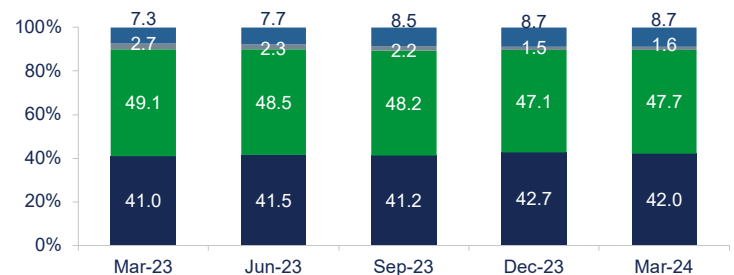
## FUND DETAILS<sup>15</sup>

Portfolio Managers	Scott Roth, Sean Feeley, Craig Abouchar, Chris Sawyer, Christopher Ellis, Kelly Burton
Fund Size	US\$1,741.1 Million
Inception Date of Primary Share Class	28 January 2011
Base Currency	USD
NAV Price <sup>12</sup>	US\$79.18
Minimum Investment	US\$1,000, HK\$10,000, €1,000, £1,000, AU\$1,000, CA\$1,000, SG\$1,000, NZ\$1,000, RMB10,000
Initial Charge	Up to 5.00%
Management Fee	1.25% p.a.
Yield to Maturity (%)—Hedged to USD	7.76
Yield to Worst (%)—Hedged to USD	7.56
Years to Maturity (Years)	4.15
Average Coupon (%)—Hedged to USD	6.83
Average Rating	B+
Number of Issuers	179

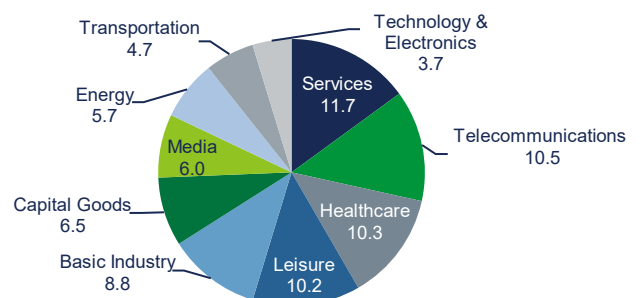
## TOP ISSUERS (% OF NAV)<sup>15</sup>

KCA Deutag	1.77
Travelex	1.65
LifePoint Health, Inc.	1.58
Merlin Entertainments	1.37
CGG	1.31

## Geographical Weighting (% of NAV)<sup>13,15</sup>



## Top Sector Weighting (% of NAV)<sup>13,15</sup>



## Sources:

1. Highly-commended Fixed Income Manager (Global) in The Asset Triple A Awards 2023 was based on Barings' performance over the preceding calendar year.
2. Best High Yield Bond Award in AsianInvestor Asset Management Awards 2024 was 80% based on the overall performance of the strategy and 20% based on the portfolio management under market and macro landscape as of 31 December 2023.
3. Best Fund Provider—High Yield Bond in Asian Private Banker Asset Management Award for Excellence 2024 was issued by Asian Private Banker, reflecting product performance, business performance and service quality over the one-year period to 31 August 2023.
4. Barings was awarded Best Global High Yield Fixed Income Manager in Citywire Asia Asset Management Awards 2022. The award recognizes fund house which has delivered outstanding support, service, performance and innovation in High Yield universe from 1 October 2021 to 30 September 2022.
5. Fixed Income House of the Year—Hong Kong in Fund Selector Asia Awards 2024 was decided by FSA and based on the pitching submissions including (but not limited to) competitive advantage, investment process and fund performance as of 30 September 2023.
6. Barings was awarded InsuranceAsia News Institutional Asset Management Awards 2023 and 2024 - Best Global Fixed Income Manager, based on the performance of preceding calendar year. The award recognizes the exceptional work done by third party asset managers and service providers on behalf of their insurance company clients across the Asia Pacific region.
7. Overall Morningstar rating as of 31 March 2024 (EAA OE Global High Yield Bond). For Tranche G USD Dist Monthly only, other share tranches may have different performance characteristics. A rating is not a recommendation to buy, sell or hold a fund.
8. Moody's Investors Services Annual Default Study, please note that the above data refers to North American non-financial companies. As of February 26, 2024.
9. Bloomberg and ICE BofA. As of 31 December 2023. Returns in USD hedged terms.
10. ICE BofA BB-B Global High Yield Secured Bond Index (HW4S). As of 31 March 2024. The return assumption is on the basis that bonds mature 12 months prior to legal maturity (as stated in the table), and that the bond does not default. For illustrative purposes only and is not indicative of actual investment return to be achieved by the Fund.
11. A full copy of the investment objective can be obtained from the Manager.
12. Related to the Tranche G USD Dist Monthly share tranche. Share tranche inception date was 1 October 2018.
13. Numbers may not add up due to rounding.
14. Barings and Morningstar. Data as of 31 March 2024. Performance Source—© 2024 Morningstar, Inc. All Rights Reserved. The information contained herein: (i) is proprietary to Morningstar and/or its content providers; (ii) may not be copied or distributed; and (iii) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.** Performance is shown in USD on a NAV per share basis, with gross income reinvested.
15. Barings. As of 31 March 2024.

## IMPORTANT INFORMATION

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