



## **Barings U.S. Loan Limited**

(a private limited liability company incorporated  
in Ireland under registration number 623497)

## **Annual Report & Audited Financial Statements**

for the financial year ended 31 December 2023

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**Barings U.S. Loan Limited**  
**Annual Report and Audited Financial Statements**

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For the financial year ended 31 December 2023

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# Barings U.S. Loan Limited

## Directors and Other Information

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### Directors

Mr. Alan Behen (Irish)  
Mr. Paul Smyth (Irish)

### Registered Office

70 Sir John Rogerson's Quay  
Dublin D02 R296  
Ireland

### Manager and Alternative Investment Fund Manager

Baring International Fund Managers (Ireland) Limited  
70 Sir John Rogerson's Quay  
Dublin D02 R296  
Ireland

### Investment Managers

Baring Asset Management Limited  
20 Old Bailey  
London EC4M 7BF  
United Kingdom

Barings LLC  
300 S. Tryon St, Suite 2500  
Charlotte  
North Carolina 28202  
United States

### Depository

State Street Custodial Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin D02 HD32  
Ireland

### Administrator, Registrar and Transfer Agent

State Street Fund Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin D02 HD32  
Ireland

### Independent Auditor

KPMG  
Chartered Accountants  
1 Harbourmaster Place  
IFSC  
Dublin D01 F6F5  
Ireland

### Irish Legal Advisers to the Company

Matheson  
70 Sir John Rogerson's Quay  
Dublin D02 R296  
Ireland

### Company Secretary

Matsack Trust Limited  
70 Sir John Rogerson's Quay  
Dublin D02 R296  
Ireland

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# Barings U.S. Loan Limited

## Introduction

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Barings U.S. Loan Limited (the “Company”) is a private limited liability company incorporated in Ireland on 28 March 2018 under the registration number 623497. The Company is a wholly owned subsidiary of Barings U.S. Loan Fund (the “Parent”). The Parent is a fund of an Irish incorporated umbrella fund, Barings Global Investment Funds Plc, which is the ultimate parent of the Company (the “Ultimate Parent”), which is listed on Global Exchange Market of Euronext Dublin. As at 31 December 2023, the Company held investments to the value of US\$981,669,186 (31 December 2022: US\$814,660,858). The Company financed its purchases of investments by way of a loan provided by the Ultimate Parent, on behalf of its fund.

The Company is managed by Baring International Fund Managers (Ireland) Limited (the “Manager”). Baring Asset Management Limited and Barings LLC (the “Investment Managers”) act as Investment Managers to the Company. The following report refers to the Investment Managers but does not distinguish between them.

### **Company objective**

The Company’s objective is to hold investments on behalf of its Parent.

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# Barings U.S. Loan Limited

## Directors' Report

For the financial year ended 31 December 2023

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The Directors present their report together with the audited financial statements of the Company for the financial year ended 31 December 2023.

### Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and financial statements, in accordance with applicable law and regulations. Irish company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and applicable law.

Under Irish company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014 (the "Companies Act"). In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that its financial statements comply with the Companies Act. The Directors have appointed State Street Fund Services (Ireland) Limited (the "Administrator") to keep adequate accounting records which are located at the offices of the Administrator at 78 Sir John Rogerson's Quay, Dublin 2, Ireland.

They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company. In this regard they have entrusted the assets of the Company to State Street Custodial Services (Ireland) Limited ("the Depository") for safe-keeping. They have general responsibility for taking such steps as are reasonably open to them to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act.

The financial statements are published at: [www.barings.com](http://www.barings.com). The Directors together with the Manager and the Investment Managers are responsible for the maintenance and integrity of the website as far as it relates to Barings Funds. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Business review and future developments

The Directors do not anticipate any change in the structure or investment objectives of the Company which is to hold investments on behalf of its Parent.

### Directors

The Directors who served during the financial year were:

Mr. Alan Behen  
Mr. Paul Smyth

Unless stated otherwise, the Directors served for the entire year.

### Directors' and Company Secretary's interests

None of the current Directors, Matsack Trust Limited (the "Company Secretary") or their families hold or held any beneficial interest in the shares of the Company during the financial year ended 31 December 2023 (31 December 2022: Nil).

### Transactions involving Directors

Other than as stated in Note 9 of these financial statements, there were no contracts or arrangements of any significance in relation to the business of the Company in which the Directors had any interest, as defined in the Companies Act, at any time during the financial year ended 31 December 2023 (31 December 2022: None).

All of the Directors are also Directors of the Ultimate Parent. Mr. Alan Behen and Mr. Paul Smyth are employees of Baring International Fund Managers (Ireland) Limited, Manager and Alternative Investment Fund Manager to the Ultimate Parent.

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# Barings U.S. Loan Limited

## Directors' Report (continued)

For the financial year ended 31 December 2023

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### Relevant audit information

The Directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Company's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the Company's statutory auditors are unaware.

### Directors' compliance statement

The Directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance with certain obligations specified in that sector arising from the Companies Act 2014, where applicable, the Market Abuse (Directive 2003/6/EC) Regulations 2005, the Prospectus (Directive 2003/71/EC) Regulations 2015, the Transparency (Directive 2004/109/EC) Regulations 2007 and Tax laws ('relevant obligations'). The Directors confirm that:

- a compliance policy statement has been drawn up setting out the Company's policies with regard to such compliance;
- appropriate arrangements and structures that, in their opinion, are designed to secure material compliance with the Company's relevant obligations have been put in place; and
- a review has been conducted, during the financial year, of the arrangements and structures that have been put in place to secure the Company's compliance with its relevant obligations.

### Risk management objectives and policies

An investment in the Company involves a high degree of risk, including, but not limited to, the risks as outlined below. An investment in the Company is only suitable for investors who are in a position to take such risks. There can be no assurance that the Company will achieve its objectives, and the value of shares can go down as well as up. The principal risks and uncertainties faced by the Company are market price risk, foreign currency risk, liquidity risk, credit risk and interest rate risk, which are outlined in Note 10 to these financial statements.

### Results and Distribution

The result of operations for the financial year are set out in the Statement of Comprehensive Income. No dividends are recommended by the Directors in respect of the financial year ended 31 December 2023.

### Accounting records

The Directors ensure compliance with the Company's obligation to maintain adequate accounting records by appointing competent persons to be responsible for them. The accounting records are kept by State Street Fund Services (Ireland) Limited, 78 Sir John Rogerson's Quay, Dublin 2, Ireland.

### Significant events during the financial period

There were no significant events during the financial year, which require adjustment to, or disclosure in the financial statements.

### Significant events after the financial year end

There were no significant events affecting the Company after the financial year end.

### Ukraine/Russia conflict

In response to the Russian invasion of Ukraine, the EU, the U.S., the UK and other governmental entities have passed a variety of severe economic sanctions and export controls against Russia, including imposition of sanctions against Russia's Central Bank, largest financial institutions and certain individuals. In addition, a number of businesses have curtailed or suspended activities in Russia or dealings with Russian counterparts for reputational reasons. While current sanctions may not target the Company or the Portfolio Investments and their issuers and industries in which the issuers of the Portfolio Investments operate, these sanctions have had and may continue to have the effect of causing significant economic disruption and may adversely impact the global economy generally, and the Russian economy specifically by, among other things, creating instability in the energy sectors, reducing trade as a result of economic sanctions and increased volatility and uncertainty in financial markets, including Russia's financial sector. Additionally, any new or expanded sanctions that may be imposed by the U.S., EU, UK, or other countries may materially adversely affect the Company or the Portfolio Investments.

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## Barings U.S. Loan Limited

### Directors' Report (continued)

For the financial year ended 31 December 2023

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#### Independent auditor

The Auditors, KPMG, Chartered Accountants and Registered Auditors, have indicated their willingness to continue in office in accordance with Section 383(2) of the Companies Act.

On behalf of the Board of Directors:



Director:

Alan Behen



Director:

Paul Smyth

Date: 15 April 2024



**KPMG**

Audit  
1 Harbourmaster Place  
IFSC  
Dublin 1  
D01 F6F5  
Ireland

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARINGS U.S LOAN LIMITED**

**Report on the audit of the financial statements**

**Opinion**

We have audited the financial statements of Barings U.S. Loan Limited ('the Company') for the year ended December 31, 2023 set out on pages 10 to 31, which comprise the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and related notes, including the material accounting policies set out in note 2.

The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at December 31, 2023 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with IFRS as adopted by the European Union; and
- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

***Basis for opinion***

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

***Conclusions relating to going concern***

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.





## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARINGS U.S LOAN LIMITED (continued)**

### ***Other information***

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report, Schedule of Investments and Significant changes in portfolio composition. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

### ***Our opinions on other matters prescribed by the Companies Act 2014 are unmodified***

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

### ***Matters on which we are required to report by exception***

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

### ***Respective responsibilities and restrictions on use***

#### ***Responsibilities of directors for the financial statements***

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARINGS U.S LOAN LIMITED (continued)**


***Auditor's responsibilities for the audit of the financial statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/>.

***The purpose of our audit work and to whom we owe our responsibilities***

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

  
**Frank Gannon**  
for and on behalf of  
**KPMG**  
**Chartered Accountants, Statutory Audit Firm**  
1 Harbourmaster Place  
IFSC  
Dublin 1  
D01 F6F5

**17 April 2024**

# Barings U.S. Loan Limited


## Statement of Financial Position

As at 31 December 2023

|  | Note | 31 December 2023<br>US\$ | 31 December 2022<br>US\$ |
|--|------|--------------------------|--------------------------|
| <b>Assets</b>  |      |                          |                          |
| Financial assets at fair value through profit or loss:                 |      |                          |                          |
| - Investments  | 10   | 981,669,186              | 814,660,858              |
| Other receivables  | 5    | 10,633,182               | 7,324,079                |
| Receivable for investments sold  | 10   | 5,392,078                | 9,218,617                |
| Cash and cash equivalents  | 3    | 17,012,330               | 28,033,388               |
| <b>Total assets</b>  |      | <b>1,014,706,776</b>     | <b>859,236,942</b>       |
| <b>Liabilities</b>   |      |                          |                          |
| Financial liabilities designated at fair value through profit or loss: |      |                          |                          |
| - Loan and coupon payable on loan from the Ultimate Parent             | 9    | (977,768,673)            | (828,306,338)            |
| - Unfunded loans   | 10   | -                        | (92,067)                 |
| Payable for investments purchased                                      | 10   | (36,894,470)             | (30,813,100)             |
| Other payables and accrued expenses                                    | 6    | (39,132)                 | (21,686)                 |
| <b>Total liabilities</b>   |      | <b>(1,014,702,275)</b>   | <b>(859,233,191)</b>     |
| <b>Net assets</b>  |      | <b>4,501</b>             | <b>3,751</b>             |
| <b>Equity</b>  |      |                          |                          |
| Share capital  | 4    | 1                        | 1                        |
| Retained earnings  |      | 4,500                    | 3,750                    |
| <b>Total equity</b>  |      | <b>4,501</b>             | <b>3,751</b>             |

On behalf of the Board of Directors:

Director:   
Alan Behen

Director:   
Paul Smyth

Date: 15 April 2024

The accompanying notes are an integral part of these financial statements.

# Barings U.S. Loan Limited

## Statement of Comprehensive Income

For the financial year ended 31 December 2023

|   | Note | 31 December 2023<br>US\$ | 31 December 2022<br>US\$ |
|---|------|--------------------------|--------------------------|
| <b>Income</b>   |      |                          |                          |
| Net change on financial assets at fair value through profit or loss                 | 8    | 109,688,303              | (17,623,776)             |
| Net change on financial liabilities designated at fair value through profit or loss | 9    | (109,579,474)            | 17,872,287               |
| - Net gain on foreign exchange  |      | 2                        | -                        |
| <b>Net operating income</b>   |      | <b>108,831</b>           | <b>248,511</b>           |
| <b>Expenses</b>   |      |                          |                          |
| Depository fee  |      | -                        | (142,411)                |
| Professional fee  |      | (26,240)                 | (56,385)                 |
| Audit and tax reporting fee   | 6    | (62,438)                 | (44,114)                 |
| Miscellaneous fee   |      | (19,153)                 | (4,601)                  |
| <b>Total operating expenses</b>   |      | <b>(107,831)</b>         | <b>(247,511)</b>         |
| <b>Net profit before finance costs</b>  |      | <b>1,000</b>             | <b>1,000</b>             |
| <b>Profit before income tax for the financial year</b>                              |      | <b>1,000</b>             | <b>1,000</b>             |
| Tax on ordinary activities  | 14   | (250)                    | (250)                    |
| <b>Profit after tax</b>   |      | <b>750</b>               | <b>750</b>               |

There are no recognised gains or losses in the financial year other than those dealt with in the Statement of Comprehensive Income. All results are from continuing activities.

The accompanying notes are an integral part of these financial statements.

# Barings U.S. Loan Limited

## Statement of Changes In Equity

For the financial year ended 31 December 2023

### Financial year ended 31 December 2023

|   | Note | Share<br>Capital<br>US\$ | Retained<br>Earnings<br>US\$ | Total<br>US\$ |
|---|------|--------------------------|------------------------------|---------------|
| Balance at beginning of the financial year  | 4    | 1                        | 3,750                        | 3,751         |
| Profit for the financial year               |      | -                        | 750                          | 750           |
| <b>Balance at end of the financial year</b> |      | <b>1</b>                 | <b>4,500</b>                 | <b>4,501</b>  |

### Financial year ended 31 December 2022

|   | Note | Share<br>Capital<br>US\$ | Retained<br>Earnings<br>US\$ | Total<br>US\$ |
|---|------|--------------------------|------------------------------|---------------|
| Balance at beginning of the financial year  | 4    | 1                        | 3,000                        | 3,001         |
| Profit for the financial year               |      | -                        | 750                          | 750           |
| <b>Balance at end of the financial year</b> |      | <b>1</b>                 | <b>3,750</b>                 | <b>3,751</b>  |

The accompanying notes are an integral part of these financial statements.

# Barings U.S. Loan Limited

## Statement of Cash Flows

For the financial year ended 31 December 2023

|  | 31 December 2023<br>US\$ | 31 December 2022<br>US\$ |
|--|--------------------------|--------------------------|
| <b>Cash flows from operating activities</b>                                  |                          |                          |
| Profit after income tax  | 750                      | 750                      |
| Adjustments for:   |                          |                          |
| Net movement on financial assets and financial liabilities                   | (157,192,486)            | 114,564,119              |
| Coupon expense/(income) on loan from Ultimate Parent                         | 109,579,474              | (17,872,287)             |
| <b>Operating cash (outflows)/inflows before movements in working capital</b> | <b>(47,612,262)</b>      | <b>96,692,582</b>        |
| Movement in other receivables  | (3,309,103)              | (3,469,980)              |
| Movement in other payables   | 17,446                   | (17,655)                 |
| <b>Cash used in working capital</b>  | <b>(3,291,657)</b>       | <b>(3,487,635)</b>       |
| <b>Net cash (outflows)/inflows from operating activities</b>                 | <b>(50,903,919)</b>      | <b>93,204,947</b>        |
| <b>Financing activities</b>  |                          |                          |
| Proceeds of loan from the Ultimate Parent                                    | 226,466,915              | 149,927,305              |
| Repayment of loan to the Ultimate Parent                                     | (186,584,054)            | (243,186,926)            |
| <b>Net cash inflows/(outflows) from financing activities</b>                 | <b>39,882,861</b>        | <b>(93,259,621)</b>      |
| <b>Net decrease in cash and cash equivalents</b>                             | <b>(11,021,058)</b>      | <b>(54,674)</b>          |
| <b>Cash and cash equivalents at beginning of the financial year</b>          | <b>28,033,388</b>        | <b>28,088,062</b>        |
| <b>Cash and cash equivalents at end of the financial year</b>                | <b>17,012,330</b>        | <b>28,033,388</b>        |
| <b>Supplemental information</b>  |                          |                          |
| Coupon received  | 76,573,177               | 47,519,954               |
| Tax paid   | (250)                    | (250)                    |

The accompanying notes are an integral part of these financial statements.

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# Barings U.S. Loan Limited

## Notes to the Financial Statements

For the financial year ended 31 December 2023

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### 1. Basis of measurement

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), interpretations adopted by the International Accounting Standards Board ("IASB") as adopted by the European Union ("EU") and the Companies Act.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets, financial liabilities and derivative financial instruments at fair value through profit or loss ("FVTPL").

The preparation of financial statements in conformity with IFRS, requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The financial statements are presented in U.S. Dollars ("US\$") and rounded to the nearest US\$.

These financial statements were prepared on a going concern basis.

The registered number of the Company is 623497.

### 2. Material accounting policies

#### (a) New standards, amendments and interpretations issued and effective for the financial year beginning 1 January 2023

The following new and amended standards and interpretations are not expected to have a material impact on the Company's financial statements:

- IFRS 17: Insurance Contracts.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2).
- Definition of Accounting Estimates (Amendments to IAS 8).
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12).

There are no other new standards, amendments or interpretations issued and effective for the financial year beginning 1 January 2023 that have a material impact on the Company's financial position, performance or disclosures in its financial statements.

#### (b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2023 and not early adopted.

The following new and amended standards and interpretations are not expected to have a material impact on the Company's financial statements:

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1).
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16).
- Disclosure of Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7).
- Lack of Exchangeability (Amendments to IAS 21).

There are no other standards, amendments or interpretations to existing standards that are not yet effective that would be expected to have a material impact on the Company.

#### (c) Foreign currency translation

*Functional and presentation currency*

The functional currency and presentation currency of the Company is US\$.

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# Barings U.S. Loan Limited

## Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

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### 2. Material accounting policies (continued)

#### (c) Foreign currency translation (continued)

##### *Transactions and balances*

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year end exchange rates of monetary items and non-monetary assets and liabilities that are denominated in foreign currencies are recognised in the Statement of Comprehensive Income in the year in which they arise. Foreign exchange gains and losses on financial assets and liabilities at FVTPL are recognised together with other changes in fair value. Net foreign exchange gains/(losses) on non-monetary and monetary financial assets and liabilities other than those classified as at FVTPL are included in the Statement of Comprehensive Income.

#### (d) Financial assets and liabilities

##### (i) Recognition and initial measurement

Financial assets and financial liabilities are initially recognised at FVTPL on the Company's Statement of Financial Position on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognised at the date they are originated. From this date any gains and losses arising from changes in fair value of the financial assets or financial liabilities are recorded in the Statement of Comprehensive Income.

A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Transaction costs on financial assets and financial liabilities at FVTPL are expensed immediately, while on other financial instruments they are amortised.

##### (ii) Classification and subsequent measurement

###### Classification of financial assets and financial liabilities

IFRS 9 Financial Instruments ("IFRS 9") contains three principle classification categories for financial instruments: measured at amortised cost, fair value through other comprehensive income ("FVOCI") and FVTPL. The classification (and subsequent measurement) of a financial instrument is based on the business model in which the financial instrument is managed, and where relevant, its cash flow characteristics. Since the Company manages and evaluates the performance of all of its financial instrument on a fair value basis in accordance with a documented investment strategy it must classify its financial assets as FVTPL. Loan from the Ultimate Parent and coupon payable on loan from the Ultimate Parent are recorded at fair value and are classified as liabilities designated at FVTPL when they either eliminate or significantly reduce an accounting mismatch.

###### Subsequent measurement

Subsequent to initial recognition, all instruments classified at FVTPL were measured at fair value with changes in their fair value recognised in the Statement of Comprehensive Income. Assets and liabilities not carried at fair value were carried at amortised cost; their carrying values were a reasonable approximation of fair value.

##### (iii) Fair value measurement principles

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access to at that date. The fair value of a liability reflects its non-performance risk.

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the financial year end date. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Financial assets and financial liabilities are priced at current mid prices. However, this does not impact on the profit for this financial year or the comparative financial year as any change is effectively transferred to the Parent, via the loans obtained from the Ultimate Parent. Under the loan agreement, all of the Company's profit or loss (except for a yearly profit of US\$1,000) is incorporated into the value of the outstanding loan. Accordingly any additional gains or losses arising from this pricing methodology change (as disclosed above) will be offset by an equal and opposite adjustment to the coupon payable amount on the loan from the Ultimate Parent.

If a quoted price is not available from a recognised market, or is unrepresentative in the opinion of the Directors or their delegate, such a security shall be valued, by estimating with care and in good faith the probable realisation value of the investment, by the Directors or their delegate or a competent person, which may be Baring Asset Management Limited and Barings LLC (the "Investment Managers") (appointed by the Directors and each approved for the purpose by the Depositary) or valued at the probable realisable value estimated with care and in good faith by any other means, provided that the value is approved by the Depositary.



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## Barings U.S. Loan Limited

### Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

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#### 2. Material accounting policies (continued)

##### (d) Financial assets and liabilities (continued)

###### (iii) Fair value measurement principles (continued)

The value of any security, including debt and equity securities which is not normally quoted, listed or traded on or under the rules of a recognised exchange will be determined in accordance with the above provisions or obtained from an independent pricing source (if available).

###### (iv) Amortised cost measurement principles

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

###### (v) Impairment

IFRS 9 requires an impairment assessment to be carried out on its financial assets. The Directors have assessed that impairment does not apply to financial assets classified as FVTPL. The Directors consider the probability of default to be close to zero, as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised in the financial statements based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Company.

###### (vi) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition in accordance with IFRS 9.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

The Company uses the average cost method to determine realised gains and losses on derecognition. Additional gains or losses arising from this pricing methodology change (as disclosed above) will be offset by an equal and opposite adjustment to the coupon payable amount on the loan from the Ultimate Parent.

###### (vii) Unfunded loans

Unfunded loans occur when the Company commits to purchase a loan asset and has purchased less than 100% of the commitment as at the financial year end. The percentage outstanding at the financial year end is the unfunded loan. The unfunded portion is carried at FVTPL on the Statement of Financial Position.

###### (viii) Collective Investment Schemes ("CIS's")

Financial assets include investments in open-ended investment funds. Fair value is based on the underlying fund administrator's calculation of the Net Asset Value ("NAV") per share as the best approximation of fair value (market value of the fund's assets less liabilities divided by the number of shares) which will be the latest NAV published by the CIS's, taking into account any adjustments that may be required to account for illiquidity, low trading volumes or any such factors that may indicate that the NAV may not be fair value.

###### (ix) Cash and cash equivalents

Cash comprises of current deposits with banks. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Cash and cash equivalents are measured at amortised cost.

##### (e) Income

###### (i) Coupon income from financial assets at FVTPL

Coupon income on financial assets at FVTPL is included in net change on financial assets at FVTPL in the Statement of Comprehensive Income. Income not yet received is included in other receivables in the Statement of Financial Position. Income which suffers a deduction of tax at source is shown gross of withholding tax. Non-recoverable withholding tax is disclosed separately in the Statement of Comprehensive Income.

###### (ii) Bank interest and interest expense

Bank interest and interest expense is recognised on an effective interest method and includes interest income and expense from cash and cash equivalents. Bank interest income and expense is included in net change on financial assets at FVTPL and interest expense in the Statement of Comprehensive Income, respectively. Bank interest income not yet received is included in other receivables in the Statement of Financial Position on an accruals basis.

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# Barings U.S. Loan Limited

## Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

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### 2. Material accounting policies (continued)

#### (e) Income (continued)

##### (iii) Dividend income

Dividend income is recognised in net income from financial instruments at FVTPL in the Statement of Comprehensive Income on the date that the right to receive payment is established. Dividend income not yet received is included in other receivables on the Statement of Financial Position.

#### (f) Miscellaneous income

Miscellaneous income is comprised of various fees received relating to the loans held in the Company's Schedule of Investments e.g. extension fees and prepayment fees. It is recognised in the Statement of Comprehensive Income on an accruals basis.

#### (g) Net change on financial assets at FVTPL

A financial asset is classified as at FVTPL on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial assets at FVTPL are measured at fair value and changes therein, including any coupon or dividend income and realised gains/losses, are recognised in the Statement of Comprehensive Income.

#### (h) Net change on financial liabilities designated at FVTPL

Loans from the Ultimate Parent are recorded at fair value and are classified as liabilities designated at FVTPL when they either eliminate or significantly reduce an accounting mismatch. The coupon expense on the loan from the Ultimate Parent is dependent on the financial performance of the Company and is recognised in the Statement of Comprehensive Income on an accruals basis.

#### (i) Expenses

All expenses are recognised in the Statement of Comprehensive Income on an accruals basis.

#### (j) Taxation

Corporation tax is provided on taxable profits at current rates applicable to the Company's activities.

In accounting for uncertainties in income tax, the Investment Managers apply a policy which is based upon the probability and materiality of a tax liability or refund crystallising if the Investment Manager were to realise all assets and wind up the Company T+0. The principals of our policy are detailed below.

- If there is a high probability of a tax position arising which represents a material value or devaluation of the investors interest then the Investment Manager will accrue for this in the balance sheet.
- If there is a low probability of a tax position arising, but the position would have a material effect on the value of the investors interests , the Investment Manager will provide a disclosure in the financial statements so as to ensure that investors are aware of the value at risk to their investment.
- If there is a low probability of a tax position arising and the position would not have a material effect on the value of the investors interests then the Investment Manager will not accrue for this in the balance sheet or make a disclosure in the financial statements.

The Company is a Qualifying Company within the meaning of Section 110 of the Taxes Consolidation Act, 1997. As such, the profits of the Company are chargeable to corporation tax under Case III of Schedule D at a rate of 25% but are computed in accordance with the provisions applicable to Case I of Schedule D.

#### (k) Receivable for investments sold and payable for investments purchased

Receivable for investments sold and payable for investments purchased represent amounts receivable and payable respectively, for transactions contracted for but not yet delivered at the end of the financial year. These amounts are recognised initially at fair value and subsequently at amortised cost.

### 3. Cash and cash equivalents

Cash and cash equivalents are held with the Depository. State Street Corporation, the parent company of the Depository, had a Standard & Poor's (S&P) credit rating of A as at 31 December 2023 (31 December 2022: A). As at 31 December 2023, the Company held US\$17,012,330 in cash and cash equivalents (31 December 2022: US\$28,033,388). Cash and cash equivalents are measured at amortised cost.

### 4. Share capital

#### Authorised

The authorised share capital of the Company is €100,000,000 divided into 100,000,000 shares of €1.00 each.

# Barings U.S. Loan Limited

## Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

### 4. Share capital (continued)

#### Issued and fully paid

The issued and paid up share capital is €1 and it is held by State Street Custodial Services (Ireland) Limited (the "Depositary").

The sole member of the Company present in person or proxy is a sufficient quorum at a general meeting. The sole member may decide to dispense with the holding of the annual general meeting.

The Company does not have any externally imposed capital requirements.

### 5. Other receivables

|  | 31 December 2023<br>US\$ | 31 December 2022<br>US\$ |
|--|--------------------------|--------------------------|
| Coupon receivable on loan investments    | 9,597,067                | 5,518,298                |
| Principal receivable on loan investments | 959,898                  | 1,547,237                |
| Coupon receivable on bonds               | 69,746                   | 201,604                  |
| Other receivables                        | 6,471                    | 56,940                   |
|  | <u>10,633,182</u>        | <u>7,324,079</u>         |

### 6. Other payables and accrued expenses

|                         | 31 December 2023<br>US\$ | 31 December 2022<br>US\$ |
|-------------------------|--------------------------|--------------------------|
| Depositary fees payable | (10,867)                 | -                        |
| Miscellaneous payables  | (28,265)                 | (21,686)                 |
|                         | <u>(39,132)</u>          | <u>(21,686)</u>          |

The table below outlines the Statutory audit fees and tax advisory and compliance services fees charged (exclusive of VAT) for the financial years ended 31 December 2023 and 31 December 2022:

|                                      | 31 December 2023<br>US\$ | 31 December 2022<br>US\$ |
|--------------------------------------|--------------------------|--------------------------|
| Statutory audit                      | (50,297)                 | (38,352)                 |
| Tax advisory and compliance services | (12,141)                 | (5,762)                  |
| Total                                | <u>(62,438)</u>          | <u>(44,114)</u>          |

### 7. Dividends

No dividends are recommended by the Directors in respect of the financial year ended 31 December 2023 (31 December 2022: Nil).

### 8. Net change on financial assets at FVTPL

|  | 31 December 2023<br>US\$ | 31 December 2022<br>US\$ |
|--|--------------------------|--------------------------|
| Coupon income from financial assets at FVTPL | 80,520,088               | 49,671,469               |
| Income from investments                      |                          |                          |
| - Realised loss on investments               | (16,509,811)             | (19,302,024)             |
| - Unrealised net change on investments       | 45,678,196               | (47,996,128)             |
| - Realised (loss)/gain on derivatives        | (170)                    | 2,907                    |
|  | <u>109,688,303</u>       | <u>(17,623,776)</u>      |

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## Barings U.S. Loan Limited

### Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

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#### 9. Related party transactions

##### Loan from the Ultimate Parent

The Company is a wholly owned subsidiary of Barings U.S. Loan Fund (the "Parent") which is a sub-fund of Barings Global Investment Funds Plc (the "Ultimate Parent"). The Company is funded for its acquisition of investments on behalf of the Parent by way of loans from the Ultimate Parent, which are granted pursuant to a loan agreement and repayable on demand.

The obligations of the Company to the Parent shall be limited recourse obligations payable solely from the portfolio held by or on behalf of the Company after satisfying in full all senior obligations. The cost of the loan (coupon charged on loan) will be dependent on the profit of the Company.

The carrying amount of the Loan and coupon payable on the loan from the Ultimate Parent designated at FVTPL as at 31 December 2023 was US\$977,768,673 (31 December 2022: US\$828,306,338). The net change on financial liabilities designated at FVTPL for the financial year ended 31 December 2023 was US\$(109,579,474) (31 December 2022: US\$17,872,287).

In the event that accumulated losses prove not to be recoverable during the life of the Company, this will reduce the obligation to the loans from the Ultimate Parent (i.e. contractual amounts at maturity by an equivalent amount).

##### Revolving credit facility and security deed

The Company acts as the Guarantor for revolving credit facilities entered into by the Ultimate Parent, on behalf of the Parent and the Company with Bank of America N.A., Barclays Bank PLC, BNP Paribas, HSBC Bank plc, National Australia Bank Limited and State Street Bank International GmbH. Before 5 July 2023, State Street Bank and Trust Company was one of the lenders and was replaced with State Street Bank International GmbH on 5 July 2023. As at 31 December 2023, there was no amount outstanding on this credit facility (31 December 2022: no amount outstanding). Lines were not drawn through 2023.

##### Investment Managers

The Company is managed by Baring International Fund Managers (Ireland) Limited. Baring Asset Management Limited and Barings LLC act as Investment Managers to the Company. The Investment Managers implement the investment strategy as specified in the Prospectus and Supplements. The Investment Managers are paid by the Parent.

At 31 December 2023 and 31 December 2022, the Company holds shares in Barings USD Liquidity Fund valued US\$18,168,383 (31 December 2022: US\$17,274,408), a sub-fund of Barings Umbrella Fund Plc which is also managed by Barings LLC. There were purchases of US\$893,975 and sales of US\$Nil in this entity during the financial year ended 31 December 2023 with a realised gain/loss of US\$Nil (31 December 2022: purchases of US\$15,225,520 and sales of US\$Nil with realised gain/loss of US\$Nil).

##### Directors' and Secretary's interests

Directors' fees for the financial year amounted to US\$Nil (31 December 2022: Nil) of which US\$Nil (31 December 2022: Nil) was payable at the financial year end.

Mr. Alan Behen and Mr. Paul Smyth are also Directors of the Ultimate Parent. Mr. Alan Behen and Mr. Paul Smyth are employees of Baring International Fund Managers (Ireland) Limited, Manager and Alternative Investment Fund Manager to the Ultimate Parent. While these Directors don't receive fees from the Company directly for their role as Directors, they are paid through their employment with the Manager and Alternative Investment Fund Manager.

Neither the Directors nor the Company Secretary held any shares in the Company.

#### 10. Financial instruments and associated risks

The Company is exposed to market risk, credit risk and liquidity risk arising from the financial instruments it holds.

##### (a) Market risk

Market risk embodies the potential for both losses and gains and includes foreign currency risk, interest rate risk and price risk, which are discussed in detail under separate headings within this note.

The Company's exposure to market risk is that the value of assets will generally fluctuate with, among other things, general economic conditions, the condition of certain financial markets, international political events, developments or trends in any particular industry and the financial condition of the issuers of the loans that the Company invests in.

The Company's market risk is managed on a daily basis by the Investment Managers in accordance with policies and procedures in place. The Company's overall market positions are reported to the Board of Directors on a quarterly basis.

# Barings U.S. Loan Limited

## Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

### 10. Financial instruments and associated risks (continued)

#### (a) Market risk (continued)

As the majority of the financial instruments are carried at FVTPL, all changes in market conditions will directly impact the Company's results.

#### Managing interest rate benchmark reform and associated risks

A fundamental reform of IBOR benchmarks was triggered by the Financial Conduct Authority and was undertaken globally, leading to their replacement with alternative nearly risk-free rates (referred to as "IBOR reform"). Publication of 24 of the 35 IBOR settings ceased from 1 January 2022 and risk-free rates like Sterling Overnight Index Average ("SONIA") and Secured Overnight Financing Rate ("SOFR") benchmarks were the replacement. The Company was exposed to IBOR benchmarks through investments in fixed income and loan securities, derivatives and other interest-bearing assets.

The fallback language review for IBOR reform in respect of GBP was completed in Q4 2021, with GBP LIBOR assets transitioning to SONIA in all cases. The transition occurred before the first post-LIBOR interest rate payment date in the first half of 2022. The GBP LIBOR assets held by the Company all matured in the same timeframe and no GBP LIBOR assets remained after June 2022.

The Company assessment of whether a change to an amortised cost financial instrument was substantial, was made after applying the practical expedient introduced by IBOR reform Phase 2. The Company updated the effective interest rate, without modifying the carrying amount of the financial instrument when the basis for determining the contractual cash flows of the financial instrument, measured at amortised cost, changed as a direct consequence from the reform and if the change was economically equivalent to the previous basis (i.e. the basis immediately before the change).

As at 31 December 2022, the Company's remaining IBOR exposure was indexed to USD LIBOR. In March 2021 the FCA agreed to extend the life of USD LIBOR to 30 June 2023. At the same time the Alternative Reference Rates Committee ("ARRC") proposed updated language for legislation addressing the IBOR transition, which served as a model for legislation that was enacted by the states of New York and Alabama. On 29 July 2021 the House Committee on Financial Services voted to further the "Adjustable Interest Rate (LIBOR) Act of 2021" ("H.R. 4616"). These two pieces of legislation applied to contracts that lacked clearly defined fallback provisions and offered these assets a process to fall back to SOFR.

In effect this created two USD LIBOR transition categories: assets with strong fallback transition language which fell back to a contractually agreed non-LIBOR reference rate and assets with weak fallback transition language, which fell back to SOFR under the Safe Harbour provision.

As at 31 December 2022, the fallback language review for IBOR reform in respect of USD was completed, with USD LIBOR assets transitioning to SOFR in all cases. The transition itself occurred before the first post-LIBOR interest rate payment date (prior to the 30 June 2023 deadline).

As a result of the Safe Harbour provision, the AIFM ceased its reviews of fallback language, as it assessed fallback risk rating as no longer relevant. As at 31 December 2023, all USD LIBOR assets had completed the transition to SOFR.

#### (i) Foreign currency risk

The following table sets out the Company's total exposure to foreign currency risk and the net exposure to foreign currencies of the monetary assets and liabilities at 31 December 2023:

|     | Financial assets<br>and liabilities at<br>FVTPL<br>US\$ | Cash and<br>cash<br>equivalents<br>US\$ | Other<br>assets and<br>liabilities*<br>US\$ | Forward foreign<br>exchange<br>contracts<br>US\$ | Net<br>exposure<br>US\$ | % of Total<br>assets<br>%** |
|-----|---|---|---|--|-------------------------|-----------------------------|
| GBP | -   | 104                                     | -   | -  | 104                     | 0.00                        |

\*Other assets and liabilities are comprised mainly of trade payables and receivables.

\*\*% of Total Assets refers to the Total Net Assets of the Parent.

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## Barings U.S. Loan Limited

### Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

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#### 10. Financial instruments and associated risks (continued)

##### (a) Market risk (continued)

##### (i) Foreign currency risk (continued)

The following table sets out the Company's total exposure to foreign currency risk and the net exposure to foreign currencies of the monetary assets and liabilities at 31 December 2022:

|     | Financial assets<br>and liabilities at<br>FVTPL<br>US\$ | Cash and<br>cash<br>equivalents<br>US\$ | Other<br>assets and<br>liabilities*<br>US\$ | Forward foreign<br>exchange<br>contracts<br>US\$ | Net<br>exposure<br>US\$ | % of Total<br>assets<br>%** |
|-----|---|---|---|--|-------------------------|-----------------------------|
| GBP | 14,362  | -                                       | -   | -  | 14,362                  | 0.00                        |

\*Other assets and liabilities are comprised mainly of trade payables and receivables.

\*\*% of Total Assets refers to the Total Net Assets of the Parent.

##### *Sensitivity analysis*

The following currency sensitivity analysis information is a relative estimate of risk and is not intended to be a precise and accurate number. The calculations are based on historical data. Future rate movements and correlations between currencies could vary significantly from those experienced in the past.

A 5% increase in exchange rates at 31 December 2023 would have increased the value of investments at FVTPL by US\$5 (31 December 2022: US\$718) and it would have also increased the value of the loans from the Ultimate Parent by an equal amount. The net impact on the net assets of the Company would be Nil (31 December 2022: Nil).

The Company is exposed to foreign currency risk, however the risk is effectively transferred to the Parent via the loan obtained from the Ultimate Parent, since under the loan agreement, all of the Company's profit or loss except for a yearly profit of US\$1,000 per calendar financial year will be incorporated into the value of the outstanding loans (please see Note 9 of these financial statements). Accordingly, any additional gains or losses arising from changes in foreign currency rates will be offset by an equal and opposite adjustment to the coupon payable amount on the loan from the Ultimate Parent.

##### (ii) Interest rate risk

The Company is exposed to the risk that the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. The Company's investments which are subject to interest rate risk are bonds and loans. The loans have a floating rate payment structure, whereby a fixed basis point spread is paid over the prevailing reference rate, typically SONIA or SOFR, reset on a quarterly or semi-annual basis.

Changes in interest rates can also have an effect on the valuation of financial assets and liabilities instruments held by the Company.

Other than the loan from the Ultimate Parent and unfunded loans, the Company has no liabilities as at 31 December 2023 and 31 December 2022 that are exposed to changes in interest rates.



## Barings U.S. Loan Limited

### Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

#### 10. Financial instruments and associated risks (continued)

##### (a) Market risk (continued)

##### (ii) Interest rate risk (continued)

The following table details the Company's exposure to interest rate risk. It includes the Company's assets and trading liabilities at fair values, categorised by maturity date and measured by the carrying value of the assets and liabilities at 31 December 2023.

| 31 December 2023                                       | Within<br>one year<br>US\$ | 1 - 5<br>years<br>US\$ | Greater<br>than<br>5 years<br>US\$ | Non-<br>interest<br>bearing<br>US\$ | Total<br>US\$          |
|--|----------------------------|------------------------|------------------------------------|-------------------------------------|------------------------|
| <b>Assets</b>  |                            |                        |                                    |                                     |                        |
| Financial assets at FVTPL:                             |                            |                        |                                    |                                     |                        |
| - Investments  | 8,925,196                  | 740,138,390            | 175,502,363                        | 57,103,237                          | 981,669,186            |
| Other receivables                                      | -                          | -                      | -                                  | 10,633,182                          | 10,633,182             |
| Receivable for investments sold                        | -                          | -                      | -                                  | 5,392,078                           | 5,392,078              |
| Cash and cash equivalents                              | 17,012,330                 | -                      | -                                  | -                                   | 17,012,330             |
| <b>Total assets</b>                                    | <b>25,937,526</b>          | <b>740,138,390</b>     | <b>175,502,363</b>                 | <b>73,128,497</b>                   | <b>1,014,706,776</b>   |
| <b>Liabilities</b>                                     |                            |                        |                                    |                                     |                        |
| Financial liabilities designated at FVTPL:             |                            |                        |                                    |                                     |                        |
| - Loan and coupon payable on loan from Ultimate Parent | (977,768,673)              | -                      | -                                  | -                                   | (977,768,673)          |
| Payable for investments purchased                      | -                          | -                      | -                                  | (36,894,470)                        | (36,894,470)           |
| Other payables and accrued expenses                    | -                          | -                      | -                                  | (39,132)                            | (39,132)               |
| <b>Total liabilities</b>                               | <b>(977,768,673)</b>       | <b>-</b>               | <b>-</b>                           | <b>(36,933,602)</b>                 | <b>(1,014,702,275)</b> |
| <b>Total interest sensitivity gap</b>                  | <b>(951,831,147)</b>       | <b>740,138,390</b>     | <b>175,502,363</b>                 |                                     |                        |
| <br>   |                            |                        |                                    |                                     |                        |
| 31 December 2022                                       | Within<br>one year<br>US\$ | 1 - 5<br>years<br>US\$ | Greater<br>than<br>5 years<br>US\$ | Non-<br>interest<br>bearing<br>US\$ | Total<br>US\$          |
| <b>Assets</b>  |                            |                        |                                    |                                     |                        |
| Financial assets at FVTPL:                             |                            |                        |                                    |                                     |                        |
| - Investments  | 17,605,962                 | 394,725,105            | 354,127,251                        | 48,202,540                          | 814,660,858            |
| Other receivables                                      | -                          | -                      | -                                  | 7,324,079                           | 7,324,079              |
| Receivable for investments sold                        | -                          | -                      | -                                  | 9,218,617                           | 9,218,617              |
| Cash and cash equivalents                              | 28,033,388                 | -                      | -                                  | -                                   | 28,033,388             |
| <b>Total assets</b>                                    | <b>45,639,350</b>          | <b>394,725,105</b>     | <b>354,127,251</b>                 | <b>64,745,236</b>                   | <b>859,236,942</b>     |
| <b>Liabilities</b>                                     |                            |                        |                                    |                                     |                        |
| Financial liabilities designated at FVTPL:             |                            |                        |                                    |                                     |                        |
| - Loan and coupon payable on loan from Ultimate Parent | (828,306,338)              | -                      | -                                  | -                                   | (828,306,338)          |
| - Unfunded loans                                       | -                          | -                      | (92,067)                           | -                                   | (92,067)               |
| Payable for investments purchased                      | -                          | -                      | -                                  | (30,813,100)                        | (30,813,100)           |
| Other payables and accrued expenses                    | -                          | -                      | -                                  | (21,686)                            | (21,686)               |
| <b>Total liabilities</b>                               | <b>(828,306,338)</b>       | <b>-</b>               | <b>(92,067)</b>                    | <b>(30,834,786)</b>                 | <b>(859,233,191)</b>   |
| <b>Total interest sensitivity gap</b>                  | <b>(782,666,988)</b>       | <b>394,725,105</b>     | <b>354,035,184</b>                 |                                     |                        |

##### Interest rate sensitivity

The below interest rate sensitivity analysis information is a relative estimate of risk and is not intended to be a precise and accurate number. The calculations are based on historical data. Future interest rate movements could vary significantly from those experienced in the past.

# Barings U.S. Loan Limited

## Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

### 10. Financial instruments and associated risks (continued)

#### (a) Market risk (continued)

##### *Interest rate sensitivity (continued)*

The interest rate risks of the Company are effectively transferred to the Parent via the loans obtained from the Ultimate Parent on behalf of its fund, the Parent. Accordingly any additional gains or losses arising from changes in interest rates will be offset by an equal and opposite adjustment to the coupon payable amount on the loan from the Ultimate Parent.

It should be noted that a change in the SONIA or SOFR interest rates may affect the fair value of the loan from the Ultimate Parent as follows (assuming negligible duration on floating rate instruments):

| Interest change % | % Effect on Loan Fair Value<br>31 December 2023 | Interest change % | % Effect on Loan Fair Value<br>31 December 2023 |
|-------------------|---|-------------------|---|
| (1.00)            | +0.13   | +1.00             | (0.13)  |
| (1.50)            | +0.20   | +1.50             | (0.20)  |
| (2.00)            | +0.26   | +2.00             | (0.26)  |

| Interest change % | % Effect on Loan Fair Value<br>31 December 2022 | Interest change % | % Effect on Loan Fair Value<br>31 December 2022 |
|-------------------|---|-------------------|---|
| (1.00)            | +0.14   | +1.00             | (0.14)  |
| (1.50)            | +0.22   | +1.50             | (0.21)  |
| (2.00)            | +0.29   | +2.00             | (0.29)  |

#### (iii) Price risk

All of the Company's financial investments (loans, bonds, equities and collective investment schemes) are carried at fair value on the Statement of Financial Position. Usually the fair value of the investments can be reliably determined within a reasonable range of estimates. For certain other financial instruments, including other receivables, receivable for investments sold, payable for investments purchased other payables and accrued expenses, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement (e.g. interest rates, volatility, estimated cash flows etc.) and therefore, cannot be determined with precision.

##### *Sensitivity analysis*

The below price sensitivity analysis information is a relative estimate of risk and is not intended to be a precise and accurate number. The calculations are based on historical data. Future price movements could vary significantly from those experienced in the past.

A 5% increase in investment prices at 31 December 2023 would have increased the value of investments at FVTPL by US\$49,083,459 (31 December 2022: US\$40,733,043) and it would have also increased the value of the loans from the Ultimate Parent by an equal amount. The net impact on the net assets of the Company would be Nil (31 December 2022: Nil).

#### (b) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company resulting in a financial loss to the Company. The Company may invest in investments such as loans which are below investment grade, which as a result carry greater credit risk than investment grade sovereign or corporate bonds or loans.

The Company's credit risk concentration is spread between a number of counterparties. The top ten holdings in the Company represented 12.82% (31 December 2022: 12.06%) of the market value of the Company's assets.

Furthermore, where exposure to loans is gained by purchase of Sub-Participations, there is the additional credit and bankruptcy risk of the direct participant and its failure for whatever reason to account to the Company for monies received in respect of loans directly held by it. In analysing each Loan or Sub-Participation, the Investment Managers will compare the relative significance of the risks against the expected benefits of the investment.

In purchasing Sub-Participations, the Company generally will not have the right to enforce compliance by the obligor with the terms of the applicable debt agreement nor directly benefit from the supporting collateral for the debt in respect of which it has purchased a Sub-Participation.



# Barings U.S. Loan Limited

## Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

### 10. Financial instruments and associated risks (continued)

#### (b) Credit risk (continued)

The carrying amounts of financial assets best represent the maximum credit risk exposure at the year-end date. The Investment Managers through their investment strategy will endeavour to avoid losses relating to defaults on the underlying assets. In-house research is used to identify asset allocation opportunities amongst various fixed income asset classes and to take advantage of episodes of market mid-pricing.

The Company may utilise different financial instruments to seek to hedge against declines in the value of the Company's positions as a result of changes in currency exchange rates.

None of the financial assets and financial liabilities are offset in the Statement of Financial Position. The Company's financial assets and financial liabilities are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments. While the terms and conditions of these agreements may vary, all transactions under any such agreement constitute a single contractual relationship. Each party's obligation to make any payments, deliveries or other transfers in respect of any transaction under such an agreement may be netted against the other party's obligations under such agreement. A default by a party in performance with respect to one transaction under such an agreement would give the other party the right to terminate all transactions under such agreement and calculate one net amount owed from one party to the other.

There were no derivative assets or liabilities held by the Company as at 31 December 2023 and 31 December 2022.

The Company's financial assets and liabilities exposed to credit risk were concentrated in the following geographical areas:

|                | % of Market Value<br>31 December 2023 | % of Market Value<br>31 December 2022 |
|----------------|---------------------------------------|---------------------------------------|
| Australia      | -                                     | 0.2                                   |
| Canada         | 0.5                                   | 1.8                                   |
| Denmark        | -                                     | 0.4                                   |
| France         | 0.4                                   | 0.2                                   |
| Germany        | 0.5                                   | 0.6                                   |
| Ireland        | 1.9                                   | 3.5                                   |
| Luxembourg     | 3.4                                   | -                                     |
| Netherlands    | 0.5                                   | 0.6                                   |
| Sweden         | 0.1                                   | 0.2                                   |
| Switzerland    | 0.2                                   | 0.6                                   |
| United Kingdom | 1.3                                   | 1.1                                   |
| United States  | 91.2                                  | 90.8                                  |
|                | 100.0                                 | 100.0                                 |

The Company held investments in bonds and loans with the following publicly quoted credit ratings:

| Moody's Rating     | % of Market Value<br>31 December 2023 | % of Market Value<br>31 December 2022 |
|--------------------|---------------------------------------|---------------------------------------|
| Baa3               | 0.5                                   | 0.8                                   |
| Ba1                | 2.2                                   | 2.7                                   |
| Ba2                | 5.3                                   | 5.2                                   |
| Ba3                | 13.0                                  | 11.4                                  |
| B1                 | 17.8                                  | 19.3                                  |
| B2                 | 31.9                                  | 36.7                                  |
| B3                 | 15.2                                  | 12.8                                  |
| Caa1               | 2.7                                   | 5.3                                   |
| Caa2               | 4.2                                   | 4.3                                   |
| Caa3               | 0.2                                   | 0.3                                   |
| Ca                 | 0.2                                   | 0.3                                   |
| C                  | -                                     | 0.2                                   |
| Not publicly rated | 6.8                                   | 0.7                                   |
| <b>Total</b>       | 100.0                                 | 100.0                                 |

# Barings U.S. Loan Limited

## Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

### 10. Financial instruments and associated risks (continued)

#### (b) Credit risk (continued)

Credit risk arising on transactions with brokers relates to transactions awaiting settlement. The Company monitors the credit rating and financial positions of the brokers used to mitigate this risk. The Investment Managers also monitor the settlement process on a regular basis.

The nature of the non-publicly rated assets is entirely consistent with the loan market. The Investment Managers undertake extensive due diligence on all deals before initial investment. Post initial approval by the credit committee and throughout the holding year of the investment, the Investment Managers continually evaluate the investment's performance including such measures as reviewing pricing levels, monthly accounts, budgets and meeting management, where appropriate.

At the reporting date, the Company's financial assets exposed to credit risk are as follows:

|                                 | 31 December 2023<br>US\$ | 31 December 2022<br>US\$ |
|---------------------------------|--------------------------|--------------------------|
| Investments at fair value       | 976,193,877              | 812,501,707              |
| Other receivables               | 10,633,182               | 7,324,079                |
| Receivable for investments sold | 5,392,078                | 9,218,617                |
| Cash and cash equivalents       | 17,012,330               | 28,033,388               |
| <b>Total</b>                    | <b>1,009,231,467</b>     | <b>857,077,791</b>       |

Amounts in the above table are based on the carrying value of the financial assets as at the financial year end date.

Substantially all of the non-loan assets of the Company (including cash) are held by the Depositary, State Street Custodial Services (Ireland) Limited. Bankruptcy or insolvency of the Depositary may cause the Company's rights with respect to securities held by the Depositary to be delayed or limited. The Company monitors its risk by monitoring the credit quality and financial positions of the Depositary the Company uses. The S&P credit rating of State Street Corporation as at 31 December 2023 was A (31 December 2022: A).

All of the loan assets of the Company have agent banks and are not safeguarded within the Depositary's network. Bankruptcy or insolvency of an agent bank may cause the Company's rights with respect to amounts held by the agent bank (on behalf of the associated loan) to be delayed or limited.

The Company's Investment Managers analyse credit concentration based on the counterparty, industry and geographical location of the financial assets that the Company holds.

The Company's financial assets exposed to credit risk were concentrated in the following industries:

|  | % of Market Value<br>31 December 2023 | % of Market Value<br>31 December 2022 |
|--|---------------------------------------|---------------------------------------|
| Aerospace and Defense  | 3.2                                   | 2.4                                   |
| Automobile   | 1.5                                   | 0.5                                   |
| Banking  | 0.3                                   | -                                     |
| Beverage, Food and Tobacco   | 3.3                                   | 1.9                                   |
| Broadcasting and Entertainment   | 5.5                                   | 7.9                                   |
| Buildings and Real Estate  | 2.1                                   | 2.6                                   |
| Cargo Transport  | 0.4                                   | 1.6                                   |
| Chemicals, Plastics and Rubber   | 5.3                                   | 6.3                                   |
| Containers, Packaging and Glass  | 4.0                                   | 5.1                                   |
| Diversified/ Conglomerate Manufacturing                                | 2.6                                   | 2.7                                   |
| Diversified/ Conglomerate Service                                      | 16.0                                  | 15.1                                  |
| Ecological   | 0.4                                   | 0.5                                   |
| Electronics  | 2.4                                   | 3.6                                   |
| Finance  | 6.9                                   | 6.3                                   |
| Healthcare, Education and Childcare                                    | 15.6                                  | 13.7                                  |
| Home and Office Furnishings, Housewares, and Durable Consumer Products | 0.5                                   | 2.3                                   |
| Hotels, Motels, Inns and Gaming  | 1.9                                   | 1.2                                   |
| Insurance  | 4.8                                   | 4.2                                   |
| Leisure, Amusement, Entertainment                                      | 3.6                                   | 3.7                                   |
| Machinery Non-Agriculture, Non-Construction, Non-Electronic            | 1.5                                   | 1.2                                   |

# Barings U.S. Loan Limited

## Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

### 10. Financial instruments and associated risks (continued)

#### (b) Credit risk (continued)

|  | % of Market Value<br>31 December 2023 | % of Market Value<br>31 December 2022 |
|--|---------------------------------------|---------------------------------------|
| Mining, Steel, Iron and Non Precious Metals          | 0.3                                   | 0.9                                   |
| Mutual Fund  | 1.9                                   | 2.1                                   |
| Oil and Gas  | 2.2                                   | 1.7                                   |
| Personal and Non Durable Consumer Products Mfg. Only | 1.0                                   | 1.0                                   |
| Personal Transportation                              | 1.4                                   | 1.7                                   |
| Printing and Publishing                              | 1.2                                   | 1.0                                   |
| Retail Stores  | 2.9                                   | 3.1                                   |
| Telecommunications                                   | 4.8                                   | 4.0                                   |
| Textiles and Leather                                 | 0.4                                   | 0.6                                   |
| Utilities  | 2.1                                   | 1.1                                   |
|  | <u>100.0</u>                          | <u>100.0</u>                          |

Credit risk also incorporates counterparty risk which covers the likelihood of a counterparty failing which would principally arise on transactions with brokers that are awaiting settlement. As at 31 December 2023, the Company had trade receivables of US\$5,392,078 (31 December 2022: US\$9,218,617) and trade payables of US\$36,894,470 (31 December 2022: US\$30,813,100) of which US\$68,205 of the receivables (31 March 2023: US\$493,922) and US\$Nil of the payables (31 March 2023: US\$317,173) remained outstanding at 31 March 2024, all other amounts have been settled. Risk relating to unsettled transactions is considered small due to the approval process of the brokers used and an active weekly settlement process employed from the outset by the Investment Managers.

#### (c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner that is disadvantageous to the Company.

The loan from the Ultimate Parent is repayable at any moment in time. However, the amount repayable shall be an amount equal to the relevant assets in the same currency as the loan. No other assets will be available to the Ultimate Parent and the obligation to make payments shall be reduced accordingly (if necessary). Therefore, liquidity risk in relation to repayment of the loan from the Ultimate Parent is reduced.

The Company may invest in investments such as loans which are below investment grade, which as a result carry greater liquidity risk than investment grade sovereign or corporate bonds or loans.

Due to the unique and customised nature of loan agreements evidencing private debt assets and the private syndication thereof, these assets are not as easily purchased or sold as publicly traded securities. Although the range of investors in private debt has broadened in recent years, there can be no assurance that future levels of supply and demand in loan trading will provide the degree of liquidity which currently exists in the market. In addition, the terms of these assets may restrict their transferability without borrower consent. The Investment Managers will consider any such restriction, along with all other factors, in determining whether or not to advise the Company to acquire participation in each asset.

The requirement to sell investments quickly may result in an adverse impact on the value of holdings as forced sales will potentially be made below the fair value of investments. The Company may have to execute forced sales to satisfy large redemption requests in the Parent. However, to mitigate this risk, the Prospectus of the Ultimate Parent and the Supplement for the Parent provide for the restrictions in repurchasing redeemable shares. These restrictions will influence how quickly the Company's assets could be liquidated, if necessary, and include satisfying a repurchase of redeemable shares request of less than 5% of the NAV of the Parent by a distribution of investments in-specie.

The Company must generate sufficient cash to satisfy redemption requests in the Parent. The Parent's constitutional documentation makes provision for a range of measures to assist with the management of liquidity on an ongoing basis, including, for example, the deferral of redemption applications exceeding 10% of the NAV of the Parent. The Company is typically managed with a small 'buffer' of cash (to minimise the cash drag impact on returns for investors) but also typically has investments in senior secured public floating rate notes whose settlement financial year (T+2 through Euroclear) permits more rapid sale where this might be required for liquidity purposes.

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## Barings U.S. Loan Limited

### Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

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#### 10. Financial instruments and associated risks (continued)

##### (c) Liquidity risk (continued)

The Company acts as the Guarantor for revolving credit facilities entered into by the Ultimate Parent, on behalf of the Parent and the Company with Bank of America N.A., Barclays Bank PLC, BNP Paribas, HSBC Bank plc, National Australia Bank Limited and State Street Bank International GmbH. Before 5 July 2023, State Street Bank and Trust Company was one of the lenders and was replaced with State Street Bank International GmbH on 5 July 2023. As at 31 December 2023, there was no amount outstanding on this credit facility (31 December 2022: no amount outstanding). Lines were not drawn through 2023.

All of the Company's financial liabilities as at 31 December 2023 and 31 December 2022 were payable within three months.

##### (d) Fair value hierarchy

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1 - Quoted market price in an active market for an identical instrument.

Level 2 - Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3 - Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant impact on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

#### Valuation Framework

The Company has an established control framework with respect to measurement of fair values. This framework includes a Valuations Committee which is independent of front office management. Specific controls include:

- Review and approval of valuation methodologies;
- Review and approval process for changes to pricing models;
- Review of unobservable inputs and valuation adjustments;
- Review of independent third party pricing sources; and
- Review of prices where no third party pricing source is available.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Company. The Company considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market. The majority of holdings as at 31 December 2023 and 31 December 2022 were based on broker quotes received from Markit Group Limited. The remainder were priced from market makers and other pricing providers providing quotes directly to the Investment Managers or the Administrator and were classified as Level 2. Where only single broker quotes are obtained for particular holdings, these holdings are classified as either Level 2 or Level 3 depending on trading and inputs into the price. The Investment Managers independently review the prices received as single broker quotes and ensure that they are in line with expectations.

If a quoted market price is not available on a recognised stock exchange or from a broker/dealer for non-exchange traded financial instruments, the fair value of the instrument is estimated using valuation techniques, including use of recent arm's length market transactions, (i.e. an exit price) reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions. Where other pricing models are used, inputs are based on market data at the Statement of Financial Position date.

# Barings U.S. Loan Limited

## Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

### 10. Financial instruments and associated risks (continued)

#### (d) Fair value hierarchy (continued)

##### Valuation Framework (continued)

Fair value for unquoted equity investments is estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer. If a quoted price is not available from a recognised market, or is unrepresentative in the opinion of the Directors or their delegate, such a security shall be valued, by estimating with care and in good faith the probable realisable value of the investment, by the Directors or their delegate or a competent person, which may be the Investment Managers (appointed by the Directors and each approved for the purpose by the Depositary) or valued at the probable realisation value estimated with care and in good faith by any other means provided that the value is approved by the Depositary.

| Security type categorised as Level 3: | Fair value       | Fair value       |
|---------------------------------------|------------------|------------------|
|                                       | 31 December 2023 | 31 December 2022 |
|                                       | US\$             | US\$             |
| Equities                              | 5,475,309        | 2,159,151        |
| Loans                                 | 16,450,171       | 17,113,097       |
|                                       | 21,925,480       | 19,272,248       |

The value of any security, including debt and equity securities which is not normally quoted, listed or traded on or under the rules of a recognised market and the value of loans and sub-participations in loans will be determined in accordance with the above provisions or obtained from an independent pricing source (if available).

Please refer to the Schedule of Investments for the fair value of investments which were classified as Level 3.

For each class of assets and liabilities not measured at fair value in the Statement of Financial Position but for which fair value is disclosed, IFRS 13 requires the Company to disclose the level within the fair value hierarchy which the fair value measurement would be categorised and a description of the valuation technique and inputs used in the technique.

Assets and liabilities not carried at fair value are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

Cash and cash equivalents include deposits held with banks and other short-term investments in an active market and they are categorised as Level 1.

Receivable for investments sold and other receivables include the contractual amounts for settlement of trades and other obligations due to the Company. Payable for investments purchased and other payables and accrued expenses represent the contractual amounts and obligations due by the Company for settlement of trades and expenses. All receivable and payable balances are categorised as Level 2.

The majority of investments held by the Company as at 31 December 2023 and 31 December 2022 were classified as Level 2 and were classified as Level 2 since the date of purchase. The loan from the Ultimate Parent and the coupon payable on the loan from the Ultimate Parent is classified as Level 2 since its value is based on the underlying investments, the majority of which are classified as Level 2.

The following table analyses within the fair value hierarchy, the Company's financial assets and liabilities measured at fair value at 31 December 2023:

|  | Level 1    | Level 2       | Level 3    | Total         |
|--|------------|---------------|------------|---------------|
|  | US\$       | US\$          | US\$       | Fair Value    |
|  |            |               |            | US\$          |
| <b>Financial assets at FVTPL:</b>                          |            |               |            |               |
| - Investments  | 51,627,928 | 908,115,778   | 21,925,480 | 981,669,186   |
| <b>Total financial assets</b>                              | 51,627,928 | 908,115,778   | 21,925,480 | 981,669,186   |
| <b>Financial liabilities designated at FVTPL:</b>          |            |               |            |               |
| - Loan and coupon payable on loan from the Ultimate Parent | -          | (977,768,673) | -          | (977,768,673) |
| <b>Total financial liabilities</b>                         | -          | (977,768,673) | -          | (977,768,673) |

# Barings U.S. Loan Limited

## Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

### 10. Financial instruments and associated risks (continued)

#### (d) Fair value hierarchy (continued)

##### Valuation Framework (continued)

The following table analyses within the fair value hierarchy, the Funds' financial assets and liabilities measured at fair value at 31 December 2022:

|  | Level 1<br>US\$   | Level 2<br>US\$      | Level 3<br>US\$   | Total<br>Fair Value<br>US\$ |
|--|-------------------|----------------------|-------------------|-----------------------------|
| <b>Financial assets at FVTPL:</b>                          |                   |                      |                   |                             |
| - Investments  | 46,043,389        | 749,345,221          | 19,272,248        | 814,660,858                 |
| <b>Total financial assets</b>                              | <u>46,043,389</u> | <u>749,345,221</u>   | <u>19,272,248</u> | <u>814,660,858</u>          |
| <b>Financial liabilities designated at FVTPL:</b>          |                   |                      |                   |                             |
| - Loan and coupon payable on loan from the Ultimate Parent | -                 | (828,306,338)        | -                 | (828,306,338)               |
| - Unfunded loans   | -                 | (92,067)             | -                 | (92,067)                    |
| <b>Total financial liabilities</b>                         | <u>-</u>          | <u>(828,398,405)</u> | <u>-</u>          | <u>(828,398,405)</u>        |

Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the financial year. There were no transfers between Level 1 and Level 2 during the financial year (31 December 2022: Nil). Transfers between Level 2 and Level 3 are discussed after the Level 3 reconciliation tables below, where relevant.

The following table shows the movement in Level 3 of the fair value hierarchy for the financial year ended 31 December 2023 and 31 December 2022.

|   | Financial assets<br>at FVTPL<br>31 December 2023<br>US\$ | Financial assets<br>at FVTPL<br>31 December 2022<br>US\$ |
|---|--|--|
| Opening balance   | 19,272,248   | 31,488,212   |
| Gains/(losses) recognised in profit or loss   | 1,157,924  | (3,260,214)  |
| Purchases   | 16,802,835   | 3,199,723  |
| Sales   | (10,128,371)   | (15,935,697)   |
| Transfers out of Level 3  | (5,179,156)  | (11,513,972)   |
| Transfers into Level 3  | -  | 15,294,196   |
| Closing balance   | <u>21,925,480</u>  | <u>19,272,248</u>  |
| Total unrealised losses recognised in the Statement of Comprehensive Income for assets held at the end of the reporting financial year: |  |  |
| - Included within unrealised loss on investments  | (5,574,256)  | (18,969,544)   |

The table below sets out information about significant unobservable inputs used at 31 December 2023 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

| Asset Class | Fair Value<br>US\$ | Unobservable<br>Inputs        | Ranges        | Weighted<br>Average |
|-------------|--------------------|-------------------------------|---------------|---------------------|
| Loans       | 16,450,171         | Broker Quotes/ Recent Sales   | 91.75-101.50  | 99.01               |
| Equity      | 5,475,309          | EBITDA Multiples/Recent Sales | 0.00-1,113.04 | 139.99              |

The table below sets out information about significant unobservable inputs used at 31 December 2022 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

| Asset Class | Fair Value<br>US\$ | Unobservable<br>Inputs        | Ranges        | Weighted<br>Average |
|-------------|--------------------|-------------------------------|---------------|---------------------|
| Loans       | 17,113,097         | Broker Quotes/ Recent Sales   | 60.00-100.00  | 91.093              |
| Equity      | 2,159,151          | EBITDA Multiples/Recent Sales | 0.00-1,032.36 | 247.53              |

# Barings U.S. Loan Limited

## Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

### 10. Financial instruments and associated risks (continued)

#### (d) Fair value hierarchy (continued)

*Sensitivity of Level 3 asset measured at fair value to changes in assumptions*

The results of using reasonably possible alternative assumptions for valuing the Level 3 asset may result in the fair value estimate and recoverability of the asset being subject to uncertainty and a range of possible outcomes are likely. Such differences, if any, would not have a material effect on the overall portfolio as at 31 December 2023 and 31 December 2022.

If the value of Level 3 securities increased by 5%, the effect on the NAV would be US\$1,096,274 (31 December 2022: US\$963,612).

### 11. Interests in other entities

#### Interests in Unconsolidated Structured Entities

IFRS 12 Financial Instruments ("IFRS 12") defines a structured entity as an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to the administrative tasks only and the relevant activities are directed by means of contractual agreements. A structured entity often has some of the following features or attributes:

- restricted activities;
- a narrow and well defined objective;
- insufficient equity to permit the structured entity to finance its activities without subordinated financial support; and
- financing in the form of multiple contractually linked instruments that create concentrations of credit or other risks.

Below is a summary of the Company's holdings in non-subsidiary unconsolidated structured entities as at 31 December 2023:

| Structured Entity ("SE") | Line item in Statement of Financial Position | No. of investments | Total Net Assets of the underlying SE*<br>€ | Carrying amount included in 'Financial assets at FVTPL'<br>€ | % of Total Net Assets** |
|--------------------------|--|--------------------|---|--|-------------------------|
| CIS                      | Financial Assets at FVTPL                    | 2                  | 122,964,746,890                             | 51,627,928   | 5.26                    |

The Company held no interests in unconsolidated structured entities at 31 December 2022.

| Structured Entity ("SE") | Line item in Statement of Financial Position | No. of investments | Total Net Assets of the underlying SE*<br>€ | Carrying amount included in 'Financial assets at FVTPL'<br>€ | % of Total Net Assets** |
|--------------------------|--|--------------------|---|--|-------------------------|
| CIS                      | Financial Assets at FVTPL                    | 2                  | 11,042,702,759                              | 46,043,389   | 5.51                    |

\*Based on the latest available Net Assets of the Structured Entities.

\*\*% of Total Net Assets refers to the Net Assets of the Parent.

### 12. Exchange rates

The following exchange rates (against US\$) were used to convert the investments and other assets and liabilities denominated in currencies other than US\$ at the reporting date:

|                           | 31 December 2023 | 31 December 2022 |
|---------------------------|------------------|------------------|
| Great British Pound (GBP) | 1.2747           | 1.2089           |

### 13. Contingent liabilities

The Directors are not aware of any contingent liabilities as at 31 December 2023 or 31 December 2022.



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## Barings U.S. Loan Limited

### Notes to the Financial Statements (continued)

For the financial year ended 31 December 2023

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#### 14. Taxation

|  | 31 December 2023 | 31 December 2022 |
|--|------------------|------------------|
|  | US\$             | US\$             |
| Current financial year tax                         | (250)            | (250)            |
| Reconciliation of tax charge to profit before tax: |                  |                  |
| Profit before tax                                  | 1,000            | 1,000            |
| Corporation tax at 25%                             | (250)            | (250)            |

#### 15. Ultimate Parent undertaking and Parent undertaking of larger groups

The Company's Ultimate Parent undertaking is Baring Global Investment Funds plc, a company incorporated in Ireland.

The immediate Parent of Barings U.S. Loan Limited is Barings U.S. Loan Fund.

#### 16. Charges

The loans from the Ultimate Parent on behalf of the Parent are secured by the assignment of a fixed first charge of the Company's rights, title and coupon on debt investments.

#### 17. Significant events during the financial year

There were no significant events during the financial year, which require adjustment to, or disclosure in the financial statements.

#### 18. Significant events after the financial year end

There were no significant events affecting the Company after the financial year end.

#### 19. Ukraine/Russia conflict

In response to the Russian invasion of Ukraine, the EU, the U.S., the UK and other governmental entities have passed a variety of severe economic sanctions and export controls against Russia, including imposition of sanctions against Russia's Central Bank, largest financial institutions and certain individuals. In addition, a number of businesses have curtailed or suspended activities in Russia or dealings with Russian counterparts for reputational reasons. While current sanctions may not target the Company or the Portfolio Investments and their issuers and industries in which the issuers of the Portfolio Investments operate, these sanctions have had and may continue to have the effect of causing significant economic disruption and may adversely impact the global economy generally, and the Russian economy specifically by, among other things, creating instability in the energy sectors, reducing trade as a result of economic sanctions and increased volatility and uncertainty in financial markets, including Russia's financial sector. Additionally, any new or expanded sanctions that may be imposed by the U.S., EU, UK, or other countries may materially adversely affect the Company or the Portfolio Investments.

#### 20. Comparative financial year

The comparative amounts in these financial statements are for the financial year ended 31 December 2022.

#### 21. Approval of financial statements

The Directors approved the financial statements on 15 April 2024.



## Barings U.S. Loan Limited

### Schedule of Investments (Unaudited)

As at 31 December 2023

| <b>Loans</b>   |                                   |   | <b>Fair Value</b>                          | <b>% of Net</b> |      |
|----------------|-----------------------------------|---|--|-----------------|------|
| <b>Country</b> | <b>Industry</b>                   | <b>Obligor</b>  | <b>US\$</b>                                | <b>Assets*</b>  |      |
| Canada         | Diversified/ Conglomerate Service | Loyalty Ventures Inc. Term Loan B   | 33,629                                     | 0.00            |      |
|                | Personal Transportation           | Air Canada 2021 Term Loan B   | 1,574,571                                  | 0.16            |      |
| France         | Broadcasting and Entertainment    | Kestrel Bidco Inc. Term Loan B  | 3,378,563                                  | 0.34            |      |
|                |                                   | Banijay Entertainment SAS USD Term Loan B1  | 3,583,447                                  | 0.37            |      |
| Germany        | Chemicals, Plastics and Rubber    | Flint Group Midco Limited USD Opco Term Loan**                                      | 2,144,154                                  | 0.22            |      |
|                |                                   | Flint Group Midco Limited USD Super Senior Term Loan**                              | 338,424                                    | 0.03            |      |
|                |                                   | Flint Group Topco Limited USD First Lien Holdco Facility                            | 837,558                                    | 0.09            |      |
|                |                                   | Flint Group Topco Limited USD Second Lien Holdco Facility                           | 187,424                                    | 0.02            |      |
|                |                                   | Diversified/ Conglomerate Manufacturing   | Arvos Bidco SARL USD 1st Lien Term Loan B1 | 629,783         | 0.06 |
|                |                                   | Arvos Bidco SARL USD 1st Lien Term Loan B2  | 629,783                                    | 0.06            |      |
| Netherlands    | Chemicals, Plastics and Rubber    | Nouryon Finance BV 2023 USD Term Loan B   | 4,579,417                                  | 0.47            |      |
| Sweden         | Diversified/ Conglomerate Service | IGT Holding IV AB 2021 USD Term Loan B2   | 1,343,056                                  | 0.14            |      |
| Switzerland    | Telecommunications                | UPC Financing Partnership 2021 USD Term Loan AX                                     | 2,374,881                                  | 0.24            |      |
| United Kingdom | Automobile                        | Belron Finance US LLC 2023 Term Loan  | 932,053                                    | 0.09            |      |
|                | Diversified/ Conglomerate Service | Element Materials Technology Group US Holdings Inc. 2022 USD Delayed Draw Term Loan | 361,139                                    | 0.04            |      |
|                |                                   | Element Materials Technology Group US Holdings Inc. 2022 USD Term Loan              | 782,469                                    | 0.08            |      |
|                |                                   | City Football Group Limited Term Loan   | 2,719,883                                  | 0.28            |      |
|                | Leisure, Amusement, Entertainment | Virgin Media Bristol LLC 2023 USD Term Loan Y                                       | 2,994,375                                  | 0.31            |      |
|                |                                   | Virgin Media Bristol LLC USD Term Loan N  | 3,782,733                                  | 0.39            |      |
| United States  | Aerospace and Defense             | American Airlines, Inc. 2021 Term Loan  | 1,876,014                                  | 0.19            |      |
|                |                                   | American Airlines, Inc. 2023 1st Lien Term Loan                                     | 2,675,720                                  | 0.27            |      |
|                |                                   | American Airlines, Inc. 2023 Term Loan B  | 3,523,389                                  | 0.36            |      |
|                |                                   | Castlelake Aviation Limited Term Loan B   | 5,558,609                                  | 0.57            |      |
|                |                                   | Peraton Corp. Term Loan B   | 6,308,843                                  | 0.64            |      |
|                |                                   | TransDigm, Inc. 2023 Term Loan I  | 3,426,857                                  | 0.35            |      |
|                |                                   | TransDigm, Inc. 2023 Term Loan J  | 1,371,375                                  | 0.14            |      |
|                |                                   | United Airlines, Inc. 2021 Term Loan B  | 2,137,392                                  | 0.22            |      |
|                |                                   | Belron Finance US LLC 2023 USD Term Loan**  | 2,945,745                                  | 0.30            |      |
|                |                                   | Clarios Global LP 2023 Incremental Term Loan  | 1,000,991                                  | 0.10            |      |
|                | Automobile                        | DexKo Global Inc. 2021 USD Term Loan B  | 4,708,227                                  | 0.48            |      |
|                |                                   | Mavis Tire Express Services Corp. 2021 Term Loan B                                  | 5,131,007                                  | 0.52            |      |
|                |                                   | Banking   | Advisor Group, Inc. 2023 Term Loan B       | 2,285,563       | 0.23 |

## Barings U.S. Loan Limited

### Schedule of Investments (Unaudited) (continued)

As at 31 December 2023

#### Loans (continued)

| Country                      | Industry  | Obligor   | Fair Value<br>US\$  | % of Net<br>Assets* |      |
|------------------------------|---|---|---|---------------------|------|
| United States<br>(continued) | Beverage, Food and<br>Tobacco                   | 1011778 B.C. Unlimited Liability<br>Company 2023 Term Loan B5       | 8,616,472   | 0.88                |      |
|                              |   | BCPE North Star US Holdco 2, Inc.<br>Term Loan                      | 1,086,725   | 0.11                |      |
|                              |   | Bombardier Recreational Products, Inc.<br>2020 Term Loan            | 3,468,808   | 0.35                |      |
|                              |   | CTI Foods Holding Co, LLC First Out<br>Term Loan**                  | 1,005,904   | 0.10                |      |
|                              |   | CTI Foods Holding Co, LLC Second<br>Out Term Loan**                 | 572,595   | 0.06                |      |
|                              |   | Froneri International Ltd. 2020 USD<br>Term Loan                    | 4,985,668   | 0.51                |      |
|                              |   | IRB Holding Corp. 2022 Term Loan B                                  | 9,210,604   | 0.94                |      |
|                              |   | White Cap Buyer LLC Term Loan B                                     | 5,157,048   | 0.53                |      |
|                              |   | Broadcasting and<br>Entertainment                                   | A-L Parent LLC 2023 Take Back Term<br>Loan                          | 3,083,643           | 0.31 |
|                              |   |   | Clear Channel Outdoor Holdings, Inc.<br>Term Loan B                 | 6,404,495           | 0.65 |
|                              | CMG Media Corporation 2021 Term<br>Loan         |   | 1,901,473   | 0.19                |      |
|                              | CSC Holdings, LLC 2018 Incremental<br>Term Loan |   | 5,714,777   | 0.58                |      |
|                              | CSC Holdings, LLC 2019 Term Loan B5             |   | 3,411,238   | 0.35                |      |
|                              | Cumulus Media New Holdings Inc.<br>Term Loan B  |   | 628,749   | 0.06                |      |
|                              | DirecTV Financing, LLC Term Loan                |   | 6,092,625   | 0.62                |      |
|                              | Gray Television, Inc. 2023 Term Loan E          |   | 4,998,600   | 0.51                |      |
|                              | iHeartCommunications, Inc. 2020 Term<br>Loan    |   | 1,432,662   | 0.15                |      |
|                              | Nexstar Broadcasting, Inc. 2019 Term<br>Loan B4 |   | 2,899,279   | 0.30                |      |
|                              | Buildings and Real Estate                       | Sinclair Television Group Inc. Term<br>Loan B2B                     | 2,495,316   | 0.25                |      |
|                              |   | Univision Communications Inc.<br>2022 Term Loan B                   | 1,781,717   | 0.18                |      |
|                              |   | CP Atlas Buyer, Inc. 2021 Term Loan B                               | 1,622,915   | 0.17                |      |
|                              |   | Cushman & Wakefield U.S. Borrower,<br>LLC 2020 Term Loan B          | 140,224   | 0.01                |      |
|                              |   | Foundation Building Materials Holding<br>Company LLC 2021 Term Loan | 4,926,644   | 0.50                |      |
|                              |   | Park River Holdings Inc. Term Loan                                  | 3,091,324   | 0.31                |      |
|                              |   | Quikrete Holdings, Inc. 2016 1st Lien<br>Term Loan                  | 2,503,374   | 0.26                |      |
|                              |   | Quikrete Holdings, Inc. 2023 Term Loan<br>B                         | 2,500,218   | 0.25                |      |
|                              |   | Smyrna Ready Mix Concrete, LLC<br>2023 Term Loan                    | 636,673   | 0.06                |      |
|                              |   | Specialty Building Products Holdings,<br>LLC 2021 Term Loan B       | 979,778   | 0.10                |      |
|                              | Cargo Transport                                 | SRS Distribution Inc. 2021 Term Loan<br>B                           | 2,782,083   | 0.28                |      |
|                              |   | Standard Industries Inc. 2021 Term<br>Loan B                        | 1,659,466   | 0.17                |      |
|                              |   | Kenan Advantage Group, Inc.<br>2021 Term Loan B1                    | 3,737,174   | 0.38                |      |
|                              |   | Chemicals, Plastics and<br>Rubber                                   | AmWINS Group, Inc. 2021 Term Loan<br>B                              | 3,147,336           | 0.32 |
|                              |   |   | Axalta Coating Systems U.S. Holdings,<br>Inc. 2023 USD Term Loan B4 | 2,764,045           | 0.28 |

## Barings U.S. Loan Limited

### Schedule of Investments (Unaudited) (continued)

As at 31 December 2023

#### Loans (continued)

| Country                      | Industry   | Obligor  | Fair Value<br>US\$  | % of Net<br>Assets* |      |
|------------------------------|--|--|---|---------------------|------|
| United States<br>(continued) | Chemicals, Plastics and<br>Rubber (continued)    | CPC Acquisition Corp. Second Lien<br>Term Loan               | 600,493   | 0.06                |      |
|                              |  | CPC Acquisition Corp. Term Loan                              | 3,829,773   | 0.39                |      |
|                              |  | Cyanco Intermediate 2 Corp.<br>2023 Term Loan B              | 4,750,661   | 0.48                |      |
|                              |  | Gemini HDPE LLC 2020 Term Loan B                             | 2,221,549   | 0.23                |      |
|                              |  | GEON Performance Solutions, LLC<br>2021 Term Loan            | 1,199,424   | 0.12                |      |
|                              |  | LSF11 A5 Holdco LLC<br>2023 Incremental Term Loan B          | 683,962   | 0.07                |      |
|                              |  | LSF11 A5 Holdco LLC Term Loan                                | 5,526,254   | 0.56                |      |
|                              |  | New Arclin U.S. Holding Corp.<br>2021 Term Loan              | 3,496,446   | 0.36                |      |
|                              |  | Olympus Water US Holding<br>Corporation 2021 USD Term Loan B | 6,134,509   | 0.63                |      |
|                              |  | PMHC II, Inc. 2022 Term Loan B                               | 6,123,989   | 0.62                |      |
|                              |  | Polar US Borrower, LLC 2018 1st Lien<br>Term Loan            | 3,299,421   | 0.34                |      |
|                              |  | Containers, Packaging<br>and Glass                           | Charter NEX US, Inc. 2021 Term Loan                       | 5,082,916           | 0.52 |
|                              |  |  | Clydesdale Acquisition Holdings Inc.<br>Term Loan B       | 7,946,869           | 0.81 |
|                              |  |  | Five Star Intermediate Holding LLC<br>Term Loan           | 5,470,483           | 0.56 |
|                              |  |  | Mauser Packaging Solutions Holding<br>Company Term Loan B | 1,909,255           | 0.19 |
|                              |  |  | Pretium Packaging, LLC First Out Term<br>Loan A           | 955,072             | 0.10 |
|                              |  |  | Pretium Packaging, LLC Second Out<br>Term Loan A1         | 2,610,634           | 0.27 |
|                              |  |  | Pretium PKG Holdings, Inc. 2021 2nd<br>Lien Term Loan     | 404,598             | 0.04 |
|                              | Proampac PG Borrower LLC<br>2023 Term Loan       |  | 7,523,438   | 0.77                |      |
|                              | Sabert Corporation 2023 Term Loan                |  | 2,277,576   | 0.23                |      |
|                              | Trident TPI Holdings, Inc. 2021 Term<br>Loan B3  |  | 1,796,290   | 0.18                |      |
|                              | Trident TPI Holdings, Inc. 2023 USD<br>Term Loan |  | 3,384,112   | 0.34                |      |
|                              | Diversified/ Conglomerate<br>Manufacturing       |  | Alliance Laundry Systems LLC Term<br>Loan B               | 4,339,661           | 0.44 |
|                              |  | Belfor Holdings Inc. 2023 USD Term<br>Loan B                 | 490,511   | 0.05                |      |
|                              |  | Grinding Media Inc. 2021 Term Loan<br>B**                    | 4,995,190   | 0.51                |      |
|                              |  | Illuminate Merger Sub Corp. 1st Lien<br>Term Loan            | 1,650,477   | 0.17                |      |
|                              |  | IPS Corporation 2021 2nd Lien Term<br>Loan B                 | 2,164,563   | 0.22                |      |
|                              |  | IPS Corporation 2021 Term Loan                               | 1,284,552   | 0.13                |      |
|                              |  | Wilsonart LLC 2021 Term Loan E                               | 4,403,993   | 0.45                |      |
|                              |  | Diversified/ Conglomerate<br>Service                         | AlixPartners, LLP 2021 USD Term Loan<br>B                 | 4,979,474           | 0.51 |
|                              |  |  | APX Group, Inc. 2021 Term Loan B                          | 3,858,864           | 0.39 |
|                              |  |  | Cloud Software Group, Inc. 2022 USD<br>Term Loan A        | 632,977             | 0.06 |
|                              |  |  | Cloudera, Inc. 2021 Second Lien Term<br>Loan              | 2,505,981           | 0.26 |
|                              |  |  | Cloudera, Inc. 2021 Term Loan                             | 5,002,582           | 0.51 |

## Barings U.S. Loan Limited

### Schedule of Investments (Unaudited) (continued)

As at 31 December 2023

#### Loans (continued)

| Country                      | Industry   | Obligor  | Fair Value<br>US\$ | % of Net<br>Assets* |
|------------------------------|--|--|--------------------|---------------------|
| United States<br>(continued) | Diversified/ Conglomerate<br>Service (continued) | CoreLogic, Inc. 2nd Lien Term Loan   | 639,652            | 0.07                |
|                              |  | CoreLogic, Inc. Term Loan  | 2,532,718          | 0.26                |
|                              |  | Cornerstone OnDemand, Inc.<br>2021 Term Loan                                 | 1,626,977          | 0.17                |
|                              |  | Delta TopCo, Inc. 2020 2nd Lien Term<br>Loan                                 | 676,130            | 0.07                |
|                              |  | Delta TopCo, Inc. 2020 Term Loan B   | 6,146,036          | 0.63                |
|                              |  | Endure Digital Inc. Term Loan  | 1,348,884          | 0.14                |
|                              |  | Energizer Holdings, Inc. 2020 Term<br>Loan                                   | 4,529,525          | 0.46                |
|                              |  | Epicor Software Corporation 2020 Term<br>Loan                                | 1,356,064          | 0.14                |
|                              |  | Foundever Worldwide Corporation<br>2021 USD Term Loan                        | 7,203,143          | 0.73                |
|                              |  | Gen Digital Inc. 2022 Term Loan B  | 5,086,327          | 0.52                |
|                              |  | Gopher Resource, LLC 1st Lien Term<br>Loan                                   | 1,827,487          | 0.19                |
|                              |  | GoTo Group, Inc. Term Loan B   | 660,793            | 0.07                |
|                              |  | McAfee, LLC 2022 USD Term Loan B   | 5,035,278          | 0.51                |
|                              |  | MedAssets Software Intermediate<br>Holdings, Inc. 2021 2nd Lien Term<br>Loan | 495,822            | 0.05                |
|                              |  | MedAssets Software Intermediate<br>Holdings, Inc. 2021 Term Loan             | 835,986            | 0.09                |
|                              |  | MH Sub I, LLC 2023 Term Loan   | 7,099,323          | 0.72                |
|                              |  | Mitchell International, Inc. 2021 2nd<br>Lien Term Loan                      | 2,680,231          | 0.27                |
|                              |  | Mitchell International, Inc. 2021 Term<br>Loan B                             | 3,447,275          | 0.35                |
|                              |  | Neptune Bidco US Inc. 2022 USD Term<br>Loan B                                | 2,048,381          | 0.21                |
|                              |  | OMNIA Partners LLC Delayed Draw<br>Term Loan                                 | 965                | 0.00                |
|                              |  | OMNIA Partners LLC Term Loan B   | 1,379,359          | 0.14                |
|                              |  | Open Text Corporation 2023 Term Loan<br>B                                    | 3,452,058          | 0.35                |
|                              |  | PECF USS Intermediate Holding III<br>Corporation Term Loan B                 | 4,227,032          | 0.43                |
|                              |  | Prime Security Services Borrower, LLC<br>2023 Term Loan B                    | 3,294,214          | 0.34                |
|                              |  | Project Boost Purchaser, LLC<br>2021 Incremental Term Loan                   | 2,299,821          | 0.23                |
|                              |  | Project Ruby Ultimate Parent Corp.<br>2021 Term Loan                         | 6,311,054          | 0.64                |
|                              |  | Quest Software US Holdings Inc.<br>2022 2nd Lien Term Loan                   | 911,295            | 0.09                |
|                              |  | Quest Software US Holdings Inc.<br>2022 Term Loan                            | 2,733,342          | 0.28                |
|                              |  | Redstone Holdco 2 LP 2021 Term Loan  | 593,763            | 0.06                |
|                              |  | Rent-A-Center, Inc. 2021 First Lien<br>Term Loan B                           | 1,822,352          | 0.19                |
|                              |  | Sabre GLBL Inc. 2021 Term Loan B1  | 1,967,726          | 0.20                |
|                              |  | Sabre GLBL Inc. 2021 Term Loan B2  | 3,082,740          | 0.31                |
|                              |  | SonicWall US Holdings Inc. 2nd Lien<br>Term Loan                             | 1,607,559          | 0.16                |
|                              |  | Sovos Compliance, LLC 2021 Term<br>Loan                                      | 5,173,015          | 0.53                |
|                              |  | Spin Holdco Inc. 2021 Term Loan  | 3,941,814          | 0.40                |

## Barings U.S. Loan Limited

### Schedule of Investments (Unaudited) (continued)

As at 31 December 2023

#### Loans (continued)

| Country                      | Industry   | Obligor  | Fair Value<br>US\$                                   | % of Net<br>Assets*                             |            |      |
|------------------------------|--|--|--|---|------------|------|
| United States<br>(continued) | Diversified/ Conglomerate<br>Service (continued) | Station Casinos LLC 2020 Term Loan B                     | 5,492,260  | 0.56  |            |      |
|                              |  | Uber Technologies, Inc. 2023 Term<br>Loan B              | 4,999,282  | 0.51  |            |      |
|                              |  | Ultimate Software Group Inc. 2021 2nd<br>Lien Term Loan  | 1,451,075  | 0.15  |            |      |
|                              |  | Ultimate Software Group Inc.<br>2021 Term Loan           | 3,998,116  | 0.41  |            |      |
|                              |  | Ultimate Software Group Inc. Term<br>Loan B              | 1,961,778  | 0.20  |            |      |
|                              |  | USI, Inc. 2023 Term Loan B                               | 3,119,948  | 0.32  |            |      |
|                              |  | USIC Holdings, Inc. 2021 2nd Lien<br>Term Loan           | 410,570  | 0.04  |            |      |
|                              |  | USIC Holdings, Inc. 2021 Term Loan                       | 5,725,859  | 0.58  |            |      |
|                              |  | Veritas US Inc. 2021 USD Term Loan B                     | 2,196,475  | 0.22  |            |      |
|                              |  | Vision Solutions, Inc. 2021 2nd Lien<br>Term Loan        | 1,016,391  | 0.10  |            |      |
|                              |  | Ecological   | W3 Topco LLC 2019 Term Loan B                        | 681,986   | 0.07       |      |
|                              |  |  | Liberty Tire Recycling Holdco, LLC<br>2021 Term Loan | 4,092,152                                       | 0.42       |      |
|                              |  | Electronics  | Ahead DB Holdings, LLC 2021 Term<br>Loan B           | 2,484,659                                       | 0.25       |      |
|                              |  |  | Connect Finco SARL 2021 Term Loan<br>B               | 1,998,024                                       | 0.20       |      |
|                              |  |  | Ingram Micro Inc. 2023 Term Loan**                   | 2,462,639                                       | 0.25       |      |
|                              |  |  | ION Trading Finance Limited 2021 USD<br>Term Loan    | 3,927,737                                       | 0.40       |      |
|                              |  |  | Iridium Satellite LLC 2023 Term Loan B               | 1,106,281                                       | 0.11       |      |
|                              |  |  | Ivanti Software, Inc. 2021 Add On Term<br>Loan B     | 884,317   | 0.09       |      |
|                              |  |  | Ivanti Software, Inc. 2021 Term Loan B               | 1,992,960                                       | 0.20       |      |
|                              |  |  | Magenta Buyer LLC 2021 USD 1st Lien<br>Term Loan     | 3,547,406                                       | 0.36       |      |
|                              |  |  | Polaris Newco LLC USD Term Loan B                    | 2,564,717                                       | 0.26       |      |
|                              |  |  | Vision Solutions, Inc. 2021 Incremental<br>Term Loan | 2,120,009                                       | 0.22       |      |
|                              |  |  | Finance  | AllSpring Buyer LLC Term Loan B                 | 1,588,801  | 0.16 |
|                              |  |  |  | AqGen Ascensus, Inc. 2021 2nd Lien<br>Term Loan | 1,295,310  | 0.13 |
|                              |  | AqGen Island Holdings, Inc. Term Loan                    |  | 4,937,342                                       | 0.50       |      |
|                              |  | Central Parent Inc. 2023 Term Loan B                     |  | 2,837,347                                       | 0.29       |      |
|                              |  | Deerfield Dakota Holding, LLC<br>2020 USD Term Loan B    |  | 462,704   | 0.05       |      |
|                              |  | Edelman Financial Center, LLC<br>2018 2nd Lien Term Loan |  | 1,683,018                                       | 0.17       |      |
|                              |  | Ensono, LP 2021 Term Loan                                |  | 830,269   | 0.08       |      |
|                              |  | GIP Pilot Acquisition Partners LP Term<br>Loan           |  | 1,460,928                                       | 0.15       |      |
|                              |  | GTCR W Merger Sub LLC USD Term<br>Loan B                 |  | 5,709,851                                       | 0.58       |      |
|                              |  | Skopima Merger Sub Inc. Term Loan B                      |  | 7,677,426                                       | 0.78       |      |
|                              |  | Healthcare, Education and<br>Childcare                   |  | Amneal Pharmaceuticals LLC<br>2023 Term Loan B  | 5,080,056  | 0.52 |
|                              |  |  |  | Athenahealth Group, Inc. 2022 Term<br>Loan B    | 11,274,312 | 1.15 |
|                              |  |  | Aveanna Healthcare, LLC 2021 2nd<br>Lien Term Loan   | 1,669,522                                       | 0.17       |      |
|                              |  |  | Aveanna Healthcare, LLC 2021 Term<br>Loan B          | 3,169,751                                       | 0.32       |      |

## Barings U.S. Loan Limited

### Schedule of Investments (Unaudited) (continued)

As at 31 December 2023

#### Loans (continued)

| Country                      | Industry   | Obligor   | Fair Value<br>US\$              | % of Net<br>Assets* |      |
|------------------------------|--|---|---------------------------------|---------------------|------|
| United States<br>(continued) | Healthcare, Education and<br>Childcare (continued) | Embecta Corp. Term Loan B   | 1,184,216                       | 0.12                |      |
|                              |  | Gainwell Acquisition Corp. Term Loan B  | 7,308,690                       | 0.74                |      |
|                              |  | Gates Global LLC 2021 Term Loan B3  | 3,492,010                       | 0.36                |      |
|                              |  | GHX Ultimate Parent Corporation<br>2023 Term Loan                               | 5,580,379                       | 0.57                |      |
|                              |  | Grifols Worldwide Operations USA, Inc.<br>USD 2019 Term Loan B                  | 8,238,857                       | 0.84                |      |
|                              |  | Heartland Dental, LLC 2023 Term Loan<br>B                                       | 3,483,913                       | 0.35                |      |
|                              |  | Hunter Holdco 3 Limited USD Term<br>Loan B                                      | 1,979,994                       | 0.20                |      |
|                              |  | ICON Luxembourg SARL LUX Term<br>Loan   | 2,169,481                       | 0.22                |      |
|                              |  | IQVIA Inc. 2023 USD Term Loan B4  | 2,539,372                       | 0.26                |      |
|                              |  | Jazz Financing Lux SARL USD Term<br>Loan  | 4,438,474                       | 0.45                |      |
|                              |  | Kodiak Building Partners Inc. Term<br>Loan B                                    | 4,375,477                       | 0.45                |      |
|                              |  | LifePoint Health, Inc. 2023 Term Loan B   | 10,037,027                      | 1.02                |      |
|                              |  | Medical Solutions Holdings, Inc.<br>2021 2nd Lien Term Loan                     | 753,789                         | 0.08                |      |
|                              |  | Medline Borrower, LP USD Term Loan<br>B   | 12,276,690                      | 1.25                |      |
|                              |  | NAPA Management Services<br>Corporation Term Loan B                             | 3,183,840                       | 0.32                |      |
|                              |  | Organon & Co USD Term Loan  | 3,984,007                       | 0.41                |      |
|                              |  | Padagis LLC Term Loan B   | 1,764,706                       | 0.18                |      |
|                              |  | Parexel International Corporation<br>2021 1st Lien Term Loan                    | 6,181,185                       | 0.63                |      |
|                              |  | Perrigo Investments, LLC Term Loan B  | 958,149                         | 0.10                |      |
|                              |  | PRA Health Sciences, Inc. US Term<br>Loan                                       | 540,528                         | 0.06                |      |
|                              |  | Prometric Holdings, Inc. 1st Lien Term<br>Loan                                  | 5,657,965                       | 0.58                |      |
|                              |  | Radiology Partners Inc. 2018 1st Lien<br>Term Loan B                            | 6,180,148                       | 0.63                |      |
|                              |  | Radnet Management, Inc. 2021 Term<br>Loan                                       | 4,559,839                       | 0.46                |      |
|                              |  | Select Medical Corporation 2023 Term<br>Loan B1                                 | 5,093,329                       | 0.52                |      |
|                              |  | Surgery Center Holdings, Inc.<br>2023 Term Loan                                 | 3,320,783                       | 0.34                |      |
|                              |  | Team Health Holdings, Inc. 2022 Term<br>Loan B                                  | 1,424,962                       | 0.15                |      |
|                              |  | U.S. Anesthesia Partners, Inc.<br>2021 Term Loan                                | 4,023,423                       | 0.41                |      |
|                              |  | US Radiology Specialists, Inc.<br>2020 Term Loan                                | 2,528,323                       | 0.26                |      |
|                              |  | Verscend Holding Corp. 2021 Term<br>Loan B                                      | 5,958,005                       | 0.61                |      |
|                              |  | VFH Parent LLC 2022 Term Loan B   | 6,077,541                       | 0.62                |      |
|                              |  | Home and Office<br>Furnishings, Housewares,<br>and Durable Consumer<br>Products | LBM Acquisition LLC Term Loan B | 810,263             | 0.08 |
|                              |  |   | Solis IV BV USD Term Loan B1    | 1,461,407           | 0.15 |
|                              | Staples, Inc. 7 Year Term Loan                     | 1,749,079   | 0.18                            |                     |      |

## Barings U.S. Loan Limited

### Schedule of Investments (Unaudited) (continued)

As at 31 December 2023

#### Loans (continued)

| Country                      | Industry  | Obligor  | Fair Value<br>US\$  | % of Net<br>Assets* |   |           |      |
|------------------------------|---|--|---|---------------------|---|-----------|------|
| United States<br>(continued) | Home and Office<br>Furnishings, Housewares,<br>and Durable Consumer<br>Products (continued) | Summit Behavioral Healthcare LLC 1st<br>Lien Term Loan | 2,246,175   | 0.23                |   |           |      |
|                              |   | Bally's Corporation 2021 Term Loan B                   | 5,483,746   | 0.56                |   |           |      |
|                              |   | Electron Bidco Inc. 2021 Term Loan                     | 2,136,349   | 0.22                |   |           |      |
|                              | Hotels, Motels, Inns and<br>Gaming  |  | Four Seasons Hotels Limited<br>2023 Term Loan B                       | 1,010,548           | 0.10  |           |      |
|                              |   |  | Hilton Grand Vacations Borrower LLC<br>2021 Term Loan B               | 4,387,984           | 0.45  |           |      |
|                              |   |  | Motel 6 Term Loan B   | 1,885,588           | 0.19  |           |      |
|                              |   |  | Scientific Games International, Inc.<br>2022 USD Term Loan            | 3,591,755           | 0.37  |           |      |
|                              |   |  | Insurance   |                     | Alliant Holdings Intermediate, LLC<br>2023 Term Loan B6 | 3,728,031 | 0.38 |
|                              |   |  |   |                     | Altium Packaging LLC 2021 Term Loan<br>B                | 4,479,673 | 0.46 |
|                              |   |  |   |                     | AmWINS Group, Inc. 2023 Incremental<br>Term Loan B      | 3,463,638 | 0.35 |
|                              |   |  |   |                     | AssuredPartners, Inc. 2020 Term Loan<br>B               | 7,562,537 | 0.77 |
|                              |   |  |   |                     | Asurion LLC 2020 Term Loan B8                           | 9,456,900 | 0.96 |
|                              |   |  |   |                     | Asurion LLC 2021 2nd Lien Term Loan<br>B3               | 2,339,500 | 0.24 |
|                              |   |  |   |                     | Asurion LLC 2021 Second Lien Term<br>Loan B4            | 2,936,390 | 0.30 |
|                              |   |  |   |                     | Asurion LLC 2021 Term Loan B9                           | 2,184,326 | 0.22 |
|                              |   |  |   |                     | Asurion LLC 2022 Term Loan B10                          | 1,182,699 | 0.12 |
|                              |   |  |   |                     | Asurion LLC 2023 Term Loan B11                          | 1,782,766 | 0.18 |
|                              |   |  | Leisure, Amusement,<br>Entertainment                                  |                     | Broadstreet Partners, Inc. 2020 Term<br>Loan B          | 5,889,390 | 0.60 |
|                              | Broadstreet Partners, Inc. 2023 Term<br>Loan B3   | 1,001,759  |   |                     | 0.10  |           |      |
|                              | HUB International Limited 2023 Term<br>Loan B   | 1,438,522  |   |                     | 0.15  |           |      |
|                              | Sedgwick Claims Management<br>Services, Inc. 2023 Term Loan B                               | 8,654,303  |   |                     | 0.88  |           |      |
|                              | Carnival Corporation 2021 Incremental<br>Term Loan B  | 6,952,378  |   |                     | 0.71  |           |      |
|                              | Playtika Holding Corp. 2021 Term Loan   | 5,915,651  |   |                     | 0.60  |           |      |
|                              | PUG LLC USD Term Loan   | 878,412  |   |                     | 0.09  |           |      |
|                              | Recess Holdings, Inc. 2023 Term<br>Loan**   | 1,985,520  |   |                     | 0.20  |           |      |
|                              | Scientific Games Holdings LP<br>2022 USD Term Loan B  | 6,781,865  |   |                     | 0.69  |           |      |
|                              | SeaWorld Parks & Entertainment, Inc.<br>2021 Term Loan B                                    | 3,936,833  |   |                     | 0.40  |           |      |
|                              | Machinery Non-<br>Agriculture, Non-<br>Construction, Non-<br>Electronic                     |  | Topgolf Callaway Brands Corp. Term<br>Loan B                          | 2,236,780           | 0.23  |           |      |
|                              |   |  | William Morris Endeavor Entertainment,<br>LLC 2018 1st Lien Term Loan | 3,529,569           | 0.36  |           |      |
|                              |   |  | ASP Blade Holdings, Inc. Initial Term<br>Loan                         | 1,564,431           | 0.16  |           |      |
|                              |   |  | Barnes Group Inc. Term Loan B   | 2,464,554           | 0.25  |           |      |
|                              |   |  | Catalent Pharma Solutions Inc.<br>2021 Term Loan B3                   | 2,298,177           | 0.23  |           |      |



## Barings U.S. Loan Limited

### Schedule of Investments (Unaudited) (continued)

As at 31 December 2023

#### Loans (continued)

| Country                      | Industry  | Obligor  | Fair Value<br>US\$  | % of Net<br>Assets* |      |
|------------------------------|---|--|---|---------------------|------|
| United States<br>(continued) | Machinery Non-<br>Agriculture, Non-<br>Construction, Non-<br>Electronic (continued) | Clark Equipment Company 2022 Term<br>Loan B                      | 1,181,458   | 0.12                |      |
|                              |   | Emrld Borrower LP Term Loan B                                    | 2,450,839   | 0.25                |      |
|                              |   | Madison IAQ LLC Term Loan  | 1,684,623   | 0.17                |      |
|                              |   |  | Pro Mach Group, Inc. 2021 Term Loan<br>B                                | 2,723,321           | 0.28 |
|                              |   |  | Project Boost Purchaser, LLC<br>2019 Term Loan B                        | 2,479,356           | 0.25 |
|                              |   | Mining, Steel, Iron and<br>Non Precious Metals                   | Arsenal AIC Parent LLC Term Loan  | 1,447,723           | 0.15 |
|                              |   |  | WorldGroup, Inc. 2023 Term Loan B                                       | 1,623,782           | 0.17 |
|                              |   | Oil and Gas  | Buckeye Partners, L.P. 2021 Term Loan<br>B                              | 1,489,245           | 0.15 |
|                              |   |  | Buckeye Partners, L.P. 2023 Term Loan<br>B                              | 2,659,162           | 0.27 |
|                              |   |  | Freeport LNG Investments Term Loan<br>B                                 | 8,950,716           | 0.91 |
|                              |   |  | Gulf Finance, LLC 2021 Term Loan  | 3,029,961           | 0.31 |
|                              |   |  | Oryx Midstream Services Permian<br>Basin LLC 2023 Incremental Term Loan | 4,555,066           | 0.46 |
|                              |   | Personal and Non Durable<br>Consumer Products Mfg.<br>Only       | Journey Personal Care Corp.<br>2021 Term Loan B                         | 6,360,949           | 0.65 |
|                              |   |  | Samsonite International SA 2023 Term<br>Loan                            | 1,113,098           | 0.11 |
|                              |   |  | Triton Water Holdings, Inc. Term Loan                                   | 2,144,865           | 0.22 |
|                              |   | Personal Transportation  | First Student Bidco Inc. Term Loan B                                    | 4,791,987           | 0.49 |
|                              |   |  | First Student Bidco Inc. Term Loan C                                    | 1,448,825           | 0.15 |
|                              |   |  | Mileage Plus Holdings LLC 2020 Term<br>Loan B                           | 2,645,205           | 0.27 |
|                              |   | Printing and Publishing  | Ascend Learning, LLC 2021 2nd Lien<br>Term Loan                         | 1,852,911           | 0.19 |
|                              |   |  | Ascend Learning, LLC 2021 Term Loan                                     | 4,817,671           | 0.49 |
|                              |   |  | Ascend Performance Materials<br>Operations LLC 2021 Term Loan B         | 1,025,414           | 0.10 |
|                              |   |  | Getty Images, Inc. 2019 USD Term<br>Loan B                              | 386,922             | 0.04 |
|                              |   |  | McGraw-Hill Global Education<br>Holdings, LLC 2021 Term Loan            | 4,956,521           | 0.51 |
|                              |   | Retail Stores  | Great Outdoors Group, LLC 2021 Term<br>Loan B1                          | 7,131,805           | 0.73 |
|                              |   |  | Griffon Corporation Term Loan B   | 5,188,487           | 0.53 |
|                              |   |  | Harbor Freight Tools USA, Inc.<br>2021 Term Loan B                      | 7,980,766           | 0.81 |
|                              |   |  | Mattress Firm Inc. 2021 Term Loan B                                     | 2,361,638           | 0.24 |
|                              |   | Michaels Companies, Inc. 2021 Term<br>Loan B                     | 2,418,560   | 0.25                |      |
|                              |   | Midwest Physician Administrative<br>Services, LLC 2021 Term Loan | 4,732,330   | 0.48                |      |
|                              |   | Petco Health and Wellness Company,<br>Inc. 2021 Term Loan B      | 1,394,595   | 0.14                |      |
|                              |   | PetSmart, Inc. 2021 Term Loan B                                  | 3,121,847   | 0.32                |      |
|                              |   | Sally Holdings, LLC 2023 CovLite Term<br>Loan B                  | 938,192   | 0.10                |      |
|                              |   | Wand NewCo 3, Inc. 2020 Term Loan                                | 2,666,174   | 0.27                |      |
|                              | Telecommunications  | AppLovin Corporation 2021 Term Loan<br>B                         | 4,519,424   | 0.46                |      |



## Barings U.S. Loan Limited

### Schedule of Investments (Unaudited) (continued)

As at 31 December 2023

#### Loans (continued)

| Country                      | Industry   | Obligor   | Fair Value<br>US\$  | % of Net<br>Assets* |              |
|------------------------------|--|---|---|---------------------|--------------|
| United States<br>(continued) | Telecommunications<br>(continued)                      | Banff Merger Sub Inc. 2021 USD 2nd<br>Lien Term Loan          | 1,908,678   | 0.19                |              |
|                              |  | Banff Merger Sub Inc. 2021 USD Term<br>Loan                   | 4,307,254   | 0.44                |              |
|                              |  | CommScope, Inc. 2019 Term Loan B                              | 1,642,596   | 0.17                |              |
|                              |  | Consolidated Communications, Inc.<br>2021 Term Loan B         | 1,633,590   | 0.17                |              |
|                              |  | DG Investment Intermediate<br>Holdings 2, Inc. 2021 Term Loan | 5,403,680   | 0.55                |              |
|                              |  | Frontier Communications Corp.<br>2021 1st Lien Term Loan      | 1,475,411   | 0.15                |              |
|                              |  | GOGO Intermediate Holdings LLC<br>Term Loan B                 | 1,400,499   | 0.14                |              |
|                              |  | Tiger Acquisition, LLC 2021 Term Loan                         | 5,377,520   | 0.55                |              |
|                              |  | Venga Finance SARL 2021 USD Term<br>Loan B                    | 3,598,422   | 0.37                |              |
|                              |  | Zayo Group Holdings, Inc. 2022 USD<br>Incremental Term Loan B | 3,360,403   | 0.34                |              |
|                              |  | Textiles and Leather  | Cloud Software Group, Inc. 2022 USD<br>Term Loan B                            | 1,830,305           | 0.19         |
|                              |  |   | Crocs, Inc. 2023 Term Loan B  | 2,243,373           | 0.23         |
|                              |  | Utilities   | Calpine Construction Finance<br>Company, L.P. 2023 Refinancing Term<br>Loan B | 4,148,897           | 0.42         |
|                              |  |   | Edgewater Generation LLC Term Loan  | 3,884,222           | 0.40         |
|                              |  |   | EFS Cogen Holdings I LLC 2020 Term<br>Loan B                                  | 4,402,594           | 0.45         |
|                              | Elanco Animal Health Incorporated<br>Term Loan B       |   | 8,282,586   | 0.84                |              |
|                              | ExGen Renewables IV, LLC 2020 Term<br>Loan             |   | 4,995,283   | 0.51                |              |
|                              |  | Vistra Operations Company LLC<br>2023 Fungible Term Loan      | 2,651,705   | 0.27                |              |
|                              |  | Whitewater Whistler Holdings, LLC<br>2023 Term Loan B         | 496,133   | 0.05                |              |
|                              | <b>Total Loans (31 December 2022: US\$756,957,045)</b> |   |   | <b>921,137,883</b>  | <b>93.84</b> |

#### Bonds

| Country  | Industry                              | Holding   | Details   | Fair Value<br>US\$ | % of Net<br>Assets* |
|--|---------------------------------------|-----------|---|--------------------|---------------------|
| United Kingdom                                       | Broadcasting and<br>Entertainment     | 1,392,000 | Connect Finco SARL /<br>Connect US Finco LLC 6.750%,<br>due 01/10/2026                                  | 1,384,880          | 0.14                |
| United States  |                                       | 1,090,000 | Directv Financing LLC / Directv<br>Financing Co-Obligor, Inc.<br>5.875%, due 15/08/2027                 | 1,025,033          | 0.11                |
|  | Containers,<br>Packaging and<br>Glass | 610,000   | Mauser Packaging Solutions<br>Holding Co. 7.875%, due<br>15/08/2026                                     | 621,334            | 0.06                |
|  |                                       | 424,000   | Pactiv Evergreen Group Issuer<br>LLC / Pactiv Evergreen Group<br>Issuer, Inc. 4.375%, due<br>15/10/2028 | 396,819            | 0.04                |
| <b>Total Bonds (31 December 2022: US\$9,501,273)</b> |                                       |           |   | <b>3,428,066</b>   | <b>0.35</b>         |

## Barings U.S. Loan Limited

### Schedule of Investments (Unaudited) (continued)

As at 31 December 2023

| <b>Equity</b>   |  |                |   | <b>Fair Value</b>  | <b>% of Net</b> |
|---|--|----------------|---|--------------------|-----------------|
| <b>Country</b>  | <b>Industry</b>  | <b>Holding</b> | <b>Details</b>                                      | <b>US\$</b>        | <b>Assets*</b>  |
| Germany   | Chemicals, Plastics and Rubber   | 1,331,354      | Campfire Topco Ltd.**                               | 1                  | 0.00            |
| United States   | Beverage, Food and Tobacco   | 14,082         | CTI Foods Holding Co. LLC**                         | 1,512,125          | 0.15            |
|   | Broadcasting and Entertainment   | 54,691         | Learcs U.S. Equity**                                | 2,379,059          | 0.24            |
|   | Diversified/ Conglomerate Service                                      | 1,672          | W3 Co.**  | 706,420            | 0.07            |
|   |  | 153            | W3 Co. Pref.**                                      | 173,695            | 0.02            |
|   | Healthcare, Education and Childcare                                    | 206,110        | Joerns Healthcare Inc.**                            | -                  | 0.00            |
|   | Home and Office Furnishings, Housewares, and Durable Consumer Products | 92,329         | Serta Simmons Common**                              | 704,009            | 0.07            |
| <b>Total Equity (31 December 2022: US\$2,159,151)</b>   |  |                |   | <b>5,475,309</b>   | <b>0.55</b>     |
| <br>  |  |                |   |                    |                 |
| <b>Collective Investment Schemes</b>  |  |                |   | <b>Fair Value</b>  | <b>% of Net</b> |
| <b>Country</b>  | <b>Industry</b>  | <b>Holding</b> | <b>Details</b>                                      | <b>US\$</b>        | <b>Assets*</b>  |
| Ireland   | Mutual Funds   | 18,168,383     | Barings USD Liquidity Fund                          | 18,168,383         | 1.85            |
| Luxembourg  | Finance  | 33,459,545     | JPMorgan Liquidity Funds - US Dollar Liquidity Fund | 33,459,545         | 3.41            |
| <b>Total Collective Investment Schemes (31 December 2022: US\$46,043,389)</b>                     |  |                |   | <b>51,627,928</b>  | <b>5.26</b>     |
| <b>Total investments at fair value through profit or loss (31 December 2022: US\$814,660,858)</b> |  |                |   | <b>981,669,186</b> | <b>100.00</b>   |

\* % of Net Assets refers to the Net Assets of the Parent.

\*\* This is a level 3 position.

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## Barings U.S. Loan Limited

### Significant Changes in Portfolio Composition (Unaudited)

As at 31 December 2023

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#### Purchases

| <b>Issuer</b>  | <b>Cost<br/>US\$</b> |
|--|----------------------|
| JPMorgan Liquidity Funds - USD Liquidity LVNAV Fund        | 160,000,000          |
| LifePoint Health, Inc. 2023 Term Loan B                    | 9,930,871            |
| Asurion LLC 2020 Term Loan B8                              | 9,308,045            |
| IRB Holding Corp. 2022 Term Loan B                         | 9,191,297            |
| Sedgwick Claims Management Services, Inc. 2023 Term Loan B | 8,604,940            |
| 1011778 BC Unlimited Liability Company 2023 Term Loan B5   | 8,599,236            |
| Elanco Animal Health Incorporated Term Loan B              | 8,211,954            |
| Proampac PG Borrower LLC 2023 Term Loan                    | 7,430,000            |
| MH Sub I, LLC 2023 Term Loan                               | 7,041,344            |
| Freeport LNG Investments Term Loan B                       | 6,449,075            |
| Uber Technologies, Inc. 2023 Term Loan B                   | 6,237,233            |
| VFH Parent LLC 2022 Term Loan B                            | 6,162,500            |
| GTCR W Merger Sub LLC USD Term Loan B                      | 5,659,523            |
| GHX Ultimate Parent Corporation 2023 Term Loan             | 5,582,808            |
| Station Casinos LLC 2020 Term Loan B                       | 5,488,750            |
| Griffon Corporation Term Loan B                            | 5,486,250            |
| Sovos Compliance, LLC 2021 Term Loan                       | 5,133,532            |
| Select Medical Corporation 2023 Term Loan B1               | 5,100,422            |
| Amneal Pharmaceuticals LLC 2023 Term Loan B                | 5,034,737            |
| Athenahealth Group, Inc. 2022 Term Loan B                  | 5,000,673            |

#### Sales

| <b>Issuer</b>  | <b>Proceeds<br/>US\$</b> |
|--|--------------------------|
| JPMorgan Liquidity Funds - USD Liquidity LVNAV Fund            | 157,000,000              |
| BWAY Holding Company 2017 Term Loan B                          | 8,591,494                |
| 1011778 BC Unlimited Liability Company Term Loan B4            | 7,816,243                |
| Alliant Holdings Intermediate, LLC 2018 Term Loan B            | 6,778,151                |
| Proampac PG Borrower LLC 2020 Term Loan                        | 6,488,254                |
| RegionalCare Hospital Partners Holdings, Inc. 2018 Term Loan B | 6,433,404                |
| Hyland Software, Inc. 2018 1st Lien Term Loan                  | 5,995,917                |
| Finastra USA, Inc. USD 1st Lien Term Loan                      | 5,982,124                |
| MH Sub I, LLC 2017 1st Lien Term Loan                          | 5,797,057                |
| LBM Acquisition LLC Term Loan B                                | 5,638,491                |
| Amneal Pharmaceuticals LLC 2018 Term Loan B                    | 5,633,366                |
| Surgery Center Holdings, Inc. 2021 Term Loan                   | 5,603,991                |
| GHX Ultimate Parent Corporation 2017 1st Lien Term Loan        | 5,597,630                |
| Hoffmaster Group, Inc. 2018 1st Lien Term Loan                 | 5,337,673                |
| Renaissance Holding Corp. 2018 2nd Lien Term Loan              | 5,140,893                |
| Consolidated Energy Finance, SA Term Loan B                    | 5,073,254                |
| PODS, LLC 2021 Term Loan B                                     | 4,881,958                |
| Sedgwick Claims Management Services, Inc. 2018 Term Loan B     | 4,876,164                |
| Cyanco Intermediate Corporation 2018 Term Loan B               | 4,759,310                |
| Starfruit Finco BV 2018 USD Term Loan B                        | 4,589,620                |

Listed above are the aggregate purchases and sales of an investment exceeding 1.00% of the total value of purchases and sales for the financial year ended 31 December 2023.

At a minimum, the 20 largest purchases and sales are required to be disclosed, if applicable.