



**Barings Eastern Europe Fund**

Annual Report & Audited Financial  
Statements

For the financial year ended 30 April 2023

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**Barings Eastern Europe Fund**  
**Annual Report and Audited Financial Statements**

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For the financial year ended 30 April 2023

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# Barings Eastern Europe Fund

## Directors and Other Information

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### Directors of the Manager

Alan Behen (Irish)  
David Conway† (Irish)\*  
Barbara Healy† (Irish)  
Syl O'Byrne† (Irish)\*\*  
Julian Swayne (British)  
Paul Smyth (Irish)

\* David Conway resigned as a Director of the Manager with effect from 31 December 2022.

\*\* Syl O'Byrne was appointed as a Director of the Manager with effect from 3 January 2023.

† Non-executive Directors independent of the Investment Manager.

### Manager

Baring International Fund Managers (Ireland) Limited  
70 Sir John Rogerson's Quay  
Dublin 2  
D02 R296  
Ireland

### Investment Managers

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

### Depositary

Northern Trust Fiduciary Services (Ireland) Limited  
Georges Court  
54-62 Townsend Street  
Dublin 2  
D02 R156  
Ireland

### Administrator and Registrar

Northern Trust International Fund Administration Services  
(Ireland) Limited  
Georges Court  
54-62 Townsend Street  
Dublin 2  
D02 R156  
Ireland

### Company Secretary

Matsack Trust Limited  
70 Sir John Rogerson's Quay  
Dublin 2  
D02 R296  
Ireland

### Independent Auditors

PricewaterhouseCoopers  
One Spencer Dock  
North Wall Quay  
Dublin 1  
D01 X9R7  
Ireland

### Legal Advisers and Sponsoring Brokers

*As to Irish Law*  
Matheson  
70 Sir John Rogerson's Quay  
Dublin 2  
D02 R296  
Ireland

*As to Hong Kong Law*  
Deacons  
Alexandra House  
16-20 Charter Road  
Central Hong Kong

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## Barings Eastern Europe Fund

### Directors and Other Information (continued)

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#### **Paying Agent**

##### **Société Générale Luxembourg\***

11, avenue Emile Reuter  
L-2420 Luxembourg  
Operational Centre:  
28/32 Place de la Gare  
L-1616 Luxembourg

\* As of 9 December 2022, Société Générale Luxembourg was appointed as paying agent, replacing the jurisdictional paying agents previously in place.

#### **Swiss representative and paying agent**

##### **BNP PARIBAS, Paris**

Zurich branch  
Selnaustrasse 16  
CH-8002  
Zurich  
Switzerland

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# Barings Eastern Europe Fund

## Introduction

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Barings Eastern Europe Fund (the "Fund") is a fund constituted by a Trust Deed dated 21 June 1993 (as amended from time to time) (the "Trust Deed") made between Baring International Fund Managers (Ireland) Limited (the "Manager") and Northern Trust Fiduciary Services (Ireland) Limited (the "Depositary") and authorised by the Central Bank of Ireland (the "CBI") pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the "UCITS Regulations"). The Fund is also listed on Euronext Dublin Global Exchange Market.

The Fund was suspended on 1 March 2022 in light of the exceptional and adverse market conditions relating to the current situation in Russia and Ukraine, and the exposure the Fund had to Russian equities and depositary receipt securities. The decision was made in consultation between the Manager and the Investment Manager and with the approval of the Depositary, and is considered in the best interests of unitholders as a whole in light of current circumstances. The Manager has temporarily suspended the calculation of the Net Asset Value per Unit of the Fund and the right of unitholders to purchase, redeem or exchange units in the Fund effective as of 1 March 2022.

The Fund is a separate fund of Barings Global Umbrella Fund (the "Unit Trust"), an umbrella fund constituted as a unit trust established pursuant to a Trust Deed dated 21 June 1993. The Unit Trust is organised in the form of an Umbrella Fund. The remaining Funds of the Unit Trust are presented in separate umbrella fund financial statements.

The Unit Trust and the Fund are registered for sale in Hong Kong, and has also been authorised by the Hong Kong Securities and Futures Commission ("SFC") pursuant to the provisions of the Hong Kong Code on Unit Trusts and Mutual Funds, supplemented or consolidated from time to time. Further details of the Funds are contained in the supplement to the Prospectus.

The Trust Deed provides that the Fund is maintained for each series of units and is invested in accordance with the investment objective applicable to such Fund to date. The Fund may create more than one class of units in relation to a Fund (a "class") and these separate classes of units may be denominated in different currencies. A unit represents a beneficial interest in the Fund (a "unit").

The Fund has nine classes as at 30 April 2023, which are outlined in note 10 to these financial statements. Further details of the Fund are contained in the supplements to the full Prospectus.

The financial statements include all the trades received up until 12:00p.m. (Irish time) on 28 April 2023, the valuation point for the Fund.

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## Barings Eastern Europe Fund

### Investment Objective and Policy

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The investment objective of the Barings Eastern Europe Fund (the “Fund”) is to achieve long-term capital appreciation through investment in a diversified portfolio of securities of issuers located in or with a significant exposure to the emerging markets of Europe.

The Fund will seek to achieve its investment objective by investing at least 70% of its total assets at any one time in equities and equity-related securities, such as convertible bonds and warrants, of companies incorporated in, or exercising the predominant part of their economic activity in, Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan (the “Commonwealth of Independent States”), and in other emerging European countries such as Albania, Bulgaria, Bosnia and Herzegovina, Croatia, the Czech Republic, Estonia, Georgia, Greece, Hungary, Kosovo, Latvia, Lithuania, Macedonia, Montenegro, Poland, Romania, Serbia, Slovenia, Slovakia and Turkey, or quoted or traded on the stock exchanges in those countries. There is no limit to the extent of direct investment in Russia. Investment may also be made in securities listed or traded on recognised exchanges or markets in other countries where the issuer is located in or has a significant exposure to emerging European countries and in government and corporate debt securities.

#### **How the Fund is managed**

The Manager of Barings Eastern Europe Fund has appointed Baring Asset Management Limited as the Investment Manager. The Fund is managed using a well-defined quality Growth at a Reasonable Price (“GARP”) investment style which aims to identify strong businesses with good expansion potential and attractive valuations. The Investment Manager draws on the research conducted by Barings’ centralised global equity platform to construct a high conviction, concentrated portfolio.

Please refer to the Prospectus for the full risk profile of the Fund. Investors should read the Prospectus and carefully consider the potential risk factors as well as reward factors before investing.

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# Barings Eastern Europe Fund

## Report of the Manager

For the financial year ended 30 April 2023

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### Statement of Manager's responsibilities

These financial statements are prepared in accordance Irish Generally Accepted Accounting Practice, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102") as issued by the UK Financial Reporting Council ("FRC"), and Irish law, to give a true and fair view of the state of affairs of the Barings Eastern Europe Fund ("the Fund") at the financial year-end, and of the Funds results for the financial year then ended. In preparing these financial statements, the Manager must:

- select and consistently apply suitable accounting policies;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Fund will continue in operation.

The financial statements must comply with the disclosure requirements of the UCITS Regulations. Baring International Fund Managers (Ireland) Limited (the "Manager") is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Fund and enable it to ensure that the financial statements are prepared in accordance with FRS 102 and comply with the provisions of the Trust Deed and the Unit Trusts Act, 1990. The Manager is also responsible for taking reasonable steps for the prevention and detection of fraud, error and non-compliance with law or regulations.

Under the Central Bank of Ireland (the "CBI") UCITS Regulations, the assets of the Fund shall be entrusted to Northern Trust Fiduciary Services (Ireland) Limited (the "Depositary") for safekeeping, and therefore custody of the Fund's assets rests with Northern Trust Fiduciary Services (Ireland) Limited.

The financial statements are published at [www.barings.com](http://www.barings.com). The Manager and Baring Asset Management Limited (the "Investment Manager"), 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 presentation and dissemination of the financial statements may differ from legislation in other jurisdictions.

### Transactions with connected persons

The UCITS Regulations require that any transaction carried out with the Manager by a Promoter, Manager, Depositary, Investment Manager and/or associate of these ("connected persons") must be carried out as if negotiated at arm's length. Transactions must be in the best interests of the unitholders.

The Board of Directors of the Manager are satisfied that there are arrangements (evidenced by written procedures) in place to ensure that the obligations set out in Regulation 43(1) of the Central Bank UCITS Regulations are applied to all transactions with connected persons, and are satisfied that transactions with connected persons entered into during the year complied with the obligations set out in Regulation 43(1) of the Central Bank UCITS Regulations.

### Remuneration code

The UCITS V provisions, which became effective on 18 March 2016, require management companies to establish and apply remuneration policies and practices that promote sound and effective risk management, and do not encourage risk taking which is inconsistent with the risk profile of the UCITS.

The Manager has a Remuneration Policy in place, details of which are available on the Barings website at [www.barings.com/guest/content/remuneration-policies](http://www.barings.com/guest/content/remuneration-policies).

The purpose of the Manager's remuneration policy is to seek to ensure that the remuneration arrangements of "Identified Staff":

- (i) are consistent with and promote sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profile, rules or instruments of incorporation of the Manager or any fund which the Manager is the manager of; and
- (ii) are consistent with the Manager's business strategy, objectives, values and interests and include measures to avoid conflicts of interest.

Please see Appendix 5 for remuneration disclosure.

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## Barings Eastern Europe Fund

### Report of the Manager (continued)

For the financial year ended 30 April 2023

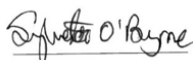
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#### Remuneration code (continued)

The Manager has a business model, policies and procedures which by their nature do not promote excessive risk taking and which take account of the nature, scale and complexity of the Manager and any of the Funds.

#### Manager's statement

These financial statements were approved by the Directors of the Manager, Baring International Fund Managers (Ireland) Limited, on 17 August 2023 and signed on its behalf by:



Director:

Sylvester O'Byrne



Director:

Alan Behen

Date: 17 August 2023



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## Barings Eastern Europe Fund

### Annual Depositary Report to Unitholders

For the financial year ended 30 April 2023

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We, Northern Trust Fiduciary Services (Ireland) Limited, appointed Depositary to Barings Eastern Europe Fund (the “Fund”), provide this report solely in favour of the unitholders of the Fund for the year ended 30 April 2023 (the “Annual Accounting Period”). This report is provided in accordance with the UCITS Regulations – European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (SI No 352 of 2011), as amended, which implemented Directive 2009/65/EU into Irish Law (the “Regulations”). We do not, in the provision of this report, accept nor assume responsibility for any other purpose or person to whom this report is shown.

In accordance with our Depositary obligation as provided for under the Regulations, we have enquired into the conduct of the management company of the Fund for this Accounting Period and we hereby report thereon to the unitholders of the Fund as follows:

#### Opinion

We are of the opinion that the Fund has been managed by the Manager during the Annual Accounting Period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Fund by the constitutional documents and by the Regulations; and
- (ii) otherwise in accordance with the provisions of the constitutional document and the Regulations.



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For and on behalf of

**Northern Trust Fiduciary Services (Ireland) Limited**  
**Georges Court**  
**54-62 Townsend Street**  
**Dublin 2**  
**D02 R156**  
**Ireland**

**17 August 2023**



# ***Independent auditors' report to the unitholders of Barings Eastern Europe Fund, a Fund of Barings Global Umbrella Fund***

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

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### **Opinion**

In our opinion, Barings Eastern Europe Fund, a Fund of Barings Global Umbrella Fund's financial statements:

- give a true and fair view of the Fund's assets, liabilities and financial position as at 30 April 2023 and of its results for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law); and
- have been properly prepared in accordance with the requirements of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended).

We have audited the financial statements, included within the Annual Report and Audited Financial Statements, which comprise:

- the Statement of Financial Position as at 30 April 2023;
  - the Statement of Comprehensive Income for the year then ended;
  - the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Units for the year then ended;
  - the Schedule of Investments as at 30 April 2023; and
  - the notes to the financial statements, which include a description of the significant accounting policies.
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### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard as applicable to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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### **Emphasis of matter - financial statements prepared on a basis other than going concern**

In forming our opinion on the financial statements, which is not modified, we draw attention to note 1 to the financial statements which describes the reasons why the financial statements have been prepared on a basis other than going concern.



## Our audit approach

### Overview

	<b>Materiality</b> <ul style="list-style-type: none"> <li>Overall materiality: 50 basis points (2022: 50 basis points) of Net Assets Value ("NAV") at 30 April 2023 (2022: 30 April 2022).</li> <li>Performance materiality: 75% of overall materiality.</li> </ul>
	<b>Audit scope</b> <ul style="list-style-type: none"> <li>The Fund is an open-ended investment Fund. We tailored the scope of our audit taking into account the types of investments within the Fund, the involvement of the third parties referred to below, the accounting processes and controls, and the industry in which the Fund operates.</li> </ul>
	<b>Key audit matters</b> <ul style="list-style-type: none"> <li>Valuation of financial assets and financial liabilities at fair value through profit or loss.</li> <li>Existence of financial assets and financial liabilities at fair value through profit or loss.</li> </ul>

### The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the manager made subjective judgements, for example the selection of pricing sources to value the investment portfolio. As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the manager that represented a risk of material misstatement due to fraud.

### Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p><i>Valuation of financial assets and financial liabilities at fair value through profit or loss</i></p> <p>Refer to note 2(c) for the accounting policies for Financial assets and financial liabilities at fair value through profit or loss and the Schedule of Investments in the financial statements.</p> <p>The financial assets and financial liabilities at fair value through profit or loss included in the Statements of Financial Position as at 30 April 2023 are valued at fair value in line with Generally Accepted Accounting Practice in Ireland.</p> <p>This is considered a key audit matter as it represents the principal element of the financial statements.</p>	<p>We tested the investment portfolios by independently agreeing the valuation of investments to third party vendor sources at the year-end date.</p> <p>No material misstatements were identified as a result of the procedures we performed.</p>



<p><i>Existence of financial assets and financial liabilities at fair value through profit or loss</i></p> <p>Refer to note 2(c) for the accounting policies for Financial assets and financial liabilities at fair value through profit or loss and the Schedule of Investments in the financial statements.</p> <p>This is considered a key audit matter as it represents a principal element of the financial statements.</p>	<p>We tested the existence of the financial assets and financial liabilities at fair value through profit or loss by obtaining independent confirmation of the investment positions held as at 30 April 2023 from the Fund’s Depository or relevant counterparties, and agreeing the amounts to the accounting records.</p> <p>No material misstatements were identified as a result of the procedures we performed.</p>
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*How we tailored the audit scope*

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Fund, the accounting processes and controls, and the industry in which it operates.

The Manager controls the affairs of the Fund and is responsible for the overall investment policy which is determined by them. The Manager has delegated certain responsibilities to Baring Asset Management Limited (the ‘Investment Manager’) and to Northern Trust International Fund Administration Services (Ireland) Limited (the ‘Administrator’). The Annual Report & Audited Financial Statements, which remain the responsibility of the Manager, are prepared on their behalf by the Administrator. The Fund has appointed Northern Trust Fiduciary Services (Ireland) Limited (the “Depository”) to act as Depository of the Fund’s assets. In establishing the overall approach to our audit we assessed the risk of material misstatement at a fund level, taking into account the nature, likelihood and potential magnitude of any misstatement. As part of our risk assessment, we considered the Fund’s interaction with the Administrator, and we assessed the control environment in place at the Administrator.

*Materiality*

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality as follows:

<p><b>Overall materiality and how we determined it</b></p>	<p>50 basis points (2022: 50 basis points) of Net Assets Value ("NAV") at 30 April 2023 (2022: 30 April 2022).</p>
<p><b>Rationale for benchmark applied</b></p>	<p>We have applied this benchmark because the main objective of the Fund is to provide investors with a total return taking account of the capital and income returns.</p>

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% of overall materiality.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Directors of the Manager that we would report to them misstatements identified during our audit above 5 basis points of the Fund’s NAV, for NAV per share impacting differences (2022: 5 basis points of the Fund’s NAV, for NAV per share impacting differences) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

**Reporting on other information**

The other information comprises all of the information in the Annual Report and Audited Financial Statements other than the financial statements and our auditors’ report thereon. The manager is responsible for 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 to the extent otherwise explicitly stated in this report, any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider



whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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## **Responsibilities for the financial statements and the audit**

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

As explained more fully in the Statement of Manager's responsibilities set out on page 5, the manager is responsible for the preparation of the financial statements in accordance with the applicable framework giving a true and fair view.

The manager is also responsible for such internal control as the manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the manager is responsible for assessing the Fund'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 the manager intends to cease operations, or has no realistic alternative but to do so.

### *Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Fund and industry, we identified that the principal risks of non-compliance with laws and regulations related to Unit Trust Acct 1990, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended). We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to Risk of management override of control.

Audit procedures performed by the engagement team included:

- Reviewing financial statements disclosures and agreeing to supporting documentation to assess compliance with applicable laws and regulations;
- Enquiring of management and the Directors of the Manager concerning potential litigation and claims and any instances of non-compliance with laws and regulations;
- Reviewing all relevant minutes of meetings of the Manager;
- Identifying and testing the appropriateness of topside journal entries and other adjustments, where material;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- Testing significant judgements and accounting estimates and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- Maintaining professional scepticism throughout the audit.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing



complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

[https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

This description forms part of our auditors' report.

*Use of this report*

This report, including the opinion, has been prepared for and only for the unitholders as a body in accordance with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

A handwritten signature in black ink that reads 'Patricia Johnston'.

Patricia Johnston  
for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Dublin  
23 August 2023

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## Barings Eastern Europe Fund

### Investment Managers' Report

For the financial year ended 30 April 2023

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Barings Eastern Europe Fund (the "Fund") was suspended on 1 March 2022 due to the effects of the ongoing conflict in Ukraine. At the point of suspension, Russian securities held in the Fund were written down to zero. As of 30 April 2023, the Fund remained suspended, and the net asset value was not being published. Russian assets in the Fund continue to be valued at zero.

Based on an indicative calculation\*, the Barings Eastern Europe Fund (the "Fund") generated a gross return of 21.5% on the I USD Share Class and over performed against the performance comparator which returned 17.7%\*\* during the reporting year. The Fund generated a net return of 20.3% on the I USD Share Class.

Stock selection significantly drove the over performance, whilst the portfolio's country allocation partially offset some relative returns. At the stock level, Tüpraş was the Fund's largest positive contributor to relative performance, with the Turkish oil major benefiting from higher energy prices that surged in light of growing concerns over energy disruptions.

Conversely, diversified miner Anglo American was one of the most significant detractors, as whilst the company reported a robust set of Q4 and 2022 results overall, earnings for subsidiaries Anglo Platinum and Kumba Iron Ore came in below expectations. In addition, increased capital expenditure and a write down in the value of the group's Woodsmith project weighed on the shares.

Given that there is currently no likely end in sight for the conflict, global sanctions imposed on Russia have severely hindered any near-term prospect for the market to return to normality and for the Fund to re-open. In light of this, Barings has prioritised seeking solutions to re-establish a degree of liquidity for the Fund.

To allow for a resumption of daily dealing, a solution was approved by Unitholders at an extraordinary general meeting held on 28 April 2023. This solution involved transferring the liquid assets ("Liquid Assets") of the Fund to a new Barings Eastern Europe Fund, a sub-fund of Barings International Umbrella Fund (the "New Fund"), leaving only the affected Russian securities (the "Impacted Assets") in the suspended Fund. This allows:

- Existing investors to have access to the liquid portion of their investment, while retaining rights to any eventual trading resumption of the currently illiquid Impacted Assets that will remain segregated; and
- The New Fund to continue to invest and to accept new investors, unencumbered by exposure to Impacted Assets.

The New Fund reopened for dealing on 24 July 2023. The New Fund's net asset value does not include Russian assets, which continue to be valued at zero and are held in the suspended Fund. The New Fund has been set up with similar investment objective and characteristics as the Fund (as described in more detail in the Extraordinary General Meeting (the "EGM") circular as provided to all Unitholders on 6 April 2023 (the "Circular")), thereby maintaining continuity and the track record of the strategy.

Further information is set out in the "Frequently Asked Questions" document on the Barings website at <https://www.barings.com/globalassets/funds/barings-eastern-europe-fund/beef-frequently-asked-questions.pdf>.

Should you require any additional information, please reach out to your usual Barings contact for more information at any time.

#### **Baring Asset Management Limited May 2023**

Baring Asset Management Limited (the "Investment Manager") gives their portfolio managers full authority to manage their funds as they see fit, within the established guidelines set down. This includes the views that managers may take of the markets and sectors they invest in, which may differ from the views of other Barings portfolio managers.

\* Indicative valuations, which are estimate valuations in respect of the proportion of the portfolio which remains actively managed, are prepared for each valuation point since the date of suspension, including and up to the financial year-end 30 April 2023.

\*\* The Fund return uses the midday prices, whereas the return of the comparator is calculated using global close prices.

## Barings Eastern Europe Fund

### Statement of Financial Position

As at 30 April 2023

	Notes	Barings Eastern Europe Fund 30 April 2023* US\$	Barings Eastern Europe Fund 30 April 2022 US\$
<b>Assets</b>			
Financial assets at fair value through profit or loss	2	218,774,613	173,163,152
Cash and cash equivalents	3	7,928,161	18,631,976
Securities sold receivable	2	1,060,251	–
Dividends receivable	2	1,331,065	787,135
Other assets	2	24,113	2,451
<b>Total assets</b>		<b>229,118,203</b>	<b>192,584,714</b>
<b>Liabilities</b>			
Management fee payable	6	(528,289)	(492,402)
Administration, depositary & operating fees payable	6	(158,943)	(149,355)
Securities purchased payable	2	–	(1,754,564)
Other payables	2	(35,200)	(35,196)
<b>Total liabilities (excluding net assets attributable to holders of redeemable participating units)</b>		<b>(722,432)</b>	<b>(2,431,517)</b>
<b>Net assets attributable to holders of redeemable participating units</b>		<b>228,395,771</b>	<b>190,153,197</b>

\* The Manager has temporarily suspended the calculation of the Net Asset Value per Unit of the Fund and the right of unitholders to purchase, redeem or exchange units in the Fund effective as of 1 March 2022. As the Fund is suspended, an indicative NAV is used.

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

**BARINGS**



## Barings Eastern Europe Fund

### Statement of Comprehensive Income

For the financial year ended 30 April 2023

	Notes	Barings Eastern Europe Fund 30 April 2023 US\$	Barings Eastern Europe Fund 30 April 2022 US\$
<b>Income</b>			
Bank interest income	2	167,902	8,271
Dividend income	2	9,157,705	35,229,960
Net fair value gain/(loss) on financial assets and financial liabilities at fair value through profit or loss	2	32,372,899	(479,478,981)
<b>Total income/(expense)</b>		<b>41,698,506</b>	<b>(444,240,750)</b>
<b>Expenses</b>			
Management fees	6	(2,806,010)	(9,864,504)
Administration fees	6	(842,113)	(2,960,417)
Operating expenses		(14,166)	(39,231)
<b>Total operating expenses</b>		<b>(3,662,289)</b>	<b>(12,864,152)</b>
<b>Net profit/(loss) before finance costs and taxation</b>		<b>38,036,217</b>	<b>(457,104,902)</b>
<b>Finance costs</b>			
Distributions	5	–	(7,960,260)
Bank interest expense	2	(39,723)	(115,381)
<b>Total finance costs</b>		<b>(39,723)</b>	<b>(8,075,641)</b>
<b>Increase/(decrease) in net assets attributable to holders of redeemable participating units before taxation</b>		<b>37,996,494</b>	<b>(465,180,543)</b>
<b>Taxation</b>			
Withholding tax on dividend and other investment income		246,080	(3,593,051)
<b>Total taxation</b>		<b>246,080</b>	<b>(3,593,051)</b>
<b>Increase/(decrease) in net assets attributable to holders of redeemable participating units</b>		<b>38,242,574</b>	<b>(468,773,594)</b>

Gains and losses arose solely from discontinuing activities. There were no gains or losses other than those dealt with in the Statement of Comprehensive Income.

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

**BARINGS**

## Barings Eastern Europe Fund

### Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Units

For the financial year ended 30 April 2023

	Notes	Barings Eastern Europe Fund 30 April 2023* US\$	Barings Eastern Europe Fund 30 April 2022 US\$
Net assets attributable to holders of redeemable participating units at the beginning of the financial year		190,153,197	730,886,987
Increase/(decrease) in net assets attributable to holders of redeemable participating units		38,242,574	(468,773,594)
Issue of redeemable participating units during the financial year	4	–	47,735,361
Redemption of redeemable participating units during the financial year	4	–	(118,541,286)
Income equalisation	5	–	(1,154,271)
<b>Net assets attributable to holders of redeemable participating units at the end of the financial year</b>		<b><u>228,395,771</u></b>	<b><u>190,153,197</u></b>

\* The Manager has temporarily suspended the calculation of the Net Asset Value per Unit of the Fund and the right of unitholders to purchase, redeem or exchange units in the Fund effective as of 1 March 2022. As the Fund is suspended, an indicative NAV is used.

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

**BARINGS**

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# Barings Eastern Europe Fund

## Notes to the financial statements

For the financial year ended 30 April 2023

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### 1. Basis of measurement

The financial statements have been prepared in accordance with Irish Generally Accepted Accounting Practice, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") as issued by the UK Financial Reporting Council ("FRC"), and Irish law, comprising the Companies Act 2014 (as amended) and certain provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (the "UCITS Regulations"). Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those issued by the Financial Reporting Council ("FRC").

Barings Eastern Europe Fund (the "Fund") has been authorised by the Central Bank of Ireland (the "CBI") pursuant to the Unit Trusts Act, 1990, and the Trust Deed. As the Fund is a sub-fund of the Barings Global Umbrella Fund and as the Unit Trust is registered for sale in Hong Kong, the Fund has also been authorised by the Hong Kong Securities and Futures Commission ("SFC") pursuant to the provisions of the Hong Kong Code on Unit Trusts and Mutual Funds, supplemented or consolidated from time to time.

The Fund was suspended on 1 March 2022 in light of the exceptional and adverse market conditions relating to the current situation in Russia and Ukraine, and the exposure the Fund had to Russian equities and depository receipt securities. The decision was made in consultation between the Manager and the Investment Manager and with the approval of the Depositary, and is considered in the best interests of unitholders as a whole in light of current circumstances. The Manager has temporarily suspended the calculation of the Net Asset Value per Unit of the Fund and the right of unitholders to purchase, redeem or exchange units in the Fund effective as of 1 March 2022.

The decision to suspend the calculation of the Net Asset Value per Unit of the Fund and the right of unitholders to purchase, redeem or exchange Units in the Fund was taken with the aim of ensuring the interests of all unitholders of the Fund were protected in view of the market impact of the extensive sanctions imposed by the US, EU and others, and by the decision of the Russian Central Bank to temporarily prohibit execution of orders by non-Russian residents to sell securities. The uncertainty meant that the Unit Trust was unable to establish a firm price for the Fund's holdings in Russian equities and depository receipts securities and unable to obtain settlement for any sale.

The Fund has remained suspended to the financial year-end 30 April 2023. The Fund continues to be actively managed however. Subsequent to the last published NAV date (28 February 2022), all Russian assets within the Fund are currently valued at zero. The administrator continues to ensure that the appropriate management fee and administration, depositary and operating fee is applied daily, only in respect of the proportion of the portfolio which remains actively managed and indicative valuations, which are estimated valuations, are prepared for each valuation point since the date of suspension, including and up to the financial year-end 30 April 2023.

The Fund meets all the conditions set out in FRS 102, section 7 and consequently has availed of the exemption available to certain funds not to prepare a statement of cash flows.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets, 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 the judgements made about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Effective 21 July 2023, a side pocket solution to re-establish a degree of liquidity for Barings Eastern Europe Fund was launched, in the best interests of the Unitholders. The non-impacted liquid assets of Barings Eastern Europe Fund were transferred to a new fund, Barings Eastern Europe Fund, a sub-fund of Barings International Umbrella Fund. Effective 21 July 2023, the name of Barings Eastern Europe Fund (the sub-fund of Barings Global Umbrella Fund) was changed to Barings Eastern Europe (SP) Fund. The impacted Belarusian, Russian and Ukrainian assets remained in Barings Eastern Europe (SP) Fund. When restrictions are lifted, the intention is to sell the impacted assets and liquidate the Fund, therefore the financial statements for this Fund have been prepared on a non-going concern basis.

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## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

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#### 2. Significant accounting policies

##### (a) Fair value measurement

By fully adopting FRS 102, in accounting for its financial instruments, a reporting entity is required to apply either a) the full requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments, b) the recognition and measurement provisions of IAS 39 Financial Instruments: Recognition and Measurement and only the disclosure requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments, or c) the recognition and measurement provisions of IFRS 9 Financial Instruments and only the disclosure requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments. The Fund has chosen to implement (b) the recognition and measurement provisions of IAS 39 Financial Instruments: Recognition and Measurement and only the disclosure requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments.

The use of the IAS 39 recognition and measurement provisions is in line with the pricing policy which outlines that the fair value of financial assets and financial liabilities be valued at the last traded prices. The financial statements include all the trades received up until 12:00p.m. (Irish time) on 28 April 2023, the valuation point for the Fund.

An adjustment has been made to the value of investments in the Fund for prior financial year end 30 April 2022 to reflect the close of business prices on 29 April 2022.

	<b>Barings Eastern Europe Fund US\$</b>
Dealing NAV per 12.00 pm (Irish Time) Valuation	191,618,175
Adjustment to value investment at close of business prices Financial Statements NAV	<u>(1,464,978)</u>
	<u><b>190,153,197</b></u>

##### (b) Foreign exchange translation

Functional and presentation currency

Items included in the Fund's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). The functional and presentation currency of the Fund is the US dollar, which reflects the fact that a majority of the redeemable participating units have been subscribed and redeemed in US dollars.

Transactions and balances

Foreign currency transactions are translated into the functional and presentation currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Proceeds from subscriptions and amounts paid on redemption of redeemable participating units are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

##### (c) Financial assets and financial liabilities at fair value through profit or loss

Classification

The Fund classifies its investments in fixed interest, equity securities, warrants and forward foreign currency contracts as financial assets or financial liabilities at fair value through profit or loss. These financial assets and financial liabilities are classified as held for trading or designated by the Directors of the Manager at fair value through profit or loss at inception.

Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purposes of selling or repurchasing in the short term. Financial assets and financial liabilities designated at fair value through profit or loss at inception are those that are managed and their performance is evaluated on a fair value basis in accordance with the Fund's documented investment strategies. The Fund's policy is for Baring Asset Management Limited (the "Investment Manager") and the Directors of the Manager to evaluate the information about these financial assets on a fair value basis together with other related financial information. These financial assets are expected to be realised within 12 months of the Statement of Financial Position date.

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## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

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

##### (c) Financial assets and financial liabilities at fair value through profit or loss (continued)

###### Classification (continued)

They represent the difference between an instrument's initial carrying amount and disposal amount, or cash payments or receipts made on derivative contracts (excluding payments or receipts on collateral margin accounts for such instruments).

###### Recognition/derecognition

Purchases and sales of investments are recognised on the trade date — the date on which the Fund commits to purchasing or selling the investment. The financial statements include all the trades received up until the valuation point for the Fund as disclosed on page 3. Any trades received subsequent to that point are not reflected in the financial statements. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership. Realised gains and losses on disposals of financial assets and financial liabilities classified as 'at fair value through profit or loss' are calculated using the First In First Out ("FIFO") method. They represent the difference between an instrument's initial carrying amount and disposal amount, or cash payments or receipts made on derivative contracts (excluding payments or receipts on collateral margin accounts for such instruments).

###### Measurement

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed in the Statement of Comprehensive Income. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value at the relevant valuation point for the Fund as disclosed on page 3. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss category are presented in the Statement of Comprehensive Income in the year in which they arise.

###### Fair value estimation

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. Under the recognition and measurement provisions of IAS 39 Financial Instruments: Recognition and Measurement, the fair value of financial assets and financial 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 reporting date.

Investments for which market quotations from recognised liquid exchanges or over-the-counter markets are not readily available are valued at their fair values as determined in good faith by the Investment Manager.

The Fund's fair valuation input utilises the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. Unquoted investments are valued in accordance with the most recent valuation made by the Manager. In the absence of a price being available for a security, the Manager can determine such a valuation where appropriate.

The Fund uses a variety of methods and make assumptions that are based on market conditions existing at each Statement of Financial Position date. Valuation techniques used include the use of comparable recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants. There were no investments valued using pricing models at the financial year-end.

##### (d) Forward foreign currency transactions

Forward foreign currency transactions ("FFCTs") are measured at fair value based on the closing prices of the FFCTs contract rates on the relevant foreign exchange market on a daily basis. Realised and unrealised gains and/or losses are reported in the Statement of Comprehensive Income.

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## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

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

##### (e) Income

###### Interest income and interest expenses

Interest income and interest expense are recognised in the Statement of Comprehensive Income for all debt instruments and cash using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

###### Dividend income

Dividends are credited to the Statement of Comprehensive Income on the dates on which the relevant securities are listed as "ex-dividend". Dividend income is shown gross of any irrecoverable withholding taxes, which are disclosed separately in the Statement of Comprehensive Income, and net of any tax credits.

##### (f) Expenses

All expenses, including management fees, administration fees and depositary fees, are recognised in the Statement of Comprehensive Income on an accruals basis. The Manager meets all other expenses incurred by the Fund in connection with its services.

##### (g) Transaction costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. When a financial asset or financial liability is recognised initially, an entity shall measure it at its fair value through profit or loss plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. They include fees and commissions paid to agents, advisers, brokers or dealers. Transaction costs, when incurred, are included as part of the cost of such purchases. Transaction costs are included in the net fair value (loss)/gain on financial assets at fair price through the profit or loss' in the Statement of Comprehensive Income. See note 6, 'Significant agreements and fees', for further information on transaction costs.

##### (h) Distributions

Note 5 discloses all distributions declared and paid during the year. Distributions in respect of the Fund are normally paid annually no later than 30 June each year.

The distributions on the Fund are recognised in the Statement of Comprehensive Income as finance costs on an ex-date basis.

##### (i) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition origination. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

##### (j) Payables

Payables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method. The difference between the proceeds and the amounts payable is recognised over the year of the payable using the effective interest method.

## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

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

##### (k) Redeemable participating units

Redeemable participating units are redeemable at the unitholder's option and are classified as financial liabilities. The accounting policy for recognition of subscriptions and redemptions is that they were recorded effective from the trade date for financing reporting purposes.

The redeemable participating unit can be put back on any business day of the Fund, for cash equal to a proportionate unit of the Fund's Net Asset Value. The participating unit is carried at the redemption amount that is payable at the Statement of Financial Position date if the unitholder exercised their right to put the unit back into the Fund.

In accordance with the provisions of the Trust Deed, listed investments and investments with prices quoted in over-the-counter markets or by market makers are stated at the last traded price on the valuation day for the purpose of determining the Net Asset Value per unit for subscriptions and redemptions, and for various fee calculations.

Net assets attributable to holders of redeemable participating units represent a liability in the Statement of Financial Position, carried at the redemption amount that would be payable at the Statement of Financial Position date if the unitholder exercised the right to redeem the unit to the Fund.

##### (l) Net income equalisation

Net income equalisation is accrued net income included in the price of units purchased and redeemed during the accounting year. The subscription price of units is deemed to include an equalisation payment calculated by reference to the accrued net income of the relevant Fund, and the first distribution in respect of any unit will include a payment of income usually equal to the amount of such equalisation payment. The redemption price of each unit will also include an equalisation payment in respect of the accrued net income of the relevant Fund up to the date of redemption. Income equalisation is detailed on the statement of changes in net assets of each Fund where applicable.

#### 3. Cash and cash equivalents and collateral cash

Cash and cash equivalents and collateral cash are valued at fair value with interest accrued, where applicable. Cash deposits are maintained with The Northern Trust Company ("TNTC"), London branch, with uninvested cash balances being swept daily into the Northern Trust Global Funds. Any collateral cash is held by the broker as this is restricted cash. As at 30 April 2023 and 30 April 2022, no collateral cash was held by the Fund.

#### 4. Redeemable units

##### Financial year ended 30 April 2023

##### Barings Eastern Europe Fund

	Class A EUR Inc No. of Units	Class A GBP Inc No. of Units	Class A USD Acc No. of Units	Class A USD Inc No. of Units
Balance as at 1 May 2022	1,414,656	13,538	481,011	5,496,857
Issued	–	–	–	–
Redeemed	–	–	–	–
Balance as at 30 April 2023	<u>1,414,656</u>	<u>13,538</u>	<u>481,011</u>	<u>5,496,857</u>

	Class I EUR Acc No. of Units	Class I GBP Acc No. of Units	Class I GBP Inc No. of Units	Class I USD Acc No. of Units
Balance as at 1 May 2022	10	23,585	3,946	10,967
Issued	–	–	–	–
Redeemed	–	–	–	–
Balance as at 30 April 2023	<u>10</u>	<u>23,585</u>	<u>3,946</u>	<u>10,967</u>

## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

#### 4. Redeemable units (continued)

##### Financial year ended 30 April 2023 (continued)

##### Barings Eastern Europe Fund (continued)

	<b>Class I USD Inc No. of Units</b>
Balance as at 1 May 2022	2,844
Issued	–
Redeemed	–
Balance as at 30 April 2023	<b>2,844</b>

##### Financial year ended 30 April 2022

##### Barings Eastern Europe Fund

	<b>Class A EUR Inc No. of Units</b>	<b>Class A GBP Inc No. of Units</b>	<b>Class A USD Acc No. of Units</b>	<b>Class A USD Inc No. of Units</b>
Balance as at 1 May 2021	1,592,890	12,051	540,865	6,009,852
Issued	78,636	1,615	5,069	415,966
Redeemed	(256,870)	(128)	(64,923)	(928,961)
Balance as at 30 April 2022	<b>1,414,656</b>	<b>13,538</b>	<b>481,011</b>	<b>5,496,857</b>

	<b>Class I EUR Acc No. of Units</b>	<b>Class I GBP Acc No. of Units</b>	<b>Class I GBP Inc No. of Units</b>	<b>Class I USD Acc No. of Units</b>
Balance as at 1 May 2021	10	22,261	4,396	10,958
Issued	–	14,097	931	9
Redeemed	–	(12,773)	(1,381)	–
Balance as at 30 April 2022	<b>10</b>	<b>23,585</b>	<b>3,946</b>	<b>10,967</b>

	<b>Class I USD Inc No. of Units</b>
Balance as at 1 May 2021	2,941
Issued	2
Redeemed	(99)
Balance as at 30 April 2022	<b>2,844</b>

#### 5. Distributions

There were no distribution declared by the Fund during the financial year ended 30 April 2023.

Comparative 30 April 2022

	<b>Distribution frequency</b>	<b>Distributed amount paid*</b>	<b>Income equalisation**</b>
<b>Total distribution for the Barings Eastern Europe Fund</b>	Annually	<b>US\$ (7,960,260)</b>	<b>US\$ (1,154,271)</b>

\* Includes distributions with an ex-date of 4 May 2021 which were paid during the prior financial year. These distributions with an ex-date of 4 May 2021 reflect the undistributed income on the Fund as at 30 April 2021.

\*\* Income equalisation relates to the dealing activity of distributing classes for the year from 4 May 2021 to 29 April 2022. The income equalisation of the distributing classes is disclosed separately in the statement of changes in net assets attributable to holders of redeemable participating units for the financial year ended 30 April 2022.



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## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

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#### 6. Significant agreements and fees

##### Management fees

Baring International Fund Managers (Ireland) Limited (the “Manager”) is entitled under the Trust Deed to charge a management fee at the rates per annum specified in the relevant supplement to the Prospectus and outlined in the tables below:

Fund/Class	Management fee
Barings Eastern Europe Fund - Class A USD Inc	1.50%
Barings Eastern Europe Fund - Class A EUR Inc	1.50%
Barings Eastern Europe Fund - Class A GBP Inc	1.50%
Barings Eastern Europe Fund - Class A USD Acc	1.50%
Barings Eastern Europe Fund - Class I EUR Acc	0.75%
Barings Eastern Europe Fund - Class I GBP Acc	0.75%
Barings Eastern Europe Fund - Class I USD Acc	0.75%
Barings Eastern Europe Fund - Class I GBP Inc	0.75%
Barings Eastern Europe Fund - Class I USD Inc	0.75%

The Fund is managed by the Manager, who has delegated investment responsibility to Baring Asset Management Limited (the “Investment Manager”). The Investment Manager is an investment management company incorporated in London on 6 April 1994. The Investment Manager is part of the Barings LLC Group and is a wholly owned subsidiary of Massachusetts Mutual Life Insurance Company (“MassMutual”). The outstanding amounts payable as at the end of the financial year-end for management fees are disclosed on the Fund’s Statement of Financial Position. The management fees charged during the financial year are disclosed on the Fund’s Statement of Comprehensive Income.

The Manager will discharge the fees and expenses of the Investment Manager out of its own fee. The management fee is payable monthly in arrears and is calculated by reference to the Net Asset Value of each Fund as at each business day (“valuation day”).

The administrator continues to ensure that the appropriate management fee and administration, depositary and operating fee is applied daily, only in respect of the proportion of the portfolio which remains actively managed and indicative valuations, which are estimated valuations, are prepared for each valuation point since the date of suspension, including and up to the financial year-end 30 April 2023.

##### Administration, Depositary and Operating fees

The Manager is entitled to receive an Administration, Depositary and Operating Expenses fee. The fee payable is a percentage of the Net Asset Value of each class and is accrued daily and paid monthly in arrears. The Manager will pay the aggregate fees and expenses of the Administrator and Depositary, in addition to certain other fees and ongoing expenses.

For the Fund, the Manager shall be entitled to receive a fee of 0.45% per annum for all A unit classes (A Hedged classes 0.4625%) and 0.25% per annum for all I unit classes (I hedged classes 0.2625%).

Please refer to the Prospectus for full details of the fees payable.

The administrator continues to ensure that the appropriate administration, depositary and operating fee is applied daily, only in respect of the proportion of the portfolio which remains actively managed and indicative valuations, which are estimated valuations, are prepared for each valuation point since the date of suspension, including and up to the financial year-end 30 April 2023.

##### Trailer fees and reimbursements

Trailer fees (commissions for the marketing of the Fund) are paid to distribution, commission and sales agents out of the management fees. Reimbursements to institutional investors, who, from a commercial perspective, are holding the Fund’s redeemable participating units for third parties, are also paid out of the management fees.

##### Transaction costs

The Fund’s transaction costs at 30 April 2023 and 30 April 2022 are included in the Net fair value gain/loss on financial assets at fair value through profit or loss under the Statement of Comprehensive Income.

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## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

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#### 6. Significant agreements and fees (continued)

##### Transaction costs (continued)

The transaction costs incurred by the Fund for the financial year ended 30 April 2023 and the financial year ended 30 April 2022, respectively, were as follows:

	30 April 2023 US\$	30 April 2022 US\$
Barings Eastern Europe Fund	91,408	336,035

#### 7. Related party transactions

Julian Swayne is employed by Barings Investment Services Limited. Alan Behen and Paul Smyth are employees of the Manager. David Conway was a non-executive Director, independent of the Investment Manager, prior to his resignation on 31 December 2022. Syl O'Byrne who was appointed on 3 January 2023 and Barbara Healy are both non-executive Directors, independent of the Investment Manager. The Manager will discharge the fees and expenses of the Investment Manager out of its own fee. The Investment Manager is part of the Barings LLC group and is a wholly owned subsidiary of Massachusetts Mutual Life Insurance Company ("MassMutual"). Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

##### Significant unitholdings

The following table details significant concentrations in unitholdings of the Fund, or instances where the units are beneficially held by other Investment Funds managed by the Manager or one of its affiliates. As at 30 April 2023, the following had significant unitholdings in the Fund:

	Number of unitholders with beneficial interest greater than 20% of the units in issue	Total % of units held by unitholders beneficial interest greater than 20% of the units in issue	Total % of units held by Investment Funds managed by Barings International Fund Managers (Ireland) Limited or affiliates
Barings Eastern Europe Fund	Nil (30 April 2022: Nil)	Nil (30 April 2022: Nil)	Nil (30 April 2022: Nil)

#### 8. Financial risk management

In accordance with FRS 102: Disclosure, this note details the way in which the Fund managed risks associated with the use of financial instruments.

The Fund is exposed to a variety of financial risks in pursuing their stated investment objectives and policies. These risks include, but are not limited to, credit risk, liquidity risk and market risk (which in turn includes foreign currency risk, interest rate risk and market price risk). The Fund assume exposure to these risks to generate investment returns on their portfolios, although these risks can also potentially result in a reduction in the Fund's net assets.

The Investment Manager will use its best endeavours to minimise the potentially adverse effects of these risks on the Fund's performance where it can do so, while still managing the investments of the Fund in a way that is consistent with the Fund's investment objectives.

The investment objective of the Fund is disclosed in the Prospectus and in the Investment Objective and Policy on page 4. The risks, and the measures adopted by the Fund for managing these risks, are detailed below.

The Manager reviews and agrees policies for managing each of these risks and they are summarised below. These policies have remained substantially unchanged since the beginning of the financial year to which these financial statements relate.

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## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

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#### 8. Financial risk management (continued)

The nature and extent of the financial instruments outstanding at the Statement of Financial Position date and the risk management policies employed by the Fund are discussed below. These policies have remained substantially unchanged since the beginning of the financial year to which these financial statements relate.

##### Market risk

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

The Fund'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 that the Fund invested in.

The Fund's market risk is managed on a daily basis by the Investment Manager in accordance with policy and procedures in place. The Fund's overall market positions are reported to the Board of Directors on a monthly basis.

As the majority of the financial instruments are carried at fair value through the profit or loss, all changes in market conditions directly impact the net assets of the Fund.

##### Foreign currency risk

Foreign currency risk is defined in FRS 102 as "the risk that the fair value or future cash flows of a foreign financial instrument will fluctuate because of changes in foreign exchange rates".

The Fund is exposed to currency risk as assets and liabilities of the Fund may be denominated in a currency other than the functional currency of the Fund, which is the US dollar. The fluctuations in the rate of exchange between the currency in which the asset or liability is denominated and the functional currency could result in an appreciation or depreciation in the fair value of those assets and liabilities. The Investment Manager is permitted but not obliged to use hedging techniques to attempt to offset market and foreign currency risk.

Foreign exchange transactions and other currency contracts may also be used to provide protection against exchange risks or to actively overlay currency views onto the Fund's currency exposure resulting from investing in foreign markets. Such contracts may, at the discretion of the Investment Manager, be used to hedge some or all of the foreign currency risk arising as a result of the fluctuation between the denominated currency of the Fund and the currencies in which the Funds' investments are denominated, or to pursue an active currency overlay strategy.

The Fund may (but is not obliged to) enter into certain currency-related transactions in order to hedge the currency exposure of the assets of a Fund attributable to a particular class into the currency of denomination of the relevant class. Any financial instruments used to implement such strategies with respect to one or more classes shall be assets/liabilities of a Fund as a whole but will be attributable to the relevant class(es), and the gains/losses on, and costs of, the relevant financial instruments will accrue solely to the relevant class.

Any currency exposure of a class may not be combined with or offset against that of any other class of a Fund. The currency exposure of the assets attributable to a class may not be allocated to other classes. A class will not be leveraged as a result of currency hedging transactions so that the use of such hedging instruments shall in no case exceed 100% of the Net Asset Value attributable to the relevant class of a Fund.

In accordance with the Fund's policy, the Investment Manager monitors the Fund's currency exposures on a daily basis and reports regularly to the Directors of the Manager, who reviews the information provided by the Investment Manager on any significant exposures at their periodic meetings. The Investment Manager may have used FFCTs on Fund as a tool and technique to hedge their currency exposure.

The tables below presented the Fund's exposure to foreign currency as at 30 April 2023 and 30 April 2022. All amounts are stated in the functional currency of the Fund.

## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

#### 8. Financial risk management (continued)

##### Foreign currency risk (continued)

For the financial year ended 30 April 2023

##### Barings Eastern Europe Fund

	Financial assets at fair value through profit or loss US\$	Cash and cash equivalents US\$	Other assets and liabilities US\$	Derivatives US\$	Net exposure US\$	% of Net Assets
CZK	26,653,934	–	2,391,316	(1,060,195)	27,985,055	12.25
EUR	45,170,470	1,171	–	–	45,171,641	19.78
GBP	–	41	–	–	41	–
HUF	29,569,112	–	–	–	29,569,112	12.95
PLN	65,796,586	–	–	–	65,796,586	28.81
SAR	2,566,224	–	–	–	2,566,224	1.12
TRY	42,526,694	–	–	–	42,526,694	18.62
ZAR	4,410,603	55,388	2	–	4,465,993	1.96

For the financial year ended 30 April 2022

##### Barings Eastern Europe Fund

	Financial assets at fair value through profit or loss US\$	Cash and cash equivalents US\$	Other assets and liabilities US\$	Derivatives US\$	Net exposure US\$	% of Net Assets
CZK	25,872,536	–	787,135	–	26,659,671	14.02
EUR	35,602,522	1,128	(1)	–	35,603,649	18.72
GBP	–	41	–	–	41	–
HUF	24,266,476	–	–	–	24,266,476	12.76
PLN	45,975,007	(90)	(1,754,564)	713,820	44,934,173	23.63
RUB	–	229,069	–	–	229,069	0.12
SAR	3,828,497	–	–	–	3,828,497	2.01
TRY	29,506,397	–	–	–	29,506,397	15.52
ZAR	6,572,688	–	1	–	6,572,689	3.46

##### Sensitivity analysis

The below 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.

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## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

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#### 8. Financial risk management (continued)

##### Foreign currency risk (continued)

Sensitivity analysis (continued)

At 30 April 2023, had the exchange rate between the base currency of the Fund and other currencies increased or decreased by 5% (30 April 2022: 5%) with all other variables held constant, the increase or decrease in the value of the Net Assets attributable to holders of redeemable participating shares would be as follows:

	Barings Eastern Europe Fund US\$ 30 April 2023	Barings Eastern Europe Fund US\$ 30 April 2022
CZK	1,399,253	1,332,984
EUR	2,258,582	1,780,182
GBP	2	2
HUF	1,478,456	1,213,324
PLN	3,289,829	2,246,709
RUB	–	11,453
SAR	128,311	191,425
TRY	2,126,335	1,475,320
ZAR	223,300	328,634

##### Interest rate risk

Interest rate risk is defined in FRS 102 as “the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates”.

All other financial assets and financial liabilities held by the Fund, with the exception of cash at bank balances and overdrawn cash are not directly exposed to interest rate risk. The Fund is exposed to interest rate risk on the interest earned on their cash and bank balances and paid on overdrawn cash. This exposure is not considered to be significant.

Interest rate (duration) risks are managed by the Investment Manager, whose management of duration risk is monitored through regular performance reviews with senior managers as well as through monthly peer reviews of positioning held with senior managers. The individual Investment Managers are authorised to initiate fixed income trades within pre-set limits.

Other assets are not directly exposed to interest rate risk as there is no re-pricing carried out on these assets.

The Fund has no exposure to interest rate risk at 30 April 2023 and 30 April 2022.

##### Market price risk

Market price risk is defined in FRS 102 as “the risk that the fair value of a financial instrument or its future cash flows will fluctuate because of changes in market prices.”

The Barings Eastern Europe Fund, consists principally of equity instruments. The values of these instruments are determined by market forces and accordingly there is a risk that market prices can change in a way that is adverse to the Fund’s performance. The Fund have adopted a number of investment restrictions which are set out in the Unit Trust’s Prospectus, which limit the exposure of the Fund’s to adverse changes in the price of any individual financial asset.

In accordance with the Fund’s policies, the Investment Manager monitors the Fund’s positions on a daily basis and reports regularly to the Directors of the Manager, who review the information on the Fund’s overall market exposures provided by the Investment Manager at their periodic meetings.

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## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

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#### 8. Financial risk management (continued)

##### Market price risk (continued)

The Investment Manager uses three techniques to help in the risk management process: monitoring of compliance and quantitative limits, prevention of limit breaches and trade monitoring. These techniques allow the Investment Manager to ensure that the Fund remains in compliance with the restrictions in the Prospectus and with the undertakings for the UCITS regulations by which the Fund is governed.

In addition, the Investment Manager manages the exposure of the portfolio to the risk of adverse changes in the general level of market prices, as determined by market forces, through adhering to its formal risk management process, which includes the use of systems and technology to monitor overall market and position risk on a daily basis.

The maximum risk arising from an investment is determined by the fair value of the financial instruments. The overall market exposures and concentration of risk can be seen on the Schedule of Investments and Statement of Financial Position of the Fund. The Fund's market price risk is affected by two main components: changes in market prices and currency exchange rates. The Fund's exposure to market risk is disclosed in the Schedule of Investments.

##### 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.

If the price of the underlying investments held by the Fund had increased or decreased by 5% at 30 April 2023 (30 April 2022: 5%), with all other variables held constant, this would have increased or decreased the Net Assets Attributable to Holders of redeemable participating units.

Fund	30 April 2023	30 April 2022
Barings Eastern Europe Fund	US\$10,938,731	US\$8,658,158

##### Liquidity risk

Liquidity risk is defined in FRS 102 as "the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset".

The Fund is exposed to daily cash redemptions of units. However, the Manager is entitled, with the approval of the Depositary, to limit the number of units of any class realised on any dealing day to 10% of the total number of units of that class in issue. There are also a number of circumstances where the Manager may, with the approval of the Depositary, temporarily suspend the right of unitholders to require the realisation of units of any class and/or may delay the payment of any monies in respect of any such realisation.

The Fund invests the majority of its assets in securities and other instruments that are traded on an active market and which are considered to be liquid as they can be readily disposed of in the event that cash needs to be raised to meet redemptions or to pay expenses.

In accordance with the Fund's policies, the Investment Manager monitors the Fund's liquidity on a daily basis and reports regularly to the Directors of the Manager, who reviews the information provided by the Investment Manager on significant exposures at their periodic meetings. The Fund have agreed to a temporary overdraft facility (if required) with their Depositary to allow for temporary timing/matching differences on trades, subscriptions and redemptions.

On 1 March 2022, the Manager, in consultation with the Investment Manager and with the approval of the Depositary, decided to temporarily suspend the calculation of the Net Asset Value per Unit of the Fund and the right of Unitholders to purchase, redeem or exchange Units in the Fund effective as of 1 March 2022, in light of developments with the Ukraine/Russian Crisis and the exposure the Fund had to Russian equities and depository receipts securities.

## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

#### 8. Financial risk management (continued)

##### Liquidity risk (continued)

The table below analyses the Fund's financial derivative instruments that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the Statement of Financial Position date to the contractual maturity date.

##### As at 30 April 2023

Barings Eastern Europe Fund Liabilities	Less than 1 month US\$	1-3 months US\$	Greater than 3 months US\$	Total US\$
Other payables and accrued expenses	(722,432)	–	–	(722,432)
Net assets attributable to holders of redeemable participating units	–	(228,395,771)	–	(228,395,771)
<b>Total liabilities</b>	<b>(722,432)</b>	<b>(228,395,771)</b>	<b>–</b>	<b>(229,118,203)</b>

##### As at 30 April 2022

Barings Eastern Europe Fund Liabilities	Less than 1 month US\$	1-3 months US\$	Greater than 3 months US\$	Total US\$
Other payables and accrued expenses	(2,431,517)	–	–	(2,431,517)
Net assets attributable to holders of redeemable participating units	–	(190,153,197)	–	(190,153,197)
<b>Total liabilities</b>	<b>(2,431,517)</b>	<b>(190,153,197)</b>	<b>–</b>	<b>(192,584,714)</b>

##### Credit risk

Credit risk is defined in FRS 102 as “the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation”.

The Fund consist principally of equity instruments and is not directly exposed to credit risk from these positions.

##### Credit risk statement

Northern Trust Fiduciary Services (Ireland) Limited (“NTFSIL”) is the appointed Depository of the Fund, responsible for the safe-keeping of assets. NTFSIL has appointed The Northern Trust Company (“TNTC”) as its global sub-custodian. Both NTFSIL and TNTC are wholly owned subsidiaries of Northern Trust Corporation (“NTC”). As at the financial year-end date of 30 April 2023, NTC had a long-term credit rating from Standard & Poor's (“S&P's”) of A+.

TNTC (as global sub-custodian of NTFSIL) does not appoint external sub-custodians within the U.S., the U.K., Ireland, Canada, Belgium, France, Germany, Netherlands and Saudi Arabia. However, in all other markets, TNTC appoints local external sub-custodians.

NTFSIL, in the discharge of its depository duties, verifies the Fund's ownership of Other Assets, (as defined under Art 22, 5 of UCITS V Directive 2014/91/EU) by assessing whether the Fund holds the ownership, based on information or documents provided by the Fund or, where available, on external evidence.

TNTC, in the discharge of its delegated depository duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of TNTC and (ii) all financial instruments that can be physically delivered to TNTC. TNTC ensures all financial instruments (held in a financial instruments account on the books of TNTC) are held in segregated accounts in the name of the Fund in question, clearly identifiable as belonging to that Fund, and distinct and separate from the proprietary assets of TNTC, NTFSIL and NTC.

In addition, TNTC, as banker, holds cash of the Fund on deposit. Such cash is held on the Statement of Financial Position of TNTC. In the event of the insolvency of TNTC, in accordance with standard banking practice, the Fund will rank as unsecured creditors of TNTC in respect of any cash deposits.



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## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

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#### 8. Financial risk management (continued)

##### Credit risk (continued)

##### Credit risk statement (continued)

Where relevant please note the following currencies, Jordanian Dinar, Saudi Riyal, cash in the onshore China market (principally the currency of Chinese Yuan Renminbi, and any other currencies remitted into accounts in the onshore China market), are no longer held on the Balance Sheet of TNTC. For these off-book currencies, clients' cash exposure is directly to the relevant local sub-custodian / financial institution in the market.

The insolvency of NTF SIL and/or one of its agents or affiliates may cause the Fund's rights with respect to their assets to be delayed.

The Responsible Party manages risk by monitoring the credit quality and financial position of the Depositary, and such risk is further managed by the Depositary monitoring the credit quality and financial positions of sub-custodian appointments.

Northern Trust continually reviews its sub-custodian network to ensure clients have access to the most efficient, creditworthy and cost-effective provider in each market.

The Investment Manager reviews concentrations of credit risk on a fortnightly basis. All exposures to counterparty credit risk are monitored by Baring Asset Management Limited's Counterparty Credit Committee and are subject to Baring Asset Management Limited's Counterparty Credit Policy ("CCP"). Baring Asset Management Limited requires a minimum credit rating of Dunn and Bradstreet ("D&B") 3, but also actively avoids exposure to entities having an S&P rating of less than AA-, even where the D&B rating is 3 or better. Adherence to the CCP is very rigidly enforced.

Any changes to ratings which cause divergence from CCP are acted on immediately without exception. Application for Initial Public Offerings ("IPOs"), for example, is subject to the credit rating of the entity to whose Statement of Financial Position the application will expose the investing fund. Where no satisfactory rating is applied, Baring Asset Management Limited insists that monies are paid into a ring-fenced 'Client Money' account, hence avoiding exposure not permitted by the CCP. The Fund minimise concentrations of credit risk by undertaking transactions with a large number of regulated counterparties on recognised and reputable exchanges.

Credit risk arising from receivables relating to unsettled trades is considered small due to the short settlement period involved. The maximum exposure related to unsettled trades equals the amounts shown on the Statement of Financial Position. There were no past due or impaired assets as of 30 April 2023 (30 April 2022: Nil).

The Fund is exposed to counterparty risk on parties with whom it trades and will bear the risk of settlement default. The Fund minimise concentration of credit risk by undertaking transactions with a large number of customers and counterparties on recognised and reputable exchanges. The Fund may enter into transactions with over-the-counter ("OTC") counterparties, including counterparties to OTC derivative instruments, whereby margin or collateral is posted or received by the Fund with the counterparty, outside of the control of the Depositary or the Depositary's agents.

##### Fair value hierarchy

FRS 102 requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices);
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs).



## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

#### 8. Financial risk management (continued)

##### Fair value hierarchy (continued)

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 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 Manager. The Manager considers observable data to be 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 following table analyses within the fair value hierarchy, the Fund's financial assets and financial liabilities measured at fair value.

##### As at 30 April 2023

Barings Eastern Europe Fund Financial assets	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Equities	218,774,613	–	–*	218,774,613
<b>Total</b>	<b>218,774,613</b>	<b>–</b>	<b>–</b>	<b>218,774,613</b>

\*As at 30 April 2023, there were no financial assets or financial liabilities classified at Level 3 with the exception of the Russian Federation securities held by the Fund which were transferred to level 3 during the year ended 30 April 2022 and have been adjusted to a fair value of nil.

##### As at 30 April 2022

Barings Eastern Europe Fund Financial assets	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Equities	173,163,152	–	–	173,163,152
<b>Total</b>	<b>173,163,152</b>	<b>–</b>	<b>–</b>	<b>173,163,152</b>

As at 30 April 2022, there were no financial assets or financial liabilities classified at Level 3 with the exception of the Russian Federation securities held by the Fund which were transferred to level 3 during the year and have been adjusted to a fair value of nil.

Barings Eastern Europe Fund	Level 3 US\$
Opening value	–
Transfer to Level 3	319,956,804
Purchases	365,883,889
Sales	(298,235,052)
Realised loss	(42,438,803)
Movement in unrealised loss	(345,166,838)
Closing value	–

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## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

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#### 9. Efficient portfolio management

The Fund may use Financial Derivative Instruments (“FDIs”) for efficient portfolio management. The efficient portfolio management purposes for which the Fund intends to employ FDIs are reduction of risk, reduction of cost and the generation of additional capital or income for the relevant Fund with an appropriate level of risk, taking into account the risk profile of the Fund and the general provisions of the UCITS Regulations. The Fund may use various types of derivatives for these purposes, including, without limitation, forwards, futures, options, swaps (including but not limited to total return swaps, credit default swaps, and IRSs) and contracts for differences for these purposes.

##### Risk Monitoring of Global Exposure

The Fund has been classified as a non-sophisticated user of FDI and, as permitted by the UCITS Regulations, the Fund has adopted a commitment approach (the “Commitment Approach”) in the calculation of global exposure for the Fund during the financial year.

In accordance with the UCITS Regulations, the Commitment Approach has been calculated, in the case of forward currency contracts (“FCCTs”), by converting the FCCT position into an equivalent position based on the market value of the underlying asset. As the FDI are used for hedging purposes, the exposure of the FDI has been calculated and then netted against the instrument being hedged. The Global Exposure calculation is performed on a daily basis.

In no circumstances will the global exposure of the Fund exceed 100% of its Net Asset Value.

#### 10. NAV per redeemable participating units

<b>Net assets attributable to holders of of redeemable participating units</b>	<b>30 April 2023*</b>	<b>30 April 2022</b>	<b>30 April 2021</b>
Barings Eastern Europe Fund	US\$228,395,771	US\$190,153,197	US\$730,886,987
<b>NAV per redeemable units</b>			
Class A EUR Inc	€27.61	€24.08	€73.06
Class A GBP Inc	£24.33	£20.24	£63.45
Class A USD Acc	US\$35.04	US\$29.40	US\$100.78
Class A USD Inc	US\$30.33	US\$25.45	US\$88.27
Class I EUR Acc	€32.48	€28.14	€83.56
Class I GBP Acc	£29.95	£24.68	£75.71
Class I GBP Inc	£25.05	£20.64	£64.64
Class I USD Acc	US\$38.48	US\$31.98	US\$108.58
Class I USD Inc	US\$31.20	US\$25.93	US\$89.87

\* The Manager has temporarily suspended the calculation of the Net Asset Value per Unit of the Fund and the right of unitholders to purchase, redeem or exchange units in the Fund effective as of 1 March 2022. As the Fund is suspended, an indicative NAV is used.

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## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

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#### 11. Exchange rates

The exchange rates used in the financial statements to convert to US dollars are as follows:

	As at 30 April 2023	As at 30 April 2022
Australian dollar	–	1.3948
Canadian dollar	–	1.2739
Chinese Renminbi	–	6.6202
Czech koruna	21.3820	23.2441
Euro	0.9104	0.9465
Hong Kong dollar	–	7.8476
Hungarian forint	340.4343	357.4654
Indian rupee	–	76.4425
Israeli new shekel	–	3.3246
Japanese yen	–	130.0650
Mexican peso	–	20.3660
New Zealand dollar	–	1.5299
Norwegian krone	–	9.2731
Polish zloty	4.1761	4.4260
Pound sterling	0.8023	0.7956
Russian ruble	79.6750	71.3500
Saudi Arabia riyal	3.7507	3.7508
South African rand	18.4150	15.8950
South Korean won	–	1,256.0000
Swedish krona	–	9.7650
Swiss franc	–	0.9706
Taiwan dollar	–	29.4755
Turkish lira	19.4480	14.8295

#### 12. Soft commission arrangements

The Investment Manager will pay for research from their own books, as commission paid on trades will be “execution only”, which is the agreed cost for the broker to settle the trade (30 April 2022: same).

#### 13. Contingent liabilities

There were no contingent liabilities at financial year-end 30 April 2023 and financial year-end 30 April 2022

#### 14. Taxation

Under current law and practice, the Fund qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended (the “TCA”). On that basis, it is not chargeable to Irish tax on its income or capital gains.

However, Irish tax may arise if a “chargeable event” occurs. A chargeable event includes any distribution payments to unitholders, or any encashment, redemption, transfer or cancellation of units and any deemed disposal of units for Irish tax purposes arising as a result of holding units in the Fund for a period of eight years or more, or the appropriation or cancellation of units of a unitholder by the Fund for the purposes of meeting the amount of tax payable on a gain arising on a transfer.

No Irish tax will arise on the Fund in respect of chargeable events due to:

(a) a unitholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes at the time of the chargeable event, provided that a relevant declaration is in place (in accordance with Schedule 2b of the TCA) and the Fund is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct; or

(b) a unitholder who is an exempt Irish investor (as defined in Section 739D TCA).

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## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

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#### 14. Taxation (continued)

Dividends, interest and capital gains (if any) received on investments made by the Fund may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Fund or its unitholders.

The Finance Act 2010 provides that the Revenue Commissioners may grant approval for Fund Investment Undertakings marketed outside of Ireland to make payments to non-resident investors without deduction of Irish tax where no relevant declaration is in place, subject to meeting “equivalent measures”. The Fund Investment Undertakings wishing to receive approval must apply in writing to the Revenue Commissioners, confirming compliance with the relevant conditions.

#### 15. Bank facilities

During the financial year, the Fund did not have a bank overdraft so it would not have drawn down on this facility.

#### 16. Material changes to the Prospectus

An updated Prospectus of the Unit Trust was issued on 5 August 2022 and on 1 December 2022. The following are the material changes made on 5 August 2022:

- Updated selling legends to be consistent across UCITS fund range.
- Enhanced disclosures of Russia Sanctions Risk.
- Updated to include disclosures on ESG Guidelines Risk.
- Minor update to available unit classes for the Fund.

The following is the material change made on 1 December 2022:

- Providing additional disclosures to bring the Prospectus into compliance with Level 2 of the Sustainable Finance Disclosure Regulation (“SFDR”).

The First Addendum to the Prospectus of the Unit Trust was issued on 21 July 2023, where the name of Barings Eastern Europe Fund was changed to Barings Eastern Europe (SP) Fund.

There are other immaterial changes to the Prospectus that are not listed above.

#### 17. Significant events

The Prospectus of the Unit Trust was updated on 5 August 2022 and 1 December 2022. The material changes to the Prospectus are outlined in note 16.

David Conway resigned as a Director of the Manager with effect from 31 December 2022.

Syl O’Byrne was appointed as a Director of the Manager with effect from 3 January 2023.

#### Russia/Ukraine Conflict

The ongoing conflict between Russia and Ukraine has led to significant disruption and volatility in the global stock market. As a result of this, the fair value of Russian securities held within the Fund experienced a sharp decline. As a consequence of this, management made the determination to value Russian Equities (local/ADR/GDR) at nil and all Ukrainian positions on a bid basis. This was based on the current restrictions on trading due to sanctions and market liquidity. The ongoing ramifications of the evolving conflict may not be limited to Russia and Russian companies or Ukraine but may spill over to other regional and global economic marks, and the extent of the resulting impact is uncertain. Barings continues to monitor the situation in Ukraine and consider appropriate measures for the Fund. This has directly impacted the Fund.

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## Barings Eastern Europe Fund

### Notes to the financial statements (continued)

For the financial year ended 30 April 2023

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#### 17. Significant events (continued)

##### Russia/Ukraine Conflict (continued)

The imposition of economic sanctions against Russia in response to its invasion of Ukraine has resulted in restricted or no access to certain markets, investments, service providers or counterparties and will likely continue to negatively impact the performance of the Fund and may restrict the ability of the Investment Manager to implement the investment strategy of the Fund and achieve its investment objective. In addition, global equity and debt markets have experienced substantial volatility.

Considering the above outlook, the Manager, in consultation with the Investment Manager and the Depositary, have decided to maintain the suspension of the Fund. The Moscow Stock Exchange remains closed to trading for the Fund and all parties continue to monitor market developments.

There have been no other significant events to the financial year-end that, in the opinion of the Directors of the Manager, that may have had an impact on the financial statements for the financial year ended 30 April 2023.

#### 18. Subsequent events

Effective 21 July 2023, a side pocket solution to re-establish a degree of liquidity for Barings Eastern Europe Fund was launched, in the best interests of the Unitholders. The non-impacted liquid assets of Barings Eastern Europe Fund were transferred to a new fund, Barings Eastern Europe Fund, a sub-fund of Barings International Umbrella Fund.

Effective 21 July 2023, the name of Barings Eastern Europe Fund (the sub-fund of Barings Global Umbrella Fund) was changed to Barings Eastern Europe (SP) Fund. The impacted Belarusian, Russian and Ukrainian assets remained in Barings Eastern Europe (SP) Fund. When restrictions are lifted, the intention is to sell the impacted assets and liquidate the Fund, therefore the financial statements for this Fund have been prepared on a non-going concern basis.

The First Addendum to the Prospectus of the Unit Trust was issued on 21 July 2023, where the name of Barings Eastern Europe Fund was changed to Barings Eastern Europe (SP) Fund.

Mr. Julian Swayne resigned as a Director of the Manager with effect from 4 August 2023.

Ms. Rhian Williams was appointed as a Director of the Manager with effect from 14 August 2023.

There have been no other events subsequent to the year-end that, in the opinion of the Directors of the Manager, may have had a material impact on the financial statements for the financial year ended 30 April 2023.

#### 19. Approval of financial statements

The financial statements were approved by the Directors of the Manager on 17 August 2023.

# Barings Eastern Europe Fund

## Schedule of Investments

As at 30 April 2023

### Financial assets at fair value through profit or loss

Nominal	Security	Fair value US\$	% of Net Assets
<b>Equities: 95.79% (30 April 2022: 91.07%)</b>			
<b>Czech Republic: 11.67% (30 April 2022: 13.46%)</b>			
185,292	CEZ	9,931,023	4.35
521,617	Komerčni Banka	16,722,911	7.32
		<b>26,653,934</b>	<b>11.67</b>
<b>Greece: 18.03% (30 April 2022: 16.92%)</b>			
9,523,179	Alpha Bank	11,993,234	5.25
469,789	Hellenic Telecommunications Organization	6,827,206	2.99
411,396	Jumbo	9,444,667	4.13
2,459,507	National Bank of Greece	12,921,970	5.66
		<b>41,187,077</b>	<b>18.03</b>
<b>Hungary: 12.95% (30 April 2022: 12.61%)</b>			
1,305,420	MOL Hungarian Oil & Gas	10,491,392	4.60
327,554	OTP Bank	9,867,004	4.32
384,270	Richter Gedeon Nyrt	9,210,716	4.03
		<b>29,569,112</b>	<b>12.95</b>
<b>Jersey: 0.00% (30 April 2022: 0.00%)</b>			
404,138	Polymetal International	0	0.00
<b>Netherlands: 0.00% (30 April 2022: 0.00%)</b>			
169,547	X5 Retail GDR	0	0.00
<b>Poland: 29.62% (30 April 2022: 24.63%)</b>			
1,368,201	Allegro.eu	10,757,616	4.71
335,007	Bank Polska Kasa Opieki	7,818,247	3.42
127,198	CD Projekt	3,481,414	1.53
41,151	Dino Polska	4,182,008	1.83
373,084	InPost	3,983,393	1.75
223,478	KGHM Polska Miedz	6,322,628	2.77
1,442,476	Powszechna Kasa Oszczed Bank Polski	11,084,279	4.85
2,175,936	Powszechny Zaklad Ubezpieczen	20,013,338	8.76
		<b>67,642,923</b>	<b>29.62</b>
<b>Russian Federation: 0.00% (30 April 2022: 0.00%)</b>			
817,523	Fix Price*	0	0.00
9,614,360	Gazprom*	0	0.00
108,545	Globaltrans Investment*	0	0.00
600,939	LUKOIL*	0	0.00
369,231	Magnit*	0	0.00
898,204	MD Medical Investments*	0	0.00
147,131	MMC Norilsk Nickel*	0	0.00
10,346,040	Moscow Exchange MICEX-RTS*	0	0.00
1,434,736	Novatek*	0	0.00
46,187	Polyus*	0	0.00
12,922,017	Sberbank of Russia*	0	0.00
33,182,904	Segezha Group*	0	0.00
33,259,865	Sistema*	0	0.00
4,005,305	Tatneft*	0	0.00
270,576	TCS*	0	0.00
2,614,360	United Co RUSAL International PJSC*	0	0.00
352,412	VK*	0	0.00

## Barings Eastern Europe Fund

### Schedule of Investments (continued)

As at 30 April 2023

#### Financial assets at fair value through profit or loss (continued)

Nominal	Security	Fair value US\$	% of Net Assets
<b>Equities: 95.79% (30 April 2022: 91.07%) (continued)</b>			
<b>Russian Federation: 0.00% (30 April 2022: 0.00%) (continued)</b>			
803,515	X5 Retail GDR*	0	0.00
641,290	Yandex*	0	0.00
90,661	Yandex RUB*	0	0.00
		<u>0</u>	<u>0.00</u>
<b>Saudi Arabia: 1.12% (30 April 2022: 2.01%)</b>			
12,967	Bupa Arabia for Cooperative Insurance Company	609,854	0.27
79,499	Saudi Basic Industries Corporation	1,956,370	0.85
		<u>2,566,224</u>	<u>1.12</u>
<b>South Africa: 1.93% (30 April 2022: 3.48%)</b>			
75,100	Anglo American	2,272,086	0.99
618,514	FirstRand	2,138,517	0.94
		<u>4,410,603</u>	<u>1.93</u>
<b>Spain: 0.94% (30 April 2022: 0.99%)</b>			
481,368	AmRest	2,137,057	0.94
		<u>2,137,057</u>	<u>0.94</u>
<b>Turkey: 18.92% (30 April 2022: 16.03%)</b>			
2,105,836	BIM Birlesik Magazalar	17,000,013	7.44
883,801	Coca-Cola Icecek AS	10,697,591	4.68
708,286	D-MARKET Electronic Services ADR	687,604	0.30
778,426	KOC Holding	3,152,049	1.38
1,375,661	Tupras Turkiye Petrol Rafinerileri	4,873,665	2.14
3,808,637	Turkcell Iletisim Hizmetleri	6,803,376	2.98
		<u>43,214,298</u>	<u>18.92</u>
<b>Ukraine: 0.61% (30 April 2022: 0.94%)</b>			
398,110	MHP GDR	1,393,385	0.61
		<u>1,393,385</u>	<u>0.61</u>
<b>Total Equities (Cost: \$602,995,615)</b>		<u>218,774,613</u>	<u>95.79</u>
<b>Total financial assets at fair value through profit or loss</b>		<u>218,774,613</u>	<u>95.79</u>
		Fair value US\$	% of Net Assets
<b>Total investments at fair value through profit and loss</b>		<b>218,774,613</b>	<b>95.79</b>
Cash and cash equivalents		7,928,161	3.47
Other net assets		1,692,997	0.74
<b>Total net assets attributable to holders of redeemable participating units</b>		<u><u>228,395,771</u></u>	<u><u>100.00</u></u>

#### Analysis of Total Assets

	% of total assets**
Transferable securities admitted to an official stock exchange listing or traded on a recognised market	95.49
Other assets	4.51
<b>Total</b>	<u><u>100.00</u></u>

\* Russian Federation securities have been classified as level 3.

\*\* Calculation based on the total assets of the Fund (excluding liabilities). This summary is a UCITS requirement.

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## Barings Eastern Europe Fund

General information - (Unaudited)

For the financial year ended 30 April 2023

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### Market timing

Repeatedly purchasing and selling units in the Fund in response to short-term market fluctuations – known as ‘market timing’ – can disrupt Baring Asset Management Limited’s (the “Investment Manager’s”) investment strategy and increase the Fund’s expenses to the prejudice of all unitholders. The Fund is not intended for market timing or excessive trading. To deter these activities, the Directors of Baring International Fund Managers (Ireland) Limited (the “Manager”) may refuse to accept an application for units from persons that it reasonably believes are engaged in market timing or are otherwise excessive or potentially disruptive to the Fund.

The Directors of the Manager reserve the right to redeem units from a unitholder, on the basis of the circumstances of the unitholder concerned, or if they have reasonable grounds to believe that the unitholder is engaging in any activity which might result in the Fund or their unitholders as a whole suffering any legal, regulatory, reputational or other material disadvantage which the Fund or their unitholders as a whole might not otherwise have suffered.

### UK reporting fund status

UK taxable investors in UK reporting funds are subject to tax on their unit of the UK reporting funds’ income attributable to their holdings in the Fund, whether or not distributed, while typically any gains on disposal of their holdings are subject to capital gains tax.

Details of the unit classes which currently have UK reporting fund status are available at the Her Majesty’s Revenue and Customs (“HMRC”) Collective Investment Schemes Centre website:

<http://www.hmrc.gov.uk/cisc/offshore-funds.htm>.

As stated above, UK tax payers should note that for each unit class with reporting fund status, their unit of any amounts of income, if any, that have not been distributed will be subject to tax. Further details will be made available on the Investment Manager’s website: [www.barings.com](http://www.barings.com).



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## Barings Eastern Europe Fund

### Appendix 1 – Information for investors in Switzerland (Unaudited)

For the financial year ended 30 April 2023

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Baring International Fund Managers (Ireland) Limited (the “Manager”) has appointed BNP PARIBAS, Paris, Zurich branch, Selnaustrasse 16, CH-8002, Zurich, Switzerland, as representative and paying agent for Switzerland. Units are distributed in Switzerland by BNP PARIBAS, Paris at the above address. Investors can obtain, free of charge, the Prospectus, the Key Information Document(s) (“KID(s)”), the last annual and interim reports, the Unit Trusts Act, 1990, as well as a list of the purchases and sales made on behalf of the Fund, from the representative at the above address. Official publications for the Fund is found on the Internet at [www.fundinfo.com](http://www.fundinfo.com). Unit prices (Net Asset Value with the words “plus commissions”) are published daily on the Internet at [www.fundinfo.com](http://www.fundinfo.com).

All the information appearing in these reports and accounts is solely with respect of the Fund which is licensed for public offer and marketing in or from Switzerland, namely: Barings Eastern Europe Fund (the “Fund”).

#### Representative and paying agent for Switzerland

BNP PARIBAS, Paris  
Zurich Branch  
Selnaustrasse 16  
CH-8002  
Zurich  
Switzerland

#### Performance

Following a guideline from the Asset Management Association Switzerland (the “AMAS”) dated 16 May 2008, the Directors of the Manager are supplying performance data in conformity with the said guideline. This data can be found below on page 41. Furthermore, the Directors of the Manager are required to provide the below additional information on performance.

There is no appropriate performance comparators for the Fund. The following comparative indices are used as, in the Board of Director’s opinion, and, in each case, in the light of the investment policy of the relevant Fund, that index is the most appropriate selection for comparison.

MSCI Emerging Europe 10/40 Total Index

Investors should contact the Swiss representative at the above address should they require additional information e.g. on performance including the composition of the relevant indices where applicable.

#### **Total Expense Ratio**

Pursuant to a guideline from the AMAS dated 16 May 2008, the Fund is required to publish a total expense ratio (“TER”) for the financial year ended 30 April 2023.

The TER for the Fund for the financial years ended 30 April 2023 and 30 April 2022 are as follows:

<b>Name of Fund</b>	<b>30 April 2023 TER in %</b>	<b>30 April 2022 TER in %</b>
Barings Eastern Europe Fund - Class A USD Inc	1.95	1.96
Barings Eastern Europe Fund - Class A EUR Inc	1.95	1.96
Barings Eastern Europe Fund - Class A GBP Inc	1.95	1.96
Barings Eastern Europe Fund - Class A USD Acc	1.95	1.96
Barings Eastern Europe Fund - Class I EUR Acc	1.19	1.02
Barings Eastern Europe Fund - Class I GBP Acc	1.00	1.01
Barings Eastern Europe Fund - Class I USD Acc	1.00	1.01
Barings Eastern Europe Fund - Class I GBP Inc	1.00	1.01
Barings Eastern Europe Fund - Class I USD Inc	1.00	1.01

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## Barings Eastern Europe Fund

### Appendix 1 – Information for investors in Switzerland (Unaudited) (continued)

For the financial year ended 30 April 2023

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#### **Total Expense Ratio** (continued)

This information was established by the Manager, Baring International Fund Managers (Ireland) Limited, based on the data contained in the Statement of Comprehensive Income for the above reference year (Fund management fees, administration fees, depositary fees, taxes and duties, and all other commissions and expenses appearing as per the breakdown of the Statement of Comprehensive Income and not already included in any of the foregoing categories). The TER is calculated using the average daily Net Asset Value for the year.

The Manager has temporarily suspended the calculation of the Net Asset Value per Unit of the Fund and the right of unitholders to purchase, redeem or exchange units in the Fund effective as of 1 March 2022. As the Fund is suspended, an indicative NAV is used.

#### **Trailer fees and reimbursements**

Trailer fees (Bestandespflegekommissionen) may only be paid to the sales agents/partners indicated below:

- authorised sales agents (distributors) within the meaning of Article 19, Para 1, Collective Investment Funds Act (“CISA”);
- sales agents (distributors) exempted from the authorisation requirement within the meaning of Article 13, Para 4, CISA and Article 8, Collective Investment Schemes Ordinance (“CISO”);
- sales partners who place Fund units exclusively with institutional investors with professional treasury facilities; and/or
- sales partners who place Fund units with their clients exclusively on the basis of a written commission-based asset management mandate.

Reimbursements (Rückvergütungen) may only be paid to the institutional investors detailed below who from a commercial perspective are holding the Fund units for third parties:

- life insurance companies (in respect of Fund units held for the account of insured persons or to cover obligations towards insured persons);
- pension funds and other retirement provision institutions (in respect of Fund units held for the account of beneficiaries);
- investment foundations (in respect of Fund units held for the account of in-house funds);
- Swiss fund management companies (in respect of Fund units held for the account of the funds managed);
- foreign fund management companies and providers (in respect of Fund units held for the account of managed funds and investing unitholders); and/or
- investment companies (in respect of the investment of the company assets).

## Barings Eastern Europe Fund

### Appendix 1 – Information for investors in Switzerland (Unaudited) (continued)

For the financial year ended 30 April 2023

#### Performance data (including distribution payments where applicable)

	01 May 2022 - 30 April 2023* %	01 May 2021 - 30 April 2022 %	01 May 2020 - 30 April 2021 %	01 May 2019 - 30 April 2020 %	01 May 2018 - 30 April 2019 %
Barings Eastern Europe Fund - Class A USD Inc (USD terms)	–	(46.80)	30.80	(17.14)	(0.67)
MSCI Emerging Europe 10/40 Total, Net Return (USD terms)	–	(33.58)	27.56	(15.77)	(0.32)
Barings Eastern Europe Fund - Class A EUR Inc (EUR terms)	–	(41.61)	17.78	(14.58)	7.14
Barings Eastern Europe Fund - Class A GBP Inc (GBP terms)	–	(44.74)	17.63	(13.81)	4.78
Barings Eastern Europe Fund - Class A USD Acc (USD terms)	–	(46.79)	30.80	(17.13)	(0.67)
Barings Eastern Europe Fund - Class I EUR Acc (USD terms)	–	(42.15)	18.73	(13.79)	7.99
Barings Eastern Europe Fund - Class I GBP Acc (GBP terms)	–	(44.30)	18.72	(12.99)	5.79
Barings Eastern Europe Fund - Class I USD Acc (USD terms)	–	(46.37)	32.04	(16.36)	0.27
Barings Eastern Europe Fund - Class I GBP Inc (USD terms)	–	(44.30)	18.74	(12.97)	5.78
Barings Eastern Europe Fund - Class I USD Inc (USD terms)	–	(46.36)	32.05	(16.33)	0.28

Performance figures are shown net of fees and charges, on a NAV per unit basis, with gross income reinvested.

Source: Morningstar/Barings/MSCI.

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The MSCI data is for Barings' use only and may not be redistributed or used in connection with creating or offering any securities, financial products or indices.

The Fund was launched on 30 September 1996.

\* The Manager has temporarily suspended the calculation of the Net Asset Value per Unit of the Fund and the right of unitholders to purchase, redeem or exchange units in the Fund effective as of 1 March 2022.

**Past performance is no indication of current or future performance. The performance data does not take account of the commissions and costs incurred on the issue and redemption of units. Please note that changes in the rates of exchange may have an adverse effect on the value, price or income of an investment.**

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## Barings Eastern Europe Fund

### Appendix 2 – Information for investors in Germany (Unaudited)

For the financial year ended 30 April 2023

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The Prospectus, the Key Information Document(s) (“KID(s)”), a list of portfolio changes, the Unit Trust Act 1990, as well as the annual and the interim reports are available free of charge at the offices of the Paying Agent.

#### Paying Agent

Société Générale Luxembourg  
11, avenue Emile Reuter  
L-2420 Luxembourg  
Operational Centre:  
28/32 Place de la Gare  
L-1616 Luxembourg

#### **Special risks resulting from tax publication requirements in Germany**

Foreign investment companies (such as Baring International Fund Managers (Ireland) Limited (the “Manager”)) must provide documentation to the German fiscal authorities upon request, e.g. in order to verify the accuracy of the published tax information. The basis upon which such figures are calculated is open to interpretation and it cannot be guaranteed that the German fiscal authorities will accept the Manager’s calculation methodology in every material respect. In addition, if it transpires that these publications are incorrect, any subsequent correction will, as a general rule, not have retrospective effect and will, as a general rule, only take effect during the current period. Consequently, the correction may positively or negatively affect the investors who receive a distribution or an attribution of deemed income distributions in the current year.

## Barings Eastern Europe Fund

### Appendix 3 – Additional information Hong Kong code (Unaudited)

For the financial year ended 30 April 2023

Barings Eastern Europe Fund is registered for sale in Hong Kong.

#### Highest issue and lowest redemption prices

##### Highest issue price during the year\*

	<b>30 April 2023</b>	<b>30 April 2022</b>	<b>30 April 2021</b>	<b>30 April 2020</b>	<b>30 April 2019</b>
Class A USD Inc	–	107.76	94.20	101.84	86.53
Class A EUR Inc	–	92.70	78.92	91.86	76.90
Class A GBP Inc	–	78.85	68.50	78.36	66.57
Class A USD Acc	–	124.49	107.55	113.14	94.65
Class I EUR Acc	–	107.80	90.16	101.10	82.79
Class I GBP Acc	–	95.70	81.51	89.89	74.66
Class I USD Acc	–	134.76	115.74	120.44	100.05
Class I EUR Inc**	–	–	–	–	–
Class I GBP Inc	–	80.05	69.59	79.84	67.95
Class I USD Inc	–	109.28	95.80	103.71	88.27

##### Highest issue price during the year\* (continued)

	<b>30 April 2018</b>	<b>30 April 2017</b>	<b>30 April 2016</b>	<b>30 April 2015</b>	<b>30 April 2014</b>
Class A USD Inc	100.39	80.92	76.97	98.41	106.06
Class A EUR Inc	80.94	73.96	67.80	72.22	80.69
Class A GBP Inc	71.25	62.52	49.10	58.54	69.14
Class A USD Acc	107.39	85.59	80.51	101.39	108.46
Class I EUR Acc	84.38	88.84	61.00	N/A	N/A
Class I GBP Acc	77.30	66.58	50.95	101.39	69.16
Class I USD Acc	112.21	75.73	82.18	101.39	109.46
Class I EUR Inc**	75.01	82.34	61.00	N/A	N/A
Class I GBP Inc	72.61	63.47	48.15	N/A	N/A
Class I USD Inc	102.15	75.27	69.50	N/A	N/A

\* The above highest issue prices and lowest redemption prices during the financial year are quoted in their respective unit classes' denomination currencies. There were no subscriptions or redemptions during the year ended 30 April 2023 due to the Fund being suspended.

\*\* The Barings Eastern Europe Fund Class I EUR Inc unit class closed on 16 June 2017.

## Barings Eastern Europe Fund

### Appendix 3 – Additional information Hong Kong code (Unaudited) (continued)

For the financial year ended 30 April 2023

#### Highest issue and lowest redemption prices (continued)

##### Lowest redemption price during the year\*

	30 April 2023	30 April 2022	30 April 2021	30 April 2020	30 April 2019
Class A USD Inc	–	23.39	64.62	54.52	72.45
Class A EUR Inc	–	21.54	55.70	50.70	63.01
Class A GBP Inc	–	17.76	50.36	46.68	56.09
Class A USD Acc	–	27.03	73.77	60.56	79.25
Class I EUR Acc	–	25.13	63.42	55.89	67.52
Class I GBP Acc	–	21.63	59.82	53.63	62.54
Class I USD Acc	–	29.36	78.77	64.57	83.23
Class I EUR Inc**	–	–	–	–	–
Class I GBP Inc	–	18.09	51.07	47.63	56.92
Class I USD Inc	–	23.81	65.19	55.60	73.42

##### Lowest redemption price during the year\* (continued)

	30 April 2018	30 April 2017	30 April 2016	30 April 2015	30 April 2014
Class A USD Inc	76.80	63.23	49.75	60.02	78.55
Class A EUR Inc	68.87	57.42	45.61	47.85	56.57
Class A GBP Inc	60.28	47.87	35.26	38.14	47.35
Class A USD Acc	82.16	66.88	52.04	61.83	80.40
Class I EUR Acc	71.39	68.99	45.70	N/A	N/A
Class I GBP Acc	64.93	50.65	36.77	38.87	47.67
Class I USD Acc	85.38	58.17	53.48	65.86	81.17
Class I EUR Inc**	70.22	63.44	45.71	N/A	N/A
Class I GBP Inc	60.99	63.66	35.32	N/A	N/A
Class I USD Inc	77.73	58.12	49.84	N/A	N/A

\* The above highest issue prices and lowest redemption prices during the financial year are quoted in their respective unit classes' denomination currencies. There were no subscriptions or redemptions during the year ended 30 April 2023 due to the Fund being suspended.

\*\* The Barings Eastern Europe Fund Class I EUR Inc unit class closed on 16 June 2017.

## Barings Eastern Europe Fund

### Appendix 3 – Additional information Hong Kong code (Unaudited) (continued)

For the financial year ended 30 April 2023

#### Statement of movements in portfolio holdings

	30 April 2023 % of NAV***	30 April 2022 % of NAV***	30 April 2021 % of NAV***	30 April 2020 % of NAV***
Czech Republic	11.67	13.50	2.97	1.53
Greece	18.03	16.79	4.25	1.95
Hungary	12.95	12.66	–	–
Poland	29.62	21.09	9.69	12.50
Romania	–	–	–	0.57
Russian Federation	–	3.71	73.56	68.67
Saudi Arabia	1.12	2.00	–	–
South Africa	1.93	3.43	–	–
Spain	0.94	0.98	0.55	–
Turkey	18.92	16.04	8.46	12.37
Ukraine	0.61	0.93	0.28	0.40
Investment Funds	–	–	–	1.98
<b>Total investments at fair value through profit or loss</b>	<b>95.79</b>	<b>91.13</b>	<b>99.76</b>	<b>99.97</b>
Cash and cash equivalents	3.47	9.72	0.38	–
Other net assets/(liabilities)	0.74	(0.85)	(0.14)	0.03
<b>Total net assets</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

\*\*\* Movement in portfolio holdings have been analysed above based on a percentage of Net Asset Value in each geographic location. The movement in each country's position between years has to be inferred.

#### Portfolio information

Top Ten Holdings	% of Net Assets
Powszechny Zakład Ubezpieczen	8.76
BIM Birlesik Magazalar	7.44
Komerčni Banka	7.32
National Bank of Greece	5.66
Alpha Bank	5.25
Powszechna Kasa Oszczed Bank Polski	4.85
Allegro.eu	4.71
Coca-Cola Icecek AS	4.68
MOL Hungarian Oil & Gas	4.60
CEZ	4.35

## Barings Eastern Europe Fund

### Appendix 4 – Significant Changes in Portfolio Composition (Unaudited)

For the financial year ended 30 April 2023

<b>Purchases</b>	<b>Cost US\$'000</b>	<b>Sales</b>	<b>Proceeds US\$'000</b>
Coca-Cola Icecek AS	8,530	Tupras Turkiye Petrol Rafinerileri	17,080
Turkcell Iletisim Hizmetleri	7,225	BIM Birlesik Magazalar	5,539
BIM Birlesik Magazalar	5,639	Jumbo	3,442
Allegro.eu	5,632	CEZ	3,129
Powszechna Kasa Oszczed Bank Polski	4,400	Powszechna Kasa Oszczed Bank Polski	1,932
MOL Hungarian Oil & Gas	3,645	OTP Bank	1,906
Hellenic Telecommunications Organization	3,610	InPost	1,818
Richter Gedeon Nyrt	2,827	MOL Hungarian Oil & Gas	1,764
Alpha Bank	2,545	Allegro.eu	1,119
KOC Holding	1,754	Saudi Arabian Mining	1,098
OTP Bank	1,652	Komercni Banka	1,060
CEZ	1,597	Alpha Bank	957
Komercni Banka	1,562	KGHM Polska Miedz	867
National Bank of Greece	1,533	Richter Gedeon Nyrt	833
Powszechny Zaklad Ubezpieczen	1,057	Powszechny Zaklad Ubezpieczen	527
Dino Polska	930	Anglo American	487
KGHM Polska Miedz	805	Salik	62
InPost	542	Galaxy Cosmos Mezz	33
Jumbo	529		
Bupa Arabia for Cooperative Insurance Company	435		

Listed above are aggregate purchases of securities exceeding one percent of the total value of purchases for the financial year ended 30 April 2023 and aggregate sales of securities greater than one percent of the total value of sales for the financial year ended 30 April 2023.

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



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## Barings Eastern Europe Fund

### Appendix 5 – Disclosure of Remuneration (Unaudited)

For the financial year ended 30 April 2023

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Baring International Fund Managers Ireland Limited's (the "Manager") Remuneration Policy ensures the remuneration arrangements as defined in ESMA's "Guidelines on Sound Remuneration Policy under the UCITS directive" (ESMA 2016/411) (the 'ESMA Guidelines'), (as amended) are:

- (i) consistent with and promote sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profile, rules or constitution of the Manager or the Fund; and
- (ii) consistent with the Manager's business strategy, objectives, values and interests and includes measures to avoid conflicts of interest.

The Manager complies with the remuneration principles in a way and to the extent appropriate to its size and business.

#### Remuneration Committee

Due to the size and nature of the Manager, the Board of Directors considers it appropriate to dis-apply the requirement to appoint a remuneration committee.

The Manager is part of the Barings Europe Limited (UK) group of companies ("Barings") which is governed by the Remuneration Panel and the Barings LLC Human Resources Committee. The Remuneration Panel and the Barings LLC Human Resources Committee ensure the fair and proportionate application of the remuneration rules and ensures that potential conflicts arising from remuneration are managed and mitigated appropriately.

#### UCITS Remuneration Identified Staff

The Manager has determined its Remuneration Code Staff as the following:

- a) Senior management

Senior Management comprises the Board of Directors.

- b) Control Functions

All Central Bank of Ireland ("CBI") Pre Approved Control Functions ("PCFs") are included within the definition of Remuneration Code Staff.

- c) Risk takers

Risk Takers are defined as the investment managers of the UCITS. Investment management is delegated to firms' subject to an equivalent remuneration regime and therefore the Manager currently has no risk takers outside of senior management.

- d) Employees in the same remuneration bracket as risk takers

The Manager will not treat a person as Remuneration Code Staff if a person's professional activities do not have a material impact on the risk profiles of the firm or the Fund.

- e) Staff responsible for heading the investment management, administration, marketing and human resources

There are no staff in this category that are not captured in other categories.

## Barings Eastern Europe Fund

### Appendix 5 – Disclosure of Remuneration (Unaudited) (continued)

For the financial year ended 30 April 2023

#### Remuneration Disclosure

The disclosure below details fixed and variable remuneration paid to the Manager's Remuneration Code Staff (for the financial year end 30 April 2023).

	Number of beneficiaries	Total remuneration	Total fixed remuneration	Total variable remuneration
Total remuneration paid by the Manager in relation to the Fund*	11	€14,081	€8,751	€5,330
Total Senior Management Remuneration paid by the Manager**	6	€1,159,980	€641,364	€518,617
Risk Takers remuneration	0	€0	€0	€0
Employees in the same remuneration bracket a risk takers	0	€0	€0	€0
Carried interest paid by the Fund	n/a	n/a	n/a	n/a

The Manager's Remuneration Policy is reviewed annually both in respect of the general principles it contains and its own implementation. No material changes have been made throughout the year or as a result of the review; no irregularities were identified.

The above disclosures are made in line with Barings' interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops, Barings may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other Barings fund disclosures in that same year.

#### Notes:

\* The Manager does not make any direct payments to staff, who are paid by other Barings Group entities. Figures shown are apportioned on a fund AUM basis as a proportion of Barings total AUM as at 30 April 2023. Accordingly, the figures are not representative of any individual's actual remuneration.

\*\* Senior management remuneration is apportioned on the basis of the Manager's total AUM as a proportion of Barings total AUM.

Variable remuneration consists of Short Term Incentive awards, Long Term Incentive awards and any other variable payments including benefits in kind and discretionary pension awards.

The Fund does not pay performance fees.

There has been no award of carry interest in the period.

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## Barings Eastern Europe Fund

### Appendix 6 – Periodic Disclosure of Promoted Environmental and Social Characteristics (Unaudited)

For the financial year ended 30 April 2023

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The Investment Manager integrates ESG information into the investment process across all asset classes. Through bottom-up, fundamental analysis, the Investment Manager seeks to gain a comprehensive understanding of the factors that influence the sustainability of investments. The Investment Manager considers ESG information alongside other crucial variables that may impact an investment's risks and returns over time. In particular, the Investment Manager considers ESG criteria in relation to specific industry and sector trends and characteristics to identify the risks of an investment. Once invested, the Investment Manager continues to monitor each investment to ensure their thesis, including that on ESG matters, remains intact and that an investment's risk and return profile remains attractive relative to other opportunities available in the market. Sustainability risks that the Investment Manager may consider are environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the investment, examples of which include physical environmental risks, transition risk (e.g. investee company assets losing their financial value because of tightening of environmental legislation) or liability risk (e.g. risk of liability due to a breach of human/employee rights considering the jurisdiction of the investee company).

Please refer to the Prospectus for further details on ESG integration. The investments underlying the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

**Registered address:**

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**Important information:**

This document is approved and issued by Baring International Fund Managers (Ireland) Limited.

**Disclosure:**

Baring International Fund Managers (Ireland) Limited  
Authorised and regulated by the Central Bank of Ireland  
70 Sir John Rogerson's Quay, Dublin 2, D02 R296, Ireland

The logo for Barings, featuring the word "BARINGS" in a bold, blue, sans-serif font. A horizontal line is positioned below the text, with a green segment on the left and a blue segment on the right.