

BARINGS PARTICIPATION INVESTORS

Form N-Q

November 29, 2018

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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FORM N-Q

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Quarterly Schedule of Portfolio Holdings of  
Registered Management Investment Company

Investment Company Act file number 811-05531

Barings Participation Investors

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(Exact name of registrant as specified in charter)

1500 Main Street, Springfield, MA 01115

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(Address of principal executive offices) (Zip code)

Janice M. Bishop, Vice President, Secretary and Chief Legal Officer  
Independence Wharf, 470 Atlantic Avenue, Boston, MA 02210

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(Name and address of agent for service)

Registrant's telephone number, including area code: 413-226-1000

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Date of fiscal year end: 12/31

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Date of reporting period: 09/30/18

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## ITEM 1. SCHEDULE OF INVESTMENTS

## CONSOLIDATED SCHEDULE OF INVESTMENTS

September 30, 2018

(Unaudited)

Corporate Restricted Securities - 85.06%: (A)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
Private Placement Investments - 72.65%: (C)				
1A Smart Start, Inc.				
A designer, distributor and lessor of ignition interlock devices ("IIDs"). IIDs are sophisticated breathalyzers wired to a vehicles ignition system.				
10.49% Second Lien Term Loan due 12/22/2022 (LIBOR + 8.250%)	\$1,725,000	12/21/17	\$1,696,233	\$1,691,315
ABC Industries, Inc.				
A manufacturer of mine and tunneling ventilation products in the U.S.				
13% Senior Subordinated Note due 07/31/2019	\$109,335	08/01/12	107,265	109,140
Preferred Stock Series A (B)	125,000 shs.	08/01/12	125,000	243,046
Warrant, exercisable until 2022, to purchase common stock at \$.02 per share (B)	22,414 shs.	08/01/12	42,446	42,137
			274,711	394,323
Advanced Manufacturing Enterprises LLC				
A designer and manufacturer of large, custom gearing products for a number of critical customer applications.				
Limited Liability Company Unit (B)	1,945 uts.	*	207,911	26,868
* 12/07/12, 07/11/13 and 06/30/15.				
AFC - Dell Holding Corporation				
A distributor and provider of inventory management services for "C-Parts" used by OEMs in their manufacturing and production facilities.				
12.5% (1% PIK) Senior Subordinated Note due 09/27/2020	\$1,224,547	02/28/22	1,214,049	1,198,036
Preferred Stock (B)	1,122 shs.	02/28/22	112,154	112,789
Common Stock (B)	346 shs.	02/28/22	346	—
			1,326,549	1,310,825
AM Conservation Holding Corp.				
A supplier of energy efficiency ("EE") products, including lighting, shower heads and aerators, and weatherization products such as door seals and weather stripping.				
11.5% (1.5% PIK) Senior Subordinated Note due 04/30/2023	\$1,568,182	10/31/16	1,546,468	1,581,507
11.5% (1.25% PIK) Senior Subordinated Note due	\$206,039	10/06/17	202,471	207,350

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04/30/2023

Common Stock (B)	156,818 shs.	10/31/16	156,818 1,905,757	180,036 1,968,893
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AMS Holding LLC

A leading multi-channel direct marketer of high-value collectible coins and proprietary-branded jewelry and watches.

Limited Liability Company Unit Class A

Preferred (B)(F)	114 uts.	10/04/12	113,636	218,719
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Barings Participation Investors

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2018

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
<b>API Technologies Corp.</b>				
A designer, developer and manufacturer of electronic systems, subsystems, modules and secure communications for technically demanding defense, aerospace and commercial applications in the U.S. and internationally.				
Limited Liability Company Unit (B)	0.40% int.	04/20/16	\$240,741	\$451,950
<b>ASC Holdings, Inc.</b>				
A manufacturer of capital equipment used by corrugated box manufacturers.				
13% (1% PIK) Senior Subordinated Note due 05/18/2021	\$761,884	11/19/15	753,468	699,224
Limited Liability Company Unit (B)	111,100 uts.	11/18/15	111,100	—
			864,568	699,224
<b>Aurora Parts &amp; Accessories LLC</b>				
A distributor of aftermarket over-the-road semi-trailer parts and accessories sold to customers across North America.				
11% Senior Subordinated Note due 02/17/2022	\$1,515,400	08/17/15	1,497,401	1,466,455
14% Senior Subordinated Note due 08/17/2022	\$10,486	08/30/18	10,486	10,394
Preferred Stock (B)	210 shs.	08/17/15	209,390	109,573
Common Stock (B)	210 shs.	08/17/15	210	—
			1,717,487	1,586,422
<b>Avantech Testing Services LLC</b>				
A manufacturer of custom Non-Destructive Testing ("NDT") systems and provider of NDT and inspections services primarily to the oil country tubular goods market.				
15% (3.75% PIK) Senior Subordinated Note due 03/31/2021 (D)	\$6,777	07/31/14	6,650	—
Limited Liability Company Unit (B)(F)	45,504 uts.	*	—	—
Limited Liability Company Unit Class C Preferred (B)(F)	78,358 uts.	09/29/17	484,578	—
* 07/31/14 and 10/14/15.			491,228	—
<b>BBB Industries LLC</b>				
A supplier of re-manufactured parts to the North American automotive aftermarket.				
10.60% Second Lien Term Loan due 06/26/2026 (LIBOR + 8.500%)	\$1,725,000	08/02/18	1,674,221	1,707,750

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BCC Software, Inc.

A provider of software and data solutions which enhance mail processing to help direct mail marketers realize discounts from the U.S. Postal Service, avoid penalties associated with mailing errors, and improve the accuracy and efficiency of marketing campaigns.

12% (1% PIK) Senior Subordinated Note due

04/11/2023	\$1,506,408	10/11/17	1,480,542	1,473,033
Preferred Stock Series A (B)	23 shs.	10/11/17	232,373	232,400
Common Stock Class A (B)	735 shs.	10/11/17	735	30,793
			1,713,650	1,736,226

## CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2018

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
<b>BEI Precision Systems &amp; Space Company, Inc.</b>				
A provider of advanced design, manufacturing, and testing for custom optical encoder-based positioning systems, precision accelerometers, and micro scanners.				
12% (1% PIK) Senior Subordinated Note due 04/28/2024	\$1,469,724	04/28/17	\$1,444,823	\$1,447,458
Limited Liability Company Unit (B)(F)	2,760 uts.	04/28/17	276,000	147,864
			1,720,823	1,595,322
<b>Blue Wave Products, Inc.</b>				
A distributor of pool supplies.				
13% (1% PIK) Senior Subordinated Note due 09/30/2019	\$337,259	10/12/12	332,343	337,259
Common Stock (B)	51,064 shs.	10/12/12	51,064	227,575
Warrant, exercisable until 2022, to purchase common stock at \$.01 per share (B)	20,216 shs.	10/12/12	20,216	90,096
			403,623	654,930
<b>BlueSpire Holding, Inc.</b>				
A marketing services firm that integrates strategy, technology, and content to deliver customized marketing solutions for clients in the senior living, financial services and healthcare end markets.				
Common Stock (B)	29,560 shs.	06/30/15	937,438	—
<b>Cadence, Inc.</b>				
A full-service contract manufacturer ("CMO") and supplier of advanced products, technologies, and services to medical device, life science, and industrial companies.				
6.74% Lien Term Loan due 04/30/2025 (LIBOR + 4.500%)	\$811,823	05/14/18	796,431	792,814
<b>Cadent, LLC</b>				
A provider of advertising solutions driven by data and technology.				
9.75% Term Loan due 09/07/2023 (LIBOR + 5.500%)	\$1,026,038	09/04/18	1,015,857	1,020,908
<b>CHG Alternative Education Holding Company</b>				
A leading provider of publicly-funded, for profit pre-K-12 education services targeting special needs children at therapeutic day schools and "at risk" youth through alternative education programs.				
13.5% (1.5% PIK) Senior Subordinated Note due 06/19/2020	\$800,858	01/19/11	796,616	794,470
14% (2% PIK) Senior Subordinated Note	\$212,387	08/03/12	211,377	208,749

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due 06/19/2020

Common Stock (B)	375 shs.	01/19/11	37,500	31,716
Warrant, exercisable until 2021, to purchase common stock at \$.01 per share (B)	295 shs.	01/19/11	29,250 1,074,743	24,931 1,059,866



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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2018

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
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Clarion Brands Holding Corp.

A portfolio of six over-the-counter (OTC) pharmaceutical brands whose products are used to treat tinnitus or ringing of the ear, excessive sweating, urinary tract infections, muscle pain, and skin conditions.

Limited Liability Company Unit (B)	1,853 uts.	07/18/16	\$ 189,267	\$ 192,807
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Clubessential LLC

A leading SaaS platform for private clubs and resorts.

7% (5% PIK) Senior Subordinated Note  
due 01/12/24

\$ 1,787,305	01/16/18	1,755,517	1,773,801
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Compass Chemical International LLC

A manufacturer and supplier of standard and specialty formulated chemicals, primarily phosphoric acid derivatives called phosphonates.

Limited Liability Company Unit (B)(F)	230 uts.	03/04/15	147,305	244,984
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CORA Health Services, Inc.

A provider of outpatient rehabilitation therapy services.

11% (1% PIK) Term Loan due 05/05/2025	\$ 2,086,422	05/01/18	1,463,052	1,415,430
Preferred Stock Series A (B)	758 shs.	06/30/16	38,258	91,182
Common Stock Class A (B)	3,791 shs.	06/30/16	3,791	20,030
			1,505,101	1,526,642

CTM Holding, Inc.

A leading owner and operator of coin-operated children's rides, penny presses and candy kiosks in the U.S.

15% (3% PIK) Senior Subordinated Note due 12/31/2020	\$ 1,366,519	11/22/13	1,359,133	1,366,519
14% (2% PIK) Senior Subordinated Note due 06/04/2020	\$ 337,797	05/08/18	329,577	332,452
Common Stock (B)	90 shs.	*	514,284	997,754
Warrant, exercisable until 2028, to purchase common stock at \$.01 per share (B)	2 shs.	05/08/18	—	22,172
* 11/22/13 and 09/16/16.			2,202,994	2,718,897

Del Real LLC

A manufacturer and distributor of fully-prepared fresh refrigerated Hispanic entrees as well as side dishes that are typically sold on a heat-and-serve basis at retail grocers.

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11% Senior Subordinated Note due 04/06/2023	\$1,420,588	10/07/16	1,398,778	1,388,981
	336,487			
Limited Liability Company Unit (B)(F)	uts.	*	343,121	245,636
* 10/07/16 and 07/25/18.			1,741,899	1,634,617

## CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2018

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
Discovery Education, Inc.				
A provider of standards-based, digital education content for K-12 schools.				
7.04% Term Loan due 04/30/2024				
(LIBOR + 4.750%)				
	\$1,921,590	04/20/18	\$1,885,858	\$1,876,252
DPL Holding Corporation				
A distributor and manufacturer of aftermarket undercarriage parts for medium and heavy duty trucks and trailers.				
Preferred Stock (B)	25 shs.	05/04/12	252,434	265,889
Common Stock (B)	25 shs.	05/04/12	28,048	—
			280,482	265,889
DuBois Chemicals, Inc.				
A provider of consumable, value-added specialty cleaning chemical solutions to the industrial, transportation paper and water markets.				
10.40% Second Lien Term Loan due 08/31/2025				
(LIBOR + 8.000%)				
	\$1,725,000	09/19/18	1,707,750	1,707,750
Dunn Paper				
A provider of specialty paper for niche product applications.				
10.99% Second Lien Term Loan due 08/26/2023				
(LIBOR + 8.750%)				
	\$1,725,000	09/28/16	1,700,367	1,729,313
ECG Consulting Group				
A healthcare management consulting company who provides strategic, financial, operational, and technology related consulting services to healthcare providers.				
11.5% (0.5% PIK) Senior Subordinated Note due 06/20/2025				
	\$758,719	06/20/18	744,139	756,962
11.5% (0.75% PIK) Senior Subordinated Note due 06/20/2025				
	\$1,328,581	11/21/14	1,314,495	1,325,505
Limited Liability Company Unit (B)(F)				
	230 uts.	11/19/14	36,199	86,897
			2,094,833	2,169,364
Elite Sportswear Holding, LLC				
A designer and manufacturer of gymnastics, competitive cheerleading and swimwear apparel in the U.S. and internationally.				
11.5% (1% PIK) Senior Subordinated Note due 01/14/2022 (D)				
	\$1,588,640	10/14/16	1,568,694	1,509,208
Limited Liability Company Unit (B)(F)				
	101 uts.	10/14/16	159,722	40,662

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1,728,416 1,549,870

English Color & Supply LLC

A distributor of aftermarket automotive paint and related products to collision repair shops, auto dealerships and fleet customers through a network of stores in the Southern U.S.

11.5% (0.5% PIK) Senior Subordinated Note

due 12/31/2023

\$1,335,621	06/30/17	1,313,102	1,305,319
397,695			

Limited Liability Company Unit (B)(F)

uts.	06/30/17	397,695	326,110
		1,710,797	1,631,429

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2018

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
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E.S.P. Associates, P.A.

A professional services firm providing engineering, surveying and planning services to infrastructure projects.

12% (1% PIK) Senior Subordinated Note

due 10/04/2023 \$690,226 04/04/18 \$677,375 \$682,313

Limited Liability Company Unit (B) 229 uts. 04/04/18 228,955 247,971

906,330 930,284

F F C Holding Corporation

A leading U.S. manufacturer of private label frozen novelty and ice cream products.

Limited Liability Company Unit Preferred (B) 171 uts. 09/27/10 58,345 24,100

Limited Liability Company Unit Common (B) 171 uts. 09/27/10 17,073 —

75,418 24,100

F G I Equity LLC

A manufacturer of a broad range of filters and related products that are used in commercial, light industrial, healthcare, gas turbine, nuclear, laboratory, clean room, hotel, educational system, and food processing settings.

Limited Liability Company Unit Preferred (B) 80,559 uts. 04/15/14 — 80,558

Limited Liability Company Unit Class B-1 (B) 65,789 uts. 12/15/10 65,789 422,290

Limited Liability Company Unit Class B-2 (B) 8,248 uts. 12/15/10 8,248 52,943

Limited Liability Company Unit Class B-3 (B) 6,522 uts. 08/30/12 15,000 43,558

Limited Liability Company Unit Class C (B) 1,575 uts. 12/20/10 16,009 68,206

105,046 667,555

GD Dental Services LLC

A provider of convenient "onestop" general, specialty, and cosmetic dental services with 21 offices located throughout South and Central Florida.

Limited Liability Company Unit Preferred (B) 76 uts. 10/05/12 75,920 —

Limited Liability Company Unit Common (B) 767 uts. 10/05/12 767 —

76,687 —

gloProfessional Holdings, Inc.

A marketer and distributor of premium mineral-based cosmetics, cosmeceuticals and professional hair care products to the professional spa and physician's office channels.

14% (2% PIK) Senior Subordinated Note

due 03/27/2019 \$1,499,222 03/27/13 1,496,582 1,349,300

Common Stock (B) 1,181 shs. 03/27/13 118,110 3,679

1,614,692 1,352,979

Glynlyon Holding Companies, Inc.

A technology-enabled curriculum provider of K-12 and support services predominantly to small and medium public school districts.

Common Stock (B)	147 shs.	01/15/16	103,205	193,076
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## CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2018

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
<b>GlynnDevins Acquisition Corporation</b>				
A marketing communications agency that services senior living facilities.				
Preferred Stock Series A (B)	342 shs.	06/19/15	\$70,683	\$89,256
Common Stock (B)	342 shs.	06/19/15	2,945	147,056
			73,628	236,312
<b>GraphPad Software, Inc.</b>				
A provider of data analysis, statistics and graphing software solution for scientific research applications, with a focus on the life sciences and academic end-markets.				
8.39% Term Loan due 12/21/2022 (LIBOR + 6.000%)				
	\$2,446,513	12/19/17	2,403,942	2,399,013
<b>GTI Holding Company</b>				
A designer, developer, and marketer of precision specialty hand tools and handheld test instruments.				
12% Senior Subordinated Note due 05/22/2023	\$727,865	02/05/14	706,730	727,865
Common Stock (B)	1,046 shs.	*	104,636	131,843
Warrant, exercisable until 2027, to purchase common stock at \$.01 per share (B)	397 shs.	02/05/14	36,816	50,040
* 02/05/14 and 11/22/17.			848,182	909,748
<b>Handi Quilter Holding Company (Premier Needle Arts)</b>				
A designer and manufacturer of long-arm quilting machines and related components for the consumer quilting market.				
12% (1% PIK) Senior Subordinated Note due 06/19/2021				
	\$1,725,000	*	1,706,207	1,712,013
Limited Liability Company Unit Preferred (B)	372 uts.	**	371,644	471,646
Limited Liability Company Unit Common Class A (B)	3,594 uts.	12/19/14	—	33,528
* 12/19/14 and 02/21/17.			2,077,851	2,217,187
* *12/19/14 and 04/29/16.				
<b>Happy Floors Acquisition, Inc.</b>				
A wholesale importer and value-added distributor of premium European flooring tile to residential and commercial end markets.				
12.5% (1% PIK) Senior Subordinated Note due 07/01/2022				
	\$993,896	07/01/16	980,155	1,003,835
Common Stock (B)	150 shs.	07/01/16	149,500	213,685
			1,129,655	1,217,520
<b>Hartland Controls Holding Corporation</b>				

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A manufacturer and distributor of electronic and electromechanical components.

14% (2% PIK) Senior Subordinated Note

due 08/14/2020

\$1,145,688	02/14/14	1,138,481	1,145,688
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12% Senior Subordinated Note due 08/14/2020

\$431,250	06/22/15	429,584	430,609
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Common Stock (B)

821 shs.	02/14/14	822	267,601
		1,568,887	1,843,898



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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2018

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
<b>HHI Group, LLC</b>				
A developer, marketer, and distributor of hobby-grade radio control products.				
14% (2% PIK) Senior Subordinated Note due 11/26/2020	\$1,675,777	01/17/14	\$1,665,178	\$1,675,777
Limited Liability Company Unit (B)(F)	102 uts.	01/17/14	101,563	44,253
			1,766,741	1,720,030
<b>Hollandia Produce LLC</b>				
A hydroponic greenhouse producer of branded root vegetables.				
14.25% (2.75% PIK) Senior Subordinated Note due 12/11/2020	\$1,434,770	*	1,420,640	1,363,031
10.1% Term Loan due 12/12/2020 (LIBOR + 8.000%)	\$109,916	04/06/18	109,916	109,652
10.1% Term Loan due 12/11/2020 (LIBOR + 8.000%)	\$146,780	04/06/18	146,780	146,429
* 12/30/15 and 12/23/16.			1,677,336	1,619,112
<b>HOP Entertainment LLC</b>				
A provider of post production equipment and services to producers of television shows and motion pictures.				
Limited Liability Company Unit Class F (B)(F)	47 uts.	10/14/11	—	—
Limited Liability Company Unit Class G (B)(F)	114 uts.	10/14/11	—	—
Limited Liability Company Unit Class H (B)(F)	47 uts.	10/14/11	—	—
Limited Liability Company Unit Class I (B)(F)	47 uts.	10/14/11	—	—
<b>Impact Confections</b>				
An independent manufacturer and marketer of confectionery products including Warheads® brand sour candies, Melster® brand classic candies, and co-manufactured/private label classic candies.				
15% (15% PIK) Senior Subordinated Note due 11/10/2020 (D)	\$1,306,594	11/10/14	1,297,147	—
Common Stock (B)	2,300 shs.	11/10/14	230,000	—
			1,527,147	—
<b>JMH Investors LLC</b>				
A developer and manufacturer of custom formulations for a wide variety of foods.				
Limited Liability Company Unit (B)(F)	1,038,805 uts.	12/05/12	232,207	—
Limited Liability Company Unit Class A-1 (B)(F)		10/31/16	159,048	294,064

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	159,048			
	uts.			
	1,032,609			
Limited Liability Company Unit Class A-2 (B)(F)	uts.	10/31/16	—	169,430
			391,255	463,494
K P I Holdings, Inc.				
The largest player in the U.S. non-automotive, non-ferrous die casting segment.				
Limited Liability Company Unit Class C Preferred (B)	40 uts.	06/30/15	—	89,409
Common Stock (B)	353 shs.	07/15/08	285,619	304,713
			285,619	394,122

## CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2018

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
<b>Manhattan Beachwear Holding Company</b>				
A designer and distributor of women's swimwear.				
12.5% Senior Subordinated Note due 04/30/2019 (D)	\$419,971	01/15/10	\$404,121	\$377,974
15% (2.5% PIK) Senior Subordinated Note due 04/30/2019 (D)	\$115,253	10/05/10	114,604	103,727
Common Stock (B)	35 shs.	10/05/10	35,400	—
Common Stock Class B (B)	118 shs.	01/15/10	117,647	—
Warrant, exercisable until 2019, to purchase common stock at \$.01 per share (B)	104 shs.	10/05/10	94,579	
			766,351	481,701
<b>Master Cutlery LLC</b>				
A designer and marketer of a wide assortment of knives and swords.				
13% Senior Subordinated Note due 04/17/2020	\$868,102	04/17/15	864,572	390,646
Limited Liability Company Unit	5 uts.	04/17/15	678,329	—
			1,542,901	390,646
<b>Merex Holding Corporation</b>				
A provider of after-market spare parts and components, as well as maintenance, repair and overhaul services for "out of production" or "legacy" aerospace and defense systems that are no longer effectively supported by the original equipment manufacturers.				
16% Senior Subordinated Note due 10/30/2019 (D)	\$454,295	09/22/11	449,013	159,003
15% PIK Senior Subordinated Note due 04/30/2022 (D)	\$23,839	08/18/15	23,839	—
14% PIK Senior Subordinated Note due 06/30/2019	\$68,718	*	68,718	68,406
Common Stock Class A (B)	83,080 shs.	**	170,705	—
* 10/21/16, 01/27/17 and 10/13/17.			712,275	227,409
** 08/18/15, 10/20/16 and 01/27/17.				
<b>MES Partners, Inc.</b>				
An industrial service business offering an array of cleaning and environmental services to the Gulf Coast region of the U.S.				
12% (1% PIK) Senior Subordinated Note due 09/30/2021	\$1,126,148	09/30/14	1,114,606	1,126,148
12% Senior Subordinated Note due 09/30/2021	\$302,537	02/28/18	297,340	308,633
	259,252			
Common Stock Class B (B)	shs.	*	244,163	71,799
* 09/30/14 and 02/28/18.			1,656,109	1,506,580

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MeTEOR Education LLC

A leading provider of classroom and common area design services, furnishings, equipment and instructional support to K-12 schools.

12% Senior Subordinated Note due 6/20/23	\$915,819	03/09/18	899,352	888,430
Limited Liability Company Unit (B)(F)	182 uts.	03/09/18	183,164	10,873
			1,082,516	899,303

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Barings Participation Investors

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2018

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
<b>Midwest Industrial Rubber, Inc.</b>				
A supplier of industrial maintenance, repair, and operations ("MRO") products, specializing in the fabrication and distribution of lightweight conveyor belting and related conveyor components and accessories.				
12% (1% PIK) Senior Subordinated Note due 12/02/2022	\$ 1,582,309	12/02/16	\$ 1,558,411	\$ 1,573,613
Preferred Stock (B)	1,711 shs.	12/02/16	171,116	163,792
Common Stock (B)	242 shs.	12/02/16	242	—
			1,729,769	1,737,405
<b>Money Mailer Equity LLC</b>				
A leading provider of hyperlocal shared direct mail advertising as well as interactive and online advertising solutions through its nationwide production and distribution network.				
12% (1% PIK) Senior Subordinated Note due 10/29/2021	\$ 1,765,786	04/29/16	1,743,894	882,893
<b>Motion Controls Holdings</b>				
A manufacturer of high performance mechanical motion control and linkage products.				
14.25% (1.75% PIK) Senior Subordinated Note due 08/15/2020	\$ 287,973	11/30/10	286,721	287,739
Limited Liability Company Unit Class B-1 (B)(F)	75,000 uts.	11/30/10	—	51,922
Limited Liability Company Unit Class B-2 (B)(F)	6,801 uts.	11/30/10	—	4,708
			286,721	344,369
<b>New Mountain Learning, LLC</b>				
A leading provider of blended learning solutions to the K-12 and post-secondary school market.				
7.89% Term Loan due 3/16/2024 (LIBOR + 5.500%)	\$ 1,792,448	03/15/18	1,665,813	1,658,725
<b>NSi Industries Holdings, Inc.</b>				
A manufacturer and distributor of electrical components and accessories to small to mid-sized electrical wholesalers.				
12.75% (1.75% PIK) Senior Subordinated Note due 05/17/2023	\$ 1,527,814	06/30/16	1,505,322	1,517,821
Common Stock (B)	207 shs.	05/17/16	207,000	259,612
			1,712,322	1,777,433

PANOS Brands LLC

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A marketer and distributor of branded consumer foods in the specialty, natural, better-for-you, "free from" healthy and gluten-free categories.

12% (1% PIK) Senior Subordinated Note due  
08/17/2022

\$ 1,775,705    02/17/17    1,752,299    1,758,924 &#160