



**Barings Europe Select Trust**  
Interim Report & Unaudited Financial  
Statements

for the half year ended 30 November 2018

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\* Collectively, these comprise the Manager's report.

## **Management and professional service details**

### **Manager**

Baring Fund Managers Limited

*Authorised and regulated by the Financial Conduct Authority ("FCA").*

### **Investment Manager\***

Baring Asset Management Limited

20 Old Bailey

London, EC4M 7BF

*Authorised and regulated by the FCA.*

### **Directors**

C. Biggins (Resigned from the Board on 11 January 2019)

B. Greene

J. Swayne

### **Registered office**

20 Old Bailey

London, EC4M 7BF

### **Trustee\***

NatWest Trustee and Depositary Services Limited

Trustee & Depositary Services

Floor 1, 280 Bishopsgate

London EC2M 4RB

*Authorised by the Prudential Regulation Authority ("PRA") and regulated by the FCA and PRA.*

### **Registrar\***

Northern Trust Global Services SE

P.O. Box 55736

50 Bank Street

Canary Wharf

London, E14 5NT

Telephone: 0333 300 0372†

Fax: 020 7982 3924

*Authorised by the PRA and regulated by the FCA and PRA.*

† Telephone calls may be recorded and monitored.

### **Independent Auditors**

PricewaterhouseCoopers LLP

Atria One

144 Morrison Street

Edinburgh EH3 8EX

\* See key changes during the period on page 6

## Introduction

Baring Fund Managers Limited (the “Manager”) has delegated its day-to-day investment management responsibilities in relation to Barings Europe Select Trust (the “Trust”) to Baring Asset Management Limited (the “Investment Manager”), which is authorised and regulated by the Financial Conduct Authority (“FCA”).

As an investor in the Trust, your money is pooled with that of other investors and invested by the Manager in a widely diversified portfolio of shares of Continental European companies. Although income (“Inc”) units are issued, the primary objective of the Trust is to provide growth in the value of capital. Investors can choose to reinvest any revenue generated back into the Trust, thus participating fully in the growth prospects of European companies. As with all Trusts managed by the Manager, the risk assumed in this portfolio is carefully monitored.

The report of the Manager reviews the performance of the Trust against the returns of the stock markets in which it is investing and analyses the investment environment that influenced the performance of the Trust during the period under review. The Manager then gives an outlook for the markets and details how the Trust will be invested in order to take full advantage of the foreseen opportunities. Finally, the report of the Manager gives details of any revenue generated by the Trust.

## Investment objective and policy

The investment objective of the Barings Europe Select Trust (the “Trust”) is to achieve long-term capital growth by investing in Europe.

The Trust will seek to achieve its investment objective by investing at least 75% of its total assets directly and indirectly in equities and equity-related securities of smaller companies incorporated in, or exercising the predominant part of their economic activity in Europe or quoted or traded on the stock exchanges in Europe.

Smaller European companies can be defined as those companies which are constituents of the bottom 30% of total market capitalisation of Europe’s listed companies.

For the remainder of its total assets, the Trust may invest outside of Europe, as well as in larger companies, and in fixed income and cash.

While the Trust will aim to diversify its investments, allocation to certain countries, industries or sectors may be more than 30% of its total assets depending on the Investment Manager’s assessment at different times.

In order to implement the investment policy, the Trust may gain exposure through American depositary receipts, global depositary receipts and other equity related securities including participation notes, structured notes, equity-linked notes and debt securities convertible into equities. The Trust may also invest in collective investment schemes and other transferable securities. It may also use derivatives including futures, options, swaps, warrants and forward contracts for efficient portfolio management (including hedging).

## How the Trust is managed

At Barings, our equity investment teams share the philosophy of quality “Growth at a Reasonable Price” or GARP. We believe that earnings growth is the principal driver of equity market performance over the medium to long term, and favour high-quality companies for their ability to outperform the market on a risk-adjusted basis. In particular, we believe that structured fundamental research and a disciplined investment process combining quality, growth and upside disciplines can allow us to identify attractively priced, long-term growth companies which will outperform the market. Our approach emphasises quality criteria when looking at companies and a three- to five-year time horizon when forecasting company earnings. In determining upside, we use consistent and transparent methods to place emphasis on discounted earnings models.

## Risk profile

Please see detailed below the key risks applicable to the Trust:

- Changes in exchange rates between the currency of the Trust and the currencies in which the assets of the Trust are valued can have the effect of increasing or decreasing the value of the Trust and any income generated.
- The Trust can hold smaller company shares, which can be more difficult to buy and sell as they may trade infrequently and in small volumes, so their share prices may fluctuate more than those of larger companies.
- Regional Funds have a narrower focus than those which invest broadly across markets and are therefore considered to be more risky.

## Investment objective and policy (continued)

### Risk profile (continued)

- Derivative instruments can make a profit or a loss and there is no guarantee that a financial derivative contract will achieve its intended outcome. The use of derivatives can increase the amount by which the Trust's value rises and falls and could expose the Trust to losses that are significantly greater than the cost of the derivative, as a relatively small movement may have a larger impact on derivatives than the underlying assets.
- Emerging market countries may have less developed regulation and face more political, economic or structural challenges than developed countries. This means your money is at greater risk.
- Losses may occur if an organisation through which we buy an asset (such as a bank) fails to meet its obligations.

Please refer to the Prospectus for the full risk profile.

### Constitution

The Barings Europe Select Trust (the "Trust") is constituted by a Trust Deed between Baring Fund Managers Limited (the "Manager") and NatWest Trustee and Depositary Services Limited (the "Trustee").

### Regulatory disclosure

This document has been issued by Baring Fund Managers Limited (the "Manager"), which is authorised and regulated by the Financial Conduct Authority ("FCA").

Barings Europe Select Trust (the "Trust") is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and has been established as an Undertakings for Collective Investments in Transferable Securities ("UCITS") scheme.

Past performance is no indication of current or future performance. Investment involves risk. The value of any investments and any income generated may go down as well as up and is not guaranteed. Any references in this report to other investments held within the Trust should not be read as a recommendation to the investor to buy and sell the same but are included as illustration only.

### The Trust at a glance on 30 November 2018

| Total Trust size:  | £1,886.75 million |             |
|--|-------------------|-------------|
| <b>OCF:*</b>   | 30/11/2018        | 31/05/2018  |
| Barings Europe Select Trust - Class A GBP Income ("Inc") units       | 1.54%             | 1.55%       |
| Barings Europe Select Trust - Class A EUR Accumulation ("Acc") units | 1.54%             | 1.55%       |
| Barings Europe Select Trust - Class A EUR Inc                        | 1.54%             | 1.55%       |
| Barings Europe Select Trust - Class A USD Acc                        | 1.54%             | 1.55%       |
| Barings Europe Select Trust - Class I EUR Acc                        | 0.79%             | 0.80%       |
| Barings Europe Select Trust - Class I EUR Inc                        | 0.79%             | 0.80%       |
| Barings Europe Select Trust - Class I GBP Inc                        | 0.79%             | 0.80%       |
| <b>Initial charge:</b>   |                   |             |
| Barings Europe Select Trust - Class A GBP Inc                        |                   | up to 5.00% |
| Barings Europe Select Trust - Class A EUR Acc                        |                   | up to 5.00% |
| Barings Europe Select Trust - Class A EUR Inc                        |                   | up to 5.00% |
| Barings Europe Select Trust - Class A USD Acc                        |                   | up to 5.00% |
| Barings Europe Select Trust - Class I EUR Acc                        |                   | Nil         |
| Barings Europe Select Trust - Class I EUR Inc                        |                   | Nil         |
| Barings Europe Select Trust - Class I GBP Inc                        |                   | Nil         |

\* The Ongoing Charge Figure ("OCF") reflects the payments and expenses which cover aspects of operating the Trust and is deducted from the assets over the year. It includes fees paid for investment management, trustee and general expenses.

## Regulatory disclosure (continued)

### The Trust at a glance on 30 November 2018 (continued)

|   |             |
|---|-------------|
| <b>Annual charge:</b>                         |             |
| Barings Europe Select Trust - Class A GBP Inc | 1.50%       |
| Barings Europe Select Trust - Class A EUR Acc | 1.50%       |
| Barings Europe Select Trust - Class A EUR Inc | 1.50%       |
| Barings Europe Select Trust - Class A USD Acc | 1.50%       |
| Barings Europe Select Trust - Class I EUR Acc | 0.75%       |
| Barings Europe Select Trust - Class I EUR Inc | 0.75%       |
| Barings Europe Select Trust - Class I GBP Inc | 0.75%       |
| <b>Annualised net yield:**</b>                |             |
| Barings Europe Select Trust - Class A GBP Inc | Nil         |
| Barings Europe Select Trust - Class A EUR Acc | Nil         |
| Barings Europe Select Trust - Class A EUR Inc | Nil         |
| Barings Europe Select Trust - Class A USD Acc | Nil         |
| Barings Europe Select Trust - Class I EUR Acc | 0.09%       |
| Barings Europe Select Trust - Class I EUR Inc | 0.09%       |
| Barings Europe Select Trust - Class I GBP Inc | 0.09%       |
| <b>Minimum initial investment:</b>            |             |
| Barings Europe Select Trust - Class A GBP Inc | £1,000      |
| Barings Europe Select Trust - Class A EUR Acc | €5,000      |
| Barings Europe Select Trust - Class A EUR Inc | €5,000      |
| Barings Europe Select Trust - Class A USD Acc | \$5,000     |
| Barings Europe Select Trust - Class I EUR Acc | €10,000,000 |
| Barings Europe Select Trust - Class I EUR Inc | €10,000,000 |
| Barings Europe Select Trust - Class I GBP Inc | £10,000,000 |
| <b>Minimum subsequent investment:</b>         |             |
| Barings Europe Select Trust - Class A GBP Inc | £500        |
| Barings Europe Select Trust - Class A EUR Acc | €1,000      |
| Barings Europe Select Trust - Class A EUR Inc | €1,000      |
| Barings Europe Select Trust - Class A USD Acc | \$2,500     |
| Barings Europe Select Trust - Class I EUR Acc | €1,000      |
| Barings Europe Select Trust - Class I EUR Inc | €1,000      |
| Barings Europe Select Trust - Class I GBP Inc | £500        |
| <b>Revenue available per unit:</b>            |             |
| Barings Europe Select Trust - Class A GBP Inc | Nil         |
| Barings Europe Select Trust - Class A EUR Acc | Nil         |
| Barings Europe Select Trust - Class A EUR Inc | Nil         |
| Barings Europe Select Trust - Class A USD Acc | Nil         |
| Barings Europe Select Trust - Class I EUR Acc | €0.0410     |
| Barings Europe Select Trust - Class I EUR Inc | €0.0392     |
| Barings Europe Select Trust - Class I GBP Inc | 3.5259p     |

\*\* Calculated based on mid-price.

## Regulatory disclosure (continued)

| Price per unit                                | Mid-price |
|---|-----------|
| Barings Europe Select Trust - Class A GBP Inc | 3,754.00p |
| Barings Europe Select Trust - Class A EUR Acc | €44.600   |
| Barings Europe Select Trust - Class A EUR Inc | €41.980   |
| Barings Europe Select Trust - Class A USD Acc | \$50.730  |
| Barings Europe Select Trust - Class I EUR Acc | €44.600   |
| Barings Europe Select Trust - Class I EUR Inc | €42.340   |
| Barings Europe Select Trust - Class I GBP Inc | 3,774.00p |

### Revenue allocations and reports

The distribution payment date for the current period is 30 January. From 2019, the payment dates will be 31 October (final) and 30 June (interim)\*. The annual report and financial statements for the year ended 31 May 2018 and an interim report and financial statements for the period ended 30 November 2018 will be available on the Baring Asset Management Limited website at [www.barings.com](http://www.barings.com).

\* See key changes during the period on page 6

### Prospectus and Manager's report

Copies of the Prospectus, the Key Investor Information Document(s) ("KIID(s)"), and the most recent annual or interim report and financial statements are available to all persons free of charge from the Manager upon request.

Copies of the Prospectus, the KIID(s), and the annual or interim report and financial statements are also available in French, where applicable.

PricewaterhouseCoopers LLP (the "Independent Auditor") expresses its opinion on the English version of the annual report and financial statements, and accepts no responsibility for any translations of those financial statements.

### Market timing

Repeatedly purchasing and selling units in the Trust in response to short-term market fluctuations – known as 'market timing' – can disrupt the Manager's investment strategy and increase the Trust's expenses to the prejudice of all unitholders.

The Trust is not intended for market timing or excessive trading. To deter these activities, 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 Trust.

The Manager also reserves the right to redeem units which it reasonably believes have been purchased by unitholders engaged in market timing.

### Publication of prices

The prices of units are published on the Barings website at [www.barings.com](http://www.barings.com) and on the "Daily Fund Prices" page of the Investment Association website at [www.theinvestmentassociation.org](http://www.theinvestmentassociation.org). You can also obtain prices by telephone by calling +44 (0) 333 300 0372.

### Dealing basis

The Manager's basis for dealing in purchases and sales of the Trust's units is "forward". This means that the price used for any deal will be calculated at the next valuation point following receipt of the investor's instruction.

## Regulatory disclosure (continued)

### Fees and expenses

The Manager's periodic charge is calculated on each business day, based on the value of the property of the Trust on the immediately preceding business day, and is paid to the Manager monthly, in arrears, on the first business day of the calendar month immediately following. The current periodic charge is 1.50% per annum for Class A GBP Inc, Class A EUR Acc, Class A EUR Inc and Class A USD Acc, and 0.75% per annum in respect of Class I EUR Acc, Class I EUR Inc and Class I GBP Inc.

### Key changes during the period

- With effect from 8 October 2018, the name of the Administrator changed from Northern Trust Global Services Limited to Northern Trust Global Services SE.
- With effect from 15 October 2018, the registered address for Baring Fund Managers Limited and Baring Asset Management Limited changed from:  
155 Bishopsgate  
London EC2M 3XY  
United Kingdom  
  
to:  
20 Old Bailey  
London EC4M 7BF  
United Kingdom
- With effect from 31 August 2019, the annual accounting date of the Trust is changing to 31 August of each year, and subsequent interim period ends are changing to the last day of February of each year.
- With effect from 28 November 2018, the investment strategy of the Trust has been clarified to include that the Trust intends to meet the requirements for being classified as an "equity fund" under the Investmentsteuergesetz (2018) and will invest at least 51% of its assets in direct equities.
- C. Biggins resigned as a Director of the Manager on 11 January 2019.
- With effect from 28 November 2018, the Trustee is changed from National Westminster Bank plc to NatWest Trustee and Depositary Services Limited.

### Securities Financing Transaction Regulation ("SFTR") disclosure

The SFTR applies to the Manager as a UCITS management company and requires the Manager to comply with a series of obligations. In particular, the Manager will be required to provide investors with information on the use of securities financing transactions ("SFTs") and total return swaps ("TRSs") by the Trust in all interim and annual reports published from 13 January 2017.

During the period 1 June 2018 to 30 November 2018, the Trust did not enter into SFTs and TRSs. Should this change in the future, the interim and annual reports for the Trust will disclose all required information on the use of SFTs and TRSs.



## **General information for overseas investors (Austria, France, Germany, Sweden and Switzerland)**

### **Austrian paying agent**

UniCredit Bank Austria AG  
Schottengasse 6-8  
1010 Wien  
Austria

### **French paying agent**

BNP Paribas Securities Services  
9 Rue du Débarcadère  
93 761 Pantin Cedex  
France

### **German paying and information agent**

Deutsche Bank AG  
Global Transaction Banking  
Issuer Services - Global Securities Services  
Post IPO Services  
Taunusanlage 12  
60325 Frankfurt am Main  
Germany

### **Further German information agent**

Baring Asset Management Limited GmbH  
Guiollettstraße 54  
60325 Frankfurt am Main  
Germany

### **Swedish paying agent**

Skandinaviska Enskilda Banken AB (publ)  
Merchant Banking  
Global Funds, RB6  
Rissneleden 110  
SE-106 40 Stockholm  
Sweden

### **Swiss paying agent**

BNP Paribas Securities Services, Paris  
Succursale de Zurich  
Selnaustrasse 16  
8002 Zurich  
Switzerland

The Prospectus, the Key Investor Information Document(s) ("KIID(s)"), a list of portfolio changes, the Trust Deed and the annual and interim reports and financial statements are available on [www.barings.com](http://www.barings.com), or via the Austrian, French, German, Swedish or Swiss paying agents.

## **General information for overseas investors (Austria, France, Germany, Sweden and Switzerland) (continued)**

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

A foreign investment company (such as Baring Fund Managers Limited (the “Manager”)) must provide documentation to the German fiscal authorities upon request, e.g. in order to verify the accuracy of the additional German published tax information. German investors will use this for their tax returns. 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, you should be aware that 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 financial year. Consequently, the correction may positively or negatively affect the investors who receive a distribution or an attribution of deemed income distributions in the current financial year.

### **Information for investors in Switzerland**

The Manager has appointed BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, 8002 Zurich, Switzerland, as representative and paying agent for Switzerland. Units are distributed in Switzerland by BNP Paribas (Switzerland) Limited at the above address. Investors can obtain free of charge the Prospectus, the KIID(s), the last annual and interim reports, copies of the Trust Deed (and any amendments thereto) and a list of the purchases and sales made on behalf of the Barings Europe Select Trust (the “Trust”), in French, from the representative at the above address. Official publications for the Trust are 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).

### **Important information concerning the performance tables on page 10**

The value of an investment can fall as well as rise as a result of market fluctuations, and investors may not get back the amount originally invested. 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, nor the effect of the Manager’s preliminary charge.

In conformity with a guideline of the Swiss Funds Association (“SFA”) dated 16 May 2008, the Manager is providing the below additional information regarding performance.

### **Total expense ratio (“TER”)**

Following a guideline of the SFA dated 16 May 2008, the Manager is required to publish a total expense ratio (“TER”) for the Trust for the first part of the current accounting period and the second part of the previous accounting year. The TER has been established by the Manager and draws upon the data contained in the “Statement of total return” (Manager’s management fee, registration fees, trustee fees, safe custody charges, audit fees, Financial Conduct Authority (“FCA”) and other regulatory fees and taxation fees as well as any further fees and costs listed in the “Statement of total return” account which do not form part of the aforementioned categories). It is calculated with reference to these numbers and in conformity with the above guideline.

## General information for overseas investors (Austria, France, Germany, Sweden and Switzerland) (continued)

The TERs for each class for the period ending 30 November 2018 and the year ending 31 May 2018 is as follows:

|   | TER<br>30/11/2018<br>% | TER<br>31/05/2018<br>% |
|---|------------------------|------------------------|
| Barings Europe Select Trust - Class A GBP Inc | 1.54%                  | 1.54%                  |
| Barings Europe Select Trust - Class A EUR Acc | 1.54%                  | 1.54%                  |
| Barings Europe Select Trust - Class A EUR Inc | 1.54%                  | 1.54%                  |
| Barings Europe Select Trust - Class A USD Acc | 1.54%                  | 1.54%                  |
| Barings Europe Select Trust - Class I EUR Acc | 0.79%                  | 0.80%                  |
| Barings Europe Select Trust - Class I EUR Inc | 0.79%                  | 0.79%                  |
| Barings Europe Select Trust - Class I GBP Inc | 0.79%                  | 0.79%                  |

### 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 Schemes Act ("CISA");
- sales agents (distributors) exempted from the authorisation requirement within the meaning of Article 19, Para 4, CISA;
- sales partners who place trust units exclusively with institutional investors with professional treasury facilities; and/or
- sales partners who place trust 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 trust units for third parties:

- life insurance companies (in respect of trust 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 trust units held for the account of beneficiaries);
- investment foundations (in respect of trust units held for the account of in-house funds);
- Swiss fund management companies (in respect of trust units held for the account of the trusts managed); and
- foreign fund management companies and providers (in respect of trust units held for the account of managed trusts and investing unitholders).

## General information for overseas investors (Austria, France, Germany, Sweden and Switzerland) (continued)

### Performance record to 30 November 2018 (including distribution payments where applicable)

|  | 01/06/2018 -<br>30/11/2018<br>% | 01/06/2017 -<br>31/05/2018<br>% | 01/06/2016 -<br>31/05/2017<br>% | 01/06/2015 -<br>31/05/2016<br>% | 01/06/2014 -<br>31/05/2015<br>% |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Barings Europe Select Trust -<br>Class A GBP Inc (GBP terms)                       | (7.68)                          | 5.27                            | 36.09                           | 7.22                            | 11.06                           |
| Euromoney Smaller European<br>Companies (ex UK) Index, Total<br>Return (GBP terms) | (8.76)                          | 6.17                            | 39.89                           | 6.27                            | 2.71                            |
| Barings Europe Select Trust -<br>Class A EUR Acc (EUR terms)                       | (9.24)                          | 4.91                            | 18.91                           | 1.00                            | 25.73                           |
| Barings Europe Select Trust -<br>Class A EUR Inc (EUR terms)                       | (9.25)                          | 4.92                            | 18.91                           | 1.00                            | 25.70                           |
| Barings Europe Select Trust -<br>Class A USD Acc (USD terms)                       | (11.62)                         | 9.27                            | 19.58                           | 2.78                            | 1.24                            |
| Barings Europe Select Trust -<br>Class I EUR Acc (EUR terms)*                      | (8.89)                          | 5.72                            | 19.79                           | 2.02                            | 0.03                            |
| Barings Europe Select Trust -<br>Class I EUR Inc (EUR terms)                       | (8.90)                          | 5.70                            | 19.82                           | 1.84                            | 26.27                           |
| Barings Europe Select Trust -<br>Class I GBP Inc (GBP terms)                       | (7.32)                          | 6.06                            | 37.17                           | 8.08                            | 12.03                           |

Performance figures are shown net of fees and charges, on a published NAV-per-unit basis (mid-price), with gross revenue reinvested.  
Source: Morningstar/Barings/Euromoney.

\* The Class I EUR Acc unit class was launched on 22 May 2015.

For data sourced from Morningstar: © Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

**Past performance is no 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.**

## Trust information

| Change in net assets per unit                   | Barings Europe Select Trust - Class A GBP Inc |                   |                   | Barings Europe Select Trust - Class A EUR Acc |                   |                   |
|---|---|-------------------|-------------------|---|-------------------|-------------------|
|   | 30/11/2018<br>(p)                             | 31/05/2018<br>(p) | 31/05/2017<br>(p) | 30/11/2018<br>(€)                             | 31/05/2018<br>(€) | 31/05/2017<br>(€) |
| Opening net asset value per unit                | 4,063.90                                      | 3,881.28          | 2,853.26          | 49.120  | 46.816            | 39.354            |
| Return before operating charges                 | (280.97)                                      | 266.56            | 1,082.90          | (4.180)                                       | 3.048             | 8.087             |
| Operating charges (calculated at average price) | (31.44)                                       | (62.04)           | (51.06)           | (0.373)                                       | (0.744)           | (0.625)           |
| Return after operating charges                  | (312.41)                                      | 204.52            | 1,031.84          | (4.553)                                       | 2.304             | 7.462             |
| Distributions on income units                   | -   | (21.90)           | (3.82)            | -   | -                 | -                 |
| Closing net asset value per unit                | 3,751.49                                      | 4,063.90          | 3,881.28          | 44.567  | 49.120            | 46.816            |
| Distributions on accumulation units             | -   | -                 | -                 | -   | 0.139             | 0.264             |
| After direct transaction costs*                 | 1.28  | 3.13              | 3.32              | 1.52  | 3.76              | 4.07              |
| <b>Performance</b>                              |   |                   |                   |   |                   |                   |
| Return after charges                            | (7.69)%                                       | 5.27%             | 36.16%            | (9.27)%                                       | 4.92%             | 18.96%            |
| <b>Other information</b>                        |   |                   |                   |   |                   |                   |
| Closing net asset value (£'000/€'000)           | 236,393                                       | 276,753           | 319,944           | 123,116                                       | 133,361           | 261,964           |
| Closing number of units                         | 6,301,296                                     | 6,810,034         | 8,243,250         | 2,762,471                                     | 2,715,017         | 5,595,673         |
| Operating charges                               | 1.54%   | 1.55%             | 1.55%             | 1.54%   | 1.55%             | 1.55%             |
| Direct transaction costs                        | 0.03%   | 0.08%             | 0.10%             | 0.03%   | 0.08%             | 0.10%             |
| <b>Prices**</b>                                 |   |                   |                   |   |                   |                   |
| Highest unit price                              | 4,334.00                                      | 4,184.00          | 3,887.00          | 50.870  | 50.000            | 47.170            |
| Lowest unit price                               | 3,682.00                                      | 3,828.00          | 2,793.00          | 43.910  | 44.820            | 36.150            |

\* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that there are other additional transaction costs, such as dealing spreads and underlying costs with regard to Investment Fund holdings, which will also have reduced the Trust and unit class returns before operating charges.

\*\*High/low prices included in the table above are for the accounting period from 1 June 2018 to 30 November 2018, and the years 1 June 2017 and 2016 to 31 May 2018 and 2017, respectively.

## Trust information (continued)

| Change in net assets per unit                   | Barings Europe Select Trust - Class A EUR Inc |                   |                   | Barings Europe Select Trust - Class A USD Acc |                    |                    |
|---|---|-------------------|-------------------|---|--------------------|--------------------|
|   | 30/11/2018<br>(€)                             | 31/05/2018<br>(€) | 31/05/2017<br>(€) | 30/11/2018<br>(\$)                            | 31/05/2018<br>(\$) | 31/05/2017<br>(\$) |
| Opening net asset value per unit                | 46.239  | 44.324            | 37.393            | 57.370  | 52.500             | 43.894             |
| Return before operating charges                 | (3.933)                                       | 2.895             | 7.675             | (6.255)                                       | 5.743              | 9.294              |
| Operating charges (calculated at average price) | (0.352)                                       | (0.707)           | (0.589)           | (0.425)                                       | (0.873)            | (0.688)            |
| Return after operating charges                  | (4.285)                                       | 2.188             | 7.086             | (6.680)                                       | 4.870              | 8.606              |
| Distributions on income units                   | -   | (0.273)           | (0.155)           | -   | -                  | -                  |
| Closing net asset value per unit                | 41.954  | 46.239            | 44.324            | 50.690  | 57.370             | 52.500             |
| Distributions on accumulation units             | -   | -                 | -                 | -   | 0.363              | 0.135              |
| After direct transaction costs*                 | 1.43  | 3.57              | 3.83              | 1.73  | 4.41               | 4.48               |
| <b>Performance</b>                              |   |                   |                   |   |                    |                    |
| Return after charges                            | (9.27)%                                       | 4.94%             | 18.95%            | (11.64)%                                      | 9.28%              | 19.61%             |
| <b>Other information</b>                        |   |                   |                   |   |                    |                    |
| Closing net asset value (€'000/\$'000)          | 504,983                                       | 612,383           | 567,829           | 20,680  | 28,181             | 16,335             |
| Closing number of units                         | 12,036,481                                    | 13,243,986        | 12,810,983        | 407,962                                       | 491,209            | 311,152            |
| Operating charges                               | 1.54%   | 1.55%             | 1.55%             | 1.54%   | 1.55%              | 1.55%              |
| Direct transaction costs                        | 0.03%   | 0.08%             | 0.10%             | 0.03%   | 0.08%              | 0.10%              |
| <b>Prices**</b>                                 |   |                   |                   |   |                    |                    |
| Highest unit price                              | 47.900  | 47.350            | 44.500            | 59.710  | 61.840             | 52.530             |
| Lowest unit price                               | 41.340  | 42.430            | 34.500            | 50.020  | 52.060             | 39.820             |

\* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that there are other additional transaction costs, such as dealing spreads and underlying costs with regard to Investment Fund holdings, which will also have reduced the Trust and unit class returns before operating charges.

\*\*High/low prices included in the table above are for the accounting period from 1 June 2018 to 30 November 2018, and the years 1 June 2017 and 2016 to 31 May 2018 and 2017, respectively.

## Trust information (continued)

| Change in net assets per unit                   | Barings Europe Select Trust - Class I EUR Acc |                   |                   | Barings Europe Select Trust - Class I EUR Inc |                   |                   |
|---|---|-------------------|-------------------|---|-------------------|-------------------|
|   | 30/11/2018<br>(€)                             | 31/05/2018<br>(€) | 31/05/2017<br>(€) | 30/11/2018<br>(€)                             | 31/05/2018<br>(€) | 31/05/2017<br>(€) |
| Opening net asset value per unit                | 48.925  | 46.278            | 38.621            | 46.453  | 44.529            | 37.541            |
| Return before operating charges                 | (4.170)                                       | 3.030             | 7.962             | (3.961)                                       | 2.921             | 7.760             |
| Operating charges (calculated at average price) | (0.190)                                       | (0.383)           | (0.305)           | (0.181)                                       | (0.369)           | (0.310)           |
| Return after operating charges                  | (4.360)                                       | 2.647             | 7.657             | (4.142)                                       | 2.552             | 7.450             |
| Distributions on income units                   | -   | -                 | -                 | (0.039)                                       | (0.628)           | (0.463)           |
| Closing net asset value per unit                | 44.565  | 48.925            | 46.278            | 42.272  | 46.453            | 44.529            |
| Distributions on accumulation units             | 0.041   | 0.647             | 0.338             | -   | -                 | -                 |
| After direct transaction costs*                 | 1.51  | 3.75              | 3.85              | 1.44  | 3.61              | 3.91              |
| <b>Performance</b>                              |   |                   |                   |   |                   |                   |
| Return after charges                            | (8.91)%                                       | 5.72%             | 19.83%            | (8.92)%                                       | 5.73%             | 19.85%            |
| <b>Other information</b>                        |   |                   |                   |   |                   |                   |
| Closing net asset value (€'000)                 | 74,304  | 60,291            | 54,741            | 45,913  | 54,407            | 35,716            |
| Closing number of units                         | 1,667,337                                     | 1,232,329         | 1,182,890         | 1,086,134                                     | 1,171,244         | 802,082           |
| Operating charges                               | 0.79%   | 0.80%             | 0.80%             | 0.79%   | 0.80%             | 0.80%             |
| Direct transaction costs                        | 0.03%   | 0.08%             | 0.10%             | 0.03%   | 0.08%             | 0.10%             |
| <b>Prices**</b>                                 |   |                   |                   |   |                   |                   |
| Highest unit price                              | 50.690  | 49.730            | 46.980            | 48.140  | 47.860            | 45.310            |
| Lowest unit price                               | 43.900  | 44.380            | 35.500            | 41.680  | 42.710            | 34.500            |

\* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that there are other additional transaction costs, such as dealing spreads and underlying costs with regard to Investment Fund holdings, which will also have reduced the Trust and unit class returns before operating charges.

\*\*High/low prices included in the table above are for the accounting period from 1 June 2018 to 30 November 2018, and the years 1 June 2017 and 2016 to 31 May 2018 and 2017, respectively.

## Trust information (continued)

| Change in net assets per unit                   | Barings Europe Select Trust<br>Class I GBP Inc |                   |                   |
|---|--|-------------------|-------------------|
|   | 30/11/2018<br>(p)                              | 31/05/2018<br>(p) | 31/05/2017<br>(p) |
| Opening net asset value per unit                | 4,069.60                                       | 3,887.87          | 2,861.71          |
| Return before operating charges                 | (282.11)                                       | 268.43            | 1,091.68          |
| Operating charges (calculated at average price) | (16.18)  | (32.24)           | (26.72)           |
| Return after operating charges                  | (298.29)                                       | 236.19            | 1,064.96          |
| Distributions on income units                   | (3.53)   | (54.46)           | (38.81)           |
| Closing net asset value per unit                | 3,767.78                                       | 4,069.60          | 3,887.87          |
| After direct transaction costs*                 | 1.29   | 3.16              | 3.37              |
| <b>Performance</b>                              |  |                   |                   |
| Return after charges                            | (7.33)%  | 6.08%             | 37.21%            |
| <b>Other information</b>                        |  |                   |                   |
| Closing net asset value (£'000)                 | 967,027  | 1,104,121         | 884,299           |
| Closing number of units                         | 25,665,709                                     | 27,130,932        | 22,745,100        |
| Operating charges                               | 0.79%  | 0.80%             | 0.80%             |
| Direct transaction costs                        | 0.03%  | 0.08%             | 0.10%             |
| <b>Prices**</b>                                 |  |                   |                   |
| Highest unit price                              | 4,348.00                                       | 4,212.00          | 3,929.00          |
| Lowest unit price                               | 3,701.00                                       | 3,837.00          | 2,803.00          |

\* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that there are other additional transaction costs, such as dealing spreads and underlying costs with regard to Investment Fund holdings, which will also have reduced the Trust and unit class returns before operating charges.

\*\*High/low prices included in the table above are for the accounting period from 1 June 2018 to 30 November 2018, and the years 1 June 2017 and 2016 to 31 May 2018 and 2017, respectively.



## Trust information (continued)

### Other relevant published prices

| Accounting period |                           | Barings Europe Select Trust - Class A GBP Inc |          |
|-------------------|---------------------------|---|----------|
|                   |                           | Mid-price (pence per unit)                    |          |
| 31/08/1984        | Launch date               |   | 47.50    |
| 30/11/2018        | Financial statements date |   | 3,754.00 |
| 09/01/2019        | Latest date               |   | 3,795.00 |

| Accounting period |                           | Barings Europe Select Trust - Class A EUR Acc |        |
|-------------------|---------------------------|---|--------|
|                   |                           | Mid-price (€ per unit)                        |        |
| 15/10/2009        | Launch date               |   | 16.140 |
| 30/11/2018        | Financial statements date |   | 44.600 |
| 09/01/2019        | Latest date               |   | 44.690 |

| Accounting period |                           | Barings Europe Select Trust - Class A EUR Inc |        |
|-------------------|---------------------------|---|--------|
|                   |                           | Mid-price (€ per unit)                        |        |
| 15/08/2001        | Launch date               |   | 6.930  |
| 30/11/2018        | Financial statements date |   | 41.980 |
| 09/01/2019        | Latest date               |   | 42.070 |

| Accounting period |                           | Barings Europe Select Trust - Class A USD Acc |        |
|-------------------|---------------------------|---|--------|
|                   |                           | Mid-price (US\$ per unit)                     |        |
| 16/12/2013        | Launch date               |   | 38.410 |
| 30/11/2018        | Financial statements date |   | 50.730 |
| 09/01/2019        | Latest date               |   | 51.190 |

| Accounting period |                           | Barings Europe Select Trust - Class I EUR Acc |        |
|-------------------|---------------------------|---|--------|
|                   |                           | Mid-price (€ per unit)                        |        |
| 22/05/2015        | Launch date               |   | 37.880 |
| 30/11/2018        | Financial statements date |   | 44.600 |
| 09/01/2019        | Latest date               |   | 44.720 |

## Trust information (continued)

### Other relevant published prices (continued)

| Accounting period |                           | Barings Europe Select Trust - Class I EUR Inc |        |
|-------------------|---------------------------|---|--------|
|                   |                           | Mid-price (€ per unit)                        |        |
| 18/12/2014        | Launch date               |   | 29.920 |
| 30/11/2018        | Financial statements date |   | 42.340 |
| 09/01/2019        | Latest date               |   | 42.420 |

| Accounting period |                           | Barings Europe Select Trust - Class I GBP Inc |          |
|-------------------|---------------------------|---|----------|
|                   |                           | Mid-price (pence per unit)                    |          |
| 29/08/2012        | Launch date               |   | 1,608.00 |
| 30/11/2018        | Financial statements date |   | 3,774.00 |
| 09/01/2019        | Latest date               |   | 3,815.00 |

## Report of the Investment Manager

### Risk and reward profile

|   | SRRRI risk category*<br>30/11/2018 | SRRRI risk category*<br>31/05/2018 |
|---|------------------------------------|------------------------------------|
| Barings Europe Select Trust - Class A GBP Inc | 5                                  | 5                                  |
| Barings Europe Select Trust - Class A EUR Acc | 5                                  | 5                                  |
| Barings Europe Select Trust - Class A EUR Inc | 5                                  | 5                                  |
| Barings Europe Select Trust - Class A USD Acc | 5                                  | 5                                  |
| Barings Europe Select Trust - Class I EUR Acc | 5                                  | 5                                  |
| Barings Europe Select Trust - Class I EUR Inc | 5                                  | 5                                  |
| Barings Europe Select Trust - Class I GBP Inc | 5                                  | 5                                  |

\* The Synthetic Risk and Reward Indicator ("SRRRI") is not a measure of the risk of capital loss, but a measure of the Trust's price movement over time; the higher the number, the greater the price movement both up and down. It is based on historical data and is not a reliable indication of the future risk profile of the Trust. The risk category shown is in line with the Key Investor Information Document ("KIID") at period-end, is not guaranteed and may change over time. The risk categories are measured from 1 to 7 (1 measuring typically lower risk/rewards and 7 measuring typically higher risk/rewards). The lowest category does not mean a risk-free investment. The Trust is classified in the category indicated due to past movements in the Trust's price. There is no capital guarantee. The value of investments and the income from them may go down as well as up and investors may not get back the amount they invest. The SRRRI figures shown have changed from 6 to 5 during the year.

### Performance

The Barings Europe Select Trust ("The Trust") registered an absolute gross return of -6.96% on Class A GBP Inc shares for the six months to 30 November 2018, outperforming the return of its key performance comparator index of -8.76%. This relative out-performance was primarily due to stock selection.

Edenred, the French corporate services and payments specialist company, was the most significant contributor to relative returns, reflecting continuing strong profits growth and optimism around potential consolidation in this sector. Tryg, the Danish insurance group and a large position in the portfolio, also contributed to performance following continued strong results; Tryg enjoys a leading position in Denmark's insurance sector and is continually working to improve client retention and satisfaction. Valmet, a Finnish industrial group with a global-leading position as a supplier of equipment for the pulp and paper manufacturing industries, also performed well, as demand has generally been strong and due to its own profit improvement plans.

Sopra Steria, a French IT services and software specialist, detracted from performance due to disappointing growth and cost over-runs across a number of its activities. BE Semiconductor Industries, a Dutch provider of production equipment to the semiconductor manufacturing industry, also detracted from performance due to weak demand from a key client and profit-taking following earlier very strong share price performance.

## Report of the Investment Manager (continued)

### Performance (continued)

The top ten purchases and sales during the period were as follows:

| Purchases  | Costs<br>£'000 | Sales  | Proceeds<br>£'000 |
|--|----------------|--|-------------------|
| Northern Trust Global Funds - Euro Liquidity Fund† | 199,103        | Northern Trust Global Funds - Euro Liquidity Fund† | 203,585           |
| Northern Trust Global Funds - Sterling Fund†       | 130,711        | Northern Trust Global Funds - Sterling Fund†       | 144,538           |
| Vopak  | 31,627         | CIE Automotive                                     | 30,293            |
| Wendel   | 21,677         | DKSH   | 28,625            |
| Bucher Industries                                  | 21,553         | Wirecard   | 21,131            |
| SCOR   | 17,956         | ProSiebenSat.1 Media                               | 20,205            |
| Moncler  | 14,811         | Temenos  | 20,106            |
| DNA  | 14,209         | Recordati  | 17,640            |
| SBM Offshore                                       | 12,819         | Prosegur Cia de Seguridad                          | 16,746            |
| ICA Gruppen  | 11,859         | Gestamp Automocion                                 | 16,582            |

† Shares in Investment Funds listed in Ireland. Uninvested cash from the Trust is swept into these funds daily.

### Market outlook

European equity markets have proved increasingly volatile and prone to profit-taking throughout the last six months, impacted by both domestic geopolitical and economic concerns as well as growing fears that US–China trade wars might impact global trade and by recent weakness in US Treasury bonds, resulting in bond yields rising. As a result, investor sentiment towards equity markets has deteriorated, prompting profit-taking in asset classes, stocks and sectors – such as European smaller companies – that had hitherto been performing strongly. Across the board, investors in European equities have also become more concerned about the outlook for corporate profit margins as a result of rising raw material prices and labour cost inflation.

While market movements have been severe and current volatile market conditions could persist, we continue to take a positive view on the individual stock selection opportunities among European smaller companies. Certainly, political and macro-level developments such as European political tensions and ongoing trade disputes retain the capacity to upset equity markets; however, European smaller companies are reasonably valued relative to larger companies and relative to other asset classes, particularly if corporate earnings revision trends do not deteriorate. In this context, while trade disputes and bond yields remain in focus, it is encouraging that recent European economic data and business confidence surveys continue to indicate that Europe is experiencing further, if below trend, economic growth.

### Baring Asset Management Limited

*Baring Asset Management Limited (the "Investment Manager") gives its 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.*

## Report of the Investment Manager (continued)

### Revenue

|   | Revenue available per unit as at 30/11/2018 | Revenue available per unit as at 31/05/2018 | Annualised net yield as at 30/11/2018 | Annualised net yield as at 31/05/2018 |
|---|---|---|---------------------------------------|---------------------------------------|
| Barings Europe Select Trust - Class A GBP Inc | Nil   | 21.90p                                      | Nil                                   | 0.54%                                 |
| Barings Europe Select Trust - Class A EUR Acc | Nil   | €0.1389                                     | Nil                                   | 0.28%                                 |
| Barings Europe Select Trust - Class A EUR Inc | Nil   | €0.2729                                     | Nil                                   | 0.59%                                 |
| Barings Europe Select Trust - Class A USD Acc | Nil   | \$0.3633                                    | Nil                                   | 0.63%                                 |
| Barings Europe Select Trust - Class I EUR Acc | €0.0410                                     | €0.6468                                     | 0.09%                                 | 1.32%                                 |
| Barings Europe Select Trust - Class I EUR Inc | €0.0392                                     | €0.6278                                     | 0.09%                                 | 1.33%                                 |
| Barings Europe Select Trust - Class I GBP Inc | 3.53p                                       | 54.46p                                      | 0.09%                                 | 1.32%                                 |

### Post balance sheet events

After the year-end, market fluctuations resulted in changes to the published prices. These are shown in the “Other relevant published prices” tables on pages 15 and 16.

## Portfolio information

### Major holdings - % of total net assets

| Top ten holdings                             | 30/11/2018<br>% | 31/05/2018<br>% |
|--|-----------------|-----------------|
| Northern Trust Global Funds - Sterling Fund† | 3.32            | 3.54            |
| Tryg   | 1.86            | 1.49            |
| Valmet                                       | 1.82            | 1.31            |
| Euronext                                     | 1.81            | 1.62            |
| Chr Hansen                                   | 1.78            | 1.57            |
| ASR Nederland                                | 1.74            | 1.58            |
| IMCD   | 1.71            | 1.56            |
| Baloise                                      | 1.70            | 1.45            |
| DiaSorin                                     | 1.68            | 1.57            |
| Elisa  | 1.63            | 1.68            |

### Geographical breakdown - % of total net assets

| Country     | 30/11/2018<br>% | 31/05/2018<br>% |
|-------------|-----------------|-----------------|
| Austria     | 1.09            | 1.05            |
| Belgium     | 3.52            | 3.95            |
| Denmark     | 8.82            | 8.88            |
| Finland     | 5.25            | 4.79            |
| France      | 13.99           | 14.04           |
| Germany     | 12.06           | 14.35           |
| Ireland     | 7.36            | 7.71            |
| Italy       | 10.22           | 9.55            |
| Luxembourg  | 1.34            | 0.79            |
| Netherlands | 13.21           | 11.69           |
| Norway      | 3.48            | 3.04            |
| Spain       | 3.73            | 6.78            |
| Sweden      | 8.23            | 7.77            |
| Switzerland | 7.62            | 8.51            |

## Portfolio information (continued)

### Asset type breakdown % of total net assets

| Asset type                     | 30/11/2018<br>% | 31/05/2018<br>% |
|--------------------------------|-----------------|-----------------|
| Investment Funds†              | 5.27            | 5.49            |
| Equities                       | 94.65           | 97.41           |
| Net other assets/(liabilities) | 0.08            | (2.90)          |

† Shares in Investment Funds listed in Ireland. Uninvested cash from the Trust is swept into these funds daily.

## Directors' statement

The financial statements on pages 28 to 31 were approved by Baring Fund Managers Limited (the "Manager") and signed on its behalf by:

B. GREENE                      Director

J. SWAYNE                      Director

London 11 January 2019



## Portfolio statement

as at 30 November 2018

| Holdings                               | Investments  | Bid-market value (£) | Percentage of total net assets (%) |
|--|--|----------------------|------------------------------------|
| <b>Investment Funds: 5.27% (5.49%)</b> |  |                      |                                    |
| 18,234,627                             | Northern Trust Global Funds - Euro Liquidity Fund† | 15,911,423           | 0.84                               |
| 62,664,000                             | Northern Trust Global Funds - Sterling Fund†       | 62,664,000           | 3.32                               |
| 26,557,000                             | Northern Trust Global Funds - US Dollar Fund†      | 20,820,853           | 1.11                               |
|  |  | <b>99,396,276</b>    | <b>5.27</b>                        |
| <b>Equities: 94.65% (97.41%)</b>       |  |                      |                                    |
| <b>Austria: 1.09% (1.05%)</b>          |  |                      |                                    |
| 354,104                                | ANDRITZ  | 13,492,223           | 0.72                               |
| 207,018                                | BAWAG  | 7,013,098            | 0.37                               |
|  |  | <b>20,505,321</b>    | <b>1.09</b>                        |
| <b>Belgium: 3.52% (3.95%)</b>          |  |                      |                                    |
| 153,739                                | Barco  | 13,431,617           | 0.71                               |
| 391,838                                | KBC Ancora   | 14,343,121           | 0.76                               |
| 285,596                                | Kinepolis  | 12,959,495           | 0.69                               |
| 241,201                                | Ontex  | 3,950,085            | 0.21                               |
| 566,209                                | Telenet  | 21,684,989           | 1.15                               |
|  |  | <b>66,369,307</b>    | <b>3.52</b>                        |
| <b>Denmark: 8.82% (8.88%)</b>          |  |                      |                                    |
| 225,081                                | Ambu   | 3,568,261            | 0.19                               |
| 471,378                                | Chr Hansen   | 33,608,180           | 1.78                               |
| 419,357                                | DSV  | 25,550,591           | 1.35                               |
| 696,306                                | FLSmidth & Co.                                     | 27,492,768           | 1.46                               |
| 859,915                                | GN Store Nord                                      | 23,946,645           | 1.27                               |
| 485,725                                | Topdanmark   | 17,176,277           | 0.91                               |
| 1,831,377                              | Tryg   | 35,049,929           | 1.86                               |
|  |  | <b>166,392,651</b>   | <b>8.82</b>                        |
| <b>Finland: 5.25% (4.79%)</b>          |  |                      |                                    |
| 496,349                                | Amer Sports  | 14,681,881           | 0.78                               |
| 435,773                                | Cramo  | 6,332,367            | 0.33                               |
| 869,847                                | DNA  | 13,105,323           | 0.69                               |
| 965,968                                | Elisa  | 30,751,816           | 1.63                               |
| 2,034,487                              | Valmet   | 34,279,533           | 1.82                               |
|  |  | <b>99,150,920</b>    | <b>5.25</b>                        |

## Portfolio statement (continued)

as at 30 November 2018

| Holdings                                     | Investments           | Bid-market value (£) | Percentage of total net assets (%) |
|--|-----------------------|----------------------|------------------------------------|
| <b>Equities: 94.65% (97.41%) (continued)</b> |                       |                      |                                    |
| <b>France: 13.99% (14.04%)</b>               |                       |                      |                                    |
| 705,283                                      | Edenred               | 21,314,801           | 1.13                               |
| 1,169,901                                    | Elior                 | 13,621,046           | 0.72                               |
| 1,192,940                                    | Elis                  | 18,409,154           | 0.98                               |
| 180,331                                      | Eurazeo               | 10,634,533           | 0.56                               |
| 96,369                                       | Imerys                | 4,061,935            | 0.22                               |
| 223,853                                      | IPSOS                 | 4,454,257            | 0.24                               |
| 436,469                                      | Lagardere             | 9,747,187            | 0.52                               |
| 359,162                                      | Nexity                | 13,979,521           | 0.74                               |
| 292,701                                      | Orpea                 | 24,450,175           | 1.30                               |
| 528,154                                      | Rubis                 | 22,468,764           | 1.19                               |
| 629,866                                      | SCOR                  | 23,673,744           | 1.25                               |
| 233,312                                      | Teleperformance       | 30,263,436           | 1.60                               |
| 111,489                                      | Trigano               | 9,481,970            | 0.50                               |
| 153,122                                      | Ubisoft Entertainment | 9,719,317            | 0.51                               |
| 199,321                                      | Wendel                | 19,030,960           | 1.01                               |
| 681,471                                      | Worldline             | 28,602,369           | 1.52                               |
|  |                       | <b>263,913,169</b>   | <b>13.99</b>                       |
| <b>Germany: 12.06% (14.35%)</b>              |                       |                      |                                    |
| 871,954                                      | Aareal Bank           | 22,426,297           | 1.19                               |
| 384,617                                      | Bilfinger             | 10,224,787           | 0.54                               |
| 481,721                                      | Carl Zeiss Meditec    | 26,647,443           | 1.41                               |
| 304,434                                      | CompuGroup Medical    | 11,284,850           | 0.60                               |
| 36,000                                       | Dermapharm            | 765,115              | 0.04                               |
| 660,574                                      | Evotec                | 12,066,508           | 0.64                               |
| 562,961                                      | Freenet               | 9,151,710            | 0.49                               |
| 441,679                                      | Gerresheimer          | 25,042,751           | 1.33                               |
| 454,312                                      | Hugo Boss             | 24,503,479           | 1.30                               |
| 557,132                                      | Norma                 | 25,454,827           | 1.35                               |
| 62,250                                       | Puma                  | 24,418,006           | 1.29                               |
| 456,327                                      | Software              | 14,881,203           | 0.79                               |
| 133,838                                      | Stabilus              | 7,451,266            | 0.39                               |
| 328,061                                      | Stroeer               | 13,195,987           | 0.70                               |
|  |                       | <b>227,514,229</b>   | <b>12.06</b>                       |

## Portfolio statement (continued)

as at 30 November 2018

| Holdings                                     | Investments                      | Bid-market value (£) | Percentage of total net assets (%) |
|--|----------------------------------|----------------------|------------------------------------|
| <b>Equities: 94.65% (97.41%) (continued)</b> |                                  |                      |                                    |
| <b>Ireland: 2.09% (2.22%)</b>                |                                  |                      |                                    |
| 1,361,197                                    | Glanbia                          | 19,415,972           | 1.03                               |
| 605,433                                      | Kingspan                         | 20,002,749           | 1.06                               |
|  |                                  | <b>39,418,721</b>    | <b>2.09</b>                        |
| <b>Italy: 10.22% (9.55%)</b>                 |                                  |                      |                                    |
| 1,811,916                                    | Amplifon                         | 24,116,598           | 1.28                               |
| 1,332,896                                    | Banca Generali                   | 23,278,172           | 1.23                               |
| 463,103                                      | DiaSorin                         | 31,769,062           | 1.68                               |
| 13,516,591                                   | Hera                             | 29,233,185           | 1.55                               |
| 2,051,384                                    | Infrastrutture Wireless Italiane | 11,750,011           | 0.62                               |
| 4,725,053                                    | Maire Tecnimont                  | 14,642,142           | 0.78                               |
| 722,769                                      | MARR                             | 12,680,687           | 0.67                               |
| 529,211                                      | Moncler                          | 13,592,217           | 0.72                               |
| 1,565,462                                    | Prysmian                         | 22,392,389           | 1.19                               |
| 378,268                                      | Recordati                        | 9,479,351            | 0.50                               |
|  |                                  | <b>192,933,814</b>   | <b>10.22</b>                       |
| <b>Luxembourg: 1.34% (0.79%)</b>             |                                  |                      |                                    |
| 473,198                                      | Befesa                           | 14,975,779           | 0.79                               |
| 29,813                                       | Eurofins Scientific              | 10,328,248           | 0.55                               |
|  |                                  | <b>25,304,027</b>    | <b>1.34</b>                        |
| <b>Netherlands: 13.21% (11.69%)</b>          |                                  |                      |                                    |
| 814,138                                      | Aalberts Industries              | 22,477,986           | 1.19                               |
| 464,843                                      | AMG Advanced Metallurgical       | 16,120,335           | 0.85                               |
| 553,957                                      | ASM International                | 18,361,308           | 0.97                               |
| 960,725                                      | ASR Nederland                    | 32,820,316           | 1.74                               |
| 889,826                                      | BE Semiconductor Industries      | 15,040,477           | 0.80                               |
| 734,496                                      | Euronext                         | 34,049,517           | 1.81                               |
| 303,926                                      | Flow Traders                     | 7,434,814            | 0.39                               |
| 1,553,641                                    | GrandVision                      | 27,867,424           | 1.48                               |
| 618,008                                      | IMCD                             | 32,313,224           | 1.71                               |
| 301,478                                      | Intertrust                       | 3,762,719            | 0.20                               |
| 889,298                                      | SBM Offshore                     | 10,587,889           | 0.56                               |
| 814,175                                      | Vopak                            | 28,409,053           | 1.51                               |
|  |                                  | <b>249,245,062</b>   | <b>13.21</b>                       |

## Portfolio statement (continued)

as at 30 November 2018

| Holdings                                     | Investments                   | Bid-market value (£) | Percentage of total net assets (%) |
|--|-------------------------------|----------------------|------------------------------------|
| <b>Equities: 94.65% (97.41%) (continued)</b> |                               |                      |                                    |
| <b>Norway: 3.48% (3.04%)</b>                 |                               |                      |                                    |
| 4,374,458                                    | Storebrand                    | 26,898,840           | 1.42                               |
| 1,262,594                                    | TGS-NOPEC Geophysical Company | 28,048,059           | 1.49                               |
| 512,353                                      | Tomra Systems                 | 10,692,357           | 0.57                               |
|  |                               | <b>65,639,256</b>    | <b>3.48</b>                        |
| <b>Spain: 3.73% (6.78%)</b>                  |                               |                      |                                    |
| 2,989,423                                    | Applus Services               | 28,516,047           | 1.51                               |
| 804,309                                      | Ebro Foods                    | 12,813,438           | 0.68                               |
| 2,339,076                                    | Indra Sistemas                | 19,361,741           | 1.03                               |
| 10,302,429                                   | Unicaja Banco                 | 9,671,329            | 0.51                               |
|  |                               | <b>70,362,555</b>    | <b>3.73</b>                        |
| <b>Sweden: 8.23% (7.77%)</b>                 |                               |                      |                                    |
| 2,574,396                                    | AAK                           | 29,719,125           | 1.57                               |
| 1,169,078                                    | Attendo                       | 8,260,883            | 0.44                               |
| 1,529,452                                    | Bravida                       | 8,608,902            | 0.46                               |
| 1,718,951                                    | Dometic                       | 9,467,787            | 0.50                               |
| 996,943                                      | Elekta                        | 9,419,989            | 0.50                               |
| 3,415,459                                    | Hexpol                        | 23,750,837           | 1.26                               |
| 427,052                                      | ICA Gruppen                   | 12,258,482           | 0.65                               |
| 355,202                                      | Loomis                        | 9,334,356            | 0.49                               |
| 1,243,587                                    | Nibe Industrier               | 10,130,442           | 0.54                               |
| 1,236,078                                    | Scandic Hotels                | 8,777,000            | 0.47                               |
| 1,604,899                                    | Securitas                     | 21,039,083           | 1.11                               |
| 310,625                                      | Thule                         | 4,609,742            | 0.24                               |
|  |                               | <b>155,376,628</b>   | <b>8.23</b>                        |
| <b>Switzerland: 7.62% (8.51%)</b>            |                               |                      |                                    |
| 279,175                                      | Baloise                       | 32,107,505           | 1.70                               |
| 88,884                                       | Bucher Industries             | 18,796,959           | 1.00                               |
| 324,372                                      | Cembra Money Bank             | 20,984,369           | 1.11                               |
| 325,132                                      | Dufry                         | 27,214,611           | 1.44                               |
| 148,952                                      | Landis+Gyr                    | 7,243,124            | 0.38                               |
| 152,288                                      | Sulzer                        | 11,102,036           | 0.59                               |
| 57,965                                       | Tecan                         | 9,353,093            | 0.50                               |
| 171,804                                      | Temenos                       | 16,992,135           | 0.90                               |
|  |                               | <b>143,793,832</b>   | <b>7.62</b>                        |

## Portfolio statement (continued)

as at 30 November 2018

| Holdings | Investments                                       | Bid-market value (£) | Percentage of total net assets (%) |
|----------|---|----------------------|------------------------------------|
|          | <b>Portfolio of investments: 99.92% (102.90%)</b> | <b>1,885,315,768</b> | <b>99.92</b>                       |
|          | Net other assets                                  | 1,436,190            | 0.08                               |
|          | <b>Net assets</b>                                 | <b>1,886,751,958</b> | <b>100.00</b>                      |

† Shares in Investment Funds. Uninvested cash from the Trust is swept into these funds daily.

Note: Securities shown on the portfolio statement are ordinary shares admitted to official stock exchange listings or traded on a regulated market, unless otherwise stated.

Comparative figures shown in brackets relate to 31 May 2018.

## Statement of total return

for the period ended 30 November 2018

|  | 2018             | 2017          |
|--|------------------|---------------|
|  | £'000            | £'000         |
| Income   |                  |               |
| Net capital (losses)/gains   | (150,563)        | 66,675        |
| Revenue  | 11,896           | 8,214         |
| Expenses   | (11,736)         | (12,334)      |
| Interest and other similar charges   | (9)              | (3)           |
| Net revenue/(expense) before taxation  | 151              | (4,123)       |
| Taxation   | (1,160)          | (561)         |
| Net expense after taxation   | (1,009)          | (4,684)       |
| <b>Total return before distributions/equalisation</b>                              | <b>(151,572)</b> | <b>61,991</b> |
| (Distributions)/equalisation   | (1,136)          | 86            |
| <b>Change in net assets attributable to unitholders from investment activities</b> | <b>(152,708)</b> | <b>62,077</b> |

## Statement of change in net assets attributable to unitholders

for the period ended 30 November 2018

|   | 2018             | 2017             |
|---|------------------|------------------|
|   | £'000            | £'000            |
| <b>Opening net assets attributable to unitholders*</b>                      | <b>2,155,989</b> | <b>2,020,738</b> |
| Amounts receivable on issue of units  | 172,457          | 398,049          |
| Amounts payable on cancellation of units                                    | (289,047)        | (350,434)        |
|   | (116,590)        | 47,615           |
| Change in net assets attributable to unitholders from investment activities | (152,708)        | 62,077           |
| Retained distributions on accumulation units                                | 61               | -                |
| Unclaimed distributions   | -                | 9                |
| <b>Closing net assets attributable to unitholders</b>                       | <b>1,886,752</b> | <b>2,130,439</b> |

\* The opening net assets attributable to unitholders for 30 November 2018 differ from the closing position in 30 November 2017 by the change in assets attributable to unitholders for the second half of the comparative financial year.

## Balance sheet

as at 30 November 2018

|   | 30/11/2018              | 31/05/2018              |
|---|-------------------------|-------------------------|
|   | £'000                   | £'000                   |
| <b>Assets</b>                                 |                         |                         |
| Investment assets                             | 1,885,316               | 2,218,439               |
| Current assets:                               |                         |                         |
| Debtors                                       | 13,345                  | 30,938                  |
| Cash and bank balances                        | 643                     | 777                     |
| Total assets                                  | <u>1,899,304</u>        | <u>2,250,154</u>        |
| <b>Liabilities</b>                            |                         |                         |
| Creditors:                                    |                         |                         |
| Distribution payable on income units          | (943)                   | (20,078)                |
| Other creditors                               | (11,609)                | (74,087)                |
| Total liabilities                             | <u>(12,552)</u>         | <u>(94,165)</u>         |
| <b>Net assets attributable to unitholders</b> | <u><u>1,886,752</u></u> | <u><u>2,155,989</u></u> |

## Note to the financial statements

for the period ended 30 November 2018

The interim financial statements have been prepared on the same basis as the audited financial statements for the year ended 31 May 2018. They are in accordance with the historical cost convention, as modified by the revaluation of investments, and the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May 2014 (the "IMA SORP 2014"). The financial statements have been prepared on a going-concern basis.

## Distribution tables

Group 1: units purchased prior to 1 June 2018

Group 2: units purchased on or after 1 June 2018

### Interim distribution - Class A GBP Inc (in pence per unit)

| Group | Net revenue | Equalisation | 2018 Distribution payable | 2017 Distribution paid |
|-------|-------------|--------------|---------------------------|------------------------|
| 1     | Nil         | Nil          | Nil                       | Nil                    |
| 2     | Nil         | Nil          | Nil                       | Nil                    |

### Interim accumulation - Class A EUR Acc (in € per unit)

| Group | Net revenue | Equalisation | 2018 Accumulation payable | 2017 Accumulation paid |
|-------|-------------|--------------|---------------------------|------------------------|
| 1     | Nil         | Nil          | Nil                       | Nil                    |
| 2     | Nil         | Nil          | Nil                       | Nil                    |

### Interim distribution - Class A EUR Inc (in € per unit)

| Group | Net revenue | Equalisation | 2018 Distribution payable | 2017 Distribution paid |
|-------|-------------|--------------|---------------------------|------------------------|
| 1     | Nil         | Nil          | Nil                       | Nil                    |
| 2     | Nil         | Nil          | Nil                       | Nil                    |

### Interim accumulation - Class A USD Acc (in \$ per unit)

| Group | Net revenue | Equalisation | 2018 Accumulation payable | 2017 Accumulation paid |
|-------|-------------|--------------|---------------------------|------------------------|
| 1     | Nil         | Nil          | Nil                       | Nil                    |
| 2     | Nil         | Nil          | Nil                       | Nil                    |

### Interim accumulation - Class I EUR Acc (in € per unit)

| Group | Net revenue | Equalisation | 2018 Accumulation payable | 2017 Accumulation paid |
|-------|-------------|--------------|---------------------------|------------------------|
| 1     | 0.0410      | 0.0000       | 0.0410                    | Nil                    |
| 2     | 0.0000      | 0.0410       | 0.0410                    | Nil                    |



## Distribution tables (continued)

Group 1: units purchased prior to 1 June 2018

Group 2: units purchased on or after 1 June 2018

### Interim distribution - Class I EUR Inc (in € per unit)

| Group | Net revenue | Equalisation | 2018 Distribution payable | 2017 Distribution paid |
|-------|-------------|--------------|---------------------------|------------------------|
| 1     | 0.0392      | 0.0000       | 0.0392                    | Nil                    |
| 2     | 0.0000      | 0.0392       | 0.0392                    | Nil                    |

### Interim distribution - Class I GBP Inc (in pence per unit)

| Group | Net revenue | Equalisation | 2018 Distribution payable | 2017 Distribution paid |
|-------|-------------|--------------|---------------------------|------------------------|
| 1     | 3.5259      | 0.0000       | 3.5259                    | Nil                    |
| 2     | 0.0000      | 3.5259       | 3.5259                    | Nil                    |

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**Important information:**

This document is approved and issued by Baring Asset Management Limited.

**Disclosure:**

Baring Asset Management Limited  
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**BARINGS**

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.