

**Baring International Fund Managers (Ireland) Limited**

- This statement provides you with key information about Barings Korea Feeder Fund (the “Fund”).
- This statement is a part of the offering document.
- You should not invest in the Fund based on this statement alone.

| <b>QUICK FACTS</b>                  |  |   |  |
|-------------------------------------|--|---|--|
| <b>Fund Manager &amp; AIFM</b>      | Baring International Fund Managers (Ireland) Limited (the “Manager”)   |   |  |
| <b>Depository</b>                   | Northern Trust Fiduciary Services (Ireland) Limited  |   |  |
| <b>Ongoing charges over a year:</b> | Accumulation Unit Classes (Acc)<br>Class A USD Acc: 2.24% #<br># The ongoing charges figure is based on the ongoing expenses chargeable to the respective unit class for the 12-month period ended 30 April 2024 expressed as a percentage of the average net asset value of the respective unit class for the same period and is based on the information in the latest annual financial statements (covering the period from 1 May 2023 to 30 April 2024). This figure may vary from year to year. |   |  |
| <b>Dealing frequency</b>            | Daily  |   |  |
| <b>Base currency</b>                | USD  |   |  |
| <b>Dividend policy</b>              | No dividend will be paid.  |   |  |
| <b>Financial year end</b>           | 30 April   |   |  |
| <b>Min. investment:</b>             | Accumulation Unit Classes (Acc)<br>Class A USD Acc   | <b>Initial min. investment:</b><br>USD5,000 | <b>Subsequent min. investment:</b><br>USD500 |

**WHAT IS THIS PRODUCT?**

Barings Korea Feeder Fund is an open-ended unit trust. It is domiciled in Ireland and its home regulator is the Central Bank of Ireland.

**OBJECTIVES AND INVESTMENT STRATEGY**

**Objectives and strategy**

To achieve long-term growth in the value of assets by investing in units of the Barings Korea Trust (the “Trust”), a unit trust constituted in the United Kingdom and authorised under the Financial Conduct Authority.

The investment objective of the Trust is to provide a total return, including both capital growth and dividend income (after fees have been deducted), in excess of the MSCI Korea Net Total Return Index over a rolling five year period by investing in equity and equity related securities in Korea.\*

*\* There is however no guarantee that this objective will be achieved over any time period. The Trust is not constrained by the benchmark and can make investments in securities that are not included in the benchmark.*

The manager of the Trust is Baring Fund Managers Limited.

The investment policy of the Trust is to invest at least 70% of its total assets directly and indirectly in equities and equity-related securities of companies incorporated in, or exercising the predominant part of their economic activity in Korea, or quoted or traded on the stock exchanges in Korea.

For the remainder of its total assets, the Trust may invest directly or indirectly in equities and equity-related securities outside of Korea as well as in fixed income and cash.

In order to implement the investment policy, the Trust may gain indirect exposure through American depositary receipts, global

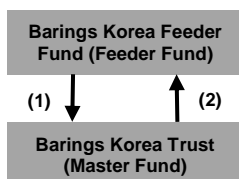
depository receipts and other equity related securities including participation notes, structured notes, equity-linked notes and debt securities convertible into equities. The Trust may also obtain indirect exposure through investments in collective investment schemes (including collective investment schemes which are managed by Baring Fund Managers Limited (“BFM”) (the manager of the Trust) or an associate of BFM) and other transferable securities.

Subject to the above, the Trust may invest in any country and in securities issued by companies of any market size, of any industry or sector (as the case may be) in such proportions as the BFM deems appropriate.

The Trust may also use derivatives including futures, options, swaps, warrants and forward contracts for efficient portfolio management (including hedging).

## HOW DOES IT WORK?

The investment strategy of Barings Korea Feeder Fund is illustrated in the diagram below:



(1) Net proceeds investing in units of the Trust

(2) Provides an exposure to the economic gain/loss in the performance of Korean securities, net of fees, charges and indirect costs (if applicable)

## USE OF DERIVATIVES / INVESTMENT IN DERIVATIVES

The Barings Korea Feeder Fund will not use derivatives for any purposes.

The Barings Korea Trust's net derivative exposure may be up to 50% of its Net Asset Value.

## WHAT ARE THE KEY RISKS?

Investment involves risks. Please refer to the offering document for details including the risk factors.

### 1. Investment risk

- The Fund is an investment fund and is not in the nature of a bank deposit. Investment in the Fund is subject to fluctuations in value and the Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of repayment of principal.

### 2. Concentration risk

- Due to the concentration of the investment portfolio of the Fund (through its investment in the Trust) in Korean companies, events that have an effect on this region will have a greater effect on the Fund than in the case of a less concentrated investment.
- The value of the Fund may be more volatile than that of a fund having a more diverse portfolio of investments. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory events affecting the Korean market.

### 3. Risk of investment in Korea

- The Trust will invest substantially in Korea. The risks inherent in Korean securities are of a nature and degree not typically encountered in investment in securities of listed companies on other major securities markets. Due to the outbreak of natural calamities, wars, conflict of arms or grave and sudden changes in domestic or foreign economic circumstances or other equivalent situations, the Ministry of Finance and Economy (MOFE) may temporarily suspend payment, receipt of transactions to which the relevant Foreign Exchange Transactions laws and regulations apply, or impose an obligation to safekeep, deposit or sell means of payment in or to certain Korean governmental agencies or financial institutions.
- The Trust's investments are concentrated in Korean markets which may be subject to increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.
- If the international balance of payments and international finance are likely to be confronted with serious difficulty or the movement of capital between Korea and abroad is likely to bring about serious obstacles in carrying out Korean government's currency policies, exchange rate policies and other macroeconomic policies, the MOFE may require any person who intends to perform capital transactions to obtain permission or to deposit part of the payments received in such transactions at certain Korean governmental agencies or financial institutions, subject to certain limitations.

**4. Risk relating to master/feeder fund structure**

- The Fund's performance may not be equal to the performance of the Trust due to the master/feeder fund structure and additional costs that may have been incurred at feeder fund level. The Fund will be subject to the risks associated with the Trust. The Fund does not have control of the investments of the Trust and there is no assurance that the investment objective and strategy of the Trust will be successfully achieved which may have a negative impact to the net asset value of the Fund.
- The Fund may be adversely affected by the suspension of dealing of the master fund, the Trust. Dealing of the Fund may be suspended and the payment of redemption proceeds may be delayed during the period when dealing of the Trust is suspended. There is also no guarantee that the Trust will have sufficient liquidity to meet the Fund's redemption requests as and when made.

**5. Risks of investment in equities and equity-related securities**

- The Trust's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. When the equity markets are extremely volatile the Trust's net asset value may fluctuate substantially.
- The Trust may invest in equity-related securities. These are usually issued by a broker, an investment bank or a company and are therefore subject to the risk of insolvency or default of the issuer. If there is no active market in these instruments, this may lead to liquidity risk. Further, investment in equity-linked securities may lead to dilution of performance of the Trust when compared to the other funds which invest directly in similar underlying assets due to fees embedded in the notes. The aforesaid circumstances may adversely affect the net asset value per unit of the Trust.
- Securities exchanges typically have the right to suspend or limit trading in any instrument traded on that exchange. The governments or the regulators may also implement policies that may affect the financial markets. A suspension could render it impossible for the underlying fund manager to liquidate positions and thereby expose the Trust to losses and may have a negative impact on the Trust.
- High market volatility and potential settlement difficulties in the Korean markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Trust.

**6. Risks of investment in small-capitalisation/mid-capitalisation companies**

- The stock of small-capitalisation and mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general. Risks include economic risks, such as lack of product depth, limited geographical diversification, increased sensitivity to the business cycle and organisational risk, such as concentration of management and shareholders and key-person dependence. Shares in smaller companies can be more difficult to buy and sell, resulting in less flexibility, and sometimes higher costs, in implementing investment decisions.

**7. Risks of investing in convertible bonds**

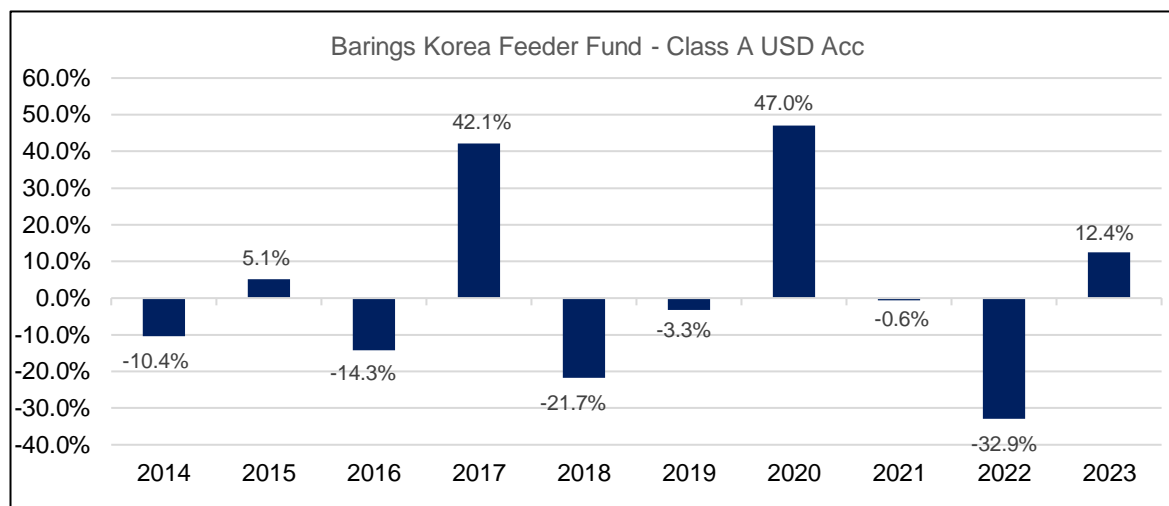
- Convertible bonds are a hybrid between debt and equity, permitting holders to convert into shares in the company issuing the bond at a specified future date. As such, convertibles will be exposed to equity movement and greater volatility than straight bond investments. Investments in convertible bonds are subject to the same interest rate risk, credit risk, liquidity risk and prepayment risk associated with comparable straight bond investments.

**8. Currency risk**

- The underlying investments of the Trust may be denominated in currencies other than the base currency of the Trust. Also, a class of units of the Trust may be designated in a currency other than the base currency of the Trust. The net asset value of the Trust may be affected unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.

**9. Risks associated with derivatives**

- In adverse situations, the Trust's use of derivatives for hedging and/or efficient portfolio management may become unsuccessful and the Trust may suffer significant losses. Risks associated with financial derivative instruments include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/ component of a financial derivative instrument can result in a loss significantly greater than the amount invested in the financial derivative instrument by the Trust. Exposure to financial derivative instruments may lead to a high risk of significant loss by the Trust.

**HOW HAS THE FUND PERFORMED?**

Source: Barings

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.
- These figures show by how much the Class A USD Acc increased or decreased in value during the calendar year being shown. Performance data has been calculated in US dollars, including taking into account charges and excluding subscription fee and redemption fee you might have to pay.
- Class A USD Acc is selected as representative unit class as it is a unit class offered to the public in Hong Kong and is denominated in the Fund's base currency.
- Fund launch date: 04 November 1992
- Class A USD Acc launch date: 04 November 1992

**IS THERE ANY GUARANTEE?**

The Fund does not have any guarantees. You may not get back the full amount of money you invest.

**WHAT ARE THE FEES AND CHARGES?****Charges which may be payable by you**

You may have to pay the following fees when dealing in the units of the Fund.

| Fee                                   | What you pay                             |
|---------------------------------------|--|
| Subscription fee (Preliminary charge) | Up to 5% of the net asset value per unit |
| Switching fee                         | Not applicable                           |
| Redemption fee (Redemption charge)    | Nil*                                     |

**Ongoing fees payable by the Fund**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.

|                              | Annual rate (as a % of the Fund's net asset value ("NAV")), unless otherwise specified |
|------------------------------|--|
| Management fee               | Nil**  |
| Trustee fee (Depositary fee) | Up to 0.025%   |

|  |   |
|--|---|
| <b>Performance fee</b>   | Not applicable                                    |
| <b>Administration fee***</b>   | 0.275%, subject to a minimum of £12,000 per annum |
| <b>Transaction fee</b><br>The Fund pays a transaction fee to the Depository. | £50 per security transaction                      |

\* At least 1 month's notice will be given to investors should any redemption fees be charged.

\*\* The Manager is entitled under the trust deed to charge a management fee at the rate not exceeding 0.5% per annum of the Fund's NAV. The management fee is currently waived. Please refer to the offering document for further details.

\*\*\* The Manager will pay the fees of the administrator (at such rate as may be agreed between the administrator and the Manager from time to time) out of the administration fee. Consistent with the terms referenced in the Unit Trust's Trust Deed, the remainder of the administration fee will be retained by the Manager for administrative services provided by the Manager to the Unit Trust.

#### Ongoing fees payable by Barings Korea Trust (the "Trust")

The following expenses will be paid out of the Trust.

|  | <b>Annual rate (as a % of the Trust's NAV), unless otherwise specified</b>   |
|--|--|
| <b>Management fee</b>  | 1.50% <sup>#</sup>   |
| <b>Trustee fee</b>   | The fee is calculated at the following rate: <ul style="list-style-type: none"> <li>• NAV below £200 Million: 0.0175% p.a.<sup>+</sup></li> <li>• NAV between £200 Million and £400 Million: 0.0150% p.a.<sup>+</sup></li> <li>• NAV between £400 Million and £1,200 Million: 0.0100% p.a.<sup>+</sup></li> <li>• NAV over £1,200 Million: 0.0050% p.a.<sup>+</sup></li> </ul> |
| <b>Performance fee</b>   | Not applicable   |
| <b>Administration fee</b>  | Not applicable   |
| <b>Custody charges</b><br>The Trust pays custody charges to the NatWest Trustee and Depository Services Limited.         | 0.0035% to 1.0800% <sup>+</sup> , which vary from country to country depending on the markets  |
| <b>Transaction charges</b><br>The Trust pays transaction charges to the NatWest Trustee and Depository Services Limited. | £8.50 to £110 per transaction <sup>+</sup> , which vary from country to country depending on the type of transaction involved  |

# The fee may be increased up to maximum level as specified in the Hong Kong offering documents by giving at least 60 days' prior notice to investors. Please refer to the Hong Kong offering documents for further details.

+ The fees and charges may be increased up to maximum level as specified in the Hong Kong offering documents by giving at least 1 month's prior notice to investors. Please refer to the Hong Kong offering documents for further details.

#### Other fees

You may have to pay other fees when dealing in the units of the Fund. The Fund will also bear the costs which are directly attributable to it, as set out in the offering document.

#### ADDITIONAL INFORMATION

- You generally subscribe and redeem units at the Fund's next-determined NAV per unit attributable to the relevant unit class after your request is received in good order by Baring Asset Management (Asia) Limited, our Hong Kong

Representative, by 5 p.m. Hong Kong time on a Hong Kong Business Day<sup>1</sup> which is also a Dealing Day or the Manager by 12 noon Irish time on a Dealing Day. Dealing Days are every business day on which banks in both Ireland and the United Kingdom are open for business (excluding Saturday or Sunday). Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal dealing deadline (which may be earlier than the Fund's dealing deadline).

- The NAV of the Fund is calculated and the prices of unit of the relevant unit class are published for each Dealing Day, and are available online at [www.barings.com](http://www.barings.com)<sup>2</sup>.
- You may obtain the past performance information of other unit classes offered to Hong Kong investors from [www.barings.com](http://www.barings.com)<sup>2</sup>.

### **IMPORTANT**

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.

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<sup>1</sup> "Hong Kong Business Day" means a day (other than a Saturday or Sunday) on which banks in Hong Kong are open for business (which includes a day where banks provide their services under severe weather condition), unless the Manager and the Depositary determine otherwise or such other day or days as the Manager and the Depositary may determine. However, investors should note that no request in physical form will be received by the Hong Kong Representative on any Hong Kong Business Day on which any period of the normal business hours have been impacted by severe weather condition(s).

<sup>2</sup> This website has not been reviewed by the SFC and it may contain information of funds which are not authorised by the SFC.