



**Barings Korea Trust**  
Interim Report & Unaudited Financial  
Statements  
for the half year ended 31 October 2023

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For the period ended 31 October 2023

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\* These pages comprise the Manager's report.

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# Barings Korea Trust

## Introduction

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This Interim Report and Unaudited Financial Statements covers the period from 1 May 2023 to 31 October 2023 and reviews the performance and market outlook for the Barings Korea Trust (the "Trust") which is managed by Baring Fund Managers Limited (the "Manager").

The functional and presentational currency of the Trust is Pound Sterling ("Sterling").

As an investor in the Trust, your money is pooled with that of other investors and invested by the Manager in the securities of South Korean companies listed on the Korean Stock Exchange. The Trust will also participate in investments such as convertible bonds, fixed interest stocks and mutual funds. As with all funds managed by the Manager, the risk assumed in this portfolio is carefully monitored.

The Trust is authorised by the Securities and Futures Commission ("SFC") pursuant to Section 104 of the Securities and Futures Ordinance of Hong Kong ("SFO") and hence may be offered to the public of Hong Kong.

The SFC's authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

### **Russia/Ukraine Crisis**

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

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## Barings Korea Trust

### Investment Objective and Policy and Trust at a Glance

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#### Investment Objective and Policy

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 Korea Composite Stock Price Index (KOSPI) over a rolling five year period, by investing in equity and equity related securities in Korea.

The Trust will seek to achieve its investment objective by investing 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 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 obtain indirect exposure through investments in collective investment schemes (including collective investment schemes which are managed by the Manager or an associate of the Manager) and other transferable securities. It may also use derivatives including futures, options, swaps, warrants and forward contracts for efficient portfolio management (including hedging).

Please refer to the Prospectus for the full investment objective and policy.

#### Benchmark

The target benchmark is the Korea Composite Stock Price Index (KOSPI). The benchmark has been selected as it tracks the performance of the largest companies in the South Korean stock market.

The Trust is actively managed and targets outperformance of the benchmark over a five year period. 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. Differences in the performance of the Trust compared to the benchmark may also arise as a result of application of the UK UCITS Rules prescribing portfolio concentration and liquidity limits, which are not applied to the benchmark. The Manager considers the benchmark is appropriate based on the investment policy of the Trust.

#### How the Trust is Managed

At Barings, our equity investment teams share the philosophy of quality “Growth at a Reasonable Price” (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, upside, and environment, social, governance (“ESG”) considerations can allow us to identify attractively priced, long-term growth companies which will outperform the market. Our approach emphasises both growth and quality criterion 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. We value companies on a long term-term basis utilizing proprietary valuation models that incorporate ESG analysis and macro considerations.

#### Risk Profile

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

- Changes in exchange rates between the base 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.
- One of the main risk factors associated with South Korean investments is the proximity to North Korea and the possibility of increased political tension which may mean your money is at greater risk.
- Country-specific funds have a narrower focus than those which invest broadly across markets and are therefore considered to be more risky.
- 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.

## Barings Korea Trust

### Investment Objective and Policy and Trust at a Glance (continued)

#### Risk Profile (continued)

- Losses may occur if an organisation through which we buy an asset (such as a bank) fails to meet its obligations.
- Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. Coupled with less developed regulation, this means your money is at greater risk.
- Liquidity risk exists when a particular security or instrument is difficult to purchase or sell. If the amount of a transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives, structured products, etc), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

Please refer to the Prospectus for the full risk profile.

#### The Trust at a Glance on 31 October 2023

Total Trust size: 31 October 2023	£50.59 million	
Total Trust size: 30 April 2023	£55.10 million	
<b>OCF*</b>	<b>31/10/2023</b>	<b>30/04/2023</b>
Class A GBP Acc	1.71%	1.70%
Class I GBP Acc	0.96%	0.95%
Class I GBP Inc	0.96%	0.95%
Class I USD Acc	0.96%	0.95%
	<b>Initial charge</b>	<b>Annual charge</b>
Class A GBP Acc	Up to 5.00%	1.50%
Class I GBP Acc	Nil	0.75%
Class I GBP Inc	Nil	0.75%
Class I USD Acc	Nil	0.75%
	<b>Minimum initial investment</b>	<b>Minimum subsequent investment</b>
Class A GBP Acc	£1,000	£500
Class I GBP Acc	£10,000,000	£500
Class I GBP Inc	£10,000,000	£500
Class I USD Acc	US\$10,000,000	US\$2,500

\* 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 period. It includes fees paid for investment management, trustee and general charges.

Price per unit	(pence/cents per unit)
Class A GBP Acc	298.70p
Class I GBP Acc	323.60p
Class I GBP Inc	313.10p
Class I USD Acc	395.80c

## Barings Korea Trust

### Trust Information

	Class A GBP Acc - Accumulation units			Class I GBP Acc - Accumulation units		
	31/10/2023	30/04/2023	30/04/2022	31/10/2023	30/04/2023	30/04/2022
	(p)	(p)	(p)	(p)	(p)	(p)
<b>Change in net assets per unit</b>						
Opening net asset value per unit	319.04	380.60	445.50	344.39	407.77	473.74
Return before operating charges	(20.19)	(55.84)	(57.84)	(21.92)	(59.95)	(61.75)
Operating charges	(2.84)	(5.72)	(7.06)	(1.72)	(3.43)	(4.22)
Return after operating charges	(23.03)	(61.56)	(64.90)	(23.64)	(63.38)	(65.97)
Distributions	–	(0.13)	–	–	(2.94)	(1.69)
Retained distributions on accumulation units	–	0.13	–	–	2.94	1.69
Closing net asset value per unit after direct transaction costs of*	296.01	319.04	380.60	320.75	344.39	407.77
	0.44	0.91	1.09	0.47	0.98	1.16
<b>Performance</b>						
Return after charges	(7.22)%	(16.17)%	(14.57)%	(6.86)%	(15.54)%	(13.93)%
<b>Other information</b>						
Closing net asset value ('000)	£34,709	£38,827	£49,708	£13,285	£13,408	£12,229
Closing number of units	11,725,651	12,169,764	13,060,303	4,141,783	3,893,246	2,999,072
Operating charges	1.71%	1.70%	1.70%	0.96%	0.95%	0.95%
Direct transaction costs	0.13%	0.27%	0.26%	0.13%	0.27%	0.26%
<b>Prices**</b>						
Highest unit price	356.30	385.30	459.90	385.00	413.00	489.70
Lowest unit price	298.70	303.10	360.40	323.60	326.00	385.70

	Class I GBP Inc - Distribution units			Class I USD Acc - Accumulation units		
	31/10/2023	30/04/2023	30/04/2022	31/10/2023	30/04/2023	30/04/2022
	(p)	(p)	(p)	(c)	(c)	(c)
<b>Change in net assets per unit</b>						
Opening net asset value per unit	333.21	397.90	464.23	431.09	514.79	661.92
Return before operating charges	(21.21)	(58.50)	(60.51)	(36.70)	(79.40)	(141.82)
Operating charges	(1.67)	(3.36)	(4.13)	(2.11)	(4.30)	(5.31)
Return after operating charges	(22.88)	(61.86)	(64.64)	(38.81)	(83.70)	(147.13)
Distributions	–	(2.83)	(1.69)	–	(3.65)	(2.32)
Retained distributions on accumulation units	–	–	–	–	3.65	2.32
Closing net asset value per unit after direct transaction costs of*	310.33	333.21	397.90	392.28	431.09	514.79
	0.46	0.95	1.14	0.58	1.22	1.46
<b>Performance</b>						
Return after charges	(6.87)%	(15.55)%	(13.92)%	(9.00)%	(16.26)%	(22.23)%
<b>Other information</b>						
Closing net asset value ('000)	£2,453	£2,707	£3,399	\$178	\$195	\$233
Closing number of units	790,406	812,481	854,209	45,259	45,259	45,259
Operating charges	0.96%	0.95%	0.95%	0.96%	0.95%	0.95%
Direct transaction costs	0.13%	0.27%	0.26%	0.13%	0.27%	0.26%
<b>Prices**</b>						
Highest unit price	372.50	403.00	479.80	486.40	522.30	681.70
Lowest unit price	313.10	318.00	378.00	395.70	362.80	505.80

\*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 spread and underlying costs with regard to Investment Fund holdings which will also have reduced the Trust and unit class returns before operating charges.

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## Barings Korea Trust

### Report of the Investment Manager

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#### Performance

Over the 6-month period to 31 October 2023, the Barings Korea Trust (the “Trust”) declined by -6.45% on the Class A GBP Acc Unit Class (net of fees) but outperformed against the benchmark, which fell by -6.52%. The table below shows the 6 month, 1 year, and 5 year annualized net return for the Class A GBP Acc units against the benchmark.

	<b>6 months</b>	<b>1 year</b>	<b>5 years</b>
Barings Korea Trust	(6.45)%	(4.84)%	(0.94)%
KOSPI Korea PR KRW*	(6.52)%	(0.61)%	(0.06)%

\*From 18 July 2022, the Korea Composite Stock Price Index (KOSPI) is the target benchmark.

Korean equities trended lower over the past 6 months, as market sentiment continued to be weighed by interest rates, amid a higher-for-longer rate environment, coupled with concerns that China’s economic slowdown would create downward pressure on demand. Market performance was also weighed by notable foreign outflows over the period, as investors took profits.

Over the period, both stock selection and asset allocation contributed positively to the Trust’s relative performance. Stylistically, Value orientated equities significantly outperformed Growth over the period, however, strong stock selection offset this.

Stock selection within Communication Services and Information Technology were notable contributors to relative outperformance over the period, notably holdings within the semiconductor industry. Here the Trust’s exposures to chip manufacturer SK Hynix and semiconductor test socket supplier ISC, significantly outperformed, driven by expectations of a turnaround within the semiconductor industry as global inventories have rapidly destocked, whilst buoyed by upbeat Artificial Intelligence (AI) demand.

Conversely, a lack of exposure to another leading chipmaker, Samsung Electronics, ended as a key detractor to relative performance as the company saw a period of share price appreciation. The Trust has a regulatory imposed restriction to hold a maximum of 10% of the portfolio in any one company. The benchmark weight however in Samsung Electronics, an index heavy weight, currently exceeds 20%, encumbering the strategy with a structural underweight it is unable to mitigate.

Significant trades over the review period included purchases of Hansol Chemical, a leading specialty chemical/gas supplier for semiconductor manufacturing process. The company is well positioned to benefit a return to profitability within the broader sector and offers an attractive valuation. Sales over the period included SK Hynix, where we have taken some profits following its significant outperformance.

Over five years the Trust has underperformed relative to the benchmark, both the Trust and benchmark have not delivered capital growth.

Stock selection positively impacted relative performance over the five-year period, whilst sector allocation contributed negatively. Value has outperformed Growth over the period, which has proved to be a headwind for our Growth at a Reasonable Price (GARP) investment approach, which focuses on quality companies with sustainable growth prospects. This shift in style has followed large macro driven events, including changes in the inflationary environment, geopolitics and interest rates, resulting in marked underperformance by companies with higher quality characteristics.

## Barings Korea Trust

Report of the Investment Manager (continued)

### Performance (continued)

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

Purchases	Costs £'000	Sales	Proceeds £'000
Hansol Chemical	1,523	SK Hynix	1,845
SK IE Technology	1,224	JYP Entertainment	1,548
COSMAX	1,105	Hanwha Solutions	1,186
Hyundai Heavy Industries	1,090	BH	1,101
Classys	1,067	Samsung Electro-Mechanics	1,075
Hyundai Motor	1,030	LG Chem	1,012
HD Hyundai Electric	932	ISC	1,006
NongShim	930	Samsung Engineering	964
Korea Zinc	876	Big Hit Entertainment	917
Doosan Bobcat Inc	875	POSCO	834

### Market outlook

In the short term, global markets are likely to remain vigilant as investors weigh up a potential peak in monetary tightening and evaluating the potential for a deterioration in corporate earnings.

We continue to remain constructive on Korean equities. Whilst US interest rates are now expected to stay higher for longer, falling inflation should become a benefit for Korean equities as medium-term expectations for rates fall, and as a result the relative strength of the US dollar should moderate, benefiting the Korean Won. In addition, Korea's ongoing current account improvement, together with the turnaround in the global chip cycle, should also give further benefit to its local currency, and provide its central bank with further policy flexibility.

While some of the external headwinds gradually abate, Korea's domestic economic momentum is also expected to remain robust, underpinned by supportive policies, increasing inbound tourists and ongoing capital expenditure by large tech and battery companies. The anticipated improvement in profitability for the hardware technology companies is paving the way for strong earnings growth outlook in 2024, and the rapid adoption of generative AI has helped accelerate this recovery, notably in unique and world leading parts of the semiconductor and tech hardware value chain only found in Korea. Meanwhile, the Inflation Reduction Act (US IRA) is benefiting a number of companies within the Korean EV battery and solar power supply chains, who are benefiting from significant subsidies to build manufacturing capacity within the US. Beyond tech, the Korean market also offers interesting mid-cap opportunities, such as those in the medical aesthetics space where the country has competitive advantage.

**Baring Asset Management (Asia) Limited, appointed as Sub-Investment Manager; and  
Barings Singapore Pte. Limited, appointed as delegate of Sub-Investment Manager by  
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.*



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## Barings Korea Trust

### Directors' Statement

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The financial statements on pages 13 to 14 were approved by Baring Fund Managers Limited (the "Manager") and signed on its behalf by:

R. KENT                      Director

A. BEHEN                      Director                                      London                      7 December 2023

## Barings Korea Trust

### Portfolio Statement

as at 31 October 2023

Holdings	Investments	Value (£)	Percentage of total net assets (%)
	<b>Equities: 99.07% (98.39%)</b>		
	<b>Aerospace &amp; Defense: 1.19% (1.09%)</b>		
9,767	Hanwha Aerospace	<b>599,810</b>	<b>1.19</b>
	<b>Auto Manufacturers: 6.05% (6.24%)</b>		
10,400	Hyundai Motor	1,072,483	2.12
15,533	Hyundai Motor 2nd Preference	945,411	1.87
22,337	Kia Motors	1,044,437	2.06
		<b>3,062,331</b>	<b>6.05</b>
	<b>Auto Parts &amp; Equipment: 1.92% (1.43%)</b>		
7,696	Hyundai Mobis	<b>973,329</b>	<b>1.92</b>
	<b>Biotechnology: 4.53% (4.48%)</b>		
6,701	Celltrion	608,726	1.20
3,905	Samsung Biologics	1,683,443	3.33
		<b>2,292,169</b>	<b>4.53</b>
	<b>Chemicals: 3.81% (7.27%)</b>		
11,191	Hansol Chemical	1,021,365	2.02
3,391	LG Chem	906,187	1.79
		<b>1,927,552</b>	<b>3.81</b>
	<b>Cosmetics/Personal Care: 5.50% (1.03%)</b>		
9,079	Amorepacific	697,224	1.38
15,041	Cosmax	1,240,131	2.45
21,202	Kolmar Korea	690,992	1.37
31,381	Silicon2	149,785	0.30
		<b>2,778,132</b>	<b>5.50</b>
	<b>Diversified Financial Services: 4.26% (4.68%)</b>		
50,447	KB Financial	1,576,629	3.11
27,497	Shinhan Financial	580,158	1.15
		<b>2,156,787</b>	<b>4.26</b>
	<b>Electronics: 6.81% (7.23%)</b>		
3,802	Daejoo Electronic Materials	159,281	0.31
22,032	HD Hyundai Electric	1,003,383	1.98
19,599	IsuPetasys	258,002	0.51
18,197	LG Electronics	1,103,129	2.18
1,400	LG Innotek	189,404	0.38
9,681	Samsung Electro-Mechanics	731,094	1.45
		<b>3,444,293</b>	<b>6.81</b>
	<b>Energy: 4.16% (6.41%)</b>		
8,999	LG Energy Solution	<b>2,106,620</b>	<b>4.16</b>
	<b>Engineering &amp; Construction: 2.84% (3.30%)</b>		
12,787	Samsung C&T	829,591	1.64
42,192	Samsung Engineering	608,008	1.20
		<b>1,437,599</b>	<b>2.84</b>

**Barings Korea Trust**  
**Portfolio Statement (continued)**  
as at 31 October 2023

Holdings	Investments	Percentage Bid-Market of total net Value assets (£) (%)	Value (£)	assets (%)
	<b>Equities: 99.07% (98.39%) (continued)</b>			
	<b>Financials: 0.20% (0.00%)</b>			
8,959	KakaoBank		<b>98,925</b>	<b>0.20</b>
	<b>Food Producers: 4.27% (1.96%)</b>			
13,671	CJ		698,250	1.38
3,752	NongShim		1,012,924	2.00
6,212	Orion		451,745	0.89
			<b>2,162,919</b>	<b>4.27</b>
	<b>Insurance: 5.09% (4.82%)</b>			
18,524	DB Insurance		990,045	1.96
21,401	Hyundai Marine & Fire Insurance		409,247	0.81
5,932	Samsung Fire & Marine Insurance		930,577	1.84
5,579	Samsung Life Insurance		244,920	0.48
			<b>2,574,789</b>	<b>5.09</b>
	<b>Internet: 4.99% (6.35%)</b>			
16,606	Kakao		381,165	0.75
18,813	NAVER		2,143,675	4.24
			<b>2,524,840</b>	<b>4.99</b>
	<b>Iron/Steel: 3.36% (3.66%)</b>			
6,803	POSCO		<b>1,700,096</b>	<b>3.36</b>
	<b>Media &amp; Entertainment: 3.61% (4.95%)</b>			
2,157	Big Hit Entertainment		287,227	0.57
75,474	Cheil Worldwide		910,939	1.80
10,083	JYP Entertainment		628,413	1.24
			<b>1,826,579</b>	<b>3.61</b>
	<b>Medical Equipment and Services: 2.51% (1.05%)</b>			
53,843	Classys		1,077,101	2.13
30,205	Jeisys Medical		193,208	0.38
			<b>1,270,309</b>	<b>2.51</b>
	<b>Mining: 1.50% (0.77%)</b>			
2,656	Korea Zinc		<b>756,604</b>	<b>1.50</b>
	<b>Oil &amp; Gas: 0.74% (3.27%)</b>			
5,023	SK Innovation		<b>373,221</b>	<b>0.74</b>
	<b>Retail: 0.00% (2.01%)</b>			
	<b>Semiconductors: 24.31% (21.89%)</b>			
1,124	Asicland		17,086	0.03
17,300	HPSP		327,669	0.65
11,015	ISC		463,470	0.92
8,261	Leeno Industrial		690,161	1.36
124,507	Samsung Electronics		5,057,098	10.00
45,051	SIMMTECH		901,221	1.78
68,464	SK Hynix		4,841,425	9.57
			<b>12,298,130</b>	<b>24.31</b>

**Barings Korea Trust**  
**Portfolio Statement** (continued)  
as at 31 October 2023

<b>Holdings</b>	<b>Investments</b>	<b>Bid-Market Value (£)</b>	<b>Percentage of total net assets (%)</b>
	<b>Equities: 99.07% (98.39%)</b> (continued)		
	<b>Technology: 1.62% (0.00%)</b>		
5,308	Hyundai Autoever	419,571	0.83
11,084	SK IE Technology	399,652	0.79
		<b>819,223</b>	<b>1.62</b>
	<b>Telecommunications: 4.04% (4.50%)</b>		
5,528	Samsung SDI	1,430,207	2.83
20,491	SK Telecom	612,375	1.21
		<b>2,042,582</b>	<b>4.04</b>
	<b>Transportation: 1.76% (0.00%)</b>		
14,383	Hyundai Heavy Industries	<b>892,907</b>	<b>1.76</b>
	<b>Portfolio of investments: 99.07% (98.39%)</b> <b>(Cost: £50,606,528)</b>	<b>50,119,746</b>	<b>99.07</b>
	Net other assets	472,790	0.93
	<b>Net assets</b>	<b>50,592,536</b>	<b>100.00</b>

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 30 April 2023.

## Barings Korea Trust

### Statement of Total Return and Statement of Change in Net Assets Attributable to Unitholders

for the period ended 31 October 2023

#### Statement of Total Return

		<b>31/10/2023</b>		<b>31/10/2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Income				
Net capital losses		(3,637)		(11,107)
Revenue	259		323	
Expenses	(414)		(432)	
Interest payable and other similar charges	(1)		–	
Net expense before taxation	<u>(156)</u>		<u>(109)</u>	
Taxation	(55)		(71)	
Net expense after taxation		<u>(211)</u>		<u>(180)</u>
<b>Total return before distributions</b>		<b><u>(3,848)</u></b>		<b><u>(11,287)</u></b>
<b>Change in net assets attributable to unitholders from investment activities</b>		<b><u>(3,848)</u></b>		<b><u>(11,287)</u></b>

#### Statement of Change in Net Assets Attributable to Unitholders

		<b>31/10/2023</b>		<b>31/10/2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Opening net assets attributable to unitholders*</b>		<b>55,099</b>		<b>65,522</b>
Amounts receivable on issue of units	3,899		5,389	
Amounts payable on cancellation of units	<u>(4,557)</u>		<u>(5,468)</u>	
		<b>(658)</b>		<b>(79)</b>
Changes in net assets attributable to unitholders from investment activities		<u>(3,848)</u>		<u>(11,287)</u>
<b>Closing net assets attributable to unitholders</b>		<b><u>50,593</u></b>		<b><u>54,156</u></b>

\* The opening net assets attributable to unitholders for 31 October 2023 differs to the closing position in 31 October 2022 by the movement between the two interim periods of the Trust.

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**Barings Korea Trust****Balance Sheet**as at 31 October 2023

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	<b>31/10/2023</b>	30/04/2023
	<b>£'000</b>	£'000
<b>Assets</b>		
Investment assets	<b>50,120</b>	54,211
Current assets:		
Debtors	<b>507</b>	175
Cash and bank balances	<b>416</b>	1,096
Total assets	<b>51,043</b>	55,482
<b>Liabilities</b>		
Creditors:		
Bank overdraft	-	(170)
Distribution payable on income units	-	(23)
Other creditors	<b>(450)</b>	(190)
Total liabilities	<b>(450)</b>	(383)
<b>Net assets attributable to unitholders</b>	<b>50,593</b>	55,099

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**Barings Korea Trust**  
**Notes to the Financial Statements**  
as at 31 October 2023

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**Note to the Financial Statements**  
for the period ended 31 October 2023

The interim financial statements have been prepared on the same basis as the annual audited financial statements for the year ended 30 April 2023. 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”) and amended in June 2017. The financial statements have been prepared on a going-concern basis.

**Post balance sheet events**

Subsequent to the period end, the net asset value per unit of the A GBP Accumulation unit class increased from 298.70p to 322.60p, I GBP Accumulation unit class from 323.60p to 349.80p, I GBP Income unit class from 313.10p to 338.40p and I USD Accumulation unit class from 395.80c to 444.30c as at 1 December 2023. These movements take into account routine transactions.

The Manager continues to monitor investment performance in line with investment objectives.

**Barings Korea Trust**  
The Risk and Reward Profile

	SRRI risk category* 31/10/2023	SRRI risk category* 30/04/2023
Class A GBP Acc	6	6
Class I GBP Acc	6	6
Class I GBP Inc	6	6
Class I USD Acc	6	6

\* The Synthetic Risk and Reward Indicator ("SRRI") 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 Information Document ("KID") at period-end, is not guaranteed and may change over time. The risk categories are measured from 1–7 (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 SRRI figures shown have not changed during the period.



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## Barings Korea Trust

### Important Information

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#### Constitution

The Barings Korea 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”).

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”).

This document has been issued by the Manager, which is authorised by the Financial Conduct Authority.

#### Performance

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 the report to other investments held within the Trust should not be read as a recommendation to the investor to buy or sell the same, but are included as illustration only.

#### Key changes during the period

Julian Swayne resigned as a Director of the Manager on 31 July 2023.

Martin Horne was appointed as a Director of the Manager effective 31 July 2023.

The Prospectus of the Trust was updated on 31 July 2023.

The material change to the Prospectus on 31 July 2023 is outlined as follows:

- Added wording to allow the investor instructions and documentation to be sent by email.

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

#### 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). 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.

#### 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 annual management fees charged to the Trust are shown on page 5.

#### Revenue allocations and reports

Revenue allocations are made on 31 July (final) of each year, where applicable, and forwarded to unitholders together with tax vouchers. The most recent annual report and audited financial statements and interim report and unaudited financial statements will be available on the Baring Asset Management Limited website at [www.barings.com](http://www.barings.com).

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## Barings Korea Trust

### Important Information (continued)

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#### **Prospectus and Manager's reports**

Copies of the Prospectus, the Key Information Document(s) ("KID(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.

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.

#### **Value Assessment**

As part of the FCA's Asset Management Market Study, Authorised Fund Managers are now required to produce an annual Value Assessment for all UK authorised funds. The Manager will publish its annual Value Assessment for the Barings funds as part of a broader composite report in December 2023. This is available on the Barings website at [www.barings.com](http://www.barings.com).

## Barings Korea Trust

### Disclosure for Overseas Investors

#### 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 period. Consequently, the correction may positively or negatively affect the investors who receive a distribution or an attribution of deemed income distributions in the current financial period.

#### Information for investors in Switzerland

The Manager has appointed BNP PARIBAS, Paris, Zurich branch, Selnaustrasse 16, 8002 Zurich, Switzerland as representative and paying agent for Switzerland. Units are distributed in Switzerland by BNP PARIBAS, Paris at the above address. Investors can obtain free of charge the Prospectus, the Key Information Document(s) ("KID(s)"), the latest annual and interim reports, copies of the Trust Deed (and any amendments thereto) as well as a list of the purchases and sales made on behalf of the Barings Korea Trust (the "Trust") 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 to the performance tables on page 19

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 Asset Management Association Switzerland ("AMAS") dated 16 May 2008, the Manager is providing the below additional information regarding performance.

#### Total Expense Ratio ("TER")

Following the Guideline of the Asset Management Association Switzerland ("AMAS") dated 16 May 2008, the Manager is required to publish a total expense ratio ("TER") for the Trust for the 6 months to 31 October 2023. 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.

The TERs for each class for the period ended 31 October 2023 and the year ended 30 April 2023 are as follows:

	TER as at 31 October 2023 %	TER as at 30 April 2023 %
Class A GBP Acc	1.71	1.70
Class I GBP Acc	0.96	0.95
Class I GBP Inc	0.96	0.95
Class I USD Acc	0.96	0.95

## Barings Korea Trust

Disclosure for Overseas Investors (continued)

### 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).

### Performance record to 31 October 2023 (including distribution payments where applicable)

	01/05/2023 - 31/10/2023 %	01/05/2022 - 30/04/2023 %	01/05/2021 - 30/04/2022 %	01/05/2020 - 30/04/2021 %	01/05/2019 - 30/04/2020 %
Barings Korea Trust - Class A GBP Acc (GBP terms)	(6.45)	(15.84)	(14.93)	63.55	(12.23)
Korea SE Composite Index (KOSPI) (GBP terms)	(6.52)	(12.99)	(16.38)	61.29	(12.43)
Barings Korea Trust - Class I GBP Acc (GBP terms)	(6.12)	(15.18)	(14.32)	64.80	(11.56)
Barings Korea Trust - Class I GBP Inc (GBP terms)	(6.11)	(15.21)	(14.31)	64.84	(11.58)
Barings Korea Trust - Class I USD Acc (USD terms)	(8.25)	(15.92)	(22.57)	67.10	(12.10)

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

Source: Morningstar/Barings/KOSPI.

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The Trust was launched on 3 November 1992.

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.

## Barings Korea Trust

### Unit Price History

	A GBP Acc (p)	I GBP Acc (p)	I GBP Inc (p)	I USD Acc† (c)
2023**				
High	356.30	385.00	372.50	486.40
Low	298.70	323.60	313.10	395.70
2022				
High	459.90	489.70	479.80	681.70
Low	360.40	385.70	378.00	505.80
2021				
High	476.60	505.80	496.40	695.20
Low	261.30	275.70	270.60	343.30
2020				
High	311.20	326.00	321.19	427.10
Low	211.50	223.00	220.20	258.20
2019				
High	389.50	405.40	400.90	546.90
Low	304.60	318.40	314.90	403.20
2018				
High	381.80	396.20	393.20	555.70
Low	320.00	331.20	328.80	433.80
2017				
High	349.80	361.50	286.50	473.00
Low	271.90	279.80	273.90	359.50
2016				
High	332.30	324.90	324.20	462.30
Low	243.40	248.80	248.30	358.60
2015				
High	331.10	320.50	320.30	493.00
Low	249.00	252.50	252.30	440.00
2014				
High	300.40	289.40	289.20	N/A
Low	236.90	238.60	238.40	N/A

† Class I USD Acc units were launched on 26 May 2015, hence, no data available for 2014.

‡ The Trust changed its accounting year from 8 August to 30 April starting 2017.

\*\* Interim high low is for the period 1 May 2023 to 31 October 2023.

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## Barings Korea Trust

### Directory

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#### **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.*

#### **Sub-Investment Manager**

Barings Asset Management (Asia) Limited

35th Floor, Gloucester Tower

15 Queen's Road Central

Hong Kong

#### **Delegate of Sub-Investment Manager**

Barings Singapore Pte. Limited

Guoco Tower #25-01

1 Wallich Street

Singapore 078881

#### **Directors**

J. Armstrong (non-executive)

A. Behen

R. Kent

J. Swayne (resigned 31 July 2023)

M. Horne (appointed 31 July 2023)

K. Troup (non-executive)

#### **Registered Office**

20 Old Bailey

London, EC4M 7BF

#### **Trustee**

NatWest Trustee and Depositary Services Limited

250 Bishopsgate

London, EC2M 4AA

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

#### **Administrator & Registrar**

Northern Trust Global Services SE

6 rue Lou Hemmer

Senningerberg

Luxembourg, L-1748

#### **The Administrator & Registrar's principal place of business in the United Kingdom:**

Northern Trust Global Services SE UK Branch

50 Bank Street

London, E14 5NT

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

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## Barings Korea Trust

Directory (continued)

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### **Independent Auditors**

PricewaterhouseCoopers LLP

141 Bothwell Street

Glasgow, G2 7EQ

### **Paying agent**

Société Générale Luxembourg

11, avenue Emile Reuter

L-2420 Luxembourg

Operational Centre:

28/32 Place de la Gare

L-1616 Luxembourg

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

BNP PARIBAS, Paris

Zurich Branch

Selnaustrasse 16

8002 Zurich

Switzerland

The Prospectus, the Key Information Document(s) ("KID(s)"), a list of portfolio changes, the Trust Deed as well as the annual and the interim reports and financial statements are available on [www.barings.com](http://www.barings.com), or via the office of the paying agent and the Swiss representative and paying agent.

**Address:**

Baring Asset Management Limited  
20 Old Bailey  
London, EC4M 7BF

**Contact:**

Tel: +44 (0)20 7628 6000  
Fax: +44 (0)20 7638 7928  
[www.barings.com](http://www.barings.com)

**BARINGS**

The logo for Barings, featuring the word "BARINGS" in a bold, dark blue, sans-serif font. Below the text is a horizontal line that is green on the left and blue on the right.