



Barings Korea Trust

Interim Report & Unaudited Financial
Statements

for the half year ended 31 October 2022

Barings Korea Trust
Interim Report and Unaudited Financial Statements

For the period ended 31 October 2022

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* These pages comprise the Manager's report.

Barings Korea Trust

Introduction

This Interim Report and Unaudited Financial Statements covers the period from 1 May 2022 to 31 October 2022 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 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.

COVID-19

The spread of COVID-19 around the world around the world continued in 2022. While the degree of disruption and market volatility within international markets seemed reduced in comparison to 2020, COVID-19 continues to impact not only demand for goods and services, but also supply chains. Uncertainty remains around the breadth and duration of business disruptions related to COVID-19, as well as its impact on international economies. The Manager continues to actively monitor the extent of the impact to its operations, financial accounting and reporting

Russia/Ukraine Crisis

The ongoing conflict between Russia and Ukraine has led to significant disruption and volatility in the global stock market. As at 31 October 2022, the Trust did not have any exposure to Russian and Ukrainian investments. The future ramifications of the evolving conflict may not be limited to Russia and Russian companies or Ukraine but may spill over to other regional and global economic marks, and the extent of the resulting impact is uncertain.

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Investment Objective and Policy and Trust at a Glance

Investment Objective and Policy

The investment objective of the Trust until 18 July 2022 was to achieve long-term capital growth by investing in Korea. From 18 July 2022, the Trust aims 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 outside of Korea as well as in fixed-income and cash.

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).

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

Benchmark

Until 18 July 2022, the Trust was not managed to a benchmark, however the Manager used the Korea Composite Stock Price Index (KOSPI) to assess the Trust's performance.

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

- 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 2022

| | | |
|--|-----------------------------------|--------------------------------------|
| Total Trust size: 31 October 2022 | £54.16million | |
| Total Trust size: 30 April 2022 | £65.52million | |
| OCF* | 31/10/2022 | 30/04/2022 |
| Class A GBP Acc | 1.70% | 1.70% |
| Class I GBP Acc | 0.95% | 0.95% |
| Class I GBP Inc | 0.95% | 0.95% |
| Class I USD Acc | 0.95% | 0.95% |
| | Initial charge | Annual charge |
| 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% |
| | Minimum initial investment | Minimum subsequent investment |
| 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 | 313.90p |
| Class I GBP Acc | 337.50p |
| Class I GBP Inc | 329.30p |
| Class I USD Acc | 391.10c |

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Trust Information

| | Class A GBP Acc - Accumulation units | | | Class I GBP Acc - Accumulation units | | |
|--|--------------------------------------|------------|------------|--------------------------------------|------------|------------|
| | 31/10/2022 | 30/04/2022 | 30/04/2021 | 31/10/2022 | 30/04/2022 | 30/04/2021 |
| | (p) | (p) | (p) | (p) | (p) | (p) |
| Change in net assets per unit | | | | | | |
| Opening net asset value per unit | 380.60 | 445.50 | 266.20 | 407.77 | 473.74 | 280.98 |
| Return before operating charges | (64.14) | (57.84) | 185.50 | (68.84) | (61.75) | 196.49 |
| Operating charges | (2.93) | (7.06) | (6.20) | (1.75) | (4.22) | (3.73) |
| Return after operating charges | (67.07) | (64.90) | 179.30 | (70.59) | (65.97) | 192.76 |
| Distributions | – | – | – | – | (1.69) | (1.09) |
| Retained distributions on accumulation units | – | – | – | – | 1.69 | 1.09 |
| Closing net asset value per unit | 313.53 | 380.60 | 445.50 | 337.18 | 407.77 | 473.74 |
| after direct transaction costs of* | 0.41 | 1.09 | 1.64 | 0.44 | 1.16 | 1.79 |
| Performance | | | | | | |
| Return after charges | (17.62)% | (14.57)% | 67.36% | (17.31)% | (13.93)% | 68.60% |
| Other information | | | | | | |
| Closing net asset value ('000) | £39,368 | £49,708 | £61,195 | £11,985 | £12,229 | £18,483 |
| Closing number of units | 12,556,159 | 13,060,303 | 13,736,377 | 3,554,373 | 2,999,072 | 3,901,530 |
| Operating charges | 1.70% | 1.70% | 1.67% | 0.95% | 0.95% | 0.92% |
| Direct transaction costs | 0.12% | 0.26% | 0.44% | 0.12% | 0.26% | 0.44% |
| Prices** | | | | | | |
| Highest unit price | 438.50 | 459.90 | 476.60 | 413.00 | 489.70 | 505.80 |
| Lowest unit price | 303.10 | 360.40 | 261.30 | 326.00 | 385.70 | 275.70 |

| | Class I GBP Inc - Distribution units | | | Class I USD Acc - Accumulation units | | |
|--|--------------------------------------|------------|------------|--------------------------------------|------------|------------|
| | 31/10/2022 | 30/04/2022 | 30/04/2021 | 31/10/2022 | 30/04/2022 | 30/04/2021 |
| | (p) | (p) | (p) | (c) | (c) | (c) |
| Change in net assets per unit | | | | | | |
| Opening net asset value per unit | 397.90 | 464.23 | 275.75 | 514.79 | 661.92 | 352.43 |
| Return before operating charges | (67.19) | (60.51) | 192.77 | (122.05) | (141.82) | 315.61 |
| Operating charges | (1.71) | (4.13) | (3.58) | (2.03) | (5.31) | (6.12) |
| Return after operating charges | (68.90) | (64.64) | 189.19 | (124.08) | (147.13) | 309.49 |
| Distributions | – | (1.69) | (0.71) | – | (2.32) | (0.67) |
| Retained distributions on accumulation units | – | – | – | – | 2.32 | 0.67 |
| Closing net asset value per unit | 329.00 | 397.90 | 464.23 | 390.71 | 514.79 | 661.92 |
| after direct transaction costs of* | 0.43 | 1.14 | 1.71 | 0.51 | 1.46 | 2.94 |
| Performance | | | | | | |
| Return after charges | (17.32)% | (13.92)% | 68.61% | (24.10)% | (22.23)% | 87.82% |
| Other information | | | | | | |
| Closing net asset value ('000) | £2,650 | £3,399 | £4,536 | \$177 | \$233 | \$300 |
| Closing number of units | 805,437 | 854,209 | 977,153 | 45,259 | 45,259 | 45,259 |
| Operating charges | 0.95% | 0.95% | 0.92% | 0.95% | 0.95% | 0.92% |
| Direct transaction costs | 0.12% | 0.26% | 0.44% | 0.12% | 0.26% | 0.44% |
| Prices** | | | | | | |
| Highest unit price | 403.10 | 479.80 | 496.40 | 522.30 | 681.70 | 695.20 |
| Lowest unit price | 317.90 | 378.00 | 270.60 | 362.80 | 505.80 | 343.30 |

*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.

Barings Korea Trust

Report of the Investment Manager

Performance

Over the 6-month period to 31 October 2022, the Barings Korea Trust (the “Trust”) declined by -17.26% on the Class A GBP Acc (net of fees) but outperformed against the benchmark, which fell by -18.17%. 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.

| | 6 months | 1 year | 5 years |
|---------------------|----------|----------|---------|
| Barings Korea Trust | (17.26)% | (22.87)% | (2.20)% |
| KOSPI Korea PR KRW* | (18.17)% | (24.59)% | (3.79)% |

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

Korean equities continued a bumpy ride and retreated over the review period, largely dragged by a hawkish US Federal Reserve with its aggressive rate hike actions to tame soaring inflation, not helped by weakness in the Korean won that reached the lowest level against the US dollar in over a decade. The market was also weighted by pressure in the technology and semiconductor sectors in light of global demand weakness and elevated inventory levels.

Over longer time periods, relative performance of the Trust against the benchmark has been positive, driven by strong stock selection especially in the New Economy sectors. This we believe demonstrates effectively the capability of our stock selection process, guided by our GARP (Growth-at-a-Reasonable-Price) approach.

Over the 6-month period, relative performance was driven by stock selection particularly in Communication Services and Consumer Staples, reflecting more defensive growth nature of these two sectors. The holdings in Financials also contributed to relative performance as banks and insurance entities tend to benefit from rising interest rate cycles. At a stock level, Korea Zinc, the largest zinc and lead integrated smelter globally, ended the review period as a key contributor to the Trust, as investors started to appreciate its stable free cash flows and ROE (Return on Equity) capability. Its new businesses in EV (electric vehicle) battery materials and battery recycling are also being highlighted as “Green” initiatives with potentials for company re-rating. On the other hand, Samsung Electro-Mechanics, a passive chip components and semiconductor IC (integrated circuit) substrates manufacturer, was a notable detractor to relative performance during the period. The share price declined due to ongoing inventory de-stocking on the back of weakening end-demand, especially in those exposed to consumer spending such as lower-end smartphones and other consumer electronic products. We have reduced holding in the company during the past 6 months.

Significant trades over the review period included KT. The Trust initiated position in the telecom company at the beginning of the review period on the back of attractive valuations and yield alongside growth potentials in cloud and media businesses, but we later trimmed some weight in the stock after the share price rebounded to lock in partial profits. Another notable trade was in NAVER, as we reduced the position in the stock over the review period in light of concerns over the new management and its overseas acquisition, as well as decelerating earnings growth momentum.

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 |
|---------------------------------|----------------|---------------------------|-------------------|
| KT | 2,012 | NAVER | 2,007 |
| LG Energy Solution | 1,989 | SK Hynix | 1,660 |
| LG Chem | 1,575 | Hana Financial | 1,410 |
| Hyundai Marine & Fire Insurance | 1,371 | Samsung Electro-Mechanics | 1,179 |
| L&F | 1,291 | KoMiCo | 971 |
| Studio Dragon Corporation | 1,036 | SIMMTECH | 966 |
| Samsung SDI | 991 | S-Oil | 940 |
| Samsung Biologics | 985 | SKC | 931 |
| Hyundai Motor | 965 | Big Hit Entertainment | 899 |
| Yuhan | 934 | KT | 801 |

Market outlook

While near-term market outlook for Korean equities may not be as rosy on the back of recent global macro developments and geopolitical movements that could lead to further downside risks for earnings expectations, long-term outlook should start to look more constructive. For one, the US Federal Reserve could be closer to the end of its tightening cycle by early to mid-next year, and that should help ease the strong US dollar headwinds for emerging markets, including Korean companies. As for Korea itself, market valuations have fallen to attractive levels amid recent volatility, especially for some of the tech leaders that are at cyclical downturns despite their secular long-term growth outlook. The technology industry's capital expenditure reductions planned for 2023 will set the stage for another supply-demand imbalance in time to come. We believe that the structural growth story in the technology sector remains solid, with opportunities emerging on a longer term horizon.

On the macro policy front, while the central bank of Korea is expected to continue normalized monetary policies with rate hikes in the near-term, we do not expect them to be as aggressive as the US Federal Reserve given relatively less overheating inflation. Moreover, the new president, Mr. Yoon, as well as his administration, is known for their "pro-growth" position, which could mean relaxed regulations along with accommodative and business-friendly policies in the future to support the market and the economy.

The Korea equity market is attractive from both growth and value perspectives, and the long-term outlook of Korean equities should be well supported by companies with global leadership in green transition, digital economy and intellectual property contents. We remain disciplined and anchored by our bottom-up investment approach, and take market corrections as opportunities to build up positions in companies that have consistently improved their fundamentals and growth outlook by enhancing their competitiveness and positions in respective markets.

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.

Barings Korea Trust

Directors' Statement

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

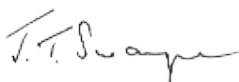
R. KENT

Director



J. SWAYNE

Director



London

9 December 2022

Barings Korea Trust

Portfolio Statement

as at 31 October 2022

| Holdings | Investments | Bid-Market Value (£) | Percentage of total net assets (%) |
|----------|--|----------------------|------------------------------------|
| | Equities: 97.79% (97.95%) | | |
| | Auto Manufacturers: 4.28% (4.20%) | | |
| 14,555 | Hyundai Motor | 1,452,436 | 2.68 |
| 21,516 | Kia Motors | 866,684 | 1.60 |
| | | 2,319,120 | 4.28 |
| | Auto Parts & Equipment: 2.27% (0.36%) | | |
| 18,947 | Hankook Tire & Technology | 420,799 | 0.78 |
| 6,053 | Hyundai Mobis | 804,754 | 1.49 |
| | | 1,225,553 | 2.27 |
| | Biotechnology: 3.85% (1.70%) | | |
| 3,905 | Samsung Biologics | 2,083,827 | 3.85 |
| | Chemicals: 5.63% (2.08%) | | |
| 37,126 | Han Kuk Carbon | 250,751 | 0.46 |
| 27,760 | Hanwha Solutions | 797,265 | 1.47 |
| 5,264 | LG Chem | 2,005,078 | 3.70 |
| | | 3,053,094 | 5.63 |
| | Communications: 2.02% (0.00%) | | |
| 49,065 | KT | 1,092,682 | 2.02 |
| | Cosmetics/Personal Care: 0.00% (1.58%) | | |
| | Diversified Financial Services: 3.93% (8.02%) | | |
| 37,972 | Hana Financial | 953,078 | 1.76 |
| 40,170 | KB Financial | 1,173,232 | 2.17 |
| | | 2,126,310 | 3.93 |
| | Diversified Manufacturing: 0.00% (3.18%) | | |
| | Electronics: 8.43% (10.75%) | | |
| 66,887 | BH | 980,843 | 1.81 |
| 20,412 | Daejoo Electronic Materials | 1,116,571 | 2.06 |
| 6,245 | LG Electronics | 309,693 | 0.57 |
| 6,619 | LG Innotek | 1,194,148 | 2.20 |
| 13,143 | Samsung Electro-Mechanics | 967,656 | 1.79 |
| | | 4,568,911 | 8.43 |
| | Energy: 7.68% (1.00%) | | |
| 8,723 | L&F | 1,193,703 | 2.20 |
| 9,259 | LG Energy Solution | 2,969,038 | 5.48 |
| | | 4,162,741 | 7.68 |
| | Financials: 0.00% (0.50%) | | |
| | Food Producers: 3.36% (1.77%) | | |
| 7,248 | CJ CheilJedang | 1,821,416 | 3.36 |
| | Insurance: 6.36% (2.31%) | | |
| 67,764 | Hyundai Marine & Fire Insurance | 1,370,982 | 2.53 |
| 9,186 | Samsung Fire & Marine Insurance | 1,117,886 | 2.06 |

Barings Korea Trust
Portfolio Statement (continued)
as at 31 October 2022

| Holdings | Investments | Percentage | |
|----------|---|----------------------|-------------------------|
| | | Bid-Market Value (£) | of total net assets (%) |
| | Equities: 97.79% (97.95%) (continued) | | |
| | Insurance: 6.36% (2.31%) (continued) | | |
| 23,397 | Samsung Life Insurance | 956,688 | 1.77 |
| | | 3,445,556 | 6.36 |
| | Internet: 1.82% (7.30%) | | |
| 17,807 | Kakao | 548,255 | 1.01 |
| 4,239 | NAVER | 435,904 | 0.81 |
| | | 984,159 | 1.82 |
| | Iron/Steel: 1.48% (1.48%) | | |
| 5,288 | POSCO | 801,183 | 1.48 |
| | Media & Entertainment: 5.43% (5.67%) | | |
| 133,047 | Cheil Worldwide | 1,979,361 | 3.65 |
| 23,197 | Studio Dragon Corporation | 964,037 | 1.78 |
| | | 2,943,398 | 5.43 |
| | Mining: 3.78% (2.93%) | | |
| 5,260 | Korea Zinc | 2,045,162 | 3.78 |
| | Oil & Gas: 1.12% (3.86%) | | |
| 11,517 | S-Oil | 604,771 | 1.12 |
| | Pharmaceuticals: 1.74% (0.00%) | | |
| 25,882 | Yuhan | 941,760 | 1.74 |
| | Retail: 2.63% (1.67%) | | |
| 12,551 | BGF retail | 1,424,289 | 2.63 |
| | Semiconductors: 19.89% (27.90%) | | |
| 32,282 | Daeduck Electronics/ New | 482,229 | 0.89 |
| 8,435 | Haesung DS | 194,777 | 0.36 |
| 31,255 | ISC | 577,190 | 1.07 |
| 11,592 | Leeno Industrial | 964,202 | 1.78 |
| 143,576 | Samsung Electronics | 5,189,306 | 9.58 |
| 27,212 | SIMMTECH | 585,317 | 1.08 |
| 55,144 | SK Hynix | 2,774,884 | 5.13 |
| | | 10,767,905 | 19.89 |
| | Support Services: 0.56% (0.00%) | | |
| 15,520 | KEPCO Plant Service & Engineering | 301,247 | 0.56 |
| | Technology: 0.00% (1.60%) | | |
| | Telecommunications: 9.65% (5.93%) | | |
| 7,514 | Samsung SDI | 3,365,039 | 6.21 |
| 61,097 | SK Telecom | 1,862,510 | 3.44 |
| | | 5,227,549 | 9.65 |
| | Transportation: 1.12% (2.16%) | | |
| 9,134 | Hyundai Heavy Industries | 605,799 | 1.12 |

Barings Korea Trust
Portfolio Statement (continued)
as at 31 October 2022

| | | Percentage Bid-Market of total net Value assets (£) (%) | |
|-----------------|--|--|---------------|
| Holdings | Investments | | |
| | Equities: 97.79% (97.95%) (continued) | | |
| | Travel & Leisure: 0.76% (0.00%) | | |
| 29,429 | Kangwon Land | 411,855 | 0.76 |
| | Portfolio of investments: 97.79% (97.95%) | | |
| | (Cost: £52,209,499) | 52,958,287 | 97.79 |
| | Net other assets | 1,197,291 | 2.21 |
| | Net assets | 54,155,578 | 100.00 |

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 2022.

Barings Korea Trust

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

for the period ended 31 October 2022

Statement of Total Return

| | 31/10/2022 | 31/10/2021 |
|--|-----------------|----------------|
| | £'000 | £'000 |
| Income | | |
| Net capital losses | (11,107) | (7,047) |
| Revenue | 323 | 195 |
| Expenses | (432) | (610) |
| Net expense before taxation | (109) | (415) |
| Taxation | (71) | (43) |
| Net expense after taxation | (180) | (458) |
| Change in net assets attributable to unitholders from investment activities | (11,287) | (7,505) |

Statement of Change in Net Assets Attributable to Unitholders

| | 31/10/2022 | 31/10/2021 |
|--|---------------|---------------|
| | £'000 | £'000 |
| Opening net assets attributable to unitholders* | 65,522 | 84,430 |
| Amounts receivable on issue of units | 5,389 | 17,645 |
| Amounts payable on cancellation of units | (5,468) | (16,499) |
| | (79) | 1,146 |
| Changes in net assets attributable to unitholders from investment activities | (11,287) | (7,505) |
| Closing net assets attributable to unitholders | 54,156 | 78,071 |

* The opening net assets attributable to unitholders for 31 October 2022 differs to the closing position in 31 October 2021 by the movement between the two interim periods of the Trust.

Barings Korea Trust**Balance Sheet**as at 31 October 2022

| | 31/10/2022 £'000 | 30/04/2022 £'000 |
|---|---------------------|---------------------|
| Assets | | |
| Investment assets | 52,958 | 64,181 |
| Current assets: | | |
| Debtors | 1,038 | 943 |
| Cash and bank balances | 1,656 | 1,469 |
| Total assets | 55,652 | 66,593 |
| Liabilities | | |
| Creditors: | | |
| Bank overdrafts | (182) | (168) |
| Distribution payable on income units | – | (14) |
| Other creditors | (1,314) | (889) |
| Total liabilities | (1,496) | (1,071) |
| Net assets attributable to unitholders | 54,156 | 65,522 |

Barings Korea Trust
Notes to the Financial Statements
as at 31 October 2022

Note to the Financial Statements
for the period ended 31 October 2022

The interim financial statements have been prepared on the same basis as the annual audited financial statements for the year ended 30 April 2022. 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 313.90p to 321.60p, I GBP Accumulation unit class from 337.50p to 346.10p, I GBP Income unit class from 329.30p to 337.70p and I USD Accumulation unit class from 391.10c to 424.60c as at 6 December 2022. This movement takes 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* 31/10/2022 | SRRI risk category* 30/04/2022 |
|-----------------|---|---|
| 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 Investor Information Document ("KIID") 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.

Barings Korea Trust

Important Information

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

Emma Browning resigned as Director of the Manager on 3 May 2022.

Alan Behen was appointed as Director of the Manager on 27 July 2022.

The Prospectus of the Trust was updated on 18 July 2022.

The material changes to the Prospectus are outlined as follows:

- Amending the investment objective of the Trust in order to clarify its financial objective and to introduce a target benchmark to offer investors a more readily measurable means of assessing whether the Trust has met its investment objective.
- Added wording to allow the Manager to compulsorily redeem/switch investors holding below minimum investment levels.

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.baring.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.

Barings Korea Trust

Important Information (continued)

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.

Prospectus and Manager's reports

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. 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 published its annual Value Assessment for the Barings funds as part of a broader composite report in December 2022. This is made available on the Barings website at 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 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 period.

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, KIID(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"), in French, from the representative at the above address. Official publications for the Trust are found on the internet at www.fundinfo.com. Unit prices (Net Asset Value with the words "plus commissions") are published daily on the internet at 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 Swiss Funds Association ("SFA") dated 16 May 2008, the Manager is providing the below additional information regarding performance.

Total Expense Ratio ("TER")

Following the Guideline of the Swiss Funds Association ("SFA") 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 2022. 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 2022 and the year ended 30 April 2022 are as follows:

| | TER as at 31 October 2022 % | TER as at 30 April 2022 % |
|-----------------|-----------------------------------|---------------------------------|
| Class A GBP Acc | 1.70 | 1.70 |
| Class I GBP Acc | 0.95 | 0.95 |
| Class I GBP Inc | 0.95 | 0.95 |
| Class I USD Acc | 0.95 | 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 2022 (including distribution payments where applicable)

| | 01/05/2022 - 31/10/2022 % | 01/05/2021 - 30/04/2022 % | 01/05/2020 - 30/04/2021 % | 01/05/2019 - 30/04/2020 % | 01/05/2018 - 30/04/2019 % |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Barings Korea Trust - Class A GBP Acc (GBP terms) | (17.26) | (14.93) | 63.55 | (12.23) | (17.23) |
| Korea SE Composite Index (KOSPI) (GBP terms) | (18.17) | (16.38) | 61.29 | (12.43) | (15.37) |
| Barings Korea Trust - Class I GBP Acc (GBP terms) | (16.95) | (14.32) | 64.80 | (11.56) | (16.65) |
| Barings Korea Trust - Class I GBP Inc (GBP terms) | (16.97) | (14.31) | 64.84 | (11.58) | (16.65) |
| Barings Korea Trust - Class I USD Acc (USD terms) | (23.78) | (22.57) | 67.10 | (12.10) | (20.98) |

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) |
|-----------------------|------------------|------------------|------------------|-------------------|
| 2022** High Low | 438.50 303.10 | 413.00 326.00 | 403.10 317.90 | 522.30 362.80 |
| 2021 High Low | 476.60 261.30 | 505.80 275.70 | 496.40 270.60 | 695.20 343.30 |
| 2020 High Low | 311.20 211.50 | 326.00 223.00 | 321.19 220.20 | 427.10 258.20 |
| 2019 High Low | 389.50 304.60 | 405.40 318.40 | 400.90 314.90 | 546.90 403.20 |
| 2018 High Low | 381.80 320.00 | 396.20 331.20 | 393.20 328.80 | 555.70 433.80 |
| 2017 High Low | 349.80 271.90 | 361.50 279.80 | 286.50 273.90 | 473.00 359.50 |
| 2016 High Low | 332.30 243.40 | 324.90 248.80 | 324.20 248.30 | 462.30 358.60 |
| 2015 High Low | 331.10 249.00 | 320.50 252.50 | 320.30 252.30 | 493.00 440.00 |
| 2014 High Low | 300.40 236.90 | 289.40 238.60 | 289.20 238.40 | N/A N/A |
| 2013 High Low | 296.80 224.00 | 260.70 251.60 | 283.20 224.90 | N/A N/A |

† Class I USD Acc units were launched on 26 May 2015, hence, no data available from 2011 to 2014.

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

** Interim high low is for the period 1 May 2022 to 31 October 2022.

Barings Korea Trust

Directory

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 (appointed 27 July 2022)

E. Browning (resigned 3 May 2022)

R. Kent

J. Swayne

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.

Barings Korea Trust

Directory (continued)

Independent Auditors

PricewaterhouseCoopers LLP

141 Bothwell Street

Glasgow, G2 7EQ

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 as well as the annual and the interim reports and financial statements are available on www.barings.com, or via the office of the Austrian, French, German, Swedish, and Swiss paying agents.

Address:

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20 Old Bailey
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