



**FRANKLIN  
TEMPLETON**

**Franklin Templeton Investments  
(Asia) Limited**  
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**This letter is important and requires your immediate attention.**

**If you are in doubt about the contents of this letter,  
you should seek independent professional advice.**

Hong Kong, 24 August 2023

Dear Investors,

**Franklin Templeton Investment Funds (the “Company”)  
- Change to the definition of “Valuation Day”**

This letter is intended for investors who hold shares of the Company via an account with (i) Franklin Templeton Investments (Asia) Limited (the “**Hong Kong Representative**”) or (ii) a duly authorized intermediary for the Hong Kong market (collectively, “**Investors**”).

Unless otherwise specified herein, capitalized terms used in this letter shall have the meanings assigned to such terms in the Explanatory Memorandum of the Company dated April 2023, as amended from time to time (the “**Explanatory Memorandum**”).

The purpose of this letter is to inform you that the Board of Directors has decided to amend the definition of “Valuation Day” with effect from 1 January 2024 (the “**Effective Date**”). The purpose of this change is to guarantee an alignment between Valuation Days and dealing days, and to avoid possible challenges in meeting subscription and redemption requests when the invested markets may be closed. The Board of Directors therefore expects this change to ease Investors’ operativity in the Funds. Please refer to the Appendix for the current and revised definitions of “Valuation Day”.

As a result of the above change, the Funds will have more non-Valuation Days. The list of non-Valuation Days will be available on <https://www.franklintempleton.lu><sup>1#</sup>. Pursuant to the section headed “DEALINGS IN THE FUNDS” in the Explanatory Memorandum, dealings in the Funds (including but not limited to issue, switch, redemption and transfer of Shares in the Funds) would usually take place on a Valuation Day. On this basis, the reduction in the number of Valuation Day due to the change to the definition of “Valuation Day” will in turn result in a reduction in the number of dealing days during which the Shares of the Funds may be subscribed for, redeemed and/or switched.

\* \* \* \* \*

Rest assured, the above change will not result in any change in the features (which may include but not limited to investment objective and policy) and risks applicable to the Funds, and the above change will not give rise to any change in the fee level or cost in managing the Funds. Save as disclosed above, there will be no other change to the operation and/or the manner in which the Funds are being managed. For the avoidance of doubt, the above change

<sup>1</sup> The website has not been reviewed by the SFC.

<sup>#</sup> Investors should note that this website may contain information on the Funds and/or share classes that are not authorized for public distribution in Hong Kong as at the date of publication of the Explanatory Memorandum, and which are not available to Hong Kong investors.

will not affect the dealing procedures. There is no material effect on the Investors, and the change will not materially prejudice the rights or interests of the Investors.

Any costs and/or expenses that will be incurred in connection with the above change will be borne by the Management Company, other than the cost of publishing this letter to notify Investors of the above change, which is estimated to be approximately HKD150,000 and which will be charged and allocated to the Funds based on the pro rata share of the Net Asset Value of the Funds.

\* \* \* \* \*

The Management Company and the Board of Directors accept full responsibility for the accuracy of the information contained in this letter as at the date of its publication and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement misleading.

The Explanatory Memorandum will be updated to reflect the above change in due course. An updated version of the Explanatory Memorandum will be available for download from the Hong Kong Representative's website at [www.franklintempleton.com.hk](http://www.franklintempleton.com.hk)<sup>1</sup>, and it will also be made available at the office of the Hong Kong Representative in due course.

If you require any further information, please do not hesitate to contact your investment consultant, call our Investor Hotline at +852 2805 0111 or contact the Hong Kong Representative at 17/F, Chater House, 8 Connaught Road Central, Hong Kong. If you are not a duly authorized intermediary for the Hong Kong market, please be advised that you are not required to forward this letter to your end clients.

Yours faithfully,

**Franklin Templeton Investments (Asia) Limited**

**富蘭克林鄧普頓投資(亞洲)有限公司**

As Hong Kong Representative of the Company

**Appendix****Change to the definition of “Valuation Day”**

With effect from the Effective Date, the definition of “Valuation Day” will be amended as follows:

Table 1 – For Funds with Base Currency in USD<sup>@</sup>, the revised definition of “Valuation Day” will be linked to the New York Stock Exchange

<b>Funds</b>	<b>Current definition (prior to the Effective Date)</b>	<b>Revised definition (on or after the Effective Date)</b>
1. Franklin Biotechnology Discovery Fund	any day on which the New York Stock Exchange is open or any full day on which banks in Luxembourg are open for normal business (other than during a suspension of normal dealing). With respect to the Templeton China A-Shares Fund, the Management Company may also take into account whether relevant local stock exchanges and/or Regulated Markets which are the principal market(s) for a significant portion of the investments attributable to the Templeton China A-Shares Fund are closed for trading, and may elect to treat such closures as non-Valuation Days for the Fund. Further information on the applicable Valuation Days for the Fund can be found on the website: <a href="https://www.franklintempleton.lu">https://www.franklintempleton.lu</a> <sup>1#</sup>	a day on which the New York Stock Exchange is open for normal business (other than during a suspension of normal dealing), further information on the applicable Valuation Days for the Fund can be found on the website: <a href="https://www.franklintempleton.lu">https://www.franklintempleton.lu</a> <sup>1#</sup>
2. Franklin Global Convertible Securities Fund		
3. Franklin Global Growth Fund		
4. Franklin Global Income Fund		
5. Franklin Global Real Estate Fund		
6. Franklin Gold and Precious Metals Fund		
7. Franklin High Yield Fund		
8. Franklin Income Fund		
9. Franklin India Fund		
10. Franklin Innovation Fund		
11. Franklin MENA Fund		
12. Franklin Mutual Global Discovery Fund		
13. Franklin Mutual U.S. Value Fund		
14. Franklin Natural Resources Fund		
15. Franklin NextStep		

<sup>@</sup> This table excludes the definition of “Valuation Day” applicable to the Templeton China A-Shares Fund and Templeton China Fund. For details, please refer to Table 3 below.

Funds	Current definition (prior to the Effective Date)	Revised definition (on or after the Effective Date)
Balanced Growth Fund 16. Franklin NextStep Dynamic Growth Fund 17. Franklin NextStep Stable Growth Fund 18. Franklin Strategic Income Fund 19. Franklin Technology Fund 20. Franklin U.S. Dollar Short-Term Money Market Fund 21. Franklin U.S. Government Fund 22. Franklin U.S. Opportunities Fund 23. Templeton Asian Bond Fund 24. Templeton Asian Growth Fund 25. Templeton Asian Smaller Companies Fund 26. Templeton BRIC Fund 27. Templeton Emerging Markets Bond Fund 28. Templeton Emerging Markets Dynamic Income Fund		

Funds	Current definition (prior to the Effective Date)	Revised definition (on or after the Effective Date)
29. Templeton Emerging Markets Fund		
30. Templeton Emerging Markets Smaller Companies Fund		
31. Templeton Frontier Markets Fund		
32. Templeton Global Balanced Fund		
33. Templeton Global Bond Fund		
34. Templeton Global Equity Income Fund		
35. Templeton Global Fund		
36. Templeton Global High Yield Fund		
37. Templeton Global Income Fund		
38. Templeton Global Smaller Companies Fund		
39. Templeton Global Total Return Fund		
40. Templeton Latin America Fund		

Table 2 – For Funds with Base Currency in EUR, the revised definition of “Valuation Day” will be linked to the retail banks in the United Kingdom

Funds	Current definition (prior to the Effective Date)	Revised definition (on or after the Effective Date)
1. Franklin Euro Government Bond Fund 2. Franklin Euro High Yield Fund 3. Franklin Mutual European Fund 4. Templeton Eastern Europe Fund 5. Templeton Euroland Fund 6. Templeton European Small-Mid Cap Fund 7. Templeton Global Climate Change Fund	any day on which the New York Stock Exchange is open or any full day on which banks in Luxembourg are open for normal business (other than during a suspension of normal dealing). With respect to the Templeton China A-Shares Fund, the Management Company may also take into account whether relevant local stock exchanges and/or Regulated Markets which are the principal market(s) for a significant portion of the investments attributable to the Templeton China A-Shares Fund are closed for trading, and may elect to treat such closures as non-Valuation Days for the Fund. Further information on the applicable Valuation Days for the Fund can be found on the website: <a href="https://www.franklintempleton.lu">https://www.franklintempleton.lu</a> <sup>1#</sup>	a day on which the retail banks in the United Kingdom are open for normal business (other than during a suspension of normal dealing), further information on the applicable Valuation Days for the Fund can be found on the website: <a href="https://www.franklintempleton.lu">https://www.franklintempleton.lu</a> <sup>1#</sup>

Table 3 – For Funds with Base Currency in USD but with a significant exposure to the relevant local stock exchanges, the revised definition of “Valuation Day” will be linked to the New York Stock Exchange as well as the relevant exchanges

Funds	Current definition (prior to the Effective Date)	Revised definition (on or after the Effective Date)
1. Templeton China A-Shares Fund 2. Templeton China Fund	<p>any day on which the New York Stock Exchange is open or any full day on which banks in Luxembourg are open for normal business (other than during a suspension of normal dealing). With respect to the Templeton China A-Shares Fund, the Management Company may also take into account whether relevant local stock exchanges and/or Regulated Markets which are the principal market(s) for a significant portion of the investments attributable to the Templeton China A-Shares Fund are closed for trading, and may elect to treat such closures as non-Valuation Days for the Fund. Further information on the applicable Valuation Days for the Fund can be found on the website:  <a href="https://www.franklintempleton.lu">https://www.franklintempleton.lu</a><sup>1#</sup></p>	<p>a day on which the Shanghai Stock Exchange, the Hong Kong Stock Exchange and the New York Stock Exchange are open for normal business (other than during a suspension of normal dealing), further information on the applicable Valuation Days for the Fund can be found on the website:  <a href="https://www.franklintempleton.lu">https://www.franklintempleton.lu</a><sup>1#</sup></p>