



Franklin Templeton Investment Funds

# Templeton Eastern Europe Fund

Emerging Markets

Equity

29.02.2024

## Fund Fact Sheet

### Fund Overview

Base Currency for Fund	EUR
Total Net Assets (EUR)	117 million
Fund Inception Date	10.11.1997
Number of Issuers	38
Benchmark	MSCI EM Europe Index-NR
Morningstar Category™*	Emerging Europe Equity

### Summary of Investment Objective

The Fund aims to achieve long-term capital appreciation by investing primarily in listed equity securities of issuers organised under the laws of or having their principal activities within the countries of Eastern Europe, as well as the New Independent States, i.e. the countries in Europe and Asia that were formerly part of or under the influence of the Soviet Union.

### Fund Management\*

Krzysztof Musialik, CFA: Poland  
Manish Agarwal: Singapore

### Asset Allocation\*



### Offering Documents



### Risk Considerations

**INVESTMENT INVOLVES RISKS. The value of the Fund can be volatile and investors may not get back the amount originally invested. Past performance is not indicative of future results.**

- Templeton Eastern Europe Fund invests primarily in equity securities issued by companies of any size located in, or doing significant business in, eastern Europe and countries formerly part of the Soviet Union.
- The Fund is subject to market risk, equity risk, emerging markets risk, foreign currency risk, Europe and Eurozone risk, liquidity risk, Russian and Eastern European markets risk, concentration risk, counterparty risk, frontier markets risk, non-regulated markets risk, securities lending risk and derivative instruments risk.
- The Fund may at its discretion pay dividends out of the capital or out of gross income of the Fund while paying all or part of the Fund's fees and expenses out of the capital of the Fund, which results in effectively paying dividends out of capital. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the Fund's capital or payment of dividends effectively out of the Fund's capital (as the case may be) may result in an immediate reduction of the net asset value per share.
- Investors should not invest based on this marketing material alone. Offering documents should be read for further details, including the risk factors. Before you decide to invest, you should make sure the intermediary has explained to you that the Fund is suitable to you.

### Performance\*

Past performance does not predict future returns.

Performance over 5 Years in Share Class Currency (%)



### Performance in Share Class Currency (%)

	Cumulative						
	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Incept
A (acc) EUR	14.00	9.83	41.41	-41.11	-36.13	-26.18	67.67
Benchmark in EUR	9.19	8.27	27.40	-48.80	-49.56	-42.76	52.47

### Calendar Year Performance in Share Class Currency (%)

	2023	2022	2021	2020	2019
A (acc) EUR	35.68	-68.55	32.59	-15.33	36.67
Benchmark in EUR	25.44	-69.30	22.47	-19.73	34.75

### Top Ten Holdings\* (% of Total)

Issuer Name	
POWSZECHNA KASA OSZCZEDNOSCI BANK POLSKI SA	7.22
BANK POLSKA KASA OPIEKI SA	6.32
OTP BANK NYRT	5.36
HALYK SAVINGS BANK OF KAZAKHSTAN JSC	4.09
BANK OF GEORGIA GROUP PLC	3.90
OPAP SA	3.90
POWSZECHNY ZAKLAD UBEZPIECZEN SA	3.79
ALLEGRO.EU SA	3.62
EUROBANK ERGASIAS SERVICES AND HOLDINGS SA	3.53
INPOST SA	3.35

### Fund Measures

Price to Earnings (12-mo Trailing)	6.66x
Price to Book	1.46x
Price to Cash Flow	3.76x
Dividend Yield*	3.55%
Standard Deviation (5 Yrs)	34.97%

Share Class Information

Share Class	Incept Date	NAV	TER (%) 31.01.2024	Fees			Dividends		Fund Identifiers
				Max. Sales Charge (%)	Max. Annual Charge* (%)	Max. Serv. Charge (%)	Last Paid Date	Last Paid Amount	
A (acc) EUR	10.11.1997	EUR 14.41	2.63	5.00	2.10	N/A	N/A	N/A	LU0078277505
A (acc) USD	25.10.2005	USD 15.56	2.63	5.00	2.10	N/A	N/A	N/A	LU0231793349

The charges are the fees the fund charges to investors to cover the costs of running the Fund. Additional costs, including transaction fees, will also be incurred. These costs are paid out by the Fund, which will impact on the overall return of the Fund.

Fund charges will be incurred in multiple currencies, meaning that payments may increase or decrease as a result of currency exchange fluctuations.

Composition of Fund\*

■ Templeton Eastern Europe Fund ■ MSCI EM Europe Index-NR

Geographic		% of Total	Sector		% of Total
Poland		35.61 / 38.08	Financials		55.90 / 44.16
Greece		18.16 / 19.94	Consumer Discretionary		14.99 / 10.95
Turkiye		16.73 / 26.66	Consumer Staples		9.25 / 6.15
Hungary		9.83 / 10.11	Energy		6.99 / 10.54
Kazakhstan		7.32 / 0.00	Industrials		6.38 / 11.60
Georgia		3.90 / 0.00	Health Care		2.66 / 2.01
Czech Repub.		2.55 / 5.21	Utilities		0.77 / 5.44
Slovenia		1.89 / 0.00	Real Estate		0.40 / 0.00
United Kingdom		1.33 / 0.00	Materials		0.00 / 4.81
Cash & Cash Equivalents		2.67 / 0.00	Communication Services		0.00 / 4.34
			Cash & Cash Equivalents		2.67 / 0.00
Market Capitalisation Breakdown in EUR		% of Equity			
<2.0 Billion		2.42			
2.0-5.0 Billion		28.91			
5.0-10.0 Billion		33.55			
10.0-25.0 Billion		34.71			
N/A		0.41			

Investment Objective and Strategy

The Fund aims to increase the value of its investments over the medium to long term.

The Fund invests primarily in:

- equity securities issued by companies of any size located in, or doing significant business in, eastern Europe and countries formerly part of the Soviet Union

The Fund can invest on an ancillary basis in:

- debt securities issued by governments in eastern Europe or countries formerly part of the Soviet Union
- equity and equity-related securities issued by companies located in, or doing significant business in, eastern Europe or countries formerly part of the Soviet Union whose securities are either traded on stock markets considered to be less developed or where these securities are not publicly traded on a stock exchange.

Product Features

On a temporary basis and if justified by exceptionally unfavourable market conditions, the Fund may, in order to take measures to mitigate risks relative to such exceptional market conditions in the best interests of its shareholders, hold ancillary liquid assets (i.e. bank deposits at sight, such as cash held in current accounts with a bank accessible at any time) up to 100% of its net assets.

The Fund may also, in order to achieve its investment goals and for treasury purposes, invest in bank deposits, money market instruments or money market funds pursuant to the investment restrictions. For defensive purposes, the Fund may invest up to 100% of its net assets in these instruments on a temporary basis.

The investment team uses in-depth financial analysis to select individual securities that it believes are undervalued and will provide the best opportunities for increased value over the long term. Investors should note that the liquid part of the Fund's portfolio no longer has any exposure to Russian assets and the Fund will not make any further investments in Russian or Belarussian assets until further notice.

The expected level of exposure that could be subject to securities lending transactions amounts to 5% of the Fund's net assets.

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.

Important Information

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Any share class with "H1" in its name will attempt to hedge the currency risk between the base currency of the Fund and the currency of the share class, although there can be no guarantee that it will be successful in doing so. In some cases, investors may be subject to additional risks.

In addition, a summary of investor rights is available from <https://www.franklintempleton.com.hk/en-hk/about-us/summary-of-investor-rights>. The summary is available in English and Chinese.

The fund(s)/ sub-fund(s) are notified for marketing in various regions under the UCITS Directive. The fund(s)/ sub-fund(s) can terminate such notifications for any share class and/or sub-fund at any time by using the process contained in Article 93a of the UCITS Directive.

For the avoidance of doubt, if you make a decision to invest, you will be buying units/shares in the fund(s)/sub-fund(s) and will not be investing directly in the underlying assets of the fund(s)/sub-fund(s).

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**\*Explanatory Notes**

In the context of the invasion of Ukraine by Russia and the resulting impact of sanctions and the actions of governments and market counterparties on certain Russian issuers and assets, the following additional information is provided:

- To allow the proper functioning of the Fund, Russian assets held by the Fund as of 25 February 2022 were segregated from the liquid assets within the Fund and allocated to share classes newly created to that effect with effect on November 11, 2022 (the "Restricted Share Classes") and are managed with the aim to realize them in the best interest of the shareholders. Shares in such new classes (A (acc) EUR RC, N (acc) EUR RC, I (acc) EUR RC, A (acc) USD RC) were allocated to shareholders on November 11, 2022 in a manner to reflect their respective percentage holdings in the Fund's total NAV as of 25 February 2022. The Restricted Share Classes are closed to subscriptions, redemptions and switches.
- Following the allocation of the Russian assets to the Restricted Share Classes to be issued only to existing shareholders on November 11, 2022, the liquid part of the Fund's portfolio will no longer have any exposure to Russian assets and the Fund will not make any further investments in Russian or Belarussian assets until further notice.
- The Fund's NAV calculation was suspended from 25/2/22 to 11/11/22. No official NAV was calculated during this period. Performance results provided for periods where the beginning date was during the time when NAVs were suspended use the last official NAV before suspension in the calculation.

**Performance:** Performance information is based on the stated share class only, in Fund Currency, NAV to NAV, taking into account of dividend reinvestments and capital gain or loss.

Net Returns (NR) include income net of tax withholding when dividends are paid.

When performance for either the portfolio or its benchmark has been converted, different foreign exchange closing rates may be used between the portfolio and its benchmark.

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**Performance:** The Fund's NAV calculation was suspended from 25/2/22 to 11/11/22. No official NAV was calculated during this period.

Performance results provided for periods where the beginning date was during the time when NAVs were suspended use the last official NAV before suspension in the calculation.

MSCI EM Europe Index-NR reflects performance of the MSCI EM Europe Index (gross returns) from fund inception through 29.12.2000 and the MSCI EM Europe Index-NR thereafter.

**Top 10 Holdings:** These securities do not represent all of the securities purchased, sold or recommended for clients, and the reader should not assume that investment in the securities listed was or will be profitable.

**Dividend Yield:** Reported as a weighted average to reflect the proportion of the portfolio each stock holding represents. This is the ratio of a stock's dividend per share to the month end market price.

**Dividend Yield:** The dividend yield quoted here is the yield on securities within the Portfolio and should not be used as an indication of the income received from this portfolio.

**Asset Allocation/Composition of Fund:** Due to rounding, the sum of portfolio may not equal 100%.

**Fees:** Maximum Annual Charge includes Management Fee and Maximum Maintenance Charge.