



For the source and calculation basis of Fund information, please refer to the *Explanatory Notes section.

Fund Overview

Base Currency for Fund	USD
Total Net Assets (USD)	481 million
Fund Inception Date	18.10.2007
Number of Issuers	80
Benchmark	MSCI Emerging Markets Small Cap Index-NR
Morningstar Category™*	Global Emerging Markets Small/Mid-Cap Equity

Summary of Investment Objective

The Fund aims to achieve long-term capital appreciation by investing primarily in equity securities and depository receipts of small-cap companies registered or performing a substantial part of their business in emerging markets or holding a substantial part of their participations in small-cap companies registered in emerging markets. Emerging markets small cap companies are those having a market capitalisation at the time of initial purchase within the range of the market capitalisations of companies included in the MSCI Emerging Markets Small Cap Index (Index).

Fund Management*

Chetan Sehgal, CFA: Singapore
Vikas Chiranewal, CFA: Singapore
Krzysztof Musialik, CFA: Poland

Ratings - A (acc) USD

Overall Morningstar Rating™*: ★★★★★

Asset Allocation*

Equity	97.55%
Cash & Cash Equivalents	2.45%

Awards in Recent Years

Fund Selector Asia Awards Hong Kong 2018
Global Emerging Markets Equity, Platinum Award¹

¹Fund Selector Asia Awards Hong Kong 2018 reflected fund performance as of 30/06/2017. Source: Fund Selector Asia. Awarded Funds refer to the awards for specific fund categories. Visit www.franklintempleton.com.hk (Awards and Recognition page) for more details.

Offering Documents



Risk Considerations

- Templeton Emerging Markets Smaller Companies Fund invests principally in equity securities and depository receipts of small cap companies in emerging markets.
- The Fund is subject to market risk, equity risk, depository receipts risk, emerging markets risk, foreign currency risk, liquidity risk, smaller- and mid-sized companies risk, value stocks risk and counterparty risk.
- Emerging markets may involve increased risks and special considerations not typically associated with investment in more developed markets. The risks of investing in emerging markets, which can adversely affect and/or result in a substantial loss to the Fund, may include: liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.
- 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.
- Investment involves risks which may result in loss of part or entire amount of your investment. Before you decide to invest, you should make sure the intermediary has explained to you that the Fund is suitable to you. Investors should not only base on this marketing material alone to make investment decisions.

Performance*

Performance over 5 Years in Share Class Currency (%)

■ Templeton Emerging Markets Smaller Companies Fund A (acc) USD



Performance in Share Class Currency (%)

	Cumulative					
	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs Since Incept
A (acc) USD	10.16	3.17	6.26	-5.79	23.26	30.25
Benchmark in USD	11.60	10.74	17.51	4.24	37.72	23.28

Calendar Year Performance in Share Class Currency (%)

	2019	2018	2017	2016	2015
A (acc) USD	4.61	-15.30	30.98	2.73	-5.84
Benchmark in USD	11.51	-18.59	33.84	2.28	-6.85

Top Ten Holdings* (% of Total)

Issuer Name	% of Total
MERIDA INDUSTRY CO LTD	4.34
BAJAJ HOLDINGS & INVESTMENT LTD	4.01
XINYI SOLAR HOLDINGS LTD	3.44
HEALTH & HAPPINESS H&H INTERNATIONAL HOLDINGS LTD	3.18
HOA PHAT GROUP JSC	3.07
NOVATEK MICROELECTRONICS CORP	2.95
ZINUS INC	2.63
BAOZUN INC	2.62
PRIMAX ELECTRONICS LTD	2.42
FILA HOLDINGS CORP	2.30

Fund Measures

Price to Earnings (12-mo Trailing)	15.55x
Price to Book	1.84x
Price to Cash Flow	6.81x
Dividend Yield*	2.78%
Standard Deviation (5 Yrs)	18.41%

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Share Class Information

Share Class	Incept Date	NAV	TER (%)	Fees				Dividends		Fund Identifiers
				Max. Sales Charge (%)	Mgmt. Fee (%)	Max. Maint. Charge (%)	Max. Serv. Charge (%)	Last Paid Date	Last Paid Amount	ISIN
A (acc) USD	18.10.2007	USD 11.71	2.51	5.00	1.60	0.50	N/A	N/A	N/A	LU0300738514
A (acc) EUR	18.10.2007	EUR 14.03	2.51	5.00	1.60	0.50	N/A	N/A	N/A	LU0300743431

Composition of Fund*

■ Templeton Emerging Markets Smaller Companies Fund ■ MSCI Emerging Markets Small Cap Index-NR

Geographic	% of Total	Sector	% of Total
China	20.94 / 12.34	Consumer Discretionary	25.41 / 12.98
Taiwan	18.50 / 22.85	Information Technology	18.04 / 19.12
India	12.40 / 12.68	Financials	11.73 / 9.64
South Korea	12.26 / 18.59	Materials	9.82 / 12.00
Vietnam	5.61 / 0.00	Health Care	9.37 / 10.22
Brazil	3.91 / 7.00	Industrials	9.01 / 14.11
Philippines	3.46 / 0.81	Consumer Staples	8.30 / 5.17
Hong Kong	2.36 / 0.00	Communication Services	4.11 / 3.75
U. Arab Emir.	2.24 / 0.52	Real Estate	1.77 / 7.32
Others	15.89 / 25.21	Others	0.00 / 5.69
Cash & Cash Equivalents	2.45 / 0.00	Cash & Cash Equivalents	2.45 / 0.00

Market Capitalisation Breakdown in USD

Market Capitalisation	% of Equity
<1.0 Billion	26.79
1.0-2.0 Billion	23.15
2.0-5.0 Billion	38.14
5.0-10.0 Billion	8.40
>10.0 Billion	3.52

Important Information

Unless stated otherwise, all information is as of the publishing date of this document. Source: Franklin Templeton.

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*Explanatory Notes

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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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. The portfolio manager for the Fund reserves the right to withhold release of information with respect to holdings that would otherwise be included in the top holdings list.

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.

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%.