

Franklin Select APAC Quality Income Fund

HK0000740222

Total Return | Factsheet as of 31 December 2025

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.

- Franklin Select APAC Quality Income Fund invests in fixed or floating-rate debt securities issued by governments, government-related entities and corporations worldwide, among which at least 70% of the Fund's net asset value will be invested in the Asia Pacific (including Japan) region.
- The Fund is subject to general investment risk, foreign currency risk, concentration risk, emerging markets risk, market risk, China Bond Connect risk, risks associated with China Interbank Bond Market ("CIBM") direct, currency hedged class risk, Renminbi currency risks, derivative risk and liquidity risk.
- The Fund may invest in debt securities which are subject to sovereign debt risk, interest rate risk, credit risk, credit rating risk, credit rating agency risk, valuation risk, downgrading risk, non-investment grade securities risk and risk associated with urban investment bonds.
- 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.

Past performance does not predict future returns.

Performance Over 3 Years in Share Class Currency (%)

■ Franklin Select APAC Quality Income Fund - A (Mdis) USD



Total Returns (%)

	Cumulative						Annualised				Inception Date
	1-Mo	3-Mo	YTD	1-Yr	3-Yr	5-Yr	Inception	3-Yr	5-Yr	Inception	
A (Mdis) USD	-0.11	0.78	6.69	6.69	16.39	—	1.90	5.19	—	0.43	13/8/2021
Benchmark (USD)	0.11	1.04	6.70	6.70	20.33	—	7.22	6.36	—	1.60	—

Calendar Year Returns (%)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	
A (Mdis) USD	6.69	2.41	6.51	-10.49	-2.18	—	—	—	—	—	—
Benchmark (USD)	6.70	4.32	8.09	-10.63	-0.29	—	—	—	—	—	—

Investment Objective

The investment objective of the Fund is maximise, consistent with prudent investment management, total investment return consisting of a combination of interest income, capital appreciation and currency gains.

Fund Overview

Umbrella	Franklin Templeton Asia Fund
Series	
Fund Base Currency	USD
Fund Inception Date	13/08/2021
Share Class Inception Date	13/08/2021
Dividend Frequency	Monthly
ISIN	HK0000740222
Bloomberg	FRAQIAM HK
Morningstar Peer Group	Asia Bond
Minimum Investment (USD)	1000

Benchmark(s) and Type

Custom Benchmark	Comparator
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Fund Characteristics

Fund	
NAV-A (Mdis) USD	\$8.02
Total Net Assets (USD)	\$69.41 Million
Number of Holdings	137
Average Credit Quality	BBB+
Weighted Average Maturity	7.35 Yrs
Effective Duration	5.15 Yrs
Yield to Maturity	4.87%
Standard Deviation (3 Yr)	3.99%

Top Securities (% of Total)

	Fund
AIA Group Ltd, SUBORDINATED, Subordinated, REGS, REG S, 5.375%, 4/05/34	1.96
Pertamina Persero PT, senior note, Reg S, 2.30%, 2/09/31	1.94
SK Hynix Inc, SR UNSECURED, Sr Unsecured, REGS, REG S, 2.375%, 1/19/31	1.85
Standard Chartered PLC, SR UNSECURED, Sr Unsecured, REGS, REG SFRN thereafter, 5.9050%, 05/14/2035	1.84
Philippine Government International Bond, SR UNSECURED, Sr Unsecured, 4.20%, 3/29/47	1.83

Share Class Details

	ISIN	Max. Initial Charge	Annual Charge	Dividends Payable Date	Amount
A (Mdis) USD	HK0000740222	5.00%	1.00%	16.01.26	\$0.0410
A (Mdis) HKD	HK0000740230	5.00%	1.00%	16.01.26	\$0.0400

Only dividend records within the past 12 months are displayed. Dividend amounts are quoted in the currency of the respective share class. Annual Charge includes Management Fee and Maintenance Charge.

Portfolio Management

	Years with Firm	Years of Experience
John Beck	35	39
Chris Siniakov	11	32
Andrew Canobi, CFA	11	32

Sector Allocation (% of Total)

	Fund
USD IG Corp	51.83
Quasi-Sovereign	25.53
Sovereign	11.68
USD HY Corp	4.66
Euro IG Corp	1.34
Currency Derivatives	0.12
Other	3.30
Cash & Cash Equivalents	1.54

Glossary

Yield to Maturity ('YTM'): is the rate of return anticipated on a bond if it is held until the maturity date. YTM is considered a long-term bond yield expressed as an annual rate. The calculation of YTM takes into account the current market price, par value, coupon interest rate and time to maturity. It is also assumed that all coupons are reinvested at the same rate. Yield figures quoted should not be used as an indication of the income that has or will be received. Yield figures are based on the portfolio's underlying holdings and do not represent a payout of the portfolio. **Yield to Maturity is calculated without the deduction of fees and expenses. Comparator:** Benchmark is used for comparing Fund performance, but is not a constraint to Fund Investment. **Average Credit Quality:** The average credit quality reflects the holdings of the underlying issues, based on the size of each holding and ratings assigned to each based on rating agency assessments of its creditworthiness. **Weighted Average Maturity:** An estimate of the number of years to maturity, taking the possibility of early payments into account, for the underlying holdings. **Effective Duration** is a duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change. Duration measures the sensitivity of price (the value of principal) of a fixed-income investment to a change in interest rates. The higher the duration number, the more sensitive a fixed-income investment will be to interest rate changes. **Standard Deviation:** Measure of the degree to which a fund's return varies from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that a fund's performance will fluctuate from the average return. **Charges:** For a comprehensive list of the types of costs deducted from fund assets, see the prospectus and Product Key Facts.

Geographic Allocation (% of Total)

	Fund
Asia	63.69
Australia / New Zealand	18.24
North America	9.53
Europe	5.39
Currency Derivatives	0.12
Supranational	1.50
Cash & Cash Equivalents	1.54

Portfolio Data Information

Exposure: Notional exposure figures are estimated and are intended to show the portfolio's direct exposure to securities and indirect exposure, through derivatives. Direct and indirect exposures are subject to change over time and methodologies for calculating indirect exposures vary by derivative type. Portfolio breakdown percentages may not total 100% and may be negative due to rounding, use of derivatives, unsettled trades or other factors.

Holdings are provided for information purposes only and should not be deemed a recommendation to buy or sell the securities mentioned.

Currency Exposure (% of Total)

	Fund
US Dollar	102.66
Japanese Yen	-1.16
Euro	-1.50

Credit Quality Allocation (% of Total)

	Fund
AAA	1.50
AA	7.75
A	34.21
BBB	50.22
BB	2.54
B	2.13
Not Applicable	0.12
Cash & Cash Equivalents	1.54

Credit Quality is a measure of a bond issuer's ability to repay interest and principal in a timely manner. The credit ratings shown are based on each portfolio security's rating as provided by S&P Global Ratings, Moody's Investors Service and/or Fitch Ratings, Inc. and typically range from AAA (highest) to D (lowest), or an equivalent and/or similar rating. For this purpose, the manager assigns each security the middle rating from these three agencies. When only two agencies provide ratings, the lower of the two ratings will be assigned. When only one agency assigns a rating, that rating will be used. Foreign government bonds without a specific rating are assigned a country rating, if available. Securities that are unrated by all three agencies are reflected as such. The credit quality of the investments in the portfolio does not apply to the stability or safety of the portfolio. The methodology used for the calculation of credit quality ratings displayed may differ from the methodology for monitoring investment limits, if applicable. **Please note, the portfolio itself has not been rated by an independent rating agency.**

Important Information

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.

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.

The fund's custom benchmark is comprised of 70% JACI Diversified Investment Grade; 25% Bloomberg Global Agg ex USD (hedged in USD); 5% Bloomberg US Corporate High Yield Index.

Hedged share classes 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.

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