



India

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Presented by

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Frankfurt, Germany

This is a marketing communication. Please refer to the prospectus of the UCITS and to the KID before making any final investment decisions.

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India – A Decadal Opportunity

Convergence of Factors - Sustaining Earnings Growth



Policy and Political Will

- GDP per capita on path from \$2500 to \$6500*
- Policy consistency
- Electoral rewards for good policies
- Right side of geopolitical equation



Tax Reforms – enabling growth

- Corporate tax rates cut
- Goods & Services Tax – “One Nation, One Tax, One Market”
- Driving formalization



Macroeconomic Stability

- Stable inflation within targeted band
- Lowering of cost of capital
- Energy transition could help lower imports



Exports to drive growth

- Rising share of global services exports
- Manufacturing set to pick up
- Traction in free trade agreements



Consumption Enablers

- Demographics
- Urbanization
- Rising incomes
- Premiumization

Source: Franklin Templeton

*As of March 2024. If the current GDP per capita (\$2500) grows at about 10% for a decade it could grow to \$6500.

There is no assurance that any projection, estimate or forecast will be realized.

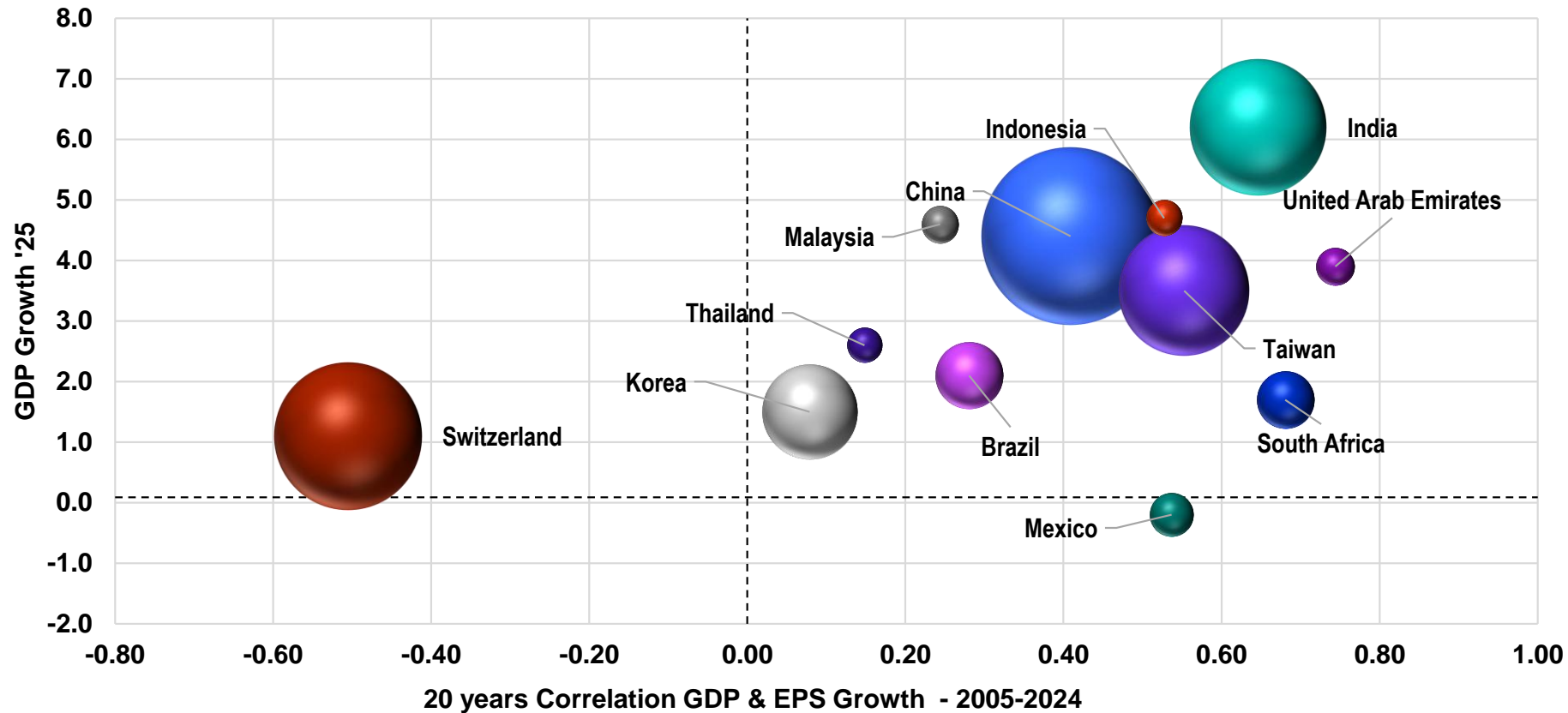
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India – Long-Term link between GDP Growth and EPS Growth

India has a strongest link between GDP Growth to EPS growth over the last 20 years amongst major EM

Correlation of Real GDP Growth and EPS Growth over the last 20 years

As of March 2025



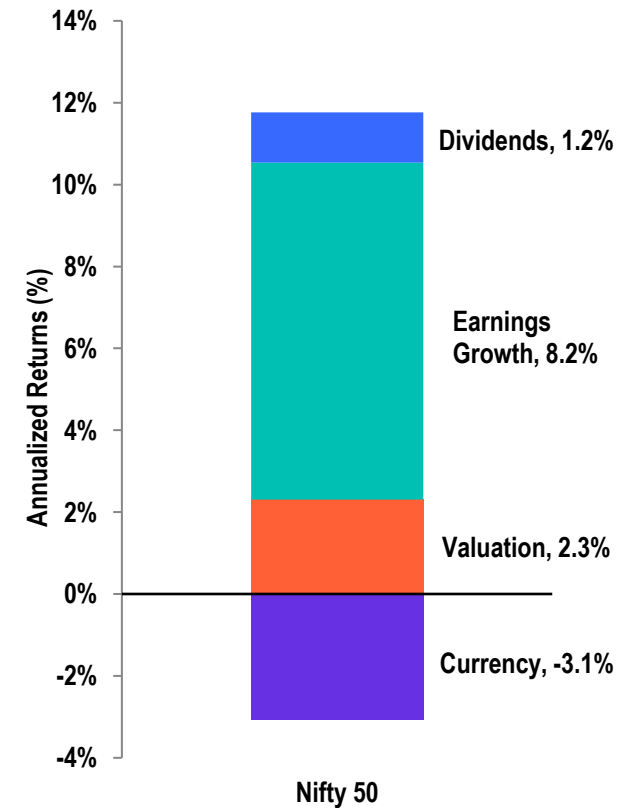
Source: As of March 2025. Factset, EIU, I/B/E/S. this is based on MSCI indices, EPS is based on I/B/E/S CY1 forecast, size of bubble represents MSCI free float Market Cap US\$. EM Markets Above 1% weightings in MSCI EM (Area is MSCI Free float Market Cap)

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India – Significant Outperformance in the Past Decade

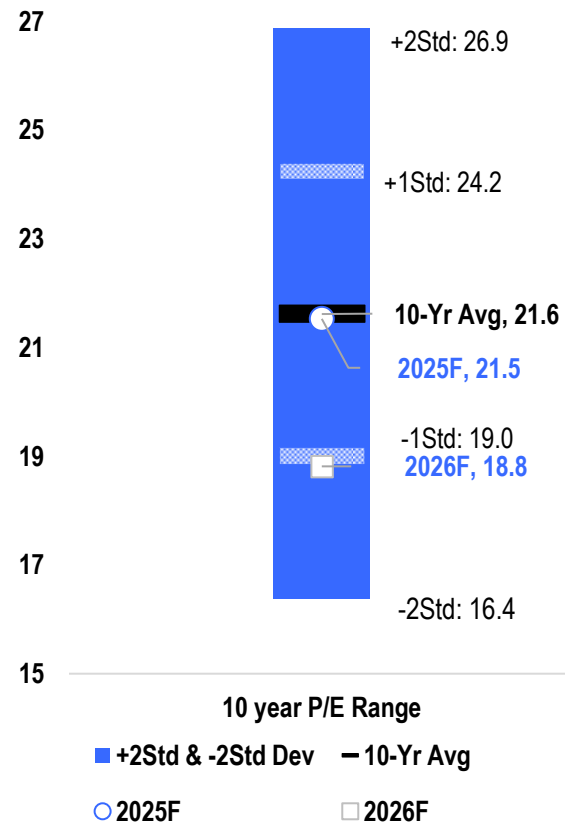
Can that continue? Decomposing a Decade of India Outperformance

Annualized Return, Decomposed
March 2015 – March 2025



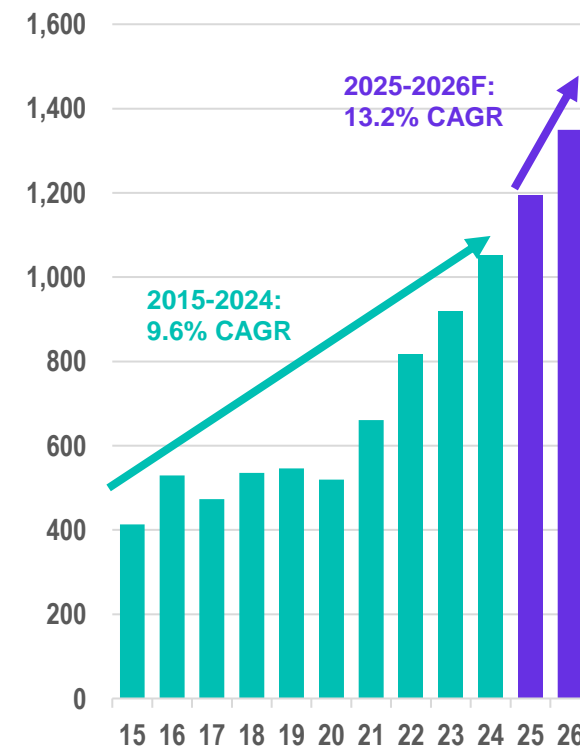
10-Year Historical P/E range vs '25F & '26F

March 2015 – March 2025



Historical EPS Growth vs '25F & 26F (%)

2014 – 2026e



Source: Left: Centre Factset, Bloomberg, Nifty 50. There can be no assurance estimated figures will be realised. Right: Bloomberg. Nifty EPS estimates (in INR) Indexes are unmanaged and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.

Past performance is not an indicator or a guarantee of future performance.

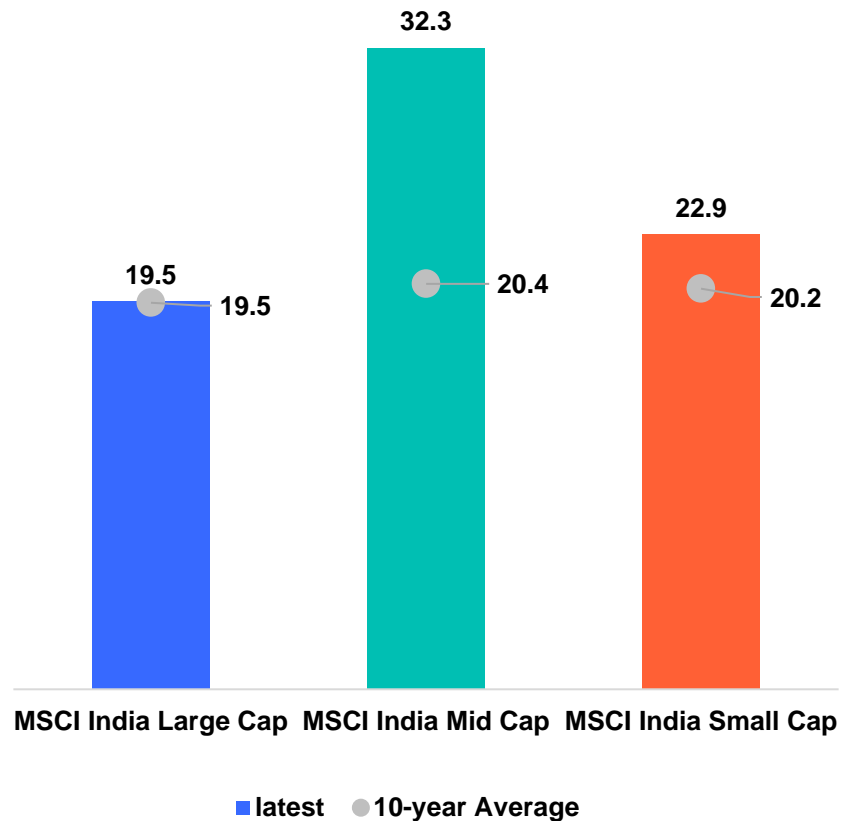
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India – Small, Mid & Large Risks

Small & Mid Caps come with currently higher valuations and lower liquidity

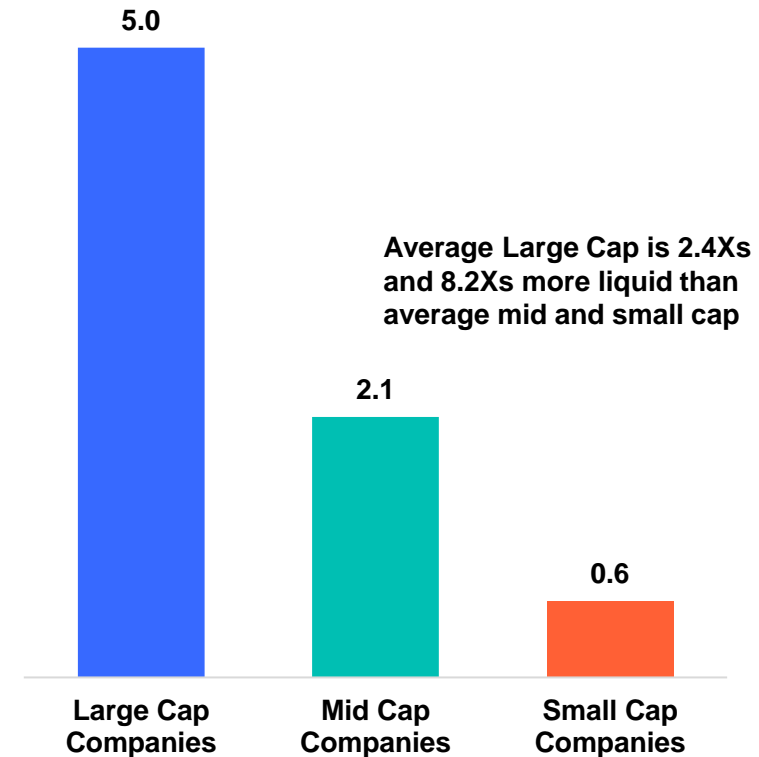
MSCI India: Large, Medium & Small Cap : P/E

April 2015 - March 2025



Large, Medium & Small Cap Companies*: Average Daily Turnover (Rp bn)

180 days average ending March 2025



Source: Factset, MSCI, Franklin Templeton, as of Mar 2025, * annualized performance, US\$ total returns .
Indexes are unmanaged and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.

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Why Indian Equities?

Long-term structural tailwinds remain intact

Indian equities remain attractive, especially after the recent correction, with strong earnings growth and more reasonable valuations presenting a compelling buying opportunity.

What caused India's market correction

- **Cyclical slowdown in economy:** Subdued corporate earnings and GDP growth rate missing RBI forecasts
- **Global uncertainties:** US Fed policy, trade tensions
- **Rupee & FII Impact:** Rupee depreciation and strong foreign institutional investor (FII) outflows.
- **Valuation Normalization:** Pockets of elevated valuations, particularly in the small/mid cap space

Temporary slowdown, recovery expected

- **Domestic demand remains healthy:** Private consumption recovering, consumer sentiment resilient.
- **Policy Catalysts:** Rising government spending, interest rate and tax cuts in 2025
- **Earnings growth recovery:** Pickup in government spending and activities should bolster private sector capex growth and business confidence
- **Impact of US tariff risks manageable:** Tariff risks are not exclusive to India; China's headwinds may actually aid India. Many US-bound exports also benefit from inelastic demand. Low economic dependence on exports to US.
- **Continued GDP growth:** World's fastest-growing major economy, income growth and the rise of the middle class will continue in tandem.

India equities remain attractive, investing in longer-term themes

- Long-term India USD returns remain healthy, underpinned by translation of strong economic growth into corporate earnings
- After the correction, Indian large caps trade at just below 10-year historical averages while small/mid caps still trade at a meaningful premium (1 standard deviation above 10-year averages)

INVESTMENT THEMES

- **Consumption and premiumization:** Driven by favorable demographics combined with sustained income growth
- **Digitalization and technology:** Policy push for digital transformations is driving multi-year investment opportunities
- **Health care:** Part of India's consumption growth story. Health care spending to grow in India

Appendix

Experienced Equity Specialist in India

Franklin India Equity



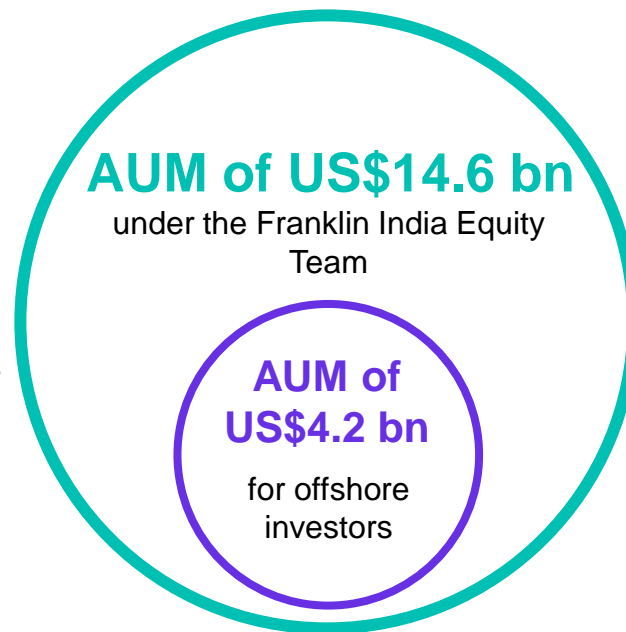
Seasoned local team with broad India capabilities

- Local India Equity team was established in 1993
- India capabilities span the market cap and sector spectrums



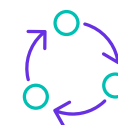
Experienced portfolio team navigating the India market

- Stable portfolio team with over two decades of industry experience
- Bottom-up focused with in-depth knowledge about invested companies



Well resourced local team with extensive India coverage

- One of the largest teams among global managers with 15 members
- Wide sector coverage with an investable universe of 400 companies



India team is integrated within the global FTEME platform

- Collaboration within FTEME builds deeper and consistent sector insights
- Global team enrich the India team's bottom-up research and insights

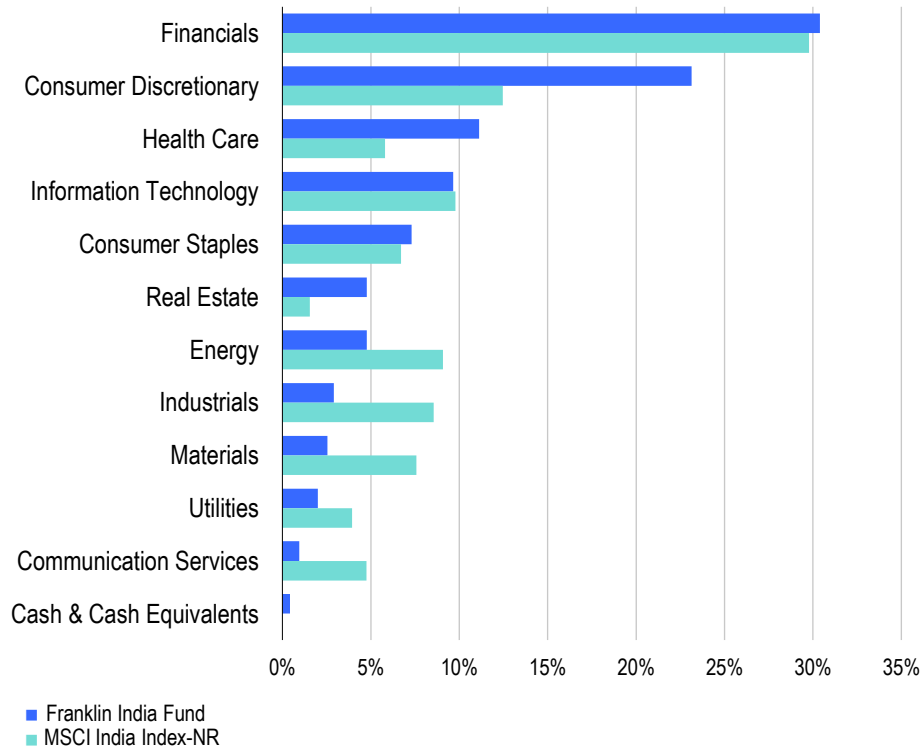
Sector Allocation

Franklin India Fund*



Franklin India Fund vs. MSCI India Index-NR

As of 30/04/2025



	Portfolio %	Index %	Over/Under %
Financials	30.40	29.77	0.62
Banks	22.95	20.98	1.97
Financial Services	5.07	6.65	-1.58
Consumer Discretionary	23.14	12.47	10.67
Consumer Services	9.68	2.03	7.65
Automobiles & Components	9.36	7.94	1.42
Health Care	11.12	5.81	5.31
Health Care Equipment & Services	6.77	1.21	5.56
Pharmaceuticals, Biotechnology & Life Sciences	4.36	4.60	-0.25
Information Technology	9.66	9.79	-0.13
Software & Services	9.66	9.79	-0.13
Consumer Staples	7.30	6.70	0.60
Food, Beverage & Tobacco	6.42	3.80	2.62
Real Estate	4.77	1.55	3.22
Real Estate Management & Development	4.77	1.55	3.22
Energy	4.76	9.08	-4.32
Industrials	2.90	8.55	-5.64
Capital Goods	1.88	6.82	-4.93
Materials	2.56	7.58	-5.03
Utilities	2.01	3.94	-1.93
Communication Services	0.96	4.75	-3.80
Telecommunication Services	0.00	4.36	-4.36
Cash & Cash Equivalents	0.43	0.00	0.43

* A sub-fund of Franklin Templeton Investment Funds (FTIF), a Luxembourg domiciled SICAV. The industry or sub-sector percentages may not total 100% and may not sum to the weight of the sector they roll up under as only industries or sub-sectors with a value above 3.00% are shown. Weightings as % of Total. Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change.

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Top Ten Holdings

Franklin India Fund

As of 30/04/20245

Name of Issuer	Industry	% of Total
HDFC BANK LTD	Banks	9.11
ICICI BANK LTD	Banks	8.14
RELIANCE INDUSTRIES LTD	Energy	4.76
ETERNAL LTD	Consumer Services	4.43
MAHINDRA & MAHINDRA LTD	Automobiles & Components	3.77
INFOSYS LTD	Software & Services	3.77
AXIS BANK LTD	Banks	3.19
UNITED SPIRITS LTD	Food, Beverage & Tobacco	2.76
TATA CONSUMER PRODUCTS LTD	Food, Beverage & Tobacco	2.67
OBEROI REALTY LTD	Real Estate Management & Development	2.54
Total		45.14

Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change.

The information provided is not a recommendation to purchase, sell or hold any particular security. The securities or issuers listed do not represent the entire holdings and in the aggregate may represent only a small percentage of such holdings. There is no assurance that securities purchased will remain in the portfolio, or that securities sold will not be repurchased. In addition, it should not be assumed that any securities or issuers listed were or will prove to be profitable.

Holdings of the same issuers have been combined.

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Discrete performance

Franklin India Fund – I (acc) USD

As of 30/04/2025

Past performance does not predict future returns.

Discrete Annual Performance (%)	Inception Date	04/24 04/25	04/23 04/24	04/22 04/23	04/21 04/22	04/20 04/21	04/19 04/20	04/18 04/19	04/17 04/18	04/16 04/17	04/15 04/16
Franklin India Fund I (acc) USD, Net of Fees (USD)	25/10/2005	6.55	32.92	0.35	11.71	52.56	-20.78	-5.89	7.86	25.95	-3.90
Franklin India Fund I (acc) USD, Gross of Fees (USD)		7.59	34.20	1.35	12.82	54.06	-19.95	-4.92	8.97	27.22	-2.90
MSCI India Index-NR—(USD)		4.24	34.40	-6.95	16.98	50.44	-20.15	3.11	12.60	20.11	-6.63
Excess Returns (Fund Net Vs. Index)		2.31	-1.48	7.30	-5.27	2.12	-0.63	-9.00	-4.74	5.84	2.73
Excess Returns (Fund Gross Vs. Index)		3.35	-0.20	8.30	-4.16	3.62	0.20	-8.03	-3.63	7.11	3.73

Gross of Fees performance excludes the total expense ratio (TER). Net of Fees performance includes the TER. All performance data shown is in the Fund currency stated. Sales charges and other commissions, taxes and other relevant costs paid by the investor are not included in the calculations.

The Fund offers other share classes subject to different fees and expenses, which will affect their performance. Please see the prospectus for details.

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 returns may increase or decrease as a result of changes to foreign exchange rates. **The value of shares in the Fund and income received from it can go down as well as up, and investors may not get back the full amount invested.**

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

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Historical Performance

Franklin India Fund – I (acc) USD

As of 30/04/2025

Past performance does not predict future returns.

Annualised Total Returns (%)	Inception Date	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception
Franklin India Fund I (acc) USD, Net of Fees (USD)	25/10/2005	6.55	12.43	19.36	8.95	11.35
Franklin India Fund I (acc) USD, Gross of Fees (USD)		7.59	13.53	20.53	10.05	12.48
MSCI India Index-NR—(USD)		4.24	9.24	18.07	9.08	9.58
Excess Returns (Fund Net Vs. Index)		2.31	3.19	1.29	-0.13	1.77
Excess Returns (Fund Gross Vs. Index)		3.35	4.29	2.46	0.97	2.90

Cumulative Performance (%)	Inception Date	YTD	1 Mth	3 Mths	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception
Franklin India Fund I (acc) USD, Net of Fees (USD)	25/10/2005	-1.87	4.67	3.41	6.55	42.12	142.21	135.75	715.41
Franklin India Fund I (acc) USD, Gross of Fees (USD)		-1.54	4.75	3.66	7.59	46.33	154.34	160.62	891.68
MSCI India Index-NR—(USD)		1.72	4.81	5.47	4.24	30.35	129.39	138.49	495.78
Excess Returns (Fund Net Vs. Index)		-3.59	-0.14	-2.06	2.31	11.77	12.82	-2.74	219.63
Excess Returns (Fund Gross Vs. Index)		-3.26	-0.06	-1.81	3.35	15.98	24.95	22.13	395.90

Gross of Fees performance excludes the total expense ratio (TER). Net of Fees performance includes the TER. All performance data shown is in the Fund currency stated. Sales charges and other commissions, taxes and other relevant costs paid by the investor are not included in the calculations.

The Primary benchmark is MSCI India Index-NR—(USD).

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Summary – Franklin India Fund

Franklin India Fund – I (acc) USD

As of 30/04/2025

Morningstar Category™	India Equity
Investment Style	Blend
Fund Inception Date	25/10/2005
Benchmark	MSCI India Index-NR
Base Currency for Fund	USD
Base Currency for Share Class	USD
EU SFDR Category	Article 8
Total Net Assets (USD)	\$3,432,517,384
Asset Allocation	Equity: 99.57% Cash & Cash Equivalents: 0.43%
Number of Issuers	54
Ongoing Charges Figure	0.95%

Summary of Investment Objective

Franklin India Fund (the “Fund”) is classified as Article 8 under EU Sustainable Finance Disclosure Regulation and aims to increase the value of its investments over the medium to long term. The Fund pursues an actively managed investment strategy and invests mainly in equity and equity-related securities issued by companies of any size located in, or doing significant business in India.

Portfolio Manager(s)

Sukumar Rajah	Singapore
Murali Yerram	India
Arya Sen	India

Fund Identifiers

ISIN Code	LU0231204701
SEDOL Code	B0LN085
Bloomberg Code	FRAINIA LX

Fund Ratings (30/04/2025)

Overall Morningstar Rating™	★★★★
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The fund offers other share classes subject to different fees and expenses, which will affect their performance. Please see the prospectus for details.

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.

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What are the key risks?

Franklin India Fund

The Fund does not offer any capital guarantee or protection, and you may not get back the amount invested. The Fund is subject to the following risks which are materially relevant:

Emerging markets risk: the risk related to investing in countries that have less developed political, economic, legal and regulatory systems, and that may be impacted by political/economic instability, lack of liquidity or transparency, or safekeeping issues.

Foreign Currency risk: the risk of loss arising from exchange-rate fluctuations or due to exchange control regulations.

Liquidity risk: the risk that arises when adverse market conditions affect the ability to sell assets when necessary. Such risk may be triggered by (but not limited to) unexpected events such as environmental disasters or pandemics. Reduced liquidity may have a negative impact on the price of the assets.

Complete information on the risks of investing in the Fund are set out in the Fund's prospectus.

**Claus Born, CFA**

SVP/Senior Client Portfolio Manager
Franklin Templeton Emerging Markets Equity
Franklin Templeton International Services S.a.r.l.
Frankfurt, Deutschland

Claus Born ist Senior Vice President und Senior Client Portfoliomanager bei Franklin Templeton Emerging Markets Equity in der Frankfurter Niederlassung. Als Mitglied des Investmentteams ist er für den Dialog mit Kunden weltweit zuständig und kommuniziert die Facetten der verschiedenen Anlagestrategien. Er nutzt hierfür das kombinierte Wissen des Teams und repräsentiert sowohl den CIO als auch die Portfoliomanager.

Claus Born verfügt über mehr als 25 Jahre Erfahrung an den Aktienmärkten der Schwellenländer. Bis 2014 war er Teil der Portfoliomanagementteams unserer Lateinamerika und Frontier Markets Strategien. Bis 2021 war er neben seiner aktuellen Funktion auch für das Research von lateinamerikanischen und europäischen Unternehmen mit umfangreichen Aktivitäten in Schwellenländern verantwortlich.

Claus Born hat an der Universität Bayreuth (Deutschland) ein Studium in Betriebswirtschaftslehre mit Spezialisierung Finanzen, Steuern und Rechnungslegung absolviert. Er ist Chartered Financial Analyst (CFA) und spricht Deutsch, Englisch, Spanisch und Französisch.

Important Information

Franklin India Fund meets the requirements under Article 8 of the EU Sustainable Finance Disclosure Regulation (SFDR); the fund has binding commitments in its investment policy to promote environmental and/or social characteristics and any companies in which it invests should follow good governance practices. Further information in relation to the sustainability-related aspects of the Fund can be found at www.franklintempleton.lu/SFDR. Please review all of the Fund's objectives and characteristics before investing.

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Subscriptions to shares of the Fund should only be made on the basis of the Fund's current Prospectus, and, where available, the relevant KID, accompanied by the latest available audited annual report and the latest semi-annual report if published thereafter. These documents can be found on our website at www.franklinresources.com/all-sites, obtained, free of charge, from your local FT representative or can be requested via FT's European Facilities Service which is available at www.eifs.lu/franklintempleton. The Fund's documents are available in English, Arabic, French, German, Italian, Polish and Spanish.

In addition, a Summary of Investor Rights is available from www.franklintempleton.lu/summary-of-investor-rights. The summary is available in English.

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