

UNAUDITED SEMI-ANNUAL REPORT

FRANKLIN TEMPLETON SERIES II FUNDS

Société d'investissement à capital variable

April 30, 2025



FRANKLIN
TEMPLETON®

FRANKLIN TEMPLETON SERIES II FUNDS

Société d'investissement à capital variable

UNAUDITED SEMI-ANNUAL REPORT

For the period ended April 30, 2025

This report shall not constitute an offer or a solicitation of an offer to buy shares of Franklin Templeton Series II Funds ("FTSIIF" or the "Company"). Subscriptions are to be made on the basis of the current prospectus and its addendum as the case may be, where available the relevant Key Information Documents ("KIDs") or Key Investor Information Documents ("KIIDs"), a copy of the latest available audited annual report and, if published thereafter, the latest unaudited semi-annual report.

Contents

General Information	6
Report of the Investment Managers	7
Fund Performance	11
Statement of Net Assets	12
Statement of Operations and Changes in Net Assets	13
Statistical Information	14
Notes to Financial Statements	15
Schedule of Investments	23
Franklin Emerging Market Debt Opportunities II Fund	23
Additional Information	26
Franklin Templeton Office Directory	27

General Information

As at April 30, 2025

Société d'investissement à capital variable

8A, rue Albert Borschette, L-1246 Luxembourg, Grand Duchy of Luxembourg

(Registered with the registre de commerce et des Sociétés, Luxembourg, under number B127818)

BOARD OF DIRECTORS:

Chairperson

A. Craig Blair

Director

FRANKLIN TEMPLETON INTERNATIONAL SERVICES

S.à r.l.

8A, rue Albert Borschette, L-1246 Luxembourg

Grand Duchy of Luxembourg

Directors

Caroline Carroll

Director

FRANKLIN TEMPLETON INVESTMENT MANAGEMENT

LIMITED

Cannon Place, 78 Cannon Street, London EC4N 6HL

United Kingdom

William Jackson

Non-Executive Director

2 St Clair Terrace,

Edinburgh EH10 5NW

United Kingdom

Katarzyna Majchrzak

Director

FRANKLIN TEMPLETON INTERNATIONAL SERVICES

S.à r.l.

8A, rue Albert Borschette, L-1246 Luxembourg,

Grand Duchy of Luxembourg

Hans-J. Wisser (resignation effective December 31, 2024)

Independent Director

Kälberstücksweg 37

61350 Bad Homburg

Germany

MANAGEMENT COMPANY:

FRANKLIN TEMPLETON INTERNATIONAL SERVICES

S.à r.l.

8A, rue Albert Borschette, L-1246 Luxembourg

Grand Duchy of Luxembourg

REGISTERED OFFICE:

8A, rue Albert Borschette, L-1246 Luxembourg

Grand Duchy of Luxembourg

PRINCIPAL DISTRIBUTOR:

FRANKLIN TEMPLETON INTERNATIONAL SERVICES

S.à r.l.

8A, rue Albert Borschette, L-1246 Luxembourg

Grand Duchy of Luxembourg

INVESTMENT MANAGER:

FRANKLIN TEMPLETON INVESTMENT MANAGEMENT

LIMITED

Cannon Place

78 Cannon Street

London EC4N 6HL

United Kingdom

DEPOSITARY AND ADMINISTRATIVE AGENT:

J.P. Morgan SE, Luxembourg Branch

European Bank & Business Centre

6C route de Trèves, L-2633 Senningerberg

Grand Duchy of Luxembourg

REGISTRAR AND TRANSFER AGENT:

VIRTUS PARTNERS FUND SERVICES LUXEMBOURG

S.à r.l.

8A, rue Albert Borschette, L-1246 Luxembourg

Grand Duchy of Luxembourg

AUDITOR:

PRICEWATERHOUSECOOPERS, Société cooperative

2, rue Gerhard Mercator, L-2182 Luxembourg

Grand Duchy of Luxembourg

LEGAL ADVISERS:

ELVINGER HOSS PRUSSEN, Société anonyme

2, Place Winston Churchill,

L-1340 Luxembourg

Grand Duchy of Luxembourg

Report of the Investment Managers

Franklin Emerging Market Debt Opportunities II Fund

Emerging market (EM) hard- currency government bonds:¹ -0.12%

•The index return was modestly negative for the six-month period ended 30 April 2025, mainly due to increased risk aversion about rising global protectionism during March and April. The spread-to-worst widened 56 basis points (bps) to 269 bps, while the yield-to-worst increased 45 bps to 6.97%. The 10-year US Treasury (UST) note's yield declined 12 bps to 4.16%. Brent crude oil prices traded in a volatile range but experienced a precipitous decline towards the end of the period. The reordering of global trading relations sparked concerns about lower energy demand, while Saudi Arabian officials signalled an unwillingness to sustain OPEC (Organization of the Petroleum Exporting Countries) supply cuts that have underpinned prices. EM sovereign supply totalled approximately US\$123.6 billion over the period, which included record issuance in the first quarter of 2025 at US\$89.1 billion. Investment-grade (IG) issuers continued to dominate the volume of supply, although there was a noteworthy uptick in the number of high-yield (HY) issuers year-to-date. Demand remained strong for new issues despite ongoing outflows from retail EM hard-currency funds, which totalled nearly US\$20 billion over the period.²

•Prior to global trade concerns, positive momentum had underpinned the EM debt market as investors priced expectations of a moderate US Federal Reserve (Fed) monetary easing cycle and a soft US economic landing. Supportive financial conditions contributed to EM HY bonds' outperformance versus EM IG bonds, although this was mainly due to the strong performance of several lower-rated sovereign issuers benefitting from the conclusion of debt restructuring agreements, structural reform initiatives, ongoing multilateral and bilateral financing support, as well as some easing in geopolitical tensions. In particular, the election of Donald Trump to the US presidency and a Republican-controlled Congress fuelled optimism about a swift end to the conflict in Ukraine; however, as events transpired, the realisation of this objective proved more elusive. Optimism also increased that a Trump presidency would implement growth-stimulative fiscal policies, considered supportive to global growth and EM economies. This positive sentiment dissipated as it became clear that the administration's focus was dedicated to pursuing nationalist tariff policies, culminating in the 2 April "liberation day" announcement that contributed to EM spread widening. A subsequent 90-day pause on "reciprocal tariffs," except for China, brought some relief to investors as US administration officials sought to de-escalate trade tensions and soften some of the more populist rhetoric, given the disruption caused to financial markets.

•Across the broader index, higher-rated sovereign bonds outperformed amid the increased risk aversion. The weakest credit ratings category was single B issuers. Latin America and the Middle East led returns, while Africa was the worst-performing region. Substantial oil price falls hurt key African oil exporters, such as Angola and Gabon, given the potential fiscal implications and resultant stress on these countries' external accounts. On a country basis, El Salvador, Uzbekistan (see below) and Honduras were among the top performers. El Salvador, a country seen as aligned to the "Trump trade," entered the EMBI Global Diversified ex GCC ex CCC index at the end of 2024 following the decision by Moody's Ratings to upgrade the sovereign to B3 from Caa1. Meanwhile, Honduras secured a staff-level agreement with the International Monetary Fund (IMF) on the third review of its Extended Fund Facility and Extended Credit Facility programmes, following the country's solid progress on implementing reforms.

EM hard-currency corporate bonds:³ 1.31%

•The higher-quality and more defensive characteristics of EM corporate bonds helped to support their outperformance relative to EM hard-currency sovereign bonds. The spread-to-worst on the index widened 54 bps to 227 bps, while the yield-to-worst increased 29 bps to 6.30%. Gross EM corporate supply was particularly robust, totalling US\$252 billion over the period, but the technical backdrop remained supportive due to ongoing liability management exercises.

•Eastern European issuers, including Moldova and Georgia, led performance, while Uzbekistan also delivered strong returns. On a sector basis, financials outperformed, helped by their more defensive characteristics, while metals & mining and utilities also recorded robust performances. Energy-related sectors, oil & gas and transport, trailed the index on tariff uncertainties. Real estate also underperformed, attributed to bond price declines among several Chinese non-defaulted developers on concerns about the overall health of the property sector.

¹ JP Morgan Emerging Markets Bond Index Global Diversified ex GCC and ex CCC Index hedged into euros

² JP Morgan; subject to revision

³ JP Morgan CEMBI Broad Diversified ex CCC hedged, in euros

EM local-currency government bonds:⁴ 1.31%

•Most EM currencies were weaker against the euro which reduced overall local-currency bond returns in euro terms. The “liberation day” announcement caused a significant rotation out of US-dollar assets on the theme of fading US exceptionalism, leading to euro appreciation. This trend benefitted several Eastern European currencies, which outperformed. However, idiosyncratic factors also underscored the performance of several EM currencies. The Turkish lira (TRY) was the worst performer following the political fallout after the arrest of the mayor of Istanbul in March, which pressured demand for US dollars. Türkiye’s central bank took strong action and increased the one-week repo rate to 46% from 42.5%. Elsewhere, increased fiscal and political risks also weighted on the Indonesian rupiah and the South African rand.

•In local-currency bonds, the yield-to-maturity on the index declined by 29 bps to 6.09%. Returns were positive across domestic interest-rate markets, but the period was also marked by greater policy divergence. Mexico was the top-performing country as the central bank indicated it would shift towards a faster monetary easing cycle to support growth amid disinflation progress. Rates were reduced by a total of 150 bps over the period to 9.00%. Brazil also outperformed, staging a strong recovery after a sharp selloff at the end of the fourth quarter of 2025, which was due to heightened fiscal and political concerns. Proactive monetary policy tightening helped to restore credibility—rates were increased by 350 bps to 14.25%—which helped to ease inflation concerns. Despite the TRY’s weakness, Türkiye was also one of the top performers, given progress on disinflation and as the central bank initiated its easing cycle in December before the onset of the political crisis. The Dominican Republic was the largest underperformer due to tighter regulatory measures imposed on domestic banks to reduce their net US-dollar exposures.

Portfolio performance: -0.42%, net of fees

The portfolio underperformed the benchmark, which returned 0.30%, in euros.

Positives (relative to the benchmark)

1. Off-benchmark exposure to Egyptian local-currency bonds

Egypt’s local-currency bond prices rose in response to strong buying interest from foreign investors, attracted by the high carry and improved inflation outlook. After inflation peaked at 38% in September 2023, lower inflation has been achieved by aggressive tightening measures since March 2024 and the unification of FX regime, made possible by significant foreign direct investment. February’s inflation data showed a significant drop to 12.8% y/y, falling to the lowest level since March 2022. With inflation forecast to fall further this year, Egypt’s central bank started its easing cycle in April, reducing the overnight deposit rate by 225 bps to 25.00%, which marked the first reduction since 2020.

2. Off-benchmark exposure to Uzbekistan local-currency bonds

The high carry offered by Uzbek local-currency bonds supported returns. The country continues to attract investment flows as it benefits from market-orientated reforms since 2017. Uzbekistan’s economy grew 6.5% in 2024 and is expected to maintain high growth in 2025. Inflation has remained elevated, in part due to the second-order effects of energy price liberalisation measures that were implemented in May 2024. Concerns about domestic and external inflationary pressures contributed to the central bank increasing interest rates by 50 bps to 14.00% in March. As well as holding exposure to a short-dated government Uzbek soum (UZS)-denominated bond, the largest contributor to relative returns was an UZS-denominated senior unsecured bond issued by Ipoteka Bank. The issuer, which is majority-owned by a Hungarian banking group OTP Group and is Uzbekistan’s fifth largest bank, outperformed after full-year earnings results for 2024 showed that Ipoteka had returned to profitability. This was attributed to strong operating performance, rising income and an improved funding and risk profile.

⁴ JP Morgan Government Bond Index–Emerging Markets (GBI–EM) Global Diversified (unhedged, in euros)

The calculation of the allocation effect has been changed such that the country return is compared with the benchmark-average return, whereas the calculation made no such comparison in attributions run for reporting periods ending prior to May 2022.

Negatives (relative to the benchmark)**1. Off-benchmark exposure to Kazakhstani tenge (KZT)**

The KZT depreciated in the second half of 2024, largely driven by stronger government spending on investment projects that supported FX demand amid higher import growth. Global pressures further weighed on the KZT towards the end of 2024, due to fluctuating oil prices alongside Russian rouble weakness, as a new round of US sanctions were announced by the outgoing Biden presidency. The National Bank of Kazakhstan (NBK) was active to stem the KZT's slide, including an announcement in October that it would stop buying hard currency on behalf of the pension fund, which had reached its 40% target allocation. The NBK also increased interest rates by 225 bps over the period to 16.50%. Despite a recovery in early 2025, the KZT came under pressure again after precipitous oil price falls as in reaction to "liberation day" and as OPEC+ agreed to increase oil production.

2. Overweight allocation in Angolan US-dollar bonds

Angola was among the worst-performing markets in the JPM EMBIG Diversified Index. The decline in oil prices below US\$70 per barrel—Angola's 2025 budget benchmark—intensified concerns about the country's strained liquidity position and the need for fiscal consolidation to address the resulting revenue shortfall. The fall in oil prices was further met with a slowdown in production with volumes falling 13.5% in the first quarter (Q1) compared with Q1 last year. Adding to the tight liquidity conditions, during April, the Angolan authorities also needed to post a margin of US\$200 million in cash to meet a margin call on a US\$1 billion loan from JP Morgan. This loan, agreed in Q1, was intended to help manage the country's debt repayments this year without issuing new US-dollar bonds. The sharp fall in crude oil prices triggered a drop in value in the existing US-dollar sovereign dollar bonds, which were used as collateral to support the total return swap. Investor concerns increased that tighter financing conditions, with Angolan sovereign bond yields nearing 15%, would constrain commodity-dependent EM economies from accessing the public debt markets, which would imply the need for IMF support.

Outlook

Risk sentiment has improved as the US administration has attempted to soften its rhetoric and seek some rapprochement with China. Nonetheless, uncertainty remains high and the net impact of the recent trade announcements (whether enacted or not) is expected to result in lower global growth this year. In its World Economic Outlook, the IMF downgraded its 2025 global growth forecast by 0.5 percentage point to 2.8%, including equal downgrades for both advanced economies and emerging economies. The revisions are broad-based across regions, led by Asia and the Middle East and Central Asia. We concur with this assessment but also consider the probability of US recession to be a tail risk, while we expect China's authorities to continue supporting the country's growth dynamics, albeit insufficiently so far, as greater efforts will be needed to boost domestic demand and rebalance the economy.

We remain confident that the asset class has built up sufficient resilience to shocks in the post-COVID era, with many of the weakest sovereigns having restructured debt (e.g., Ukraine, Suriname, Ghana, Sri Lanka) and others significantly improving their fundamental profiles (e.g., Turkey, Argentina, Nigeria, Egypt). Likewise, EM corporate margins, leverage and cash flows are generally healthy. We are cognisant of the potential spillover risks from weaker commodities and a tighter funding environment, but we believe that the refinancing profiles of most EM sovereigns and corporates should allow them to weather the current storm in markets, meaning that general market stress is not likely to manifest immediately in higher default risk.

Our strategy is to be selective in adding positions here, with a preference for exposures across sovereign and corporates that offer diversification benefits for portfolios. We continue to price an uncertainty premium into valuations and maintain our preference for appropriately rewarded, uncorrelated and idiosyncratic risks. However, the selloff in EM HY has presented a few opportunities, although we prefer issuers with limited short-term reliance on markets, or where lower commodity prices are beneficial—for example, oil-importing countries. Conversely, we are cautious about the risks of further price falls in commodity prices, particularly oil, which has been driven by slowing global growth and increased supply resulting from OPEC+'s policy shift, with additional supply pressures potentially coming from Iran. These developments may have adverse implications on the external accounts of some of the more vulnerable EM countries. From a duration standpoint, we are mindful of UST volatility, which has been driven by stagflation fears and geopolitically motivated de-dollarisation. We see less appeal in long-dated bonds with low spreads, retaining a preference for shorter duration exposure.

On a regional basis, we generally see more value in the emerging CEEMEA (Central and Eastern Europe, Middle East and Africa) and Latin American (LATAM) regions compared to emerging Asia, in both the hard-currency credit and local-currency government bond markets. We acknowledge the lower volatility of some Asian markets in certain market environments, thanks in part to the underpinning of a strong local-buyer base, but tight risk premiums provide little carry for offshore investors and little cushion against shocks. China is a case in point, given the combination of tight valuations and the expected growth impact from markedly higher tariffs. We will continue to monitor China's policy response to its growth challenges, with a particular focus on demand-side fiscal stimulus.

We remain selective in EM local-currency bond markets. EM foreign exchange is vulnerable to capital outflows to safe havens, lower commodity prices and potential currency weakness used to boost export competitiveness. Nonetheless, EM policymakers have room to cut rates if global deflationary pressures persist outside the United States and China. We maintain a preference for jurisdictions where real rates are sufficiently high (e.g., parts of LATAM and CEE) or in weaker jurisdictions where reform momentum is robust.

THE INVESTMENT MANAGERS

May, 2025

The information stated in this report represents historical data and is not an indication of future results.

Fund Performance

Percentage change to April 30, 2025

	Reference Share Class	Launch Date	6 Months %	1 Year %	3 Years %	5 Years %	Since Launch %
Franklin Emerging Market Debt Opportunities II Fund	I (acc) EUR-H3 (hedged)	11 May 23	(2.2)	0.8	–	–	22.3
Franklin Emerging Market Debt Opportunities II Fund	I (Ydis) EUR-H2 (hedged)	30 Nov 12	(0.4)	3.1	15.1	16.5	30.2

The performance is based on the published net asset values as calculated on the last business day of the period. Those net asset values reflect the market prices of the investments as of the last business day of the period. The performance is based on the change of the published net asset value per share.

Information on other share classes is available on request. This report shall not constitute an offer or a solicitation of an offer to buy shares. Subscriptions are to be made on the basis of the current prospectus, where available the relevant Key Information Documents ("KIDs"), a copy of the latest available audited annual report and, if published thereafter, the latest unaudited semi-annual report. The price of shares and income from them can go down as well as up and you may not get back the full amount that you invested. Past performance is no guarantee of future performance. Currency fluctuations may affect the value of investments.

Data source: Performance – Franklin Templeton and JPMorgan

Statement of Net Assets

As at April 30, 2025

	Total (USD)	Franklin Emerging Market Debt Opportunities II Fund (EUR)
ASSETS		
Investments in securities at market value (note 2(b))	707,390,945	624,413,988
Cash at bank and at brokers	26,623,785	23,500,815
Interest and dividends receivable, net	17,195,822	15,178,752
Unrealised profit on forward foreign exchange contracts (notes 2(c), 3)	28,177,744	24,872,495
Other receivables	259,579	229,130
TOTAL ASSETS	779,647,875	688,195,180
LIABILITIES		
Investment management fees payable (note 4)	499,882	441,246
Unrealised loss on forward foreign exchange contracts (notes 2(c), 3)	574,174	506,823
Taxes and expenses payable	267,201	235,858
TOTAL LIABILITIES	1,341,257	1,183,927
TOTAL NET ASSETS	778,306,618	687,011,253
THREE YEAR ASSET SUMMARY		
October 31, 2024	898,042,229	825,250,097
October 31, 2023	792,670,382	749,014,276
October 31, 2022	917,592,258	897,675,915

Statement of Operations and Changes in Net Assets

For the period ended April 30, 2025

	Total (USD)	Franklin Emerging Market Debt Opportunities II Fund (EUR)	Franklin Emerging Market Investment Grade Debt Fund* (USD)
NET ASSETS AT THE BEGINNING OF THE PERIOD	898,042,229	825,250,097	348,229
Currency translation adjustment	37,221,709	–	–
	935,263,938	825,250,097	348,229
INCOME			
Interest income on debt securities (net of withholding taxes) (note 2(h))	38,498,002	33,967,291	16,875
Bank interest (note 2(h))	228,598	199,146	2,990
TOTAL INCOME	38,726,600	34,166,437	19,865
EXPENSES			
Investment management fees (note 4)	3,215,424	2,838,255	–
Administration and transfer agency fees	768,661	678,497	–
Directors fees (note 13)	8,854	7,768	54
Subscription tax (note 6)	45,153	39,830	30
Custodian fees	65,140	57,499	–
Audit fees	18,256	14,833	1,452
Printing and publishing expenses	10,003	3,111	6,479
Other charges (note 12)	64,526	41,995	16,950
TOTAL EXPENSES	4,196,017	3,681,788	24,965
Expenses reimbursement (note 9)	(36,937)	(32,604)	–
NET EXPENSES	4,159,080	3,649,184	24,965
NET INCOME/(EXPENSES) FROM INVESTMENTS	34,567,520	30,517,253	(5,100)
Net realised profit/(loss) on sale of investments	(12,699,218)	(11,093,624)	(131,387)
Net realised profit/(loss) on forward foreign exchange contracts	(21,639,850)	(19,101,496)	–
Net realised profit/(loss) on foreign exchange transactions	(109,550)	(96,701)	1
NET REALISED PROFIT/(LOSS) FOR THE PERIOD (note 8)	118,902	225,432	(136,486)
Change in net unrealised appreciation/(depreciation) on:			
Investments (note 8)	(44,251,486)	(39,176,762)	131,387
Forward foreign exchange contracts (note 8)	39,571,281	34,929,570	–
Foreign exchange transactions (note 8)	(651,893)	(680,246)	118,749
Capital gains tax	(2,299)	(2,029)	–
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS	(5,215,495)	(4,704,035)	113,650
MOVEMENT OF CAPITAL (note 14)			
Issue of shares	55,332,668	48,842,146	–
Redemption of shares	(143,043,748)	(125,857,016)	(461,879)
	(87,711,080)	(77,014,870)	(461,879)
Dividends paid/accumulated	(64,030,745)	(56,519,939)	–
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF MOVEMENT IN CAPITAL	(151,741,825)	(133,534,809)	(461,879)
NET ASSETS AT THE END OF THE PERIOD	778,306,618	687,011,253	–

*Please refer Note 1 for fund events.

Statistical Information

	Total Expense Ratio April 30, 2025 (See note 16)	Shares Outstanding as at April 30, 2025	Net Asset Value per share as at April 30, 2025	Net Asset Value per share as at October 31, 2024	Net Asset Value per share as at October 31, 2023
Franklin Emerging Market Debt Opportunities II Fund - EUR					
I (acc) EUR-H3 (hedged)	0.69%	100.00	12.23	12.50	10.44
I (Ydis) EUR-H2 (hedged)	0.90%	113,926,773.81	6.03	6.50	6.17
Franklin Emerging Market Investment Grade Debt Fund - USD^a					
I (acc) EUR	—	—	—	34.02	23.15
I (acc) EUR-H1 (hedged)	—	—	—	22.87	15.56
I (acc) USD	—	—	—	27.55	18.23
Y (Mdis) USD	—	—	—	18.69	12.36

^aThis Fund / share class was closed during the period

Notes to Financial Statements

For the period ended April 30, 2025

Note 1 - The Company

Franklin Templeton Series II Funds ("FTSIIF" or the "Company") is an Undertaking for Collective Investment pursuant to Part II of the Luxembourg law of December 17, 2010 relating to Undertakings for Collective Investment, as amended, and qualifies as a Société d'investissement à capital variable. The Company qualifies as an Alternative Investment Fund within the meaning of article 1(39) of the law of July 12, 2013. The Company was incorporated in Luxembourg on May 14, 2007, for an undetermined period of time. At reporting date, it offers shares in 1 sub-fund of the Company (the "Fund(s)"). The Board of Directors of the Company may authorise the creation of additional funds in the future with different investment objectives.

The exclusive objective of the Company is to invest the assets of the Funds in transferable securities and other permitted assets of any kind, including units or shares of investment funds, with the purpose of spreading investment risks and affording its shareholders the results of the management of its assets.

Fund closure

- Franklin Emerging Market Investment Grade Debt Fund was put into liquidation effective April 11, 2023 but its portfolio could not be fully liquidated because it held restricted Russian assets, which were only disposed of in January 2025. The net cash proceeds from the sale were distributed to investors. As at April 30, 2025, the remaining amount of cash at bank is USD 13,945 as well as restricted cash of 10,690 Russian rubles from interest income on Russian bonds. The Management Company continues to monitor the cash.

Note 2 - Significant accounting policies

(a) General

The financial statements are prepared in accordance with the regulations of the Grand Duchy of Luxembourg relating to investment funds under the going concern basis of accounting.

(b) Investment in securities

Corporate debt securities generally trade in the over-the-counter market rather than on a securities exchange. The Company may utilise independent pricing services, quotations from bond dealers, and information with respect to bond and note transactions, to assist in determining a current market value for each security. These pricing services may use valuation models or matrix pricing which considers information with respect to comparable bond and note transactions, quotations from bond dealers, or by reference to other securities that are considered comparable in such characteristics as rating, interest rate and maturity date, option adjusted spread models, prepayment projections, interest rate spreads and yield curves, to determine current value.

Senior secured corporate loans with floating or variable interest rates generally trade in the over-the-counter market rather than on a securities exchange. The Company may utilise independent pricing services, quotations from loan dealers and other financial institutions, and information with respect to bond and note transactions, to assist in determining a current market value for each security. These pricing services use independent market quotations from loan dealers or financial institutions and may incorporate valuation methodologies that consider multiple bond characteristics such as dealer quotes, issuer type, coupon, maturity, weighted average maturity, interest rate spreads and yield curves, cash flow and credit risk/quality analysis to determine current value.

Securities which are listed on a stock exchange or traded on any other organised market are valued at the last available price on such exchange or market which is normally the principal market for each security, and those securities dealt in on an over-the-counter market are valued in a manner as near as possible to that for quoted securities.

Securities not listed on any stock exchange nor traded on any organised market are valued at the last available price, or if such price is not representative of their fair value, they are valued prudently and in good faith on the basis of their reasonably foreseeable sales prices.

Note 2 - Significant accounting policies (continued)

(b) Investment in securities (continued)

For mortgage-backed and other similar holdings with scheduled debt paydowns, the Company records estimates, based on its historical experience, for anticipated paydowns. Such estimates are recorded as a reduction or increase to the related holdings as disclosed on the Schedule of Investments and are included in the related unrealised appreciation/(depreciation) on investments shown on the "Statement of Operations and Changes in Net Assets".

Stocks, shares or units in open-ended investment funds are valued based on the last available net asset value determined according to the provisions of the particular investment fund's prospectus as provided by the administration agent of such investment fund.

The Management Company has procedures to determine the fair value of individual securities and other assets for which market prices are not readily available or which may not be reliably priced. In such circumstances, the price of such investment shall be adjusted in accordance with the procedures adopted, as determined by or under the direction of the Board of Directors.

During the accounting period under review, discounts and premiums were amortised to income over the period to maturity, or date sold, if earlier and gains and losses on investment securities sold were computed on the average cost basis for all funds.

In accordance with the provisions of the current prospectus, Market Level Fair Valuation may be implemented to protect the interests of the Fund's shareholders against market timing practices, as market timers may seek to exploit possible delays between the change in the value of a Fund's portfolio holdings and the Net Asset Value of the Fund's Shares in Funds that hold significant investments in foreign securities because certain foreign markets close several hours ahead of the US markets, and in Funds that hold significant investments in small-cap securities, high-yield ("junk") bonds and other types of investments which may not be frequently traded. As of April 30, 2025, Market Level Fair Valuation was applied to Franklin Emerging Market Debt Opportunities II Fund

(c) Forward foreign exchange contracts

Forward foreign exchange contracts are valued at the forward rate applicable at the "Statement of Net Assets" date for the remaining period, until maturity. Gains or losses resulting from forward foreign exchange contracts are recognised in the "Statement of Operations and Changes in Net Assets".

(d) Financial future contracts

The Company may enter into financial future contracts to gain exposure to market changes. A financial future contract is an agreement between two parties to buy or sell a security for a set price on a future date. Required initial margin deposits of cash or securities are maintained by a broker in a segregated account. Subsequent payments, known as variation margin, are made or received by the Company depending on the fluctuations in the value of the underlying securities. Such variation margin is accounted for as unrealised gains or losses until the contract is closed, at which time the gains or losses are reclassified to realised gains or losses. Realised and unrealised gains and losses are included in the "Statement of Operations and Changes in Net Assets". During the period ended April 30, 2025, the Company had no exposure.

(e) Credit default swap contracts

A credit default swap contract is a credit derivative transaction in which two parties enter into an agreement, whereby one party pays the other a fixed periodic payment for the specified life of the agreement. The other party makes no payments unless a credit event, relating to a predetermined reference asset, occurs. If such an event occurs, the party will then make a payment to the first party, and the swap will terminate. The value of the underlying securities shall be taken into account for the calculation of the investment and borrowing powers applicable to individual users.

Credit default swap contracts are marked to market daily based upon quotations from the market makers and the change in value, if any, is recorded as an unrealised gain or loss in the "Statement of Operations and Changes in Net Assets". Any payment received or paid to initiate a contract is recorded as a liability or asset in the "Statement of Net Assets". When the swap contract is terminated early, the Fund records a realised gain or loss for any payments received or paid.

Note 2 - Significant accounting policies (continued)**(e) Credit default swap contracts (continued)**

The risks of credit default swap contracts include unfavourable changes in interest rates, an illiquid secondary market and the possible inability of the counterparty to fulfil its obligations under the agreement, which may be in excess of the amount reflected in the "Statement of Net Assets". During the period ended April 30, 2025, the Company had no exposure.

(f) Cross currency swap contracts

A cross currency swap is an agreement between two parties to exchange interest payments and principals denominated in two different currencies. Cross currency swap contracts are marked to market daily based upon quotations from the market makers and the change in value, if any, is recorded as an unrealised gain or loss in the "Statement of Operations and Changes in Net Assets".

When the swap contract is terminated early, the Fund records a realised gain or loss equal to the difference between the current net present value and the executed net present value. Any outstanding interest accrual is recorded as either a net receivable or net payable.

The risks of cross currency swap contracts include changes in market conditions and the possible inability of the counterparty to fulfil its obligations under the agreement. During the period ended April 30, 2025, the Company had no exposure.

(g) Foreign exchange transactions

Transactions expressed in currencies other than each Fund's currency are translated into each Fund's currency at the exchange rates applicable on the transaction dates.

Assets and liabilities denominated in currencies other than each Fund's currency are translated into each Fund's currency at the appropriate exchange rates ruling at the period-end. Gains and losses on foreign exchange transactions are recognised in the "Statement of Operations and Changes in Net Assets" in determining the results for the accounting period.

The reference currency of the Company as reflected in the financial statements is U.S. dollar. The principal exchange rates applied as at April 30, 2025 are as follows:

BRL	5.6752	IDR	16,600.0000	PLN	3.7799
COP	4,225.5700	JMD	158.4950	TRY	38.4948
DOP	58.8100	JPY	142.9800	UZS	12,920.1600
EGP	50.8300	KZT	514.4200	ZAR	18.6013
EUR	0.8827	MXN	19.6105		
GBP	0.7504	NGN	1,602.6700		

The above exchange rates have been rounded to four decimal places.

The list of the currency abbreviations is available in note 17.

(h) Income

Dividends are credited to income on their ex-dividend date. Interest income is accrued on a daily basis and includes the amortisation of premiums and accretion of discounts, where applicable. Bank interest is credited to the Funds upon receipt.

(i) Charges and expenses

All expenses are estimated and accrued daily in the calculation of the Net Asset Value of each Fund.

(j) Formation expenses

Formation expenses associated with the launch of the new funds are expensed as incurred.

Note 2 - Significant accounting policies (continued)

(k) Senior floating rate interest

Senior secured corporate loans pay interest at rates which are periodically reset by reference to a base lending rate plus a spread. These base lending rates are generally the prime rate offered by a designated U.S. bank or the other reference rates applicable in the market. Senior secured corporate loans often require prepayment of principal from excess cash flows or at the discretion of the borrower. As a result, actual maturity may be substantially less than the stated maturity. During the period ended April 30, 2025, the Company had no exposure.

(l) Combined financial statements

The accounts of the Fund are expressed in U.S. dollar and the accounts of the sub-funds are kept in the currency of each sub-fund. The combined "Statement of Net Assets" and the combined "Statement of Operations and Changes in Net Assets" are the sum of the "Statement of Net Assets" and the "Statement of Operations and Changes in Net Assets" of each sub-fund converted into the currency of the Fund using exchange rates prevailing at period-end.

(m) Swing pricing

A Fund may suffer reduction of the Net Asset Value per Share due to Investors purchasing, selling and/or switching in and out of the Fund at a price that does not reflect the dealing costs associated with this Fund's portfolio trades undertaken by the Investment Managers to accommodate cash inflows or outflows.

To counter this dilution impact and to protect Shareholders' interests, a swing pricing mechanism may be adopted by the Company as part of its valuation policy.

The Fund operates a swing pricing mechanism which is applied when the total estimated capital activity (aggregate of estimated inflows and outflows) at a Fund level exceeds a pre-determined threshold, as determined as a percentage of the net assets of that Fund for the Valuation Day. Funds can operate a full swing pricing mechanism where the threshold is set to zero or a partial swing pricing mechanism where the threshold is greater than zero.

Typically, such adjustment will increase the Net Asset Value per Share when there are net inflows into the Fund and decrease the Net Asset Value per Share when there are net outflows. The Net Asset Value per Share of each Share Class in a Fund will be calculated separately but any adjustment will, in percentage terms, affect the Net Asset Value per Share of each Share Class in a Fund identically. Swing pricing does not address the specific circumstances of each individual investor transaction.

The adjustments will seek to reflect the anticipated prices at which the Fund will be buying and selling assets, as well as estimated transaction costs.

Investors are advised that the volatility of any Fund's Net Asset Value might not reflect the true portfolio performance as a consequence of the application of swing pricing.

The size of the adjustment impact is determined by factors such as the volume of transactions, the purchase or sale prices of the underlying investments and the valuation method adopted to calculate the value of such underlying investments of the Fund.

The swing pricing mechanism may be applied across all Funds of the Company. The extent of the price adjustment will be reset by the Company on a periodic basis to reflect an approximation of current dealing and other costs. Such adjustment may vary from Fund to Fund and under normal market conditions will not exceed 2% of the original Net Asset Value per Share. The Board of Directors can approve an increase of this limit in case of exceptional circumstances, unusually large Shareholders trading activities, and if it is deemed to be in the best interest of Shareholders.

The Management Company mandates authority to the Swing Pricing Oversight Committee to implement and on a periodic basis review, the operational decisions associated with swing pricing. This committee is responsible for decisions relating to swing pricing and the ongoing approval of swing factors which form the basis of pre-determined standing instructions.

The price adjustment is available on request from the Management Company at its registered office.

Note 2 - Significant accounting policies (continued)**(m) Swing pricing (continued)**

In the case of a swing pricing event on the last day of the period end, the net assets as disclosed in the “Statement of Net Assets”, exclude the swing pricing adjustment, however, the Net Asset Value per Share as at semi-annual period end, as disclosed in the Statistical Information, would include the swing pricing adjustment. No swing pricing applied as at April 30, 2025.

During the period ended April 30, 2025, swing pricing adjustments affected only the net asset value per share for Franklin Emerging Market Debt Opportunities II Fund.

Note 3 - Forward foreign exchange contracts

As at April 30, 2025, the Funds had entered into the following outstanding contracts:

Franklin Emerging Market Debt Opportunities II Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for efficient portfolio management:					
BRL	9,140,000	EUR	1,413,788	05/07/2025	5,738
EUR	12,295,324	BRL	76,622,000	05/07/2025	395,217
					<u>400,955</u>
Forward foreign exchange contracts used for share class hedging:					
EUR	3,615,281	JPY	574,000,000	06/17/2025	63,266
EUR	509,796,478	USD	551,500,000	06/17/2025	24,408,274
USD	96,300,000	EUR	85,262,732	06/17/2025	(506,823)
					<u>23,964,717</u>
					<u>24,365,672</u>
The above contracts were opened with the below counterparties:					
Barclays					4,957,225
Citibank					4,473,746
Deutsche Bank					5,074,139
J.P. Morgan					4,869,370
RBC					4,991,192
					<u>24,365,672</u>

Note 4 - Investment management fees

The Management Company receives from the Company a monthly investment management fee equivalent to a certain percentage per annum (as detailed below) of each Fund's adjusted daily net assets during the accounting period. The Investment Managers will be remunerated by the Management Company out of the investment management fee received from the Company. The following percentages applied in respect of the different Funds during the financial period.

- No management fee is payable by an investor on the acquisition of Class Y shares, instead a fee is paid to the Investment Manager or affiliates under a separate agreement.
- Class I:

	Fee %
Franklin Emerging Market Debt Opportunities II Fund	0.70%
Franklin Emerging Market Investment Grade Debt Fund*	0.65%

*Please refer Note 1 for fund events.

Note 5 - Connected party transactions

Certain directors of the Company are or may also be officers and/or directors of the Management Company i.e. Franklin Templeton International Services S.à r.l. or of the Investment Manager, among others, Franklin Templeton Investment Management Limited.

Note 5 - Connected party transactions (continued)

The Investment Manager will be remunerated by the Management Company out of the investment management fee received from the Company, as detailed in note 4 to the financial statements.

There are no connected brokers in Franklin Templeton, and no transactions were entered into with connected brokers during the period ended April 30, 2025.

During the period ended April 30, 2025, the Company accrued administration and transfer agency fees and shares' maintenance and service charges in respect of Franklin Templeton International Services S.à r.l. as Management Company and Principal Distributor of the Funds. All transactions with connected parties were entered into in the ordinary course of business and under normal commercial terms.

Note 6 - Taxation

Under current laws and practice, the Company is not liable in the Grand Duchy of Luxembourg to any tax on its profits or income and is not subject to the Grand Duchy of Luxembourg's net wealth tax. In addition, no capital gains tax is payable in the Grand Duchy of Luxembourg on the realised or unrealised capital appreciation of the assets of the Company.

The Company is liable in the Grand Duchy of Luxembourg to a tax of 0.05% per annum, such tax being paid quarterly, and calculated on the net asset value of each Fund at the end of each relevant quarter. This tax is not applicable for the portion of the assets of a Fund invested in other Undertakings for Collective Investment that have already been subject to such tax. Class I and Y shares may benefit from a reduced rate of 0.01% per annum if all shareholders of these share classes are institutional investors.

Investment income received or capital gains realised by the Company may be subject to tax in the countries of origin. All liabilities in respect of taxes payable on unrealised capital gains on investments are provided for as soon as there is a reasonable certainty that a liability will crystallise.

No stamp duty or other tax is payable in the Grand Duchy of Luxembourg on the issue of shares in the Company. A EUR 75 registration duty is to be paid upon incorporation and each time the Articles of the Company are amended.

The Company is registered for Value Added Tax in the Grand Duchy of Luxembourg and subject to account for Value Added Tax in accordance with current laws.

Note 7 - Share classes

Class I (acc) Shares: Shares offered to institutional investors as more fully described in the current Prospectus of the Company. No distribution of dividends will be made but the net income attributable will be reflected in the increased value of the shares. Class I (acc) shares are not subject to an entry charge, contingent deferred sales charge nor any maintenance charge. Class I shares benefit from a reduced investment management fee (note 4).

Class I (dis) Shares: Shares offered to institutional investors as more fully described in the current prospectus of the Company. Purchases of Class I (dis) shares are not subject to an entry charge, contingent deferred sales charge nor any maintenance charge. Class I shares benefit from a reduced investment management fee (note 4). Distribution of dividend will be made monthly, quarterly or annually (depending on the frequency of the share class).

Class Y (dis) Shares: are not subject to an entry charge, contingent deferred sales charge nor any maintenance charge. Class Y shares are designed to accommodate an alternative charging structure whereby a fee covering the investment management and the registrar, transfer, corporate, domiciliary and administration fees is levied and collected by the Management Company directly from the investors who are clients of Franklin Templeton Investments and who enter into a specific agreement with the Management Company. These fees will therefore not be payable out of the net assets of the relevant Fund attributable to Class Y shares. Class Y shares may only be offered to institutional investors in certain limited circumstances, at the discretion of the Management Company and/or its affiliates, as more fully described in the current prospectus of the Company.

Alternative currency hedged share classes: Shareholders of the hedged share class may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/losses on and the costs of the relevant financial instruments. The gains/losses and the costs of the relevant financial instruments will accrue solely to the relevant hedged share class.

Note 7 - Share classes (continued)

The above mentioned distributing share classes may have different frequencies: (Ydis) share classes distribute annually.

Note 8 - Net Profit/ (Loss) for the period

	Franklin Emerging Market Debt Opportunities II Fund (EUR)	Franklin Emerging Market Investment Grade Debt Fund* (USD)
Realised profit on sale of investments	15,729,212	-
Realised loss on sale of investments	(26,822,836)	(131,387)
Realised profit on Derivatives	36,072,958	1
Realised loss on Derivatives	(55,271,155)	-
Net realised profit/(loss) for the period	(30,291,821)	(131,386)
Change in unrealised profit on Investments	4,575	131,387
Change in unrealised loss on Investments	(39,181,337)	-
Change in unrealised profit on Derivatives	35,233,649	118,749
Change in unrealised loss on Derivatives	(984,325)	-
Change in net unrealized profit/(loss) for the period	(4,927,438)	250,136

*Please refer Note 1 for fund events.

Note 9 - Expenses reimbursement

On a daily basis, for share classes where the expenses are capped, the level of expenses is calculated and compared to the cap and where the level of expenses is higher than the cap, this difference is booked as a decrease of expense (the “waiver fees”). On a monthly basis the waiver fees are deducted from the fees received by Franklin Templeton International Services S.à r.l.

The amount of waiver fees is disclosed as “Expenses reimbursement” in the “Statement of Operations and Changes in Net Assets”.

Note 10 - Statement of changes in the investment portfolio

A list, specifying for each Fund total purchases and sales transacted during the period under review, may be obtained, upon request, at the registered office of the Company.

Note 11 - Transaction costs

Transaction costs are costs incurred to acquire financial assets or liabilities. They include fees and commissions paid to agents, brokers and dealers. For debt securities and derivatives, transaction costs are not separately identifiable from the purchase price of the security and therefore cannot be disclosed separately. Fund holding equity securities did not incur any transaction cost during the period.

Note 12 - Other charges

Other expenses mainly consist of legal fees, miscellaneous fees, paying agent fees, registration fees and tax fees.

Note 13 - Directors Fees

For their role and services, the independent and non-executive directors on the Board of Directors are remunerated an aggregate gross amount of EUR 10,500 per annum. This amount may be prorated based on the actual duration of their service within a given financial year. The rest of the Board of Directors waive any right to remuneration.

Note 14 - Equalisation

The Funds use an accounting practice known as equalisation, by which a portion of the proceeds from issues and the costs of sale of shares, equivalent on a per share basis to the amount of undistributed net investment income on the date of the transaction, is credited or charged to undistributed income. As a result, undistributed net investment income per share is unaffected by issues or redemptions of shares. However, in respect of any Fund offering only Accumulation Shares, the Board of Directors and/or the Management Company reserves the right not to apply equalisation.

Note 15 - Global credit facility

The Company together with other European and U.S. registered investment funds managed by Franklin Templeton Investments (individually, Borrower; collectively, Borrowers), entered into a joint syndicated revolving senior unsecured credit facility totaling USD 2,995 million (Global Credit Facility) with a group of banks to provide a source of funds to the Borrowers for temporary and emergency purposes, including the ability to meet future unanticipated or unusually large redemption requests.

Under the terms of the Global Credit Facility, a Borrower shall, in addition to interest charged on any borrowings and other costs incurred by the Borrower, pay its share of fees and expenses incurred in connection with the implementation and maintenance of the Global Credit Facility, based upon its relative share of the aggregate net assets of all of the Borrowers, including an annual commitment fee based upon the unused portion of the Global Credit Facility.

During the financial period ended April 30, 2025, the Company did not use the Global Credit Facility.

Note 16 - Total Expense Ratio

The Total Expense Ratio ("TER"), expressed as a percentage, represents how the total annualised expenses of each share class relate to the average net assets of each share class for the period ended April 30, 2025. The total expenses comprise the investment management fees, the administration and transfer agency fees, the custodian fees and other expenses as summarised in the "Statement of Operations and Changes in Net Assets".

Note 17 - Abbreviations

Countries

AGO	Angola	DOM	Dominican Republic	KAZ	Kazakhstan	SLV	El Salvador
ARM	Armenia	EGY	Egypt	MEX	Mexico	SP	Supranational
AZE	Azerbaijan	GHA	Ghana	MKD	Macedonia	SRB	Serbia
BEN	Benin	GTM	Guatemala	MNE	Montenegro	TTO	Trinidad And Tobago
BGR	Bulgaria	HND	Honduras	NGA	Nigeria	TUN	Tunisia
BRA	Brazil	IDN	Indonesia	PAK	Pakistan	TUR	Turkey
CHN	China	IND	India	PAN	Panama	UKR	Ukraine
CIV	Ivory Coast	IRQ	Iraq	PER	Peru	USA	United States of America
CMR	Cameroon	JAM	Jamaica	PRY	Paraguay	UZB	Uzbekistan
COL	Colombia	JEY	Jersey	ROU	Romania	ZAF	South Africa
CZE	Czech Republic	JOR	Jordan	RUS	Russia		

Currencies

BRL	Brazilian Real	GBP	British Pound Sterling	MXN	Mexican Peso	UZS	Uzbekistani Som
COP	Colombian Peso	IDR	Indonesian Rupiah	NGN	Nigerian Naira	ZAR	South African Rand
DOP	Dominican Peso	JMD	Jamaican Dollar	PLN	Polish Zloty		
EGP	Egyptian Pound	JPY	Japanese Yen	TRY	Turkish Lira		
EUR	Euro	KZT	Kazakhstani Tenge	USD	US Dollar		

Note 18 - Subsequent events

There have been no significant subsequent events since the reporting date.

Schedule of Investments, April 30, 2025

Franklin Emerging Market Debt Opportunities II Fund

(Currency - EUR)

Number of shares or face value	Description	Country code	Trading currency	Market value	% of net assets
	TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				
	SHARES				
	Metals & Mining				
2,156,091	Petra Diamonds Ltd.	ZAF	GBP	694,506	0.10
				694,506	0.10
	TOTAL SHARES			694,506	0.10
	BONDS				
	Corporate Bonds				
11,600,000	Frigorifico Concepcion SA, Reg. S 7.7% 07/21/2028	PRY	USD	7,634,793	1.11
94,110,000,000	Ipoteka-Bank ATIB, Reg. S 20.5% 04/25/2027	UZB	UZS	6,632,546	0.97
6,700,000	Braskem Idesa SAPI, Reg. S 7.45% 11/15/2029	MEX	USD	4,573,520	0.67
5,964,581	Petra Diamonds US Treasury plc, Reg. S 9.75% 03/08/2026	ZAF	USD	2,975,354	0.43
28,200,000	Red de Carreteras de Occidente SAB de CV, Reg. S 9% 06/10/2028	MEX	MXN	1,257,870	0.18
				23,074,083	3.36
	Government and Municipal Bonds				
144,607,000	Brazil Notas do Tesouro Nacional 10% 01/01/2029	BRA	BRL	20,384,265	2.97
20,071,875	Iraq Government Bond, Reg. S 5.8% 01/15/2028	IRQ	USD	17,203,095	2.50
18,250,000	Ivory Coast Government Bond, Reg. S 4.875% 01/30/2032	CIV	EUR	15,805,139	2.30
387,770,000	Mexican Bonos Desarr Fixed Rate 8% 11/07/2047	MEX	MXN	14,482,933	2.11
462,337,000	South Africa Government Bond 6.5% 02/28/2041	ZAF	ZAR	14,097,159	2.05
15,650,000	El Salvador Government Bond, Reg. S 7.65% 06/15/2035	SLV	USD	13,063,612	1.90
13,350,000	Serbia Government Bond, Reg. S 1.5% 06/26/2029	SRB	EUR	11,999,987	1.75
16,350,000	Angola Government Bond, Reg. S 8% 11/26/2029	AGO	USD	11,553,136	1.68
564,025,000	Egypt Government Bond 24.458% 10/01/2027	EGY	EGP	10,022,355	1.46
10,900,000	Brazil Government Bond 4.5% 05/30/2029	BRA	USD	9,417,029	1.37
12,496,000	Paraguay Government Bond, Reg. S 2.739% 01/29/2033	PRY	USD	9,301,542	1.35
12,350,000	Cameroon Government Bond, Reg. S 5.95% 07/07/2032	CMR	EUR	9,051,562	1.32
9,550,000	Southern Gas Corridor CJSC, Reg. S 6.875% 03/24/2026	AZE	USD	8,520,900	1.24
399,940,000	Turkiye Government Bond 36% 08/12/2026	TUR	TRY	8,399,639	1.22
9,100,000	Romania Government Bond, Reg. S 5.625% 02/22/2036	ROU	EUR	8,356,281	1.22
7,600,000	Jamaica Government Bond 7.875% 07/28/2045	JAM	USD	7,541,694	1.10
9,300,000	Dominican Republic Government Bond, Reg. S 6.4% 06/05/2049	DOM	USD	7,496,398	1.09
8,200,000	Indonesia Government Bond 4.15% 09/20/2027	IDN	USD	7,216,370	1.05
8,850,000	Honduras Government Bond, Reg. S 5.625% 06/24/2030	HND	USD	7,144,216	1.04
7,000,000	Bulgaria Government Bond, Reg. S 4.25% 09/05/2044	BGR	EUR	6,951,875	1.01
6,600,000	North Macedonia Government Bond, Reg. S 6.96% 03/13/2027	MKD	EUR	6,870,765	1.00
96,050,000,000	Uzbekistan Government Bond, Reg. S 16.625% 05/29/2027	UZB	UZS	6,722,890	0.98
375,500,000	Dominican Republic Government Bond, Reg. S 13.625% 02/03/2033	DOM	DOP	6,569,234	0.96
7,600,000	Colombia Government Bond 7.5% 02/02/2034	COL	USD	6,550,841	0.95
7,750,000	Jordan Government Bond, Reg. S 5.85% 07/07/2030	JOR	USD	6,323,688	0.92
7,750,000	Romania Government Bond, Reg. S 3.875% 10/29/2035	ROU	EUR	6,245,457	0.91
8,900,000	Pakistan Government Bond, Reg. S 7.375% 04/08/2031	PAK	USD	6,213,327	0.90
10,700,000	Egypt Government Bond, Reg. S 7.5% 02/16/2061	EGY	USD	6,168,446	0.90
7,800,000	Guatemala Government Bond, Reg. S 6.125% 06/01/2050	GTM	USD	6,132,211	0.89
29,500,000,000	Colombia Government Bond 9.85% 06/28/2027	COL	COP	6,071,203	0.88
7,500,000	Benin Government Bond, Reg. S 8.375% 01/23/2041	BEN	USD	6,061,206	0.88
8,500,000	Angola Government Bond, Reg. S 8.75% 04/14/2032	AGO	USD	5,908,714	0.86
9,300,000	South Africa Government Bond 5.75% 09/30/2049	ZAF	USD	5,883,193	0.86
7,800,000	Armenia Government Bond, Reg. S 3.6% 02/02/2031	ARM	USD	5,836,617	0.85
9,150,000	Nigeria Government Bond, Reg. S 7.625% 11/28/2047	NGA	USD	5,748,796	0.84
7,200,000	Mexico Government Bond 6.338% 05/04/2053	MEX	USD	5,599,825	0.81
5,100,000	Montenegro Government Bond, Reg. S 4.875% 04/01/2032	MNE	EUR	4,956,768	0.72
823,000,000	Jamaica Government Bond 9.625% 11/03/2030	JAM	JMD	4,781,515	0.70
5,200,000	Jordan Government Bond, Reg. S 7.5% 01/13/2029	JOR	USD	4,585,178	0.67
2,674,248,000	Kazakhstan Government Bond 7.2% 05/27/2025	KAZ	KZT	4,569,409	0.67
5,700,000	Armenia Government Bond, Reg. S 3.95% 09/26/2029	ARM	USD	4,538,689	0.66
6,550,000	Ukraine Government Bond, Reg. S, FRN 0% 08/01/2041 ^s	UKR	USD	4,130,539	0.60
4,634,000	Benin Government Bond, Reg. S 4.875% 01/19/2032	BEN	EUR	4,066,045	0.59
5,400,000	Nigeria Government Bond, Reg. S 7.375% 09/28/2033	NGA	USD	3,898,859	0.57
4,200,000	Panama Bonos del Tesoro, Reg. S, 144A 6.375% 07/25/2033	PAN	USD	3,445,235	0.50
2,070,800,000	Kazakhstan Government Bond 10.5% 08/04/2026	KAZ	KZT	3,344,172	0.49
4,300,000	Jordan Government Bond, Reg. S 7.375% 10/10/2047	JOR	USD	3,191,787	0.46
3,400,000	Montenegro Government Bond, Reg. S 7.25% 03/12/2031	MNE	USD	3,030,580	0.44
160,000,000	Egypt Government Bond 25.318% 08/13/2027	EGY	EGP	2,880,111	0.42

Franklin Emerging Market Debt Opportunities II Fund (continued)

(Currency - EUR)

Number of shares or face value	Description	Country code	Trading currency	Market value	% of net assets
1,578,874,000	Kazakhstan Government Bond 13.9% 09/16/2026	KAZ	KZT	2,650,168	0.39
3,240,000	Serbia Government Bond, Reg. S 1.65% 03/03/2033	SRB	EUR	2,578,468	0.38
3,400,000	Egypt Government Bond, Reg. S 7.625% 05/29/2032	EGY	USD	2,561,968	0.37
38,604,000	South Africa Government Bond 7% 02/28/2031	ZAF	ZAR	1,646,683	0.24
800,000,000	Kazakhstan Government Bond 5.3% 10/19/2027	KAZ	KZT	1,121,570	0.16
				378,893,344	55.15
Quasi-Sovereign Bonds					
17,600,000	KazMunayGas National Co. JSC, Reg. S 5.75% 04/19/2047	KAZ	USD	13,052,746	1.90
	ICA ICTAS Altyapi Yavuz Sultan Selim Koprusu ve Kuzey Cevre				
9,600,000	Otoyolu Yatirim ve I, Reg. S 7.536% 10/31/2027	TUR	USD	8,419,698	1.23
7,040,000	SOCAR Turkey Enerji A/S, Reg. S 7.23% 03/17/2026	AZE	USD	6,183,230	0.90
5,875,000	Istanbul Metropolitan Municipality, Reg. S 10.5% 12/06/2028	TUR	USD	5,529,843	0.80
24,350,969,179	PA Autopista Rio Magdalena, Reg. S 6.05% 06/15/2036	COL	COP	4,285,769	0.62
4,450,000	Istanbul Metropolitan Municipality, Reg. S 10.75% 04/12/2027	TUR	USD	4,130,180	0.60
				41,601,466	6.05
Supranational					
44,000,000	Asian Development Bank 5.55% 09/12/2025	SP	PLN	10,326,231	1.50
	International Bank for Reconstruction & Development				
119,100,000,000	4.6% 02/09/2026	SP	IDR	6,263,279	0.91
6,750,000	Banque Ouest Africaine de Developpement, Reg. S 4.7% 10/22/2031	SP	USD	5,401,311	0.79
107,000,000	Corp. Andina de Fomento, Reg. S 7.5% 06/10/2030	SP	MXN	4,504,732	0.66
65,400,000,000	Inter-American Development Bank 5.1% 11/17/2026	SP	IDR	3,427,631	0.50
				29,923,184	4.36
				473,492,077	68.92
TOTAL BONDS					
TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				474,186,583	69.02
TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET					
BONDS					
Asset-Backed Securities					
560,509	Peru Enhanced Pass-Through Finance Ltd., Reg. S 0% 06/02/2025	PER	USD	487,081	0.07
				487,081	0.07
Corporate Bonds					
13,137,000	Adani Electricity Mumbai Ltd., Reg. S 3.949% 02/12/2030	IND	USD	10,046,803	1.46
	Telecommunications Services of Trinidad & Tobago Ltd., Reg. S				
10,100,000	8.875% 10/18/2029	TTO	USD	8,856,902	1.29
10,544,410	UEP Penonome II SA, Reg. S 6.5% 10/01/2038	PAN	USD	8,307,266	1.21
8,500,000	Banco de Occidente SA, Reg. S 10.875% 08/13/2034	COL	USD	8,291,036	1.21
7,900,000	GDZ Elektrik Dagitim A/S, Reg. S 9% 10/15/2029	TUR	USD	6,534,549	0.95
6,750,000	Energo-Pro A/S, Reg. S 8.5% 02/04/2027	CZE	USD	5,992,802	0.87
7,825,491	MC Brazil Downstream Trading SARL, Reg. S 7.25% 06/30/2031	BRA	USD	5,344,558	0.78
7,300,000	Kosmos Energy Ltd., Reg. S 8.75% 10/01/2031	GHA	USD	5,209,851	0.76
4,417,000	Ambipar Lux SARL, Reg. S 9.875% 02/06/2031	BRA	USD	3,754,313	0.55
3,600,000	Energo-Pro A/S, Reg. S 11% 11/02/2028	CZE	USD	3,333,123	0.48
3,700,000	IHS Holding Ltd., Reg. S 8.25% 11/29/2031	NGA	USD	3,153,255	0.46
2,930,000	Ambipar Lux SARL, Reg. S 10.875% 02/05/2033	BRA	USD	2,529,884	0.37
3,600,000	Braskem Idesa SAPI, Reg. S 6.99% 02/20/2032	MEX	USD	2,290,173	0.33
24,000,000	Country Garden Holdings Co. Ltd., Reg. S 7.25% 04/08/2026 ^s	CHN	USD	1,840,597	0.27
6,750,000	Sri Rejeki Isman Tbk. PT, Reg. S 7.25% 01/16/2025 ^s	IDN	USD	268,129	0.04
				75,753,241	11.03
Government and Municipal Bonds					
5,500,000	Panama Government Bond 8% 03/01/2038	PAN	USD	5,037,436	0.73
8,400,000,000	Nigeria OMO Bill 0% 03/03/2026	NGA	NGN	3,807,025	0.56
8,400,000,000	Nigeria OMO Bill 0% 02/24/2026	NGA	NGN	3,793,285	0.55
580,000,000	Tunisia Government Bond 4.2% 03/17/2031	TUN	JPY	2,930,439	0.43
100,000,000	Tunisia Government Bond 3.28% 08/09/2027	TUN	JPY	556,988	0.08
13,400,000	El Salvador Government Bond, Reg. S 0.25% 04/17/2030	SLV	USD	264,438	0.04
				16,389,611	2.39
Quasi-Sovereign Bonds					
12,975,000	Petroleos Mexicanos 6.7% 02/16/2032	MEX	USD	9,824,576	1.43
8,821,429	TER Finance Jersey Ltd., Reg. S 8.85% 06/20/2028	JEY	EUR	9,046,433	1.32
14,387,264	Rutas 2 & 7 Finance Ltd., Reg. S 0% 09/30/2036	PRY	USD	9,028,721	1.31
8,500,000	Heritage Petroleum Co. Ltd., Reg. S 9% 08/12/2029	TTO	USD	7,605,843	1.11

Franklin Emerging Market Debt Opportunities II Fund (continued)

(Currency - EUR)

Number of shares or face value	Description	Country code	Trading currency	Market value	% of net assets
7,456,878	FIEMEX Energia - Banco Actinver SA Institucion de Banca Multiple, Reg. S 7.25% 01/31/2041	MEX	USD	6,541,265	0.95
4,900,000	Ecopetrol SA 4.625% 11/02/2031	COL	USD	3,536,456	0.51
18,705,243,535	Fideicomiso PA Costera, Reg. S 6.25% 01/15/2034	COL	COP	3,477,731	0.51
2,400,000	CITGO Petroleum Corp., Reg. S 8.375% 01/15/2029	USA	USD	2,122,451	0.31
				<u>51,183,476</u>	<u>7.45</u>
	Supranational				
7,300,000	Banque Ouest Africaine de Developpement, Reg. S 8.2% 02/13/2055	SP	USD	6,413,996	0.93
				<u>6,413,996</u>	<u>0.93</u>
	TOTAL BONDS			<u>150,227,405</u>	<u>21.87</u>
	TOTAL TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET			<u>150,227,405</u>	<u>21.87</u>
	TRANSFERABLE SECURITIES NOT ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING NOR DEALT IN ON ANOTHER REGULATED MARKET				
	BONDS				
	Corporate Bonds				
13,500,000	Alfa Bank AO, Reg. S 5.95% 04/15/2030**§	RUS	USD	—	—
				<u>—</u>	<u>—</u>
	TOTAL BONDS			<u>—</u>	<u>—</u>
	TOTAL TRANSFERABLE SECURITIES NOT ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING NOR DEALT IN ON ANOTHER REGULATED MARKET			<u>—</u>	<u>—</u>
	TOTAL INVESTMENTS			<u>624,413,988</u>	<u>90.89</u>

§ These Bonds are currently in default

* Could also be classified as Municipals

** These securities are submitted to a Fair Valuation

Additional Information

Portfolio Turnover Ratio

The portfolio turnover ratio, expressed as a percentage, is equal to the total of purchases and sales of securities netted against the total value of subscriptions and redemptions, over average net assets of the Fund for the 12 months period. It is effectively a measure of how frequently a Fund buys or sells securities.

The portfolio turnover ratio calculation is not applicable to Liquid Reserve and Money Market Funds, as such a ratio is not relevant to such Funds due to the short-term nature of the investments.

Fund	Portfolio Turnover Ratio
Franklin Emerging Market Debt Opportunities II Fund	52.44%
Franklin Emerging Market Investment Grade Debt Fund*	N/A

*Please refer Note 1 for fund events.

Securities Financing Transactions (SFTs) and Total Return Swaps (TRS)

The Company does not engage in Securities Financing Transactions (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions) and it had no exposure to total return swap contracts during the period.

Collateral

The following table reports the collateral held as at April 30, 2024 to reduce counterparty exposure on OTC derivatives.

Fund	Counterparty	Collateral currency	Cash held as collateral	Sovereign Bonds held as collateral
Franklin Emerging Market Debt Opportunities II Fund	Barclays	USD	6,130,000	—
Franklin Emerging Market Debt Opportunities II Fund	Citibank	USD	5,320,000	—
Franklin Emerging Market Debt Opportunities II Fund	Deutsche Bank	USD	6,050,000	—
Franklin Emerging Market Debt Opportunities II Fund	J.P. Morgan	USD	6,070,000	—

Audited annual reports and unaudited semi-annual reports

The audited annual reports and unaudited semi-annual reports will be available on the local Franklin Templeton website, www.franklintempleton.lu or may be obtained, free of charge, on request at the registered office of the Company. They are only distributed to registered shareholders in those countries where local regulation so requires. The complete audited annual reports and unaudited semi-annual reports are available at the registered office of the Company.

Franklin Templeton Office Directory

Further information regarding Franklin Templeton Series II Funds is available at the following Franklin Templeton office:

EUROPE

Luxembourg

Franklin Templeton International Services S.à r.l.

8A, rue Albert Borschette, L-1246 Luxembourg

B.P. 169, L-2011 Luxembourg

Grand Duchy of Luxembourg

Tel: +352 27 94 0990

Fax: +352 46 66 76 (valid until July 13, 2025)

Fax: +352 342 080 9861 (valid from July 14, 2025)

Email: service.Lux.franklintempleton@fisglobal.com

Please note that the website mentioned above is directed at residents within the country stated on this website. (Please refer to the website disclaimers).



**FRANKLIN
TEMPLETON**

Franklin Templeton International Services S.à r.l.
8A, rue Albert Borschette
L-1246 Luxembourg
Grand Duchy of
Luxembourg
Tel: +352 27 94 0990
Fax: +352 (46) 66-76