

Templeton Dragon Fund Inc (TDF)



Blend Factsheet as of December 31, 2023

Investment Overview

The fund seeks long-term capital appreciation by investing at least 45% of its total assets in the equity securities of Chinese companies.

Total Returns (%)

	Cumulative			Average Annual				Inception	
	3-Mth	6-Mth	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Inception	Date
Market Price Return	-4.33	-10.32	-20.06	-20.06	-23.93	-3.06	0.82	7.28	9/20/1994
NAV Returns	-7.19	-11.47	-21.11	-21.11	-22.24	-3.30	0.15	6.52	9/20/1994
Benchmark	-3.82	-6.52	-11.53	-11.53	-16.20	0.04	1.80	—	—

Calendar Year Total Returns (%)

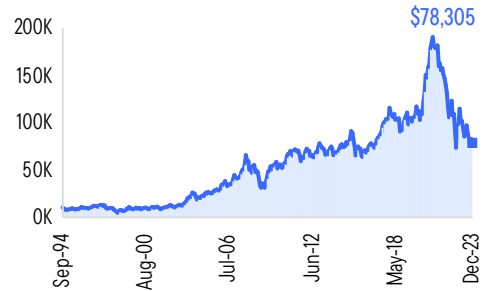
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Market Price Return	-20.06	-32.99	-17.83	52.46	27.70	-11.87	42.06	1.03	-8.79	9.74
NAV Returns	-21.11	-29.46	-15.52	42.18	26.59	-14.64	38.22	0.76	-6.39	7.86
Benchmark	-11.53	-23.61	-12.91	33.41	27.63	-23.27	41.18	-7.87	-3.05	23.29

Performance shown represents past performance and is no guarantee of future results. Current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate so shares, when sold, may be worth more or less than the original cost. Returns based on Market Price or NAV, and assume the reinvestment of all distributions at the Dividend Reinvestment Plan Price or NAV, respectively. All returns include the deduction of management fees, operating expenses and all other fund expenses, and do not reflect the deduction of brokerage commissions or taxes that investors may pay on distributions or the sale of shares. When applicable, performance would have been lower if fees had not been waived in various periods. The index is unmanaged and includes reinvestment of any income or distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the fund's portfolio. Index data is provided for comparison purposes only. The fund is not managed against an index. Returns for periods of less than one year are not annualized. Please visit franklintempleton.com for the most recent month-end performance.

Gross expenses are the fund's total annual operating expenses as of the fund's annual report available at the time of publication. Actual expenses may be higher and may impact portfolio returns. Net expenses reflect voluntary fee waivers, expense caps and/or reimbursements. Voluntary waivers may be modified or discontinued at any time without notice. **NAV** is total assets less total liabilities divided by the number of shares outstanding. **Market Price**, determined by supply and demand, is the price an investor purchases or sells the fund. The Market Price may differ from a fund's NAV. **Premium / Discount** reflects the difference between the NAV and the Market Price of the fund, and represents the amount that the fund is trading above or below its NAV, expressed as a percentage of the NAV. Distribution Rate is calculated by annualizing the most recent distribution amount paid, divided by the closing market price or NAV as of the date indicated. Distribution Rate includes income and return of capital, if any, and includes a prorated special distribution in the month it is paid, if any. The Distribution Rate is not guaranteed, subject to change, and is not a quotation of fund performance.

Growth of \$10,000

Inception through December 31, 2023
Market Price Returns, assuming dividends reinvested



The Growth of \$10,000 chart reflects a hypothetical \$10,000 investment on Market Price and assumes reinvestment of dividends and capital gains. Fund expense, including management fees and other expenses were deducted.

Fund Overview

NYSE Ticker	TDF
Listed Exchange	NYSE
Fund Inception Date	09/20/1994
NAV	\$9.42
Market Price	\$8.17
Premium/Discount	-13.27%
Distribution Rate at Market Price (%)	—
Distribution Rate at NAV (%)	—
Dividend Frequency, if any	Semi-Annually

Benchmark(s)

MSCI China All Shares Index-NR

Fund Characteristics

	Fund
Total Net Assets	\$238.76 Million
Number of Issuers	45
Price to Book	2.31x
Price to Earnings (12-Month Trailing)	14.95x
Price to Cash Flow	8.18x
Dividend Yield	1.18%

Risk Statistics (3-Year)

	Fund	Benchmark
Beta	1.21	—
R-Squared	0.97	—
Sharpe Ratio	-0.83	-0.77
Standard Deviation (%)	29.42	23.97
Alpha (%)	-2.39	—
Information Ratio	-0.84	—
Tracking Error (%)	7.19	—

Top Equity Issuers (Equity as a % of Total)

	Fund
TENCENT HOLDINGS LTD	8.85
ALIBABA GROUP HOLDING LTD	6.00
KWEICHOW MOUTAI CO LTD	5.27
NETEASE INC	3.88
FOCUS MEDIA INFORMATION TECHNOLOGY CO LTD	3.82
PING AN INSURANCE GROUP CO OF CHINA LTD	3.75
PDD HOLDINGS INC	3.56
BAIDU INC	3.21
JIANGSU HENGRUI PHARMACEUTICALS CO LTD	3.12
CHINA MERCHANTS BANK CO LTD	3.12

Geographic Allocation (% of Total)

	Fund
China	95.47
Hong Kong	0.79
Cash & Cash Equivalents	3.74

Sector Allocation (% of Total)

	Fund
Consumer Discretionary	25.29
Communication Services	20.09
Industrials	12.70
Consumer Staples	11.05
Financials	10.98
Health Care	10.11
Information Technology	2.06
Utilities	1.92
Other	2.06
Cash & Cash Equivalents	3.74

Market Cap Breakdown (% of Equity) (USD)

	Fund
<2.0 Billion	1.92
2.0-5.0 Billion	4.03
5.0-10.0 Billion	2.19
10.0-25.0 Billion	18.03
25.0-50.0 Billion	23.91
>50.0 Billion	47.40
N/A	2.53

Portfolio Data Information

The fund invests in certain China A shares through its investment in the Templeton China Opportunities Fund Ltd. (China Fund). The China Fund is a Cayman Islands exempt company, is a wholly-owned subsidiary of the fund, and is able to invest directly in China A shares consistent with the investment objective of the fund.

Portfolio Management

	Years with Firm	Years of Experience
Nicholas Chui, CFA	<1	14
Eric Mok, CFA	25	25

What should I know before investing?

All investments involve risks, including possible loss of principal. International investments are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in emerging markets. There are special risks associated with investments in China, Hong Kong and Taiwan, including less liquidity, expropriation, confiscatory taxation, international trade tensions, nationalization, and exchange control regulations and rapid inflation, all of which can negatively impact the fund. Investments in Taiwan could be adversely affected by its political and economic relationship with China. To the extent the fund invests in companies in a specific country or region, the fund may experience greater volatility than a fund that is more broadly diversified geographically. The portfolio is non-diversified and may invest in a relatively small number of issuers, which may negatively impact the fund's performance and result in greater fluctuation in the value of the fund's shares. The managers' environmental social and governance (ESG) strategies may limit the types and number of investments available and, as a result, may forgo favorable market opportunities or underperform strategies that are not subject to such criteria. There is no guarantee that the strategy's ESG directives will be successful or will result in better performance.

Glossary

Beta A measure of the fund's volatility relative to the market, as represented by the stated Index. A beta greater than 1.00 indicates volatility greater than the market. **R-squared** measures the strength of the linear relationship between the fund and its benchmark. R-squared at 1 implies perfect linear relationship and zero implies no relationship exists. **Sharpe Ratio** refers to a risk-adjusted measure calculated using standard deviation and excess returns to determine reward per unit of risk. The higher the ratio, the greater the risk-adjusted performance. **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. **Alpha** is the annualized percentage difference between a portfolio's actual returns and its expected performance given its level of market risk, as measured by beta. **Information Ratio** In investing terminology, the ratio of expected return to risk. Usually, this statistical technique is used to measure a manager's performance against a benchmark. This measure explicitly relates the degree by which an investment has beaten the benchmark to the consistency by which the investment has beaten the benchmark. **Tracking Error** measure of the deviation of the return of a fund compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment fund is managed, the smaller the tracking error. **Price to Book:** The price per share of a stock divided by its book value (i.e., net worth) per share. For a portfolio, the value represents a weighted average of the stocks it holds. **Price to Earnings (12-Month Trailing)** is the share price of a stock, divided by its per-share earnings over the past year. For a portfolio, the value represents a weighted average of the stocks it holds. **Price to Cash Flow:** Supplements price/earnings ratio as a measure of relative value for a stock. For a portfolio, the value represents a weighted average of the stocks it holds. **Dividend Yield** is the annual dividend received on an equity security as a percentage of the price. For a portfolio, the value represents a weighted average of the stocks it holds. It should not be used as an indication of the income received from this portfolio.

Important Information

Distributions are not guaranteed and are subject to change. The Closed-End Funds are not sold or distributed by Franklin Distributors, LLC, or any affiliate of Franklin Resources, Inc. Unlike open-end funds, shares are not continually offered. Like other public companies, closed-end funds have a one-time initial public offering, and once their shares are first issued, are generally bought and sold through non-affiliated broker/dealers and trade on nationally recognized stock exchanges. Share prices will fluctuate with market conditions and, at the time of sale, may be worth more or less than your original investment. Shares of exchange-traded closed-end funds may trade at a discount or premium to their original offering price, and often trade at a discount to their net asset value. Investment return, market price and net asset value will fluctuate with changes in market conditions. The Funds are subject to investment risks, including the possible loss of principal invested.

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