
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2024

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number: 001-41435

FRANKLIN TEMPLETON HOLDINGS TRUST

SPONSORED BY FRANKLIN HOLDINGS, LLC

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

87-6458919
(I.R.S. Employer
Identification No.)

One Franklin Parkway
San Mateo, CA 94403-1906
(650) 312-2000

(Address of principal executive offices, telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Shares of Franklin Responsibly Sourced Gold ETF	FGDL	NYSE Arca, Inc.

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer”, “accelerated filer”, “smaller reporting company”, and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-Accelerated Filer	<input checked="" type="checkbox"/>	Smaller Reporting Company	<input checked="" type="checkbox"/>
Emerging Growth Company	<input checked="" type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.). ☐ Yes ☒ No

The registrant had 2,650,000 outstanding shares as of November 1, 2024.

STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This interim report on Form 10-Q includes statements which relate to future events or future performance. In some cases, you can identify such forward-looking statements by terminology such as “may,” “should,” “could,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential” or the negative of these terms or other comparable terminology. All statements (other than statements of historical fact) included in this report that address activities, events or developments that may occur in the future, including such matters as changes in commodity prices and market conditions (for gold and the Shares), the Fund’s operations, the Sponsor’s plans and references to the Fund’s future success and other similar matters are forward-looking statements. These statements are only predictions. Actual events or results may differ materially. These statements are based upon certain assumptions and analyses made by the Sponsor on the basis of its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. Whether or not actual results and developments will conform to the Sponsor’s expectations and predictions, however, is subject to a number of risks and uncertainties, including the special considerations discussed in this report, general economic, market and business conditions, changes in laws or regulations, including those concerning taxes, made by governmental authorities or regulatory bodies, and other world economic and political developments. All forward-looking statements made in this report are qualified by these cautionary statements, and there can be no assurance that the actual results or developments the Sponsor anticipates will be realized or, even if substantially realized, will result in the expected consequences to, or have the expected effects on, the Fund’s operations or the value of the Shares. None of the Trust, the Fund, the Sponsor, or the Trustee or their respective affiliates is under a duty to update any of the forward-looking statements to conform such statements to actual results or to a change in the Sponsor’s expectations or predictions.

EMERGING GROWTH COMPANY STATUS

The Trust is an “emerging growth company,” as defined in the JOBS Act. For as long as the Trust is an emerging growth company, the Trust may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not “emerging growth companies,” including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”), reduced disclosure obligations regarding executive compensation in the Fund’s periodic reports and audited financial statements in its prospectus, exemptions from the requirements of holding advisory “say-on-pay” votes on executive compensation and shareholder advisory votes on “golden parachute” compensation and exemption from any rules requiring mandatory audit firm rotation and auditor discussion and analysis and, unless otherwise determined by the SEC, any new audit rules adopted by the Public Company Accounting Oversight Board.

Under the JOBS Act, the Trust will remain an emerging growth company until the earliest of:

- the last day of the fiscal year during which the Trust has total annual gross revenues of \$1.235 billion or more;
- the last day of the fiscal year following the fifth anniversary of the completion of this offering;
- the date on which the Trust has, during the previous three-year period, issued more than \$1 billion in non-convertible debt; or
- the date on which the Trust is deemed to be a “large-accelerated filer” (i.e., an issuer that (1) has more than \$700 million in outstanding equity held by non-affiliates and (2) has been subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) for at least 12 calendar months and has filed at least one annual report on Form 10-K.)

The JOBS Act also provides that an emerging growth company can utilize the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended (the “Securities Act”) for complying with new or revised accounting standards.

FRANKLIN RESPONSIBLY SOURCED GOLD ETF

FRANKLIN TEMPLETON HOLDINGS TRUST

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Part I. FINANCIAL INFORMATION

Item 1. Unaudited Financial Statements of the Trust and the Fund

FRANKLIN RESPONSIBLY SOURCED GOLD ETF

FRANKLIN TEMPLETON HOLDINGS TRUST

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FRANKLIN TEMPLETON HOLDINGS TRUST
Combined Statement of Assets and Liabilities

	<u>September 30, 2024</u> <u>(Unaudited)</u>	<u>March 31, 2024</u>
Assets		
Investment in gold, at fair value ^(a)	\$ 85,998,011	\$ 62,110,210
Total assets	<u>85,998,011</u>	<u>62,110,210</u>
Liabilities		
Sponsor's fee payable	9,804	7,579
Total liabilities	<u>9,804</u>	<u>7,579</u>
Commitments and contingencies (Note 7)		
Net assets	<u>\$ 85,988,207</u>	<u>\$ 62,102,631</u>
Shares issued and outstanding ^(b)	2,450,000	2,100,000
Net asset value per Share	\$ 35.10	\$ 29.57

(a) Cost of investment in gold bullion: \$62,561,734 at September 30, 2024 and \$50,923,216 at March 31, 2024.

(b) No par value, unlimited amount authorized.

See accompanying notes to the unaudited financial statements.

FRANKLIN TEMPLETON HOLDINGS TRUST
Combined Schedule of Investments

September 30, 2024 (Unaudited)

	<u>Ounces of Gold</u>	<u>Cost</u>	<u>Fair Value</u>	<u>% of Net Assets</u>
Investment in gold	32,699.485	\$62,561,734	\$85,998,011	100.01%
Total investments	32,699.485	\$62,561,734	\$85,998,011	100.01%
Less liabilities			(9,804)	(0.01)%
Net assets			<u>\$85,988,207</u>	<u>100.00%</u>

March 31, 2024

	<u>Ounces of Gold</u>	<u>Cost</u>	<u>Fair Value</u>	<u>% of Net Assets</u>
Investment in gold	28,048.958	\$50,923,216	\$62,110,210	100.01%
Total investments	28,048.958	\$50,923,216	\$62,110,210	100.01%
Less liabilities			(7,579)	(0.01)%
Net assets			<u>\$62,102,631</u>	<u>100.00%</u>

See accompanying notes to the unaudited financial statements.

FRANKLIN TEMPLETON HOLDINGS TRUST
Combined Statement of Operations (Unaudited)

	For the Three Months Ended September 30,		For the Six Months Ended September 30,	
	2024	2023	2024	2023
Expenses				
Sponsor's fee	\$ 28,305	\$ 26,489	\$ 53,854	\$ 65,071
Total expenses	28,305	26,489	53,854	65,071
Net investment loss	(28,305)	(26,489)	(53,854)	(65,071)
Net realized and change in unrealized gain (loss) on investment in gold				
Net realized gain (loss) from gold distributed for the redemption of shares and sold to pay expenses	6,556	1,507,791	11,770	3,249,259
Net change in unrealized appreciation (depreciation) on investment in gold	9,018,985	(2,810,481)	12,249,283	(7,828,590)
Net realized and change in unrealized gain (loss) on investment in gold	9,025,541	(1,302,690)	12,261,053	(4,579,331)
Net increase (decrease) in net assets resulting from operations	8,997,236	(1,329,179)	12,207,199	(4,644,402)
Net increase (decrease) in net assets per Share ^{(a)(b)}	\$ 3.97	\$ (0.49)	\$ 5.48	\$ (1.40)

(a) Net increase (decrease) in net assets per Share based on average shares outstanding during the period.

(b) The amount shown for a share outstanding may not agree with the change in the aggregate gains and losses on investment for the period because of the timing of transactions in the Fund's shares in relation to fluctuating market values for the Fund's underlying investment.

See accompanying notes to the unaudited financial statements.

FRANKLIN TEMPLETON HOLDINGS TRUST
Combined Statement of Cash Flows (Unaudited)

	For the Six Months Ended September 30, 2024	For the Six Months Ended September 30, 2023
Cash Flows from Operating Activities:		
Proceeds from gold bullion sold to pay expenses	\$ 51,629	\$ 70,233
Expenses - Sponsor's fee paid	(51,629)	(70,233)
Net cash provided by (used in) operating activities	—	—
Increase (decrease) in cash	—	—
Cash, beginning of period	—	—
Cash, end of period	<u>\$ —</u>	<u>\$ —</u>
Reconciliation of Net Increase (Decrease) in Net Assets Resulting from Operations to Net Cash Provided by (Used in) Operating Activities:		
Net increase (decrease) in net assets resulting from operations	\$ 12,207,199	\$ (4,644,402)
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used in) operating activities:		
Proceeds from gold bullion sold to pay expenses	51,629	70,233
Net realized (gain) loss	(11,770)	(3,249,259)
Net change in unrealized (appreciation) depreciation	(12,249,283)	7,828,590
Change in operating assets and liabilities:		
Sponsor's fees payable	2,225	(5,162)
Net cash provided by (used in) operating activities	<u>\$ —</u>	<u>\$ —</u>
Supplemental disclosure of non-cash financing information:		
Gold bullion contributed for Shares issued	\$ 11,678,377	\$ 2,695,902
Gold bullion distributed for Shares redeemed	\$ —	\$(46,911,840)

See accompanying notes to the unaudited financial statements.

FRANKLIN TEMPLETON HOLDINGS TRUST
Combined Statement of Changes in Net Assets (Unaudited)

	For the Three Months Ended September 30,		For the Six Months Ended September 30,	
	2024	2023	2024	2023
Net assets, beginning of period	\$68,459,081	\$ 93,319,093	\$62,102,631	\$113,858,013
Net investment loss	(28,305)	(26,489)	(53,854)	(65,071)
Net realized gain (loss) from gold distributed for the redemption of shares and sold to pay expenses	6,556	1,507,791	11,770	3,249,259
Net change in unrealized appreciation (depreciation) on investment in gold	9,018,985	(2,810,481)	12,249,283	(7,828,590)
Net increase (decrease) in net assets resulting from operations	8,997,236	(1,329,179)	12,207,199	(4,644,402)
Capital Share Transactions:				
Contributions for Shares issued	8,531,890	—	11,678,377	2,695,902
Distributions for Shares redeemed	—	(26,992,241)	—	(46,911,840)
Net increase (decrease) in net assets from capital share transactions	8,531,890	(26,992,241)	11,678,377	(44,215,938)
Net assets, end of period	<u>\$85,988,207</u>	<u>\$ 64,997,673</u>	<u>\$85,988,207</u>	<u>\$ 64,997,673</u>

See accompanying notes to the unaudited financial statements.

FRANKLIN TEMPLETON HOLDINGS TRUST
Combined Notes to Financial Statements (Unaudited)

1. ORGANIZATION

The Franklin Templeton Holdings Trust (the “Trust”) was organized as a Delaware statutory trust on April 19, 2021 and is governed by the Agreement and Declaration of Trust dated as of May 10, 2022. The Trust is not registered as an investment company under the Investment Company Act of 1940, as amended (the “Investment Company Act”) and is not a commodity pool for purposes of the Commodity Exchange Act (“CEA”). The accompanying financial statements relate to the Trust, as registrant, and the one series that it currently offers, the Franklin Responsibly Sourced Gold ETF (the “Fund”) presented on a combined basis. Separate, series-level financial statements are provided for the Fund in another section of this report. The Trust had no operations prior to the Fund’s launch, other than in connection with the organization and registration of the Fund’s shares. Franklin Holdings, LLC is the Sponsor of the Trust (the “Sponsor”). The Sponsor is not subject to regulation by the Commodity Futures Trading Commission (“CFTC”) as a commodity pool operator with respect to the Fund, or a commodity trading advisor with respect to the Fund. The Fund issues shares (the “Shares”), which represent units of fractional undivided beneficial interest in the Fund. The Shares of the Fund are listed on the NYSE Arca, Inc. (“NYSE Arca”). The investment objective of the Fund is for the Shares to reflect the performance of the price of gold bullion, less the Fund’s expenses. The Fund’s only ordinary recurring expense is the Sponsor’s annual fee of 0.15% of the Net Asset Value (“NAV”) of the Fund. The assets of the Fund include only gold bullion and cash, if any. The Fund seeks to hold only responsibly sourced gold in the Fund’s allocated account. The Fund defines responsibly sourced gold for this purpose as London Good Delivery gold bullion bars that were refined on or after January 1, 2012 (also referred to herein as “post-2012 gold”). All post-2012 gold has been refined in accordance with London Bullion Market Association’s (“LBMA”) Responsible Gold Guidance (the “Gold Guidance”). The Shares were first listed for trading on NYSE Arca on June 30, 2022.

BNY Mellon Asset Servicing, a division of The Bank of New York Mellon, or “BNYM,” is the Fund’s Administrator (the “Administrator”) and Transfer Agent (the “Transfer Agent”). BNYM also serves as the custodian of the Fund’s cash, if any. JPMorgan Chase Bank, N.A., London branch (“JPMorgan”), is the custodian (the “Custodian”) of the Fund’s gold bullion. CSC Delaware Trust Company, a subsidiary of Corporation Service Company, is the Trustee of the Trust. Franklin Distributors, LLC is the marketing agent of the Trust (the “Marketing Agent”).

Shares of the Fund are listed on the NYSE Arca under the ticker symbol “FGDL”. The market price of the Shares may be different from the NAV per Share. Shares may be purchased from the Trust only by certain eligible financial institutions called Authorized Participants and only in one or more blocks of 50,000 Shares (“Creation Units”) in exchange for gold. The Fund issues Shares in Creation Units on a continuous basis at the applicable NAV per Share on the creation order date. Except when aggregated in Creation Units, the Shares are not redeemable securities.

The Trust is an “emerging growth company” as that term is used in the Securities Act of 1933, as amended (the “Securities Act”) and, as such, the Trust may elect to comply with certain reduced public company reporting requirements.

The combined statement of assets and liabilities and combined schedule of investments at September 30, 2024 and the combined statements of operations, combined cash flows and combined changes in net assets for the period ended September 30, 2024, have been prepared on behalf of the Trust, as registrant, combined with its one currently offered series, the Fund, and for the Fund separately (included below in a separate section of this report), and are unaudited. In the opinion of management of the Sponsor of the Trust, all adjustments (which include normal recurring adjustments) necessary to state fairly the financial position and results of operations for the three and six months ended September 30, 2024, and for all periods presented, have been made. In addition, interim period results are not necessarily indicative of results for a full-year period. These financial statements and the notes thereto should be read in conjunction with the Trust’s and the Fund’s financial statements included in the Annual Report on Form 10-K for the fiscal year ended March 31, 2024.

The fiscal year of the Trust and the Fund is March 31st.

2. SIGNIFICANT ACCOUNTING POLICIES

In preparing financial statements in conformity with accounting principles generally accepted in the United States (“GAAP”), management of the Sponsor makes estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amount of revenue and expenses reported during the period. Actual results could differ from these estimates.

The accompanying unaudited financial statements were prepared in accordance with GAAP for interim financial information and with the instructions for Form 10-Q and the rules and regulations of the U.S. Securities and Exchange Commission (“SEC”).

The following is a summary of significant accounting policies followed by the Trust and the Fund.

2.1. Basis of Presentation

The Sponsor has determined that the Trust falls within the scope of Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 946, Financial Services—Investment Companies, and has concluded that solely for accounting purposes, the Trust is classified as an Investment Company as defined in ASC 946. The Trust is not registered as an investment company under the Investment Company Act of 1940 and is not required to register under such act.

The financial statements are presented for the Trust, as the registrant, combined with the Fund. Financial statements for the Fund presented at the series-level are provided separately in this report. For the periods presented, there were no balances or activity for the Trust except for the Fund's operations, as its sole series. These notes to the financial statements relate to both the Trust, as the registrant, combined with the Fund. The debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to the Fund are enforceable only against the assets of the Fund and not against the assets of the Trust generally or any other series that the Trust may establish.

2.2. Valuation of Gold

The Trust and the Fund follow the provisions of ASC 820, Fair Value Measurements ("ASC 820"). ASC 820 provides guidance for determining fair value and requires increased disclosure regarding the inputs to valuation techniques used to measure fair value. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Fund's policy is to value the investment in gold bullion at fair value. The NAV is computed based upon the total value of the assets of the Fund (i.e., gold and cash) less its liabilities. The Administrator generally will value any gold bullion held by the Fund on the basis of the price of an ounce of gold as determined by the ICE Benchmark Administration Limited ("IBA"), a benchmark administrator, which provides an independently administered auction process, as well as the overall administration and governance for the London Bullion Market Association (the "LBMA"). In determining the NAV, the Administrator generally will value the gold bullion held by the Fund on the basis of the LBMA Gold Price PM.

The Administrator calculates the NAV on each day NYSE Arca is open for regular trading, at 12:00 PM New York time. If no LBMA Gold Price (AM or PM) is made on a particular evaluation day or if the LBMA Gold Price PM has not been announced by 12:00 PM New York time on a particular evaluation day, the next most recent LBMA Gold Price AM or PM will be used in the determination of the NAV, unless the Sponsor determines that such price is inappropriate to use as the basis for such determination. If the Sponsor determines that such price is inappropriate to use, it shall identify an alternate basis for evaluation of the gold bullion held by the Fund that the Sponsor determines fairly represents the commercial value of the Fund's gold bullion. Gold bullion held by the Fund is reported at fair value on the combined statement of assets and liabilities.

Once the value of the gold bullion has been determined, the Administrator subtracts all estimated accrued expenses and other liabilities of the Fund from the total value of the gold bullion and all other assets of the Fund. The resulting figure is the NAV. The NAV is used to compute the Sponsor's fee. The Administrator determines the NAV per Share by dividing the NAV of the Fund by the number of Shares outstanding as of the close of trading on NYSE Arca.

ASC 820 established a hierarchy that prioritized inputs to valuation techniques used to measure fair value. The three levels of inputs are:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not considered to be active, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means; and

Level 3: Unobservable inputs that are unobservable for the asset or liability, including the Fund's assumptions used in determining the fair value of investments.

At September 30, 2024 and March 31, 2024, the value of the gold bullion held by the Fund is categorized as Level 1.

2.3. Expenses, realized gains and losses

When selling gold to pay expenses, the Sponsor will endeavor to sell the smallest amount of gold needed to pay expenses to minimize the Fund's holdings of assets other than gold. A gain or loss is recognized based on the difference between the selling price and the average cost of the gold sold on the trade date, and such amounts are reported as net realized gain (loss) from gold distributed for the redemption of shares and sold to pay expenses in the combined statement of operations. Gold transactions are recorded on the trade date. The cost of gold is determined using the specific identification method.

The Fund's only ordinary recurring expense is the Sponsor's fee of 0.15% of the NAV of the Fund ("Sponsor fee"). The Sponsor fee is calculated on a daily basis (accrued at 1/365 of the applicable percentage of total net assets on that day) and is payable by the Fund monthly in arrears. The Fund's expenses will reduce the NAV of the Fund. In exchange for the Sponsor's fee, the Sponsor has agreed to assume the ordinary fees and expenses incurred by the Fund, including but not limited to the following: fees charged by the Administrator, the Custodian and the Trustee, NYSE Arca listing fees, typical maintenance and transaction fees of the DTC, SEC registration fees, printing and mailing costs, audit fees and expenses, and up to \$500,000 per annum in legal fees and expenses and applicable license fees.

The Sponsor is not required to pay any extraordinary or non-routine expenses. Extraordinary expenses are fees and expenses which are unexpected or unusual in nature, such as legal claims and liabilities and litigation costs or indemnification or other unanticipated expenses. Extraordinary fees and expenses also include material expenses which are not currently anticipated obligations of the Fund. Routine operational, administrative and other ordinary expenses are not deemed extraordinary expenses. The Fund will sell gold on an as-needed basis to pay the Sponsor's fee.

There have been no extraordinary or non-routine expenses during the periods presented.

2.4. Gold Receivable and Payable

Gold receivable or payable represents the quantity of gold covered by contractually binding orders for the creation or redemption of Shares respectively, where the gold has not yet been transferred to or from the Fund's account. Generally, ownership of the gold is transferred within one business day of the trade date.

2.5. Creations and redemptions of Shares

The Fund creates and redeems Shares from time to time, but only in one or more Creation Units (a Creation Unit equals a block of 50,000 Shares). The

creation and redemption of Creation Units is only made in exchange for the delivery to the Fund or the distribution by the Fund of the amount of gold bullion represented by the Creation Units being created or redeemed. The amount of gold bullion required to be delivered to the Fund in connection with any creation, or paid out upon redemption, is based on the combined NAV of the number of Shares included in the Creation Units being created or redeemed as determined on the day the order to create or redeem Creation Units is properly received and accepted. The standard U.S. settlement cycle for most broker-dealer securities transactions is one business day (T+1). Authorized Participants are the only persons that may place orders to create and redeem Creation Units. All gold bullion must be delivered by Authorized Participants to the Fund and distributed by the Fund in unallocated form through credits and debits between Authorized Participants' unallocated accounts and the Fund Unallocated Account. All gold bullion must be of at least a minimum fineness (or purity) of 995 parts per 1,000 (99.5%) and otherwise conform to the rules, regulations, practices and customs of the LBMA, including the specifications for a London Good Delivery Bar. The Transfer Agent receives a transaction processing fee in connection with orders from Authorized Participants to create or redeem Creation Units in the amount of \$500 per order. These transaction processing fees are paid directly by the Authorized Participants and not by the Fund.

Prior to initiating any creation or redemption order, an Authorized Participant must have an existing unallocated account with a London Precious Metals Clearing Limited (“LPMCL”) clearing bank identified by the Authorized Participant to the Custodian and the Sponsor, or an agreement with the Custodian itself establishing an unallocated account in London. An unallocated account is an account with a bullion dealer, which may also be a bank, to which a fine weight amount of gold bullion is credited. Transfers to or from an unallocated account are made by crediting or debiting the number of ounces of gold bullion being deposited or withdrawn. The account holder is entitled to direct the bullion dealer to deliver an amount of physical gold bullion equal to the amount of gold bullion standing to the credit of the unallocated account holder. Gold bullion held in an unallocated account is not segregated from the Custodian’s assets. The account holder therefore has no ownership interest in any specific bars of gold bullion that the bullion dealer holds or owns. The account holder is an unsecured creditor of the bullion dealer, and credits to an unallocated account are at risk of the bullion dealer’s insolvency, in which event it may not be possible for a liquidator to identify any gold bullion held in an unallocated account as belonging to the account holder rather than to the bullion dealer.

Changes in the Shares for the quarter from July 1, 2024 to September 30, 2024 are as follows:

	<u>Shares</u>	<u>Amount[^]</u>
Balance at July 1, 2024	2,200,000	\$49,437,841
Creation of Shares	250,000	8,531,890
Redemption of Shares	—	—
Balance at September 30, 2024	<u>2,450,000</u>	<u>\$57,969,731</u>

[^] Dollar amount of balance represents the cumulative fair value of creation of shares less the redemption of shares, at the time of the specific creation or redemption.

Changes in the Shares for the quarter from July 1, 2023 to September 30, 2023 are as follows:

	<u>Shares</u>	<u>Amount[^]</u>
Balance at July 1, 2023	3,650,000	\$ 86,948,504
Creation of Shares	—	—
Redemption of Shares	(1,050,000)	(26,992,241)
Balance at September 30, 2023	<u>2,600,000</u>	<u>\$ 59,956,263</u>

[^] Dollar amount of balance represents the cumulative fair value of creation of shares less the redemption of shares, at the time of the specific creation or redemption.

Changes in the Shares for the six months from April 1, 2024 to September 30, 2024 are as follows:

	<u>Shares</u>	<u>Amount[^]</u>
Balance at April 1, 2024	2,100,000	\$46,291,354
Creation of Shares	350,000	11,678,377
Redemption of Shares	—	—
Balance at September 30, 2024	<u>2,450,000</u>	<u>\$57,969,731</u>

[^] Dollar amount of balance represents the cumulative fair value of creation of shares less the redemption of shares, at the time of the specific creation or redemption.

Changes in the Shares for the six months from April 1, 2023 to September 30, 2023 are as follows:

	<u>Shares</u>	<u>Amount[^]</u>
Balance at April 1, 2023	4,300,000	\$104,172,201
Creation of Shares	100,000	2,695,902
Redemption of Shares	(1,800,000)	(46,911,840)
Balance at September 30, 2023	<u>2,600,000</u>	<u>\$ 59,956,263</u>

[^] Dollar amount of balance represents the cumulative fair value of creation of shares less the redemption of shares, at the time of the specific creation or redemption.

2.6. Income Taxes

The Fund is classified as a “grantor trust” for United States federal income tax purposes. As a result, the Trust and the Fund are not subject to United States federal income tax. Instead, the Fund’s income, gain, losses, and expenses will “flow through” to the shareholders, and the Administrator reports

these to the Internal Revenue Service on that basis.

The Sponsor has analyzed applicable tax laws and regulations and their application to the Trust and the Fund as of September 30, 2024 and March 31, 2024 and does not believe that there are any uncertain tax positions that require recognition of a tax liability.

3. INVESTMENT IN GOLD

The following represents the changes in ounces of gold held and the respective fair value during the quarter July 1, 2024 to September 30, 2024:

	<u>Amount in ounces</u>	<u>Amount in US\$</u>
Balance at July 1, 2024	29,373.939	\$ 68,467,714
Gold received for the creation of Shares	3,336.631	8,531,890
Gold distributed for the redemption of Shares	—	—
Principal on gold sales to pay expenses	(11.085)	(27,134)
Net realized gain (loss) from gold transferred to pay expenses	—	6,556
Net change in unrealized appreciation (depreciation) on investment in gold	—	9,018,985
Balance at September 30, 2024	<u>32,699.485</u>	<u>\$ 85,998,011</u>

The following represents the changes in ounces of gold held and the respective fair value during the quarter July 1, 2023 to September 30, 2023:

	<u>Amount in ounces</u>	<u>Amount in US\$</u>
Balance at July 1, 2023	48,807.094	\$ 93,331,372
Gold received for the creation of Shares	—	—
Gold distributed for the redemption of Shares	(14,037.996)	(26,992,241)
Principal on gold sales to pay expenses	(15.905)	(30,593)
Net realized gain (loss) from gold transferred to pay expenses	—	1,507,791
Net change in unrealized appreciation (depreciation) on investment in gold	—	(2,810,481)
Balance at September 30, 2023	<u>34,753.193</u>	<u>\$ 65,005,848</u>

The following represents the changes in ounces of gold held and the respective fair value during the six months from April 1, 2024 to September 30, 2024:

	<u>Amount in ounces</u>	<u>Amount in US\$</u>
Balance at April 1, 2024	28,048.958	\$ 62,110,210
Gold received for the creation of Shares	4,672.095	11,678,377
Gold distributed for the redemption of Shares	—	—
Principal on gold sales to pay expenses	(21.568)	(51,629)
Net realized gain (loss) from gold transferred to pay expenses	—	11,770
Net change in unrealized appreciation (depreciation) on investment in gold	—	12,249,283
Balance at September 30, 2024	<u>32,699.485</u>	<u>\$ 85,998,011</u>

The following represents the changes in ounces of gold held and the respective fair value during the six months from April 1, 2023 to September 30, 2023:

	<u>Amount in ounces</u>	<u>Amount in US\$</u>
Balance at April 1, 2023	57,519.498	\$113,871,350
Gold received for the creation of Shares	1,337.286	2,695,902
Gold distributed for the redemption of Shares	(24,067.816)	(46,911,840)
Principal on gold sales to pay expenses	(35.775)	(70,233)
Net realized gain (loss) from gold transferred to pay expenses	—	3,249,259
Net change in unrealized appreciation (depreciation) on investment in gold	—	(7,828,590)
Balance at September 30, 2023	<u>34,753.193</u>	<u>\$ 65,005,848</u>

4. RELATED PARTIES

The Sponsor is a related party of the Trust and the Fund. The Fund pays the Sponsor a unitary fee for services performed pursuant to the Sponsor Agreement. The Marketing Agent is an affiliate of the Sponsor. Expenses payable to the Marketing Agent, if any, are paid through the Sponsor's fee.

The Trust also considers Franklin Resources, Inc., the ultimate parent company of the Sponsor, to be a related party of the Trust and the Fund. As of September 30, 2024, no shares of the Fund were held by any related party.

The Sponsor of the Trust is Franklin Holdings, LLC. The Sponsor is responsible for establishing the Trust and for the registration of the Shares. The Sponsor generally oversees the performance of the Fund's principal service providers but does not exercise day-to-day oversight over such service providers. The Sponsor, with assistance and support from the Administrator, is responsible for preparing and filing periodic reports on behalf of the Fund with the SEC and will provide any required certification for such reports. The Sponsor has designated the independent registered public accounting firm of the Fund and may from time to time employ legal counsel for the Fund.

Franklin Distributors, LLC serves as the Marketing Agent of the Fund. The Sponsor and the Marketing Agent are affiliates and each is considered to be a related party to the Trust and the Fund. Franklin Resources, Inc. ("FRI") is the ultimate parent company of the Sponsor and the Marketing Agent. FRI is the holding company for various subsidiaries that together are referred to as Franklin Templeton Investments.

In exchange for the Sponsor's fee, the Sponsor has agreed to assume the ordinary fees and expenses incurred by the Fund, including but not limited to the following: fees charged by the Administrator, the Custodian and the Trustee, NYSE Arca listing fees, typical maintenance and transaction fees of the DTC, SEC registration fees, printing and mailing costs, audit fees and expenses, and up to \$500,000 per annum in legal fees and expenses and applicable license fees. The Sponsor bears expenses in connection with the issuance and distribution of the securities being registered. The Sponsor is not required to pay any extraordinary or non-routine expenses.

5. CONCENTRATION OF RISK

The Fund's sole business activity is the investment in gold bullion. Several factors could affect the price of gold: (i) global gold supply and demand, which is influenced by such factors as forward selling by gold producers, purchases made by gold producers to unwind gold hedge positions, central bank purchases and sales, and production and cost levels in major gold-producing countries, and new production projects; (ii) investors' expectations regarding future inflation rates; (iii) currency exchange rate volatility; (iv) interest rate volatility; and (v) political, economic, global or regional incidents. In addition, there is no assurance that gold will maintain its long-term value in terms of purchasing power in the future. In the event that the price of gold declines, the Sponsor expects the value of an investment in the shares to decline proportionately. Each of these events could have a material effect on the Trust's and the Fund's financial position and results of operations.

6. FINANCIAL HIGHLIGHTS

	For the Three Months Ended September 30,		For the Six Months Ended September 30,	
	2024	2023	2024	2023
Net asset value per Share, beginning of period	<u>\$31.12</u>	<u>\$25.57</u>	<u>\$29.57</u>	<u>\$26.48</u>
Net investment loss ^(a)	(0.01)	(0.01)	(0.02)	(0.02)
Net realized and unrealized gain (loss) on investment in gold	3.99	(0.56)	5.55	(1.46)
Net change in net assets from operations ^(b)	3.98	(0.57)	5.53	(1.48)
Net asset value per Share, end of period	<u>\$35.10</u>	<u>\$25.00</u>	<u>\$35.10</u>	<u>\$25.00</u>
Total return, at net asset value^(c)	12.79%	(2.23)%	18.70%	(5.59)%
Ratio to average net assets^(d)				
Net investment loss	(0.15)%	(0.15)%	(0.15)%	(0.15)%
Net expenses	0.15%	0.15%	0.15%	0.15%

- (a) Calculated using average Shares outstanding.
- (b) The amount shown for a share outstanding may not agree with the change in the aggregate gains and losses on investment for the period because of the timing of transactions in the Fund's shares in relation to fluctuating market values for the Fund's underlying investment.
- (c) Calculation based on the change in net asset value of a Share during the period. Total return for periods of less than a year are not annualized.
- (d) Annualized.

7. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Trust, on behalf of the Fund, may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred.

8. INDEMNIFICATION

The Sponsor will not be liable to the Trust, the Trustee or any Shareholder for any action taken or for refraining from taking any action in good faith, or for errors in judgment or for depreciation or loss incurred by reason of the sale of any gold bullion or other assets of the Fund or the Trust. However, the preceding liability exclusion will not protect the Sponsor against any liability resulting from its own gross negligence, bad faith, or willful misconduct.

The Sponsor and each of its shareholders, members, directors, officers, employees, affiliates and subsidiaries will be indemnified by the Trust and held harmless against any losses, liabilities or expenses incurred in the performance of its duties under the Declaration of Trust without gross negligence, bad faith, or willful misconduct. The Sponsor may rely in good faith on any paper, order, notice, list, affidavit, receipt, evaluation, opinion, endorsement, assignment, draft or any other document of any kind prima facie properly executed and submitted to it by the Trustee, the Trustee's counsel or by any other person for any matters arising under the Declaration of Trust. The Sponsor shall in no event be deemed to have assumed or incurred any liability, duty, or obligation to any Shareholder or to the Trustee other than as expressly provided for in the Declaration of Trust. Such indemnity includes payment from the Trust of the costs and expenses incurred in defending against any indemnified claim or liability under the Declaration of Trust.

The Trustee will not be liable or accountable to the Trust or any other person or under any agreement to which the Trust or any series of the Trust is a party, except for the Trustee's breach of its obligations pursuant to the Declaration of Trust or its own willful misconduct, bad faith or gross negligence. The Trustee and each of the Trustee's officers, affiliates, directors, employees, and agents will be indemnified by the Trust from and against any losses, claims, taxes, damages, reasonable expenses, and liabilities incurred with respect to the creation, operation or termination of the Trust, the execution, delivery or performance of the Declaration of Trust or the transactions contemplated thereby; provided that the indemnified party acted without willful misconduct, bad faith or gross negligence.

9. SUBSEQUENT EVENTS

The Trust and the Fund have evaluated subsequent events through the issuance of the financial statements and determined that no such events have occurred that require disclosure.

FRANKLIN RESPONSIBLY SOURCED GOLD ETF
A SERIES OF FRANKLIN TEMPLETON HOLDINGS TRUST
Statement of Assets and Liabilities

	<u>September 30, 2024</u> (Unaudited)	<u>March 31, 2024</u>
Assets		
Investment in gold, at fair value ^(a)	\$ 85,998,011	\$ 62,110,210
Total assets	<u>85,998,011</u>	<u>62,110,210</u>
Liabilities		
Sponsor's fee payable	9,804	7,579
Total liabilities	<u>9,804</u>	<u>7,579</u>
Commitments and contingencies (Note 7)		
Net assets	<u>\$ 85,988,207</u>	<u>\$ 62,102,631</u>
Shares issued and outstanding ^(b)	2,450,000	2,100,000
Net asset value per Share	\$ 35.10	\$ 29.57

(a) Cost of investment in gold bullion: \$62,561,734 at September 30, 2024 and \$50,923,216 at March 31, 2024.

(b) No par value, unlimited amount authorized.

See accompanying notes to the unaudited financial statements.

FRANKLIN RESPONSIBLY SOURCED GOLD ETF
A SERIES OF FRANKLIN TEMPLETON HOLDINGS TRUST
Schedule of Investments

September 30, 2024 (Unaudited)

	<u>Ounces of Gold</u>	<u>Cost</u>	<u>Fair Value</u>	<u>% of Net Assets</u>
Investment in gold	32,699.485	\$62,561,734	\$85,998,011	100.01%
Total investments	32,699.485	\$62,561,734	\$85,998,011	100.01%
Less liabilities			(9,804)	(0.01)%
Net assets			<u>\$85,988,207</u>	<u>100.00%</u>

March 31, 2024

	<u>Ounces of Gold</u>	<u>Cost</u>	<u>Fair Value</u>	<u>% of Net Assets</u>
Investment in gold	28,048.958	\$50,923,216	\$62,110,210	100.01%
Total investments	28,048.958	\$50,923,216	\$62,110,210	100.01%
Less liabilities			(7,579)	(0.01)%
Net assets			<u>\$62,102,631</u>	<u>100.00%</u>

See accompanying notes to the unaudited financial statements.

FRANKLIN RESPONSIBLY SOURCED GOLD ETF
A SERIES OF FRANKLIN TEMPLETON HOLDINGS TRUST
Statement of Operations (Unaudited)

	For the Three Months Ended September 30,		For the Six Months Ended September 30,	
	2024	2023	2024	2023
Expenses				
Sponsor's fee	\$ 28,305	\$ 26,489	\$ 53,854	\$ 65,071
Total expenses	28,305	26,489	53,854	65,071
Net investment loss	(28,305)	(26,489)	(53,854)	(65,071)
Net realized and change in unrealized gain (loss) on investment in gold				
Net realized gain (loss) from gold distributed for the redemption of shares and sold to pay expenses	6,556	1,507,791	11,770	3,249,259
Net change in unrealized appreciation (depreciation) on investment in gold	9,018,985	(2,810,481)	12,249,283	(7,828,590)
Net realized and change in unrealized gain (loss) on investment in gold	9,025,541	(1,302,690)	12,261,053	(4,579,331)
Net increase (decrease) in net assets resulting from operations	<u>8,997,236</u>	<u>(1,329,179)</u>	<u>12,207,199</u>	<u>(4,644,402)</u>
Net increase (decrease) in net assets per Share ^{(a)(b)}	<u>\$ 3.97</u>	<u>\$ (0.49)</u>	<u>\$ 5.48</u>	<u>\$ (1.40)</u>

(a) Net increase (decrease) in net assets per Share based on average shares outstanding during the period.

(b) The amount shown for a share outstanding may not agree with the change in the aggregate gains and losses on investment for the period because of the timing of transactions in the Fund's shares in relation to fluctuating market values for the Fund's underlying investment.

See accompanying notes to the unaudited financial statements.

FRANKLIN RESPONSIBLY SOURCED GOLD ETF
A SERIES OF FRANKLIN TEMPLETON HOLDINGS TRUST
Statement of Cash Flows (Unaudited)

	For the Six Months Ended September 30, 2024	For the Six Months Ended September 30, 2023
Cash Flows from Operating Activities:		
Proceeds from gold bullion sold to pay expenses	\$ 51,629	\$ 70,233
Expenses - Sponsor's fee paid	(51,629)	(70,233)
Net cash provided by (used in) operating activities	—	—
Increase (decrease) in cash	—	—
Cash, beginning of period	—	—
Cash, end of period	<u>\$ —</u>	<u>\$ —</u>
Reconciliation of Net Increase (Decrease) in Net Assets Resulting from Operations to Net Cash Provided by (Used in) Operating Activities:		
Net increase (decrease) in net assets resulting from operations	\$ 12,207,199	\$ (4,644,402)
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used in) operating activities:		
Proceeds from gold bullion sold to pay expenses	51,629	70,233
Net realized (gain) loss	(11,770)	(3,249,259)
Net change in unrealized (appreciation) depreciation	(12,249,283)	7,828,590
Change in operating assets and liabilities:		
Sponsor's fees payable	2,225	(5,162)
Net cash provided by (used in) operating activities	<u>\$ —</u>	<u>\$ —</u>
Supplemental disclosure of non-cash financing information:		
Gold bullion contributed for Shares issued	\$ 11,678,377	\$ 2,695,902
Gold bullion distributed for Shares redeemed	\$ —	\$(46,911,840)

See accompanying notes to the unaudited financial statements.

FRANKLIN RESPONSIBLY SOURCED GOLD ETF
A SERIES OF FRANKLIN TEMPLETON HOLDINGS TRUST
Statement of Changes in Net Assets (Unaudited)

	For the Three Months Ended September 30,		For the Six Months Ended September 30,	
	2024	2023	2024	2023
Net assets, beginning of period	\$68,459,081	\$ 93,319,093	\$62,102,631	\$113,858,013
Net investment loss	(28,305)	(26,489)	(53,854)	(65,071)
Net realized gain (loss) from gold distributed for the redemption of shares and sold to pay expenses	6,556	1,507,791	11,770	3,249,259
Net change in unrealized appreciation (depreciation) on investment in gold	9,018,985	(2,810,481)	12,249,283	(7,828,590)
Net increase (decrease) in net assets resulting from operations	8,997,236	(1,329,179)	12,207,199	(4,644,402)
Capital Share Transactions:				
Contributions for Shares issued	8,531,890	—	11,678,377	2,695,902
Distributions for Shares redeemed	—	(26,992,241)	—	(46,911,840)
Net increase (decrease) in net assets from capital share transactions	8,531,890	(26,992,241)	11,678,377	(44,215,938)
Net assets, end of period	<u>\$85,988,207</u>	<u>\$ 64,997,673</u>	<u>\$85,988,207</u>	<u>\$ 64,997,673</u>

See accompanying notes to the unaudited financial statements.

FRANKLIN RESPONSIBLY SOURCED GOLD ETF
A SERIES OF FRANKLIN TEMPLETON HOLDINGS TRUST
Notes to Financial Statements (Unaudited)

1. ORGANIZATION

The Franklin Templeton Holdings Trust (the “Trust”) was organized as a Delaware statutory trust on April 19, 2021 and is governed by the Agreement and Declaration of Trust dated as of May 10, 2022. The Trust is not registered as an investment company under the Investment Company Act of 1940, as amended (the “Investment Company Act”) and is not a commodity pool for purposes of the Commodity Exchange Act (“CEA”). The Trust currently offers a single series, the Franklin Responsibly Sourced Gold ETF (the “Fund”). The accompanying financial statements relate to the one series that the Trust currently offers, the Franklin Responsibly Sourced Gold ETF (the “Fund”). The Trust had no operations prior to the commencement of operations of the Fund, other than matters relating to its organization and the registration of the Fund under the Securities Act of 1933, as amended (the “Securities Act”). Franklin Holdings, LLC is the Sponsor of the Trust (the “Sponsor”). The Sponsor is not subject to regulation by the Commodity Futures Trading Commission (“CFTC”) as a commodity pool operator with respect to the Fund, or a commodity trading advisor with respect to the Fund. The Fund issues shares (the “Shares”), which represent units of fractional undivided beneficial interest in the Fund. The Shares of the Fund are listed on the NYSE Arca, Inc. (“NYSE Arca”). The investment objective of the Fund is for the Shares to reflect the performance of the price of gold bullion, less the Fund’s expenses. The Fund’s only ordinary recurring expense is the Sponsor’s annual fee of 0.15% of the Net Asset Value (“NAV”) of the Fund. The assets of the Fund include only gold bullion and cash, if any. The Fund seeks to hold only responsibly sourced gold in the Fund’s allocated account. The Fund defines responsibly sourced gold for this purpose as London Good Delivery gold bullion bars that were refined on or after January 1, 2012 (also referred to herein as “post-2012 gold”). All post-2012 gold has been refined in accordance with London Bullion Market Association’s (“LBMA”) Responsible Gold Guidance (the “Gold Guidance”). The Shares were first listed for trading on NYSE Arca on June 30, 2022.

BNY Mellon Asset Servicing, a division of The Bank of New York Mellon, or “BNYM,” is the Fund’s Administrator (the “Administrator”) and Transfer Agent (the “Transfer Agent”). BNYM also serves as the custodian of the Fund’s cash, if any. JPMorgan Chase Bank, N.A., London branch (“JPMorgan”), is the custodian (the “Custodian”) of the Fund’s gold bullion. CSC Delaware Trust Company, a subsidiary of Corporation Service Company, is the Trustee of the Trust. Franklin Distributors, LLC is the marketing agent of the Trust (the “Marketing Agent”).

Shares of the Fund are listed on the NYSE Arca under the ticker symbol “FGDL”. The market price of the Shares may be different from the NAV per Share. Shares may be purchased from the Trust only by certain eligible financial institutions called Authorized Participants and only in one or more blocks of 50,000 Shares (“Creation Units”) in exchange for gold. The Fund issues Shares in Creation Units on a continuous basis at the applicable NAV per Share on the creation order date. Except when aggregated in Creation Units, the Shares are not redeemable securities.

The Trust is an “emerging growth company” as that term is used in the Securities Act of 1933, as amended (the “Securities Act”) and, as such, the Trust may elect to comply with certain reduced public company reporting requirements.

The statement of assets and liabilities and schedule of investments at September 30, 2024 and the statements of operations, cash flows and changes in net assets for the period ended September 30, 2024, have been prepared on behalf of the Trust, as registrant, combined with its one currently offered series, the Fund (included above in a separate section of this report), and for the Fund separately, and are unaudited. In the opinion of management of the Sponsor of the Trust, all adjustments (which include normal recurring adjustments) necessary to state fairly the financial position and results of operations for the three and six months ended September 30, 2024, and for all periods presented, have been made. In addition, interim period results are not necessarily indicative of results for a full-year period. These financial statements and the notes thereto should be read in conjunction with the Fund’s financial statements included in its Annual Report on Form 10-K for the fiscal year ended March 31, 2024.

The fiscal year of the Trust and the Fund is March 31st.

2. SIGNIFICANT ACCOUNTING POLICIES

In preparing financial statements in conformity with accounting principles generally accepted in the United States (“GAAP”), management of the Sponsor makes estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amount of revenue and expenses reported during the period. Actual results could differ from these estimates.

The accompanying unaudited financial statements were prepared in accordance with GAAP for interim financial information and with the instructions for Form 10-Q and the rules and regulations of the U.S. Securities and Exchange Commission (“SEC”).

The following is a summary of significant accounting policies followed by the Trust and the Fund.

2.1. Basis of Presentation

The Sponsor has determined that the Trust falls within the scope of Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 946, Financial Services—Investment Companies, and has concluded that solely for accounting purposes, the Trust is classified as an Investment Company as defined in ASC 946. The Trust is not registered as an investment company under the Investment Company Act of 1940 and is not required to register under such act. The financial statements are presented for the Trust, as the registrant, combined with the Fund (in a separate

section of this report) and for the Fund individually. For the periods presented, there were no balances or activity for the Trust except for the Fund's operations, as its sole series. These notes to the financial statements relate to the Fund individually. The debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to the Fund are enforceable only against the assets of the Fund and not against the assets of the Trust generally or any other series that the Trust may establish.

2.2. Valuation of Gold

The Trust and the Fund follow the provisions of ASC 820, Fair Value Measurements ("ASC 820"). ASC 820 provides guidance for determining fair value and requires increased disclosure regarding the inputs to valuation techniques used to measure fair value. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Fund's policy is to value the investment in gold bullion at fair value. The NAV is computed based upon the total value of the assets of the Fund (i.e., gold and cash) less its liabilities. The Administrator generally will value any gold bullion held by the Fund on the basis of the price of an ounce of gold as determined by the ICE Benchmark Administration Limited ("IBA"), a benchmark administrator, which provides an independently administered auction process, as well as the overall administration and governance for the London Bullion Market Association (the "LBMA"). In determining the NAV, the Administrator generally will value the gold bullion held by the Fund on the basis of the LBMA Gold Price PM.

The Administrator calculates the NAV on each day NYSE Arca is open for regular trading, at 12:00 PM New York time. If no LBMA Gold Price (AM or PM) is made on a particular evaluation day or if the LBMA Gold Price PM has not been announced by 12:00 PM New York time on a particular evaluation day, the next most recent LBMA Gold Price AM or PM will be used in the determination of the NAV, unless the Sponsor determines that such price is inappropriate to use as the basis for such determination. If the Sponsor determines that such price is inappropriate to use, it shall identify an alternate basis for evaluation of the gold bullion held by the Fund that the Sponsor determines fairly represents the commercial value of the Fund's gold bullion. Gold bullion held by the Fund is reported at fair value on the statement of assets and liabilities.

Once the value of the gold bullion has been determined, the Administrator subtracts all estimated accrued expenses and other liabilities of the Fund from the total value of the gold bullion and all other assets of the Fund. The resulting figure is the NAV. The NAV is used to compute the Sponsor's fee. The Administrator determines the NAV per Share by dividing the NAV of the Fund by the number of Shares outstanding as of the close of trading on NYSE Arca.

ASC 820 established a hierarchy that prioritized inputs to valuation techniques used to measure fair value. The three levels of inputs are:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not considered to be active, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means; and

Level 3: Unobservable inputs that are unobservable for the asset or liability, including the Fund's assumptions used in determining the fair value of investments.

At September 30, 2024 and March 31, 2024, the value of the gold bullion held by the Fund is categorized as Level 1.

2.3. Expenses, realized gains and losses

When selling gold to pay expenses, the Sponsor will endeavor to sell the smallest amount of gold needed to pay expenses to minimize the Fund's holdings of assets other than gold. A gain or loss is recognized based on the difference between the selling price and the average cost of the gold sold on the trade date, and such amounts are reported as net realized gain (loss) from gold distributed for the redemption of shares and sold to pay expenses in the statement of operations. Gold transactions are recorded on the trade date. The cost of gold is determined using the specific identification method.

The Fund's only ordinary recurring expense is the Sponsor's fee of 0.15% of the NAV of the Fund ("Sponsor fee"). The Sponsor fee is calculated on a daily basis (accrued at 1/365 of the applicable percentage of total net assets on that day) and is payable by the Fund monthly in arrears. The Fund's expenses will reduce the NAV of the Fund. In exchange for the Sponsor's fee, the Sponsor has agreed to assume the ordinary fees and expenses incurred by the Fund, including but not limited to the following: fees charged by the Administrator, the Custodian and the Trustee, NYSE Arca listing fees, typical maintenance and transaction fees of the DTC, SEC registration fees, printing and mailing costs, audit fees and expenses, and up to \$500,000 per annum in legal fees and expenses and applicable license fees.

The Sponsor is not required to pay any extraordinary or non-routine expenses. Extraordinary expenses are fees and expenses which are unexpected or unusual in nature, such as legal claims and liabilities and litigation costs or indemnification or other unanticipated expenses. Extraordinary fees and expenses also include material expenses which are not currently anticipated obligations of the Fund. Routine operational, administrative and other ordinary expenses are not deemed extraordinary expenses. The Fund will sell gold on an as-needed basis to pay the Sponsor's fee.

There have been no extraordinary or non-routine expenses during the periods presented.

2.4. Gold Receivable and Payable

Gold receivable or payable represents the quantity of gold covered by contractually binding orders for the creation or redemption of Shares respectively, where the gold has not yet been transferred to or from the Fund's account. Generally, ownership of the gold is transferred within one business day of the trade date.

2.5. Creations and redemptions of Shares

The Fund creates and redeems Shares from time to time, but only in one or more Creation Units (a Creation Unit equals a block of 50,000 Shares). The creation and redemption of Creation Units is only made in exchange for the delivery to the Fund or the distribution by the Fund of the amount of gold

bullion represented by the Creation Units being created or redeemed. The amount of gold bullion required to be delivered to the Fund in connection with any creation, or paid out upon redemption, is based on the combined NAV of the number of Shares included in the Creation Units being created or redeemed as determined on the day the order to create or redeem Creation Units is properly received and accepted. The standard U.S. settlement cycle for most broker-dealer securities transactions is one business day (T+1). Authorized Participants are the only persons that may place orders to create and redeem Creation Units. All gold bullion must be delivered by Authorized Participants to the Fund and distributed by the Fund in unallocated form through credits and debits between Authorized Participants' unallocated accounts and the Fund Unallocated Account. All gold bullion must be of at least a minimum fineness (or purity) of 995 parts per 1,000 (99.5%) and otherwise conform to the rules, regulations, practices and customs of the LBMA, including the specifications for a London Good Delivery Bar. The Transfer Agent receives a transaction processing fee in connection with orders from Authorized Participants to create or redeem Creation Units in the amount of \$500 per order. These transaction processing fees are paid directly by the Authorized Participants and not by the Fund.

Prior to initiating any creation or redemption order, an Authorized Participant must have an existing unallocated account with a London Precious Metals Clearing Limited (“LPMCL”) clearing bank identified by the Authorized Participant to the Custodian and the Sponsor, or an agreement with the Custodian itself establishing an unallocated account in London. An unallocated account is an account with a bullion dealer, which may also be a bank, to which a fine weight amount of gold bullion is credited. Transfers to or from an unallocated account are made by crediting or debiting the number of ounces of gold bullion being deposited or withdrawn. The account holder is entitled to direct the bullion dealer to deliver an amount of physical gold bullion equal to the amount of gold bullion standing to the credit of the unallocated account holder. Gold bullion held in an unallocated account is not segregated from the Custodian’s assets. The account holder therefore has no ownership interest in any specific bars of gold bullion that the bullion dealer holds or owns. The account holder is an unsecured creditor of the bullion dealer, and credits to an unallocated account are at risk of the bullion dealer’s insolvency, in which event it may not be possible for a liquidator to identify any gold bullion held in an unallocated account as belonging to the account holder rather than to the bullion dealer.

Changes in the Shares for the quarter from July 1, 2024 to September 30, 2024 are as follows:

	Shares	Amount [^]
Balance at July 1, 2024	2,200,000	\$49,437,841
Creation of Shares	250,000	8,531,890
Redemption of Shares	—	—
Balance at September 30, 2024	<u>2,450,000</u>	<u>\$57,969,731</u>

[^] Dollar amount of balance represents the cumulative fair value of creation of shares less the redemption of shares, at the time of the specific creation or redemption.

Changes in the Shares for the quarter from July 1, 2023 to September 30, 2023 are as follows:

	Shares	Amount [^]
Balance at July 1, 2023	3,650,000	\$ 86,948,504
Creation of Shares	—	—
Redemption of Shares	(1,050,000)	(26,992,241)
Balance at September 30, 2023	<u>2,600,000</u>	<u>\$ 59,956,263</u>

[^] Dollar amount of balance represents the cumulative fair value of creation of shares less the redemption of shares, at the time of the specific creation or redemption.

Changes in the Shares for the six months from April 1, 2024 to September 30, 2024 are as follows:

	Shares	Amount [^]
Balance at April 1, 2024	2,100,000	\$46,291,354
Creation of Shares	350,000	11,678,377
Redemption of Shares	—	—
Balance at September 30, 2024	<u>2,450,000</u>	<u>\$57,969,731</u>

[^] Dollar amount of balance represents the cumulative fair value of creation of shares less the redemption of shares, at the time of the specific creation or redemption.

Changes in the Shares for the six months from April 1, 2023 to September 30, 2023 are as follows:

	Shares	Amount [^]
Balance at April 1, 2023	4,300,000	\$104,172,201
Creation of Shares	100,000	2,695,902
Redemption of Shares	(1,800,000)	(46,911,840)
Balance at September 30, 2023	<u>2,600,000</u>	<u>\$ 59,956,263</u>

[^] Dollar amount of balance represents the cumulative fair value of creation of shares less the redemption of shares, at the time of the specific creation or redemption.

2.6. Income Taxes

The Fund is classified as a “grantor trust” for United States federal income tax purposes. As a result, the Trust and the Fund are not subject to United States federal income tax. Instead, the Fund’s income, gain, losses, and expenses will “flow through” to the shareholders, and the Administrator reports

these to the Internal Revenue Service on that basis.

The Sponsor has analyzed applicable tax laws and regulations and their application to the Fund as of September 30, 2024 and March 31, 2024 and does not believe that there are any uncertain tax positions that require recognition of a tax liability.

3. INVESTMENT IN GOLD

The following represents the changes in ounces of gold held and the respective fair value during the quarter July 1, 2024 to September 30, 2024:

	<u>Amount in ounces</u>	<u>Amount in US\$</u>
Balance at July 1, 2024	29,373.939	\$ 68,467,714
Gold received for the creation of Shares	3,336.631	8,531,890
Gold distributed for the redemption of Shares	—	—
Principal on gold sales to pay expenses	(11.085)	(27,134)
Net realized gain (loss) from gold transferred to pay expenses	—	6,556
Net change in unrealized appreciation (depreciation) on investment in gold	—	9,018,985
Balance at September 30, 2024	<u>32,699.485</u>	<u>\$ 85,998,011</u>

The following represents the changes in ounces of gold held and the respective fair value during the quarter July 1, 2023 to September 30, 2023:

	<u>Amount in ounces</u>	<u>Amount in US\$</u>
Balance at July 1, 2023	48,807.094	\$ 93,331,372
Gold received for the creation of Shares	—	—
Gold distributed for the redemption of Shares	(14,037.996)	(26,992,241)
Principal on gold sales to pay expenses	(15.905)	(30,593)
Net realized gain (loss) from gold transferred to pay expenses	—	1,507,791
Net change in unrealized appreciation (depreciation) on investment in gold	—	(2,810,481)
Balance at September 30, 2023	<u>34,753.193</u>	<u>\$ 65,005,848</u>

The following represents the changes in ounces of gold held and the respective fair value during the six months from April 1, 2024 to September 30, 2024:

	<u>Amount in ounces</u>	<u>Amount in US\$</u>
Balance at April 1, 2024	28,048.958	\$ 62,110,210
Gold received for the creation of Shares	4,672.095	11,678,377
Gold distributed for the redemption of Shares	—	—
Principal on gold sales to pay expenses	(21.568)	(51,629)
Net realized gain (loss) from gold transferred to pay expenses	—	11,770
Net change in unrealized appreciation (depreciation) on investment in gold	—	12,249,283
Balance at September 30, 2024	<u>32,699.485</u>	<u>\$ 85,998,011</u>

The following represents the changes in ounces of gold held and the respective fair value during the six months from April 1, 2023 to September 30, 2023:

	<u>Amount in ounces</u>	<u>Amount in US\$</u>
Balance at April 1, 2023	57,519.498	\$113,871,350
Gold received for the creation of Shares	1,337.286	2,695,902
Gold distributed for the redemption of Shares	(24,067.816)	(46,911,840)
Principal on gold sales to pay expenses	(35.775)	(70,233)
Net realized gain (loss) from gold transferred to pay expenses	—	3,249,259
Net change in unrealized appreciation (depreciation) on investment in gold	—	(7,828,590)
Balance at September 30, 2023	<u>34,753.193</u>	<u>\$ 65,005,848</u>

4. RELATED PARTIES

The Sponsor is a related party of the Trust and the Fund. The Fund pays the Sponsor a unitary fee for services performed pursuant to the Sponsor Agreement. The Marketing Agent is an affiliate of the Sponsor. Expenses payable to the Marketing Agent, if any, are paid through the Sponsor's fee.

The Trust also considers Franklin Resources, Inc., the ultimate parent company of the Sponsor, to be a related party of the Trust and the Fund. As of September 30, 2024, no shares of the Fund were held by any related party.

The Sponsor of the Trust is Franklin Holdings, LLC. The Sponsor is responsible for establishing the Trust and for the registration of the Shares. The Sponsor generally oversees the performance of the Fund's principal service providers but does not exercise day-to-day oversight over such service providers. The Sponsor, with assistance and support from the Administrator, is responsible for preparing and filing periodic reports on behalf of the Fund with the SEC and will provide any required certification for such reports. The Sponsor has designated the independent registered public accounting firm of the Fund and may from time to time employ legal counsel for the Fund.

Franklin Distributors, LLC serves as the Marketing Agent of the Fund. The Sponsor and the Marketing Agent are affiliates and each is considered to be a related party to the Trust and the Fund. Franklin Resources, Inc. ("FRI") is the ultimate parent company of the Sponsor and the Marketing Agent. FRI is the holding company for various subsidiaries that together are referred to as Franklin Templeton Investments.

In exchange for the Sponsor's fee, the Sponsor has agreed to assume the ordinary fees and expenses incurred by the Fund, including but not limited to the following: fees charged by the Administrator, the Custodian and the Trustee, NYSE Arca listing fees, typical maintenance and transaction fees of the DTC, SEC registration fees, printing and mailing costs, audit fees and expenses, and up to \$500,000 per annum in legal fees and expenses and applicable license fees. The Sponsor bears expenses in connection with the issuance and distribution of the securities being registered. The Sponsor is not required to pay any extraordinary or non-routine expenses.

5. CONCENTRATION OF RISK

The Fund's sole business activity is the investment in gold bullion. Several factors could affect the price of gold: (i) global gold supply and demand, which is influenced by such factors as forward selling by gold producers, purchases made by gold producers to unwind gold hedge positions, central bank purchases and sales, and production and cost levels in major gold-producing countries, and new production projects; (ii) investors' expectations regarding future inflation rates; (iii) currency exchange rate volatility; (iv) interest rate volatility; and (v) political, economic, global or regional incidents. In addition, there is no assurance that gold will maintain its long-term value in terms of purchasing power in the future. In the event that the price of gold declines, the Sponsor expects the value of an investment in the shares to decline proportionately. Each of these events could have a material effect on the Fund's financial position and results of operations.

6. FINANCIAL HIGHLIGHTS

	For the Three Months Ended September 30,		For the Six Months Ended September 30,	
	2024	2023	2024	2023
Net asset value per Share, beginning of period	<u>\$31.12</u>	<u>\$25.57</u>	<u>\$29.57</u>	<u>\$26.48</u>
Net investment loss ^(a)	(0.01)	(0.01)	(0.02)	(0.02)
Net realized and unrealized gain (loss) on investment in gold	3.99	(0.56)	5.55	(1.46)
Net change in net assets from operations ^(b)	3.98	(0.57)	5.53	(1.48)
Net asset value per Share, end of period	<u>\$35.10</u>	<u>\$25.00</u>	<u>\$35.10</u>	<u>\$25.00</u>
Total return, at net asset value^(c)	12.79%	(2.23)%	18.70%	(5.59)%
Ratio to average net assets^(d)				
Net investment loss	(0.15)%	(0.15)%	(0.15)%	(0.15)%
Net expenses	0.15%	0.15%	0.15%	0.15%

- (a) Calculated using average Shares outstanding.
- (b) The amount shown for a share outstanding may not agree with the change in the aggregate gains and losses on investment for the period because of the timing of transactions in the Fund's shares in relation to fluctuating market values for the Fund's underlying investment.
- (c) Calculation based on the change in net asset value of a Share during the period. Total return for periods of less than a year are not annualized.
- (d) Annualized.

7. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Trust, on behalf of the Fund, may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred.

8. INDEMNIFICATION

The Sponsor will not be liable to the Trust, the Trustee or any Shareholder for any action taken or for refraining from taking any action in good faith, or for errors in judgment or for depreciation or loss incurred by reason of the sale of any gold bullion or other assets of the Fund or the Trust. However, the preceding liability exclusion will not protect the Sponsor against any liability resulting from its own gross negligence, bad faith, or willful misconduct.

The Sponsor and each of its shareholders, members, directors, officers, employees, affiliates and subsidiaries will be indemnified by the Trust and held harmless against any losses, liabilities or expenses incurred in the performance of its duties under the Declaration of Trust without gross negligence, bad faith, or willful misconduct. The Sponsor may rely in good faith on any paper, order, notice, list, affidavit, receipt, evaluation, opinion, endorsement, assignment, draft or any other document of any kind prima facie properly executed and submitted to it by the Trustee, the Trustee's counsel or by any other person for any matters arising under the Declaration of Trust. The Sponsor shall in no event be deemed to have assumed or incurred any liability, duty, or obligation to any Shareholder or to the Trustee other than as expressly provided for in the Declaration of Trust. Such indemnity includes payment from the Trust of the costs and expenses incurred in defending against any indemnified claim or liability under the Declaration of Trust.

The Trustee will not be liable or accountable to the Trust or any other person or under any agreement to which the Trust or any series of the Trust is a party, except for the Trustee's breach of its obligations pursuant to the Declaration of Trust or its own willful misconduct, bad faith or gross negligence. The Trustee and each of the Trustee's officers, affiliates, directors, employees, and agents will be indemnified by the Trust from and against any losses, claims, taxes, damages, reasonable expenses, and liabilities incurred with respect to the creation, operation or termination of the Trust, the execution, delivery or performance of the Declaration of Trust or the transactions contemplated thereby; provided that the indemnified party acted without willful misconduct, bad faith or gross negligence.

9. SUBSEQUENT EVENTS

The Trust and the Fund have evaluated subsequent events through the issuance of the financial statements and determined that no such events have occurred that require disclosure.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This information should be read in conjunction with the financial statements and notes included in Item 1 of Part I of this Form 10-Q. This Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and such forward-looking statements involve risks and uncertainties. All statements (other than statements of historical fact) included in this Form 10-Q that address activities, events or developments that may occur in the future, including such matters as future gold prices, gold sales, costs, objectives, changes in commodity prices and market conditions (for gold and the shares), the Fund's operations, the Sponsor's plans and references to the Fund's future success and other similar matters are forward-looking statements. Words such as "could," "would," "may," "expect," "intend," "estimate," "predict," and variations on such words or negatives thereof, and similar expressions that reflect our current views with respect to future events and Fund performance, are intended to identify such forward-looking statements. These forward-looking statements are only predictions, subject to risks and uncertainties that are difficult to predict and many of which are outside of our control, and actual results could differ materially from those discussed. Forward-looking statements involve risks and uncertainties that could cause actual results or outcomes to differ materially from those expressed therein. We express our estimates, expectations, beliefs, and projections in good faith and believe them to have a reasonable basis. However, we make no assurances that management's estimates, expectations, beliefs, or projections will be achieved or accomplished. These forward-looking statements are based on assumptions about many important factors that could cause actual results to differ materially from those in the forward-looking statements. We do not intend to update any forward-looking statements even if new information becomes available or other events occur in the future, except as required by the federal securities laws.

Organization and Trust Overview

The Franklin Templeton Holdings Trust (the "Trust") was organized as a Delaware statutory trust on April 19, 2021. Franklin Holdings, LLC is the Sponsor of the Trust (the "Sponsor"). The Trust currently offers a single series, the Franklin Responsibly Sourced Gold ETF (the "Fund"). The Fund issues common units of beneficial interest ("Shares"), which represent units of fractional undivided beneficial interest in and ownership of the Fund. The Shares are listed on NYSE Arca, Inc. ("NYSE Arca") under the symbol "FGDL." Shares are not obligations of, and are not guaranteed by, the Sponsor or any of its subsidiaries or affiliates. The investment objective of the Fund is for the Shares to reflect the performance of the price of gold bullion, less the Fund's expenses. The assets of the Fund include only gold bullion and cash, if any.

The Fund seeks to hold only responsibly sourced gold in the Fund's allocated account. The Fund defines responsibly sourced gold for this purpose as London Good Delivery gold bullion bars that were refined on or after January 1, 2012 (also referred to herein as "post-2012 gold"). All post-2012 gold has been refined in accordance with London Bullion Market Association's ("LBMA") Responsible Gold Guidance (the "Gold Guidance"), described further herein. To facilitate this, in transferring gold into and out of the Fund's allocated account, the Custodian will, on a best efforts basis and subject to available liquidity, seek to allocate post-2012 gold. If, due to a lack of liquidity, the Custodian is unable to allocate post-2012 gold to the Fund's allocated account, the Custodian will do so as soon as reasonably practicable.

The Fund issues Shares on a continuous basis. Shares are issued by the Fund only in one or more blocks of 50,000 Shares (a block of 50,000 Shares is called a "Creation Unit") in exchange for gold from Authorized Participants, which is then allocated to the Fund and stored safely by the Custodian. The Fund issues and redeems Creation Units on an ongoing basis at Net Asset Value to Authorized Participants who have entered into an agreement with the Sponsor and the Administrator.

The Fund pays the Sponsor a fee that accrues daily at an annualized rate equal to 0.15% of the daily Net Asset Value of the Fund, paid monthly in arrears (the "Sponsor Fee"). The Sponsor Fee is accrued in and payable in U.S. dollars.

The NAV is computed based upon the total value of the assets of the Fund (i.e., gold and cash) less its liabilities. To determine the Fund's NAV, the Administrator generally will value the gold bullion held by the Fund on the basis of the LBMA Gold Price PM as published by the IBA. IBA operates electronic auctions for spot, unallocated loco London gold, providing a market-based platform for buyers and sellers to trade. The auctions are run at 10:30 a.m. and 3:00 p.m. London time for gold. The final auction prices are published to the market as the LBMA Gold Price AM and the LBMA Gold Price PM, respectively. The Administrator will calculate the NAV on each day NYSE Arca is open for regular trading, at 12:00 PM New York time. If no LBMA Gold Price (AM or PM) is made on a particular evaluation day or if the LBMA Gold Price PM has not been announced by 12:00 PM New York time on a particular evaluation day, the next most recent LBMA Gold Price AM or PM will be used in the determination of the NAV, unless the Sponsor determines that such price is inappropriate to use as the basis for such determination. If the Sponsor determines that such price is inappropriate to use, it shall identify an alternate basis for evaluation of the gold bullion held by the Fund that the Sponsor determines fairly represents the commercial value of the Fund's gold bullion.

Once the value of the gold bullion has been determined, the Administrator subtracts all estimated accrued expenses and other liabilities of the Fund from the total value of the gold bullion and any cash of the Fund. The resulting figure is the NAV. The Administrator determines the NAV per Share by dividing the NAV of the Fund by the number of Shares outstanding as of the close of trading on NYSE Arca.

Critical Accounting Policy

The financial statements and accompanying notes are prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements relies on estimates and assumptions that impact the Fund's as well as the Trust's financial position and results of operations. These estimates and assumptions affect the Fund's as well as the Trust's application of accounting policies. Below we describe the valuation of gold bullion, a critical accounting policy that we believe is important to understanding the results of operations and financial

position. In addition, please refer to Note 2 to the Financial Statements for further discussion of the accounting policies followed by the Fund and the Trust.

The gold bullion held on behalf of the Fund at the vaults of the Gold Custodian is audited each year generally coinciding with the Fund's financial year end at March 31. On April 2, 2024, Bureau Veritas Commodities UK LTD concluded the audit inspection procedures with respect to the Fund's gold bullion held by the Gold Custodian. The audit findings did not identify non-conformities.

Results of Operations

At September 30, 2024, the Custodian held 32,699.485 ounces of gold on behalf of the Fund in its vault, with a market value of \$85,998,011 (cost: \$62,561,734) based on the LBMA Gold Price PM at period end.

For the Three Months Ended September 30, 2024

For the three months ended September 30, 2024, 250,000 Shares were issued in exchange for 3,336.631 ounces of gold and no shares were redeemed. The Fund's NAV per Share began the period at \$31.12 and ended the period at \$35.10. The increase in NAV per Share was due to a higher price of gold of \$2,629.95 per fine ounce at period end, which represented a increase of 12.83% from \$2,330.90 per fine ounce at June 30, 2024.

The change in net assets from operations for the three months ended September 30, 2024 was \$8,997,236, which was due to (i) the Sponsor Fee of \$(28,305), (ii) net realized gain from gold distributed for the redemption of shares and sold to pay expenses of \$6,556 and (iii) a net change in unrealized appreciation (depreciation) on investment in gold of \$9,018,985. Other than the Sponsor Fee the Fund had no expenses during the three months ended September 30, 2024.

For the Three Months Ended September 30, 2023

For the three months ended September 30, 2023, (1,050,000) Shares were redeemed in exchange for (14,037.996) ounces of gold. The Fund's NAV per Share began the period at \$25.57 and ended the period at \$25.00. The decrease in NAV per Share was due to a lower price of gold of \$1,870.50 per fine ounce at period end, which represented a decrease of (2.18)% from \$1,912.25 per fine ounce at June 30, 2023.

The change in net assets from operations for the three months ended September 30, 2023 was \$(1,329,179), which was due to (i) the Sponsor Fee of \$(26,489), (ii) realized gain on sale of gold to pay expenses of \$1,507,791 and (iii) a net change in unrealized appreciation (depreciation) on investment in gold of \$(2,810,481). Other than the Sponsor Fee the Fund had no expenses during the three months ended September 30, 2023.

For the Six Months Ended September 30, 2024

For the six months ended September 30, 2024, 350,000 Shares were issued and in exchange for 4,672.095 ounces of gold and no shares were redeemed. The Fund's NAV per Share began the period at \$29.57 and ended the period at \$35.10. The increase in NAV per Share was due to a higher price of gold of \$2,629.95 per fine ounce at period end, which represented a increase of 18.77% from \$2,214.35 per fine ounce at March 31, 2024.

The change in net assets from operations for the six months ended September 30, 2024 was \$12,207,199, which was due to (i) the Sponsor Fee of \$(53,854), (ii) net realized gain from gold distributed for the redemption of shares and sold to pay expenses of \$11,770 and (iii) a net change in unrealized appreciation (depreciation) on investment in gold of \$12,249,283. Other than the Sponsor Fee the Fund had no expenses during the six months ended September 30, 2024.

For the Six Months Ended September 30, 2023

For the six months ended September 30, 2023, 100,000 Shares were issued in exchange for 1,337.286 ounces of gold and (1,800,000) Shares were redeemed in exchange for (24,067.816) ounces of gold. The Fund's NAV per Share began the period at \$26.48 and ended the period at \$25.00. The decrease in NAV per Share was due to a lower price of gold of \$1,870.50 per fine ounce at period end, which represented a decrease of (5.52)% from \$1,979.70 per fine ounce at March 31, 2023.

The change in net assets from operations for the six months ended September 30, 2023 was \$(4,644,402), which was due to (i) the Sponsor Fee of \$(65,071), (ii) realized gain on sale of gold to pay expenses of \$3,249,259 and (iii) a net change in unrealized appreciation (depreciation) on investment in gold of \$(7,828,590). Other than the Sponsor Fee the Fund had no expenses during the six months ended September 30, 2023.

Liquidity and Capital Resources

The Fund is not aware of any trends, demands, commitments, events or uncertainties that are reasonably likely to result in material changes to its liquidity needs. The Fund's only ordinary recurring expense is the fee paid to the Sponsor at an annual rate of 0.15% of the daily net asset value of the Fund. The Sponsor's annual fee accrues daily and is payable by the Fund monthly in arrears. In exchange for the Sponsor's fee, the Sponsor has agreed to assume the ordinary fees and expenses incurred by the Fund, including but not limited to the following: fees charged by the Administrator, the Custodian and the Trustee, NYSE Arca listing fees, typical maintenance and transaction fees of the DTC, SEC registration fees, printing and mailing costs, audit fees and expenses and up to \$500,000 per annum in legal fees and expenses and applicable license fees. The Sponsor may determine in its sole discretion to assume legal fees and expenses of the Fund in excess of the \$500,000 per annum stipulated in the Sponsor Agreement.

The Sponsor is not required to pay any extraordinary or non-routine expenses. Extraordinary expenses are fees and expenses which are unexpected or unusual in nature, such as legal claims and liabilities and litigation costs or indemnification or other unanticipated expenses. Extraordinary fees and expenses also include material expenses which are not currently anticipated obligations of the Fund. The Fund will be responsible for the payment of such expenses to the extent any such expenses are incurred. Routine operational, administrative and other ordinary expenses are not deemed extraordinary expenses. The Fund will sell gold on an as-needed basis to pay the Sponsor's fee.

The Administrator will, at the direction of the Sponsor, sell the Fund's gold as necessary to pay the Fund's expenses not otherwise assumed by the Sponsor. When selling gold to pay the Sponsor's fee and other expenses, if any, the Administrator endeavors to sell the exact amount of gold needed to pay expenses to minimize the Fund's holdings of cash. At September 30, 2024, the Trust and the Fund did not have any cash balances.

Off-Balance Sheet Arrangements

At September 30, 2024, the Fund as well as the Trust do not have any off-balance sheet arrangements.

Analysis of Movements in the Price of Gold

As movements in the price of gold are expected to directly affect the price of the Fund's shares, it is important for investors to understand and follow movements in the price of gold. Past movements in the gold price are not indicators of future movements.

The following chart shows movements in the price of gold based on the LBMA Gold Price PM in U.S. dollars per ounce over the period from July 1, 2024 to September 30, 2024.



The average, high, low and end-of-period gold prices based on the LBMA Gold Price PM for the period are as below:

Period	Average	High	Date	Low	Date	End of period	Last business day (1)
July 1, 2024 to September 30, 2024	2,476.30	2,663.75	September 26, 2024	2,329.10	July 1, 2024	2,629.95	September 30, 2024

(1) The end of period gold price is the LBMA Gold Price PM on the last business day of the period.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Fund is a passive investment vehicle. It is not actively managed. The investment objective of the Fund is for the Shares to reflect the performance of the price of gold bullion, less the Fund's expenses. Accordingly, fluctuations in the price of gold will affect the value of the Fund's Shares.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

The duly authorized officers of the Sponsor, performing functions equivalent to those a principal executive officer and principal financial officer of the Trust would perform if the Trust had any officers, have evaluated the effectiveness of the Trust's disclosure controls and procedures, and have concluded as of the end of the period covered by this report on Form 10-Q that the disclosure controls and procedures of the Trust operated effectively at reasonable assurance levels.

The disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed in the reports that the Trust files or submits under the Securities Exchange Act of 1934, as amended, are recorded, processed, summarized and reported, within the time period specified in the applicable rules and forms, and that such information is accumulated and communicated to the duly authorized officers of the Sponsor performing functions equivalent to those a principal executive officer and principal financial officer of the Trust would perform if the Trust had any officers, as appropriate, to allow timely decisions regarding required disclosure. It is important to note that no set of controls, no matter how reasonably designed, can detect every error.

The duly authorized officers of the Sponsor, performing functions equivalent to those a principal executive officer and principal financial officer of the Trust would perform if the Trust had any officers, have evaluated the effectiveness of the Fund's disclosure controls and procedures, and have concluded as of the end of the period covered by this report on Form 10-Q that the disclosure controls and procedures of the Fund operated effectively at reasonable assurance levels.

The disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed in the reports that the Trust files or submits under the Securities Exchange Act of 1934, as amended, on behalf of the Fund, are recorded, processed, summarized and reported, within the time period specified in the applicable rules and forms, and that such information is accumulated and communicated to the duly authorized officers of the Sponsor performing functions equivalent to those a principal executive officer and principal financial officer of the Trust would perform if the Trust had any officers, as appropriate, to allow timely decisions regarding required disclosure. It is important to note that no set of controls, no matter how reasonably designed, can detect every error.

Internal Control over Financial Reporting

There were no changes in the Trust's and the Fund's internal control over financial reporting that occurred during the fiscal quarter covered by this report that have materially affected, or are reasonably likely to materially affect, the Trust's and/or the Fund's internal control over financial reporting.

Each of the Sarbanes-Oxley certifications included as exhibits to this filing apply with respect to both the operations of both the Fund, as the sole series of the Trust, and the Trust as registrant.

Part II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, the Trust and/or the Fund may be a party to certain legal proceedings in the ordinary course of business. As of November 12, 2024, the Trust and the Fund are not subject to any material legal proceedings, nor, to our knowledge, are any material legal proceeding threatened against the Trust or Fund.

Item 1A. Risk Factors

You should carefully consider the factors discussed in Part I, Item 1A. “Risk Factors” in our Annual Report on Form 10-K filed with the SEC for the fiscal year ended March 31, 2024, which could materially affect our business, financial condition or future results. There have been no material changes in our risk factors from those disclosed in our 2024 Annual Report on Form 10-K.

The risks described in our Annual Report on Form 10-K are not the only risks facing the Trust and the Fund. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

- a) None.
- b) Not applicable.
- c) The Fund does not purchase Shares directly from its Shareholders; rather the Fund transacts directly at net asset value only with Authorized Participants. The Fund redeemed no Creation Units to Authorized Participants during the quarter ended September 30, 2024.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

No officers or directors of the Sponsor have adopted, modified or terminated trading plans under either a Rule 10b5-1 or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K of the Securities Act of 1933) for the three-month period ended September 30, 2024.

Item 6. Exhibits

See the Exhibit Index below, which is incorporated by reference herein.

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
31.1*	<u>Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
31.2*	<u>Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
32.1*	<u>Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>
32.2*	<u>Certification of Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned in the capacities* indicated thereunto duly authorized.

Franklin Holdings, LLC
Sponsor of the Franklin Templeton Holdings Trust (registrant)

By: /s/ David Mann
David Mann*
President and Chief Executive Officer
(serving in the capacity of principal executive officer)

By: /s/ Matthew Hinkle
Matthew Hinkle*
Chief Financial Officer
(serving in the capacity of principal financial officer)

Date: November 12, 2024

* The registrant is a trust and the person is signing in his capacity as an officer of Franklin Holdings, LLC, the Sponsor of the registrant.

**Certification of Principal Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, David Mann, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Franklin Templeton Holdings Trust (the “Trust” or “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting

By: /s/ David Mann

David Mann*
President and Chief Executive Officer
(serving in the capacity of principal executive officer)

Date: November 12, 2024

* The registrant is a trust and the person is signing in his capacity as an officer of Franklin Holdings, LLC, the Sponsor of the registrant.

**Certification of Principal Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Matthew Hinkle, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Franklin Templeton Holdings Trust (the “Trust” or “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

By: /s/ Matthew Hinkle

Matthew Hinkle*
Chief Financial Officer
(serving in the capacity of principal financial officer)

Date: November 12, 2024

* The registrant is a trust and the person is signing in his capacity as an officer of Franklin Holdings, LLC, the Sponsor of the registrant.

**Certification of Principal Executive Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with this Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 (the "Report") of Franklin Templeton Holdings Trust (the "Registrant") as filed with the U.S. Securities and Exchange Commission on the date hereof, I, David Mann, the Principal Executive Officer of the Sponsor of the Registrant, hereby certify, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

By: /s/ David Mann

David Mann*

President and Chief Executive Officer

(serving in the capacity of principal executive officer)

Date: November 12, 2024

* The Registrant is a trust and the person is signing in his capacity as an officer of Franklin Holdings, LLC, the Sponsor of the registrant.

**Certification of Principal Financial Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with this Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 (the "Report") of Franklin Templeton Holdings Trust (the "Registrant") as filed with the U.S. Securities and Exchange Commission on the date hereof, I, Matthew Hinkle, the Principal Financial Officer of the Sponsor of the Registrant, hereby certify, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

By: /s/ Matthew Hinkle
Matthew Hinkle*
Chief Financial Officer
(serving in the capacity of principal financial officer)

Date: November 12, 2024

* The Registrant is a trust and the person is signing in his capacity as an officer of Franklin Holdings, LLC, the Sponsor of the registrant.