

# Franklin BSP Lending Fund

## Unlock attractive opportunities in direct lending

May 2026

**Franklin BSP Lending Fund** (the “Fund”) provides access to a portfolio anchored in core middle market direct lending and seeks to generate consistent income, provide diversification benefits, and lower volatility compared to public credit markets.

### Benefit Street Partners at-a-glance<sup>1</sup>

Benefit Street Partners (BSP) is a leading global credit-focused alternative asset manager with approximately \$93 billion in assets under management and a track record of over 17 years

BSP has a rigorous underwriting process and very disciplined investment approach that has driven success across the direct lending platform

BSP utilizes proprietary networks, industry insights and expertise to target attractive “strategic capital” opportunities

BSP focuses on the core middle market, where we believe a significant gap between credit needs and access to financing creates opportunities for attractive loan terms

### Fund performance summary (%)

**Cumulative Total Return** (% as of May 31, 2026)

| Share Class | NAV     | 1-Mth | 3-Mth | 6-Mth | YTD  | Since Inception | Inception Date |
|-------------|---------|-------|-------|-------|------|-----------------|----------------|
| Class I     | \$9.96  | 0.77  | 2.35  | –     | 2.80 | 2.80            | 01/29/2026     |
| Class R6    | \$10.14 | 0.76  | 2.41  | 4.32  | 3.56 | 6.70            | 08/07/2025     |

### Fund highlights

**\$309.1m**

Net asset value

**8.05%**

Distribution rate at NAV  
(Class I)

**87.9%**

Senior secured loans

**Performance data quoted represents past performance, which does not guarantee future results.** Current performance may be lower or higher than the figures shown. Principal value and investment returns will fluctuate, and investors' shares, when redeemed may be worth more or less than the original cost. Performance would have been lower if fees had not been waived in various periods. Total returns assume the reinvestment of all distributions and the deduction of all fund expenses. Returns for periods of less than one year are not annualized. All classes of shares may not be available to all investors or through all distribution channels. For current month-end performance, please visit [www.fblux.com](http://www.fblux.com).

**Distribution Rate** is calculated by annualizing the daily accrual, divided by the NAV as of the date indicated. The Distribution Rate calculation includes income and excludes special distributions. The Distribution Rate is subject to change and is not guaranteed nor a quotation of fund performance.

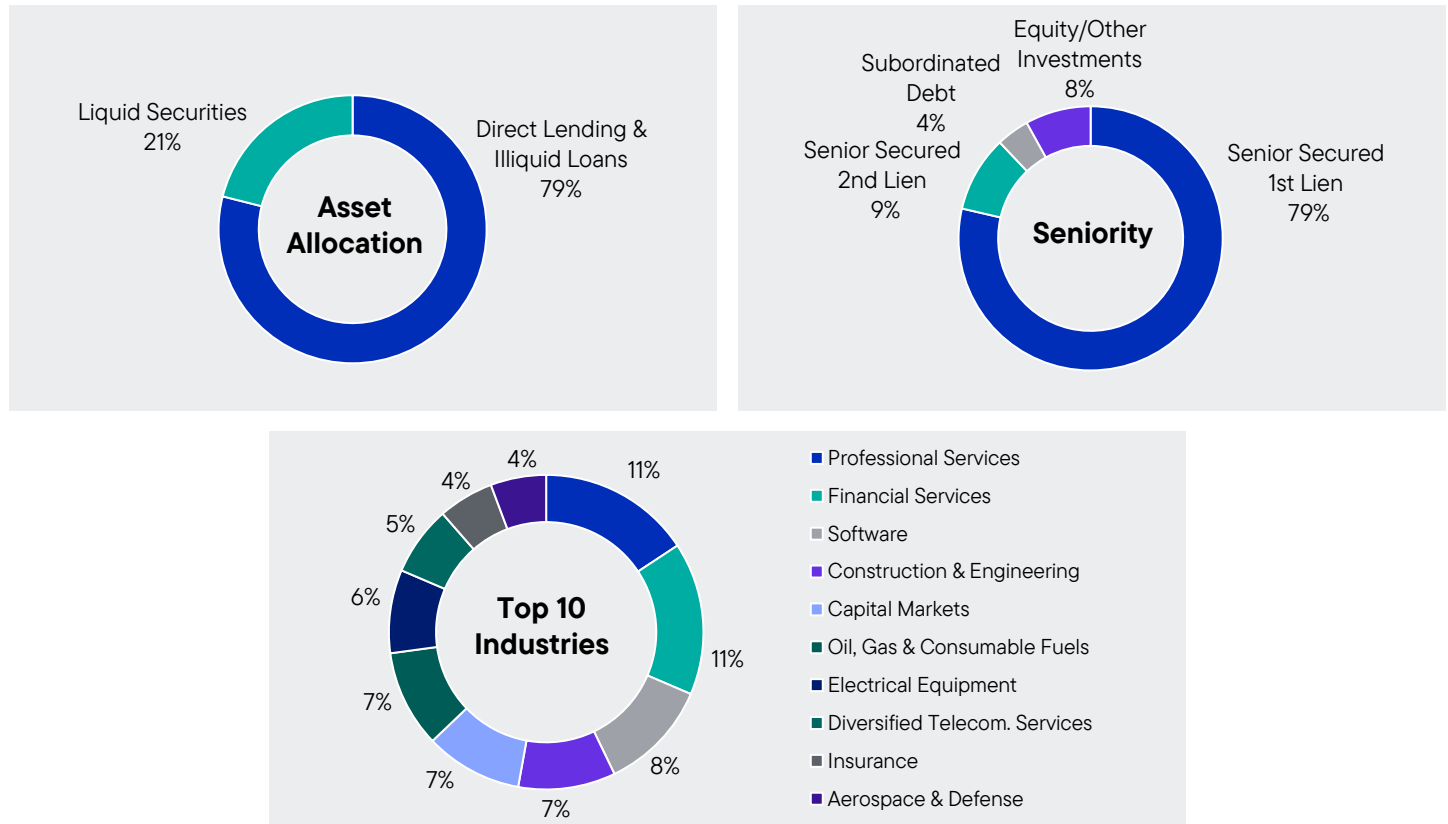
**Expense Ratios (gross/net):** Class I: 1.28% / 1.01%, Class R6: 1.23% / 1.01%. See important disclosures for more details.

1. Firm data as of 01/31/2026.

**Not FDIC Insured | No Bank Guarantee | May Lose Value**

## Current portfolio

As of 05/31/2026 (% of managed assets)<sup>2</sup>



## Top five holdings

As of 05/31/2026 (% of managed assets)

| Investment         | Industry                     | % of Portfolio |
|--------------------|------------------------------|----------------|
| One Source Virtual | Professional Services        | 5%             |
| Ace Solutions      | Oil, Gas, Consumerable Fuels | 5%             |
| Ascensus           | Financial Services           | 4%             |
| TryStar            | Electrical Equipment         | 4%             |
| Michael Baker      | Construction & Engineering   | 4%             |

## Fund facts

As of 05/31/2026

|                            |             |
|----------------------------|-------------|
| Inception date             | August 2025 |
| Net asset value            | \$309.1m    |
| Leverage                   | 15.0%       |
| Senior secured loans       | 87.9%       |
| Floating rate              | 85.2%       |
| Portfolio companies        | 39          |
| Median EBITDA <sup>3</sup> | \$91.7m     |

| Distribution Rate | %    |
|-------------------|------|
| Class I           | 8.05 |
| Class R6          | 7.90 |

| Share Class | Symbol | CUSIP      |
|-------------|--------|------------|
| Class I     | FBLUX  | 35243L 403 |
| Class R6    | FBREX  | 35243L 502 |

2. Percentage of managed assets includes both funded and unfunded commitments. Funded commitments represent amounts drawn by the borrower, which accrue interest and fees in accordance with the loan terms. Unfunded commitments represent amounts that are contractually available to the borrower but have not yet been drawn. Unfunded commitments generally do not accrue interest and typically earn a lower commitment fee than funded commitments. Accordingly, if a borrower does not draw all or a portion of its unfunded commitment, the Fund's income and yield on that investment may be lower than if the full commitment were funded.

3. Median EBITDA is calculated with respect to private debt deals and will exclude investment names with the following characteristics: LTM EBITDA is negative, distressed/ stressed, asset type is equity, annual recurring revenue (ARR) loans. Borrower financials are derived from portfolio company financial statements at time of underwriting, have not been independently verified by Franklin Templeton, and may reflect a normalized or adjusted amount. Accordingly, Franklin Templeton makes no representation or warranty in respect of this information.

## Summary of structure and key terms

|                               |  |
|-------------------------------|--|
| <b>Structure</b>              | Perpetual offering, '40 Act Interval Fund  |
| <b>Fund Objective</b>         | The Fund's investment objective is to seek to generate attractive risk-adjusted returns with consistent current income. The Fund seeks to achieve its investment objective through private debt investment opportunities in middle market companies in the United States, which it generally defines as companies with annual revenues up to \$1 billion. Under normal circumstances, directly originated corporate loans and to a lesser extent other lending securities, will represent ~80% of the Fund's net assets (plus the amount of any borrowings for investment purposes). |
| <b>Investment Manager</b>     | Franklin Templeton Fund Adviser, LLC ("FTFA")  |
| <b>Sub-Advisor</b>            | Benefit Street Partners L.L.C.   |
| <b>Leverage</b>               | The 1940 Act limits fund leverage to 33 1/3% of total assets   |
| <b>Management Fee</b>         | 0.75% of NAV per annum ( <b>Management fee waiver through October 8, 2026</b> )  |
| <b>Performance fee</b>        | None   |
| <b>Repurchases</b>            | Quarterly, 5% of aggregate NAV per quarter<br>Subject to 2% early repurchase fee for repurchases made within one year of subscription  |
| <b>Investor Qualification</b> | None   |
| <b>Subscriptions</b>          | Daily  |
| <b>Tax Reporting</b>          | 1099 tax treatment   |

## Important disclosures

BEFORE INVESTING, CAREFULLY CONSIDER THE FUND'S INVESTMENT OBJECTIVES, RISKS, CHARGES AND EXPENSES. YOU CAN FIND THIS AND OTHER INFORMATION IN ITS PROSPECTUS AT [WWW.FBLUX.COM](http://WWW.FBLUX.COM). PLEASE READ THE PROSPECTUS CAREFULLY.

**Redemptions:** As an "interval fund" the Fund will conduct quarterly repurchase offers for between 5% and 25% of the Fund's outstanding shares of beneficial interest at a price equal to net asset value. Under normal market conditions, the Fund currently intends to repurchase 5% of its outstanding shares at NAV on a quarterly basis. It is also possible that a repurchase offer may be oversubscribed, with the result that Fund shareholders may only be able to have a portion of their shares repurchased.

**Gross expense ratio:** The gross expense ratio reflects the total annual operating expenses for the share class shown, prior to the deduction of any waiver or reimbursement. Actual expenses may be higher and may impact portfolio returns.

**Net expense ratio:** The net expense ratio reflects total expenses after any fee waivers, implemented expense caps or reimbursements and also incentive fees. The Manager has agreed to voluntarily waive its Management Fee through October 8, 2026. Unless otherwise extended by the Manager, the Management Fee payable by the Fund as of October 9, 2026 will be at the annual rate of 0.75%. Additional amounts may be voluntarily waived and/or reimbursed and may be modified or discontinued at any time without notice. Expense ratios are as of the most recent prospectus or annual report please see the prospectus for additional details.

**Early repurchase fee:** A 2.00% Early Repurchase Fee payable to the Fund may be charged with respect to the repurchase of Shares at any time prior to the day immediately preceding the one-year anniversary of a Shareholder's purchase of the Shares (on a "first in-first out" basis). The Early Repurchase Fee will be retained by the Fund for the benefit of the remaining Shareholders.

**Sales load:** No upfront sales load will be paid with respect to the Shares, however, if you buy Class S Shares, Class D Shares or Class M Shares through certain financial intermediaries, they may directly charge you transaction or other fees, including upfront placement fees or brokerage commissions, in such about as they may determine, provided that financial intermediaries limit such charges to a 3.0% cap on NAV for Class S Shares, a 3.0% cap on NAV for Class D Shares or a 3.0% cap on NAV for Class M Shares. Financial intermediaries will not charge such fees on Class I Shares or Class R6 Shares. Your financial intermediary may impose additional charges when you purchase Shares of the Fund. Please consult your financial intermediary for additional information.

**INVESTMENT RISK:** Past performance is no guarantee of future results. All investments involve risk, including loss of principal. **Franklin BSP Lending Fund (the "Fund") is subject to a high degree of risk;** specific risk considerations are listed below.

**Concentration risk:** An investment should be considered long-term within a multi-asset portfolio and should not be viewed individually as a complete investment program.

**Liquidity risks:** The Fund should be viewed as a long-term investment, as it is inherently illiquid and suitable only for investors who can bear the risks associated with the limited liquidity of the Fund. Limited liquidity is provided to shareholders only through the Fund's quarterly repurchase offers for at least 5% of the Fund's shares outstanding at net asset value. **Although the Fund will conduct quarterly repurchase offers, there is no guarantee that a shareholder will be able to sell all of their shares in the Fund that the shareholder desires to sell or at a favorable price.** Shares tendered within 12 months of the original issue date will be subject to an early withdrawal fee of 2.00%. Please see Fund prospectus for additional information.

**Leverage risk:** The use of leverage can increase the volatility of investment returns and subject a fund to magnified losses underlying investments decline in value. A fund with a higher leverage ratio will be more sensitive to volatility and more susceptible to losses due to declines in asset values, than a fund with a lower ratio.

**Fund distributions:** Distributions are not guaranteed and are subject to change.

**Private market investment risks:** The fund may be able to invest in private securities that are illiquid and thinly traded, which may limit the manager's ability to sell such securities at their fair market value or when necessary to meet the portfolio's liquidity needs. To the extent the fund invests in privately held companies they present certain challenges and involve incremental risks as opposed to investments in public companies, such as dealing with the lack of available information about these companies as well as their general lack of liquidity. There also can be no assurance that companies will list their securities on a securities exchange, as such, the lack of an established, liquid secondary market for some investments may have an adverse effect on the market value of those investments and on an investor's ability to dispose of them at a favorable time or price.

**Derivatives risk:** Derivative instruments can be illiquid, may disproportionately increase losses, and have a potentially large impact on performance.



[www.fblux.com](http://www.fblux.com)