

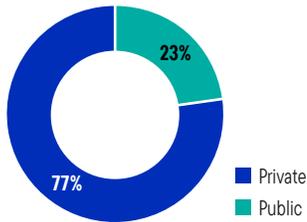
# Franklin Lexington Private Markets Fund

Discover the potential of private equity

## Why invest in private equity?

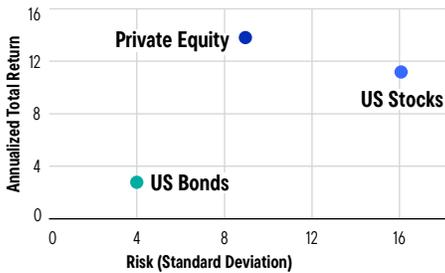
### A Broader Opportunity Set

Public vs. private:<sup>1</sup> Number of global companies with revenue > \$100m



### Higher Historical Returns

Risk-return<sup>2</sup> 20 years ending 9/30/2025 (%)



Past performance is no guarantee of future results. See additional risk disclosure details in the important disclosures.

## Why invest in secondary funds?

### 1 Broad diversification<sup>3</sup>

Diversified portfolios across sponsors, sectors, strategies and vintages to help potentially dampen volatility.

### 3 Potential for earlier cash returns

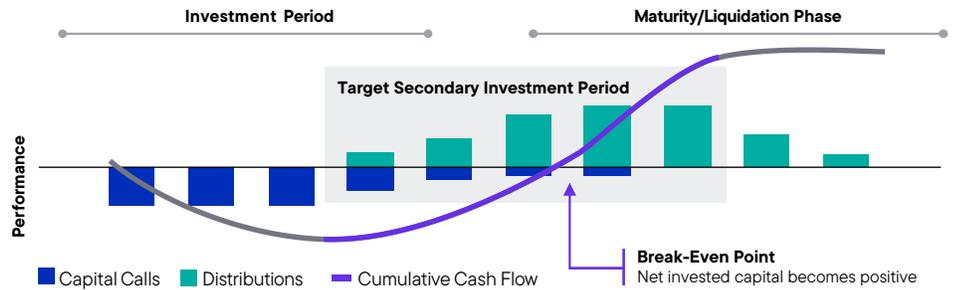
Secondary funds generally receive earlier, more frequent distributions than primary funds. Distributions are not guaranteed; there is no assurance that the Fund will be able to pay distributions at a specific rate, or at all.

### 2 Ability to buy known assets

By purchasing interests in private investment funds when most or all of their capital has been invested, the blind pool risk associated with primary fund investing is reduced.

### 4 Mitigation of primary J-curve<sup>4</sup>

By purchasing assets closer to their harvest stage and at a discount, investors can mitigate the J-curve effect associated with primary fund investing. See below illustration.



The **Franklin Lexington Private Markets Fund** provides simplified access to a portfolio of private equity through secondaries, co-investments and primaries,<sup>4</sup> designed for investors seeking long-term growth opportunities.

### Experienced investment team



30-year heritage of investing through market cycles. Lexington's secondary and co-investment teams leverage the breadth of informations and sourcing power of the Lexington platform.

### Focus on long-term growth



Providing access to private equity managers. Acquire interests in private investment funds through negotiated secondary market purchases and seeks to deliver long-term capital appreciation for investor.

### Simple structure



A 40-Act registered closed-end tender offer fund with 1099 tax treatment, monthly subscriptions and quarterly liquidity.<sup>5</sup>

As of December 31, 2025, unless otherwise noted.

1. Source: Pitchbook. Represents the number of companies with annual revenues greater than US\$100 million as of August 20, 2025.

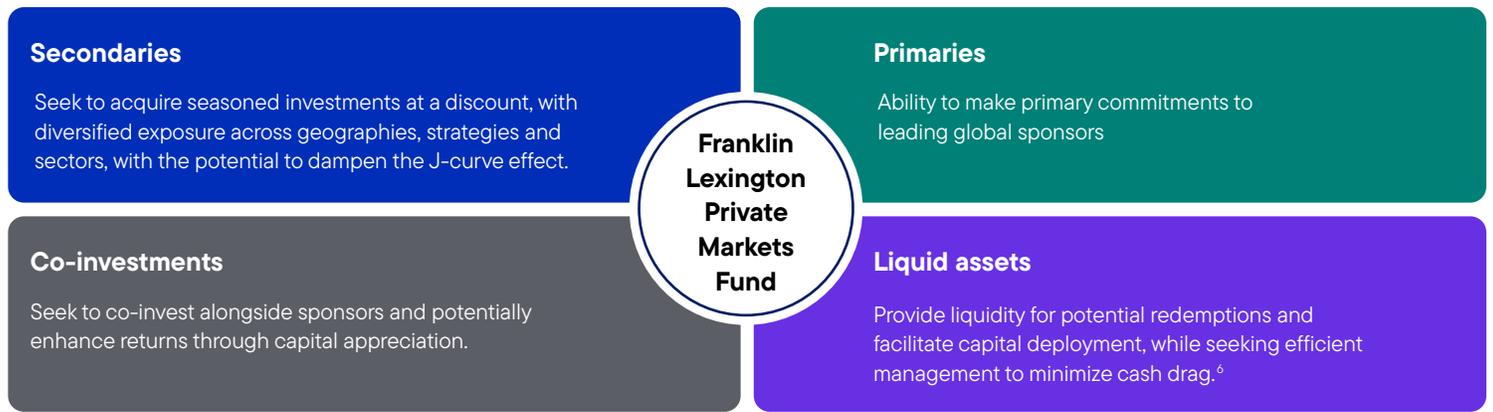
2. Franklin Templeton, MSCI, Private Capital, S&P, Bloomberg and Morningstar. As of September 30, 2025. The indexes used are MSCI Global Private Equity Closed-End Fund Index (Unfrozen; USD) for Private Equity, S&P 500 TR USD Index for US Stocks, Bloomberg US Aggregate Bond Index for US Bonds. This information is provided for illustrative purposes only. Hypothetical portfolio results shown do not represent the performance of an actual investment. The results are rebalanced quarterly and assume reinvestment of ordinary income and distributions. The results do not reflect a deduction of fees, taxes and other expenses, if any, which would reduce performance.

3. Diversification does not assure profit or protect against market loss.

4. Please refer to appendix for descriptions.

5. Franklin Templeton intends to recommend that the Fund conduct quarterly tender offers of up to 5% of the Fund's net assets, subject to the approval of the Fund's board in its sole discretion. There can be no assurance that the Fund will conduct tender offers in any particular period and shareholders may be unable to tender shares for repurchase for an indefinite period of time.

## A diversified portfolio of identified assets poised for value creation



### Key features

Simplified structure seeks to solve common barriers for individual investors accessing private equity.

Features	Fund <sup>7</sup>
Direct access to a portfolio of non-public investments	✓
Lower investment minimums	✓
40-Act registered fund	✓
1099 tax reporting	✓
Offering	Monthly subscriptions
Liquidity	Quarterly liquidity
Capital calls	None

### Lexington Partners at-a-glance

With approximately \$83 billion in total capitalization, Lexington Partners is one of the world's largest managers of secondary acquisition and co-investment funds.

- \$83bn**  
Total capitalization
- 28**  
Partners averaging 19 years at Lexington
- 200+**  
Employees across 9 global offices
- 89**  
Investment professionals averaging 10 years of PE experience
- 1994**  
Founded

### Pioneer and innovator

A pioneer in the development of institutional secondary market three decades ago and created one of the first discretionary co-investment programs over two decades ago.

### Breadth of information

Through Lexington's leadership in the global secondary and co-investment markets, having invested in over 3,000 private investment funds and more than 600 co-investments, Lexington has assembled a proprietary database of information on over 900 sponsors and over 50,000 underlying portfolio companies.

As of December 31, 2025, unless otherwise noted.

6. Under normal market conditions, it is generally not expected that the Fund will hold more than 20% of its net assets in liquid assets for extended periods of time.

7. Franklin Lexington Private Markets Fund.

## Fund highlights

**\$1.83bn**

Net asset value

**209**

Number of interests

**63**

Number of transactions

**88**

Number of GPs

**1,950\*** Number of portfolio companies

## Fund performance summary (%)

### Total Return

% as of December 31, 2025

Share Class	NAV	1 Mth	3 Mths	6 Mths	1-Yr <sup>8</sup>	Since inception <sup>8,9</sup>
<b>Class I</b>	\$30.89	1.05	4.57	8.88	17.36	22.80
<b>Class D</b>	\$30.82	1.02	4.47	8.71	17.10	22.53
<b>Class S</b>	\$30.61	0.96	4.33	8.39	16.34	22.44
<b>Class M</b>	\$30.75	1.02	4.45	8.62	16.83	22.26

**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.flexpe.com](http://www.flexpe.com).

**Expense ratios (gross/net):** Class I: 4.79% / 4.76%, Class D: 4.91% / 4.88%, Class S: 5.64% / 5.61%, Class M: 5.18% / 5.15%. See important disclosures for more details.

8. Since inception date is December 20, 2024.

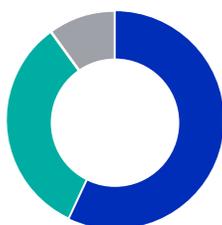
9. Annualized.

## Current portfolio

As of 12/31/2025

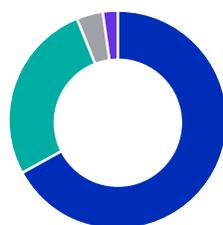
% of Lexington Private Assets

### Asset Allocation



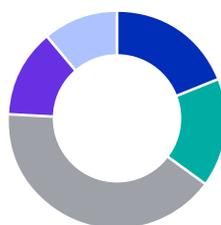
Asset Allocation	%
Partnership	57
GP-Led	33
Co-Investment	10

### Geography



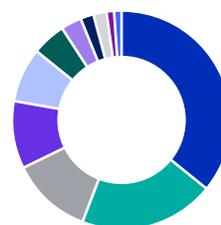
Geography	%
North America	67
UK/Europe	27
Asia-Pacific	4
Latin America	2

### Sector



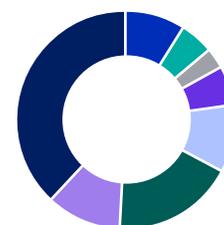
Investment Type	%
Mega Buyout	19
Large Buyout	16
Middle/Small Buyout	41
Venture Capital	13
Growth Capital	11

### Industry\*\*



Sector	%
Information Technology	36
Industrials	20
Financials	12
Health Care	10
Consumer Discretionary	8
Consumer Staples	5
Materials	3
Communication Services	2
Utilities	2
Energy	1
Real Estate	1

### Vintage Year



Year	%
2025	9
2024	5
2023	3
2022	6
2021	10
2020	18
2019	11
Other <sup>10</sup>	38

## Summary of structure and key terms

<b>Structure</b>	A 1933 & 1940 Act-registered, continuously offered fund
<b>Investment manager</b>	Franklin Templeton Fund Adviser, LLC ("FTFA")
<b>Investment sub-adviser</b>	Lexington Advisors LLC (private assets) Franklin Advisers, Inc. (liquidity sleeve)
<b>Management fee</b>	1.25% annualized, on net assets of the fund
<b>Incentive fee</b>	12.5% (subject to a 5% annual hurdle and a high-water mark, with a catch-up)
<b>Repurchases</b>	Target quarterly tender offers of up to 5% of the Fund's net assets, subject to approval of the Fund's board. Shares tendered for repurchase within the first year after purchase may be subject to a 2% early repurchase fee.
<b>Investor eligibility</b>	Must be a qualified client
<b>Subscriptions</b>	Monthly
<b>Tax reporting</b>	1099 tax treatment

10. Other represents investments in vintages prior to 2019.

\* Approximate.

\*\* Industry exposure represents the Fund's pro-rata share of the fair market value of each underlying portfolio company within each of the Fund's investments. Investments held via Fund-of-Fund interests have been excluded due to a lack of visibility into the ultimate underlying portfolio. This information is based on the most recent reporting provided by the underlying fund sponsors using Global Industry Classification Standards (GICS).

## IMPORTANT DISCLOSURES

**Equity securities investment risks:** Equity securities are traded on exchanges with prices available daily and liquidity readily provided by market makers. Such securities are also subject to price fluctuation, sometimes rapidly and dramatically, due to factors affecting individual companies, particular industries or sectors, or general market conditions. Loss of principal is possible with such investments. Equity income is mainly derived from stock dividends, which are not necessarily contractual as with fixed income securities or loans and could be suspended at any time. The amount of dividend paid is also dependent on the underlying health of the company and cash available to make dividend payments. Such payments do not include a return of capital. **Fixed income security investment risks:** Bond prices generally move in the opposite direction of interest rates. As the prices of bonds in the fund adjust to a rise in interest rates, the fund's share price may decline. Changes in the financial strength of a bond issuer or in a bond's credit rating may affect its value. High yield bonds are subject to greater price volatility, illiquidity and possibility of default. Income from bonds is derived from a fixed amount of income in the form of interest payments at regular intervals which do not include a return of capital.

*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.flexpe.com](http://www.flexpe.com). Please read the prospectus carefully.*

**Secondaries:** Private equity secondaries are transactions that offer liquidity solutions to owners of interests in private equity and other alternative investment funds. **Co-investment:** Direct equity co-investment refers to an investment structure in which a private equity firm (General Partner) and direct co-investors collectively invest in portfolio companies. **Primaries:** Investments are made directly in newly formed private equity funds to gain exposure to privately held companies. **J-curve:** The "J-curve" is the term commonly used to describe the trajectory of a private equity fund's cashflows and returns. An important liquidity implication of the J-curve is the need for investors to manage their own liquidity to ensure they can meet capital calls on the front-end of the J-curve.

**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. Management Fee payable by the Fund as of October 2, 2025 will be at the annual rate of 1.25%. 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.

**Incentive fee:** The incentive fee will be charged on a quarterly basis (and at certain other times). The incentive fee is equal to 12.50% of the excess, if any, of (i) the net profits of the Fund for the relevant period over (ii) the then balance, if any, of the sum of the Hurdle Amount and the Loss Recovery Account. Incentive Fees are accrued monthly and paid quarterly. For purposes of calculating Incentive Fees, such accruals are not deducted from net asset value. Because the Incentive Fee is speculative, no Incentive Fee is presented for the initial year of operations.

**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 Class S Shares, Class D Shares, Class I Shares or Class M 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 amount as they may determine, provided that selling agents limit such charges to a 3.0% cap on NAV for Class D Shares, a 3.0% cap on NAV Class S Shares and a 3.0% cap on NAV for Class M Shares.

## INVESTMENT RISK

Past performance is no guarantee of future results. All investments involve risk, including loss of principal. **Franklin Lexington Private Markets 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 no more than 5% of the Fund's shares outstanding at net asset value. There is no guarantee these repurchases will occur as scheduled, or at all. Shareholders may not be able to sell their shares in the Fund at all or at a favorable price.

**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.



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