UBS Asset Management Floating Rate High Income Fund
Quarterly Update: 3Q 2026

Market Review

We remain constructive on underlying fundamentals in the US bank loan and high yield markets, supported by a resilient economy. Issuers broadly delivered mid-to-high single-digit revenue and EBITDA growth in Q2, although performance varies by sector, issuer and credit rating. Strength extends beyond data center related-growth, with chemicals and energy sectors benefiting from developments affecting production and oil prices.

Higher inflation and interest rates remain important considerations. We expect the incremental impact of a modest rate increase to be manageable for most floating rate issuers, which have operated with elevated borrowing costs for several years. Nevertheless, higher debt service could pressure cash flow, particularly in interest-rate-sensitive markets such as autos, housing and discretionary consumption. Our expectation for limited additional rate increases is contingent on a resolution of the Middle East conflict.

During the third quarter, the Morningstar LSTA US Leveraged Loan Index returned 1.95%, continuing strength in Q2 2026 which returned 1.88%. Looking at loan technicals, while we have seen subdued primary loan issuance through August, September activity and the forward pipeline suggest a broader opportunity set. Potential transactions span leveraged buyouts, private-credit-to-broadly-syndicated-loan refinancings, cross-border deals, take-private transactions, carve-outs and AI infrastructure financing. New CLO issuance has lagged the prior year's, with compressed asset spreads and less proportionate tightening in liability costs weighing on issuance economics. Conversely, we have seen loan fund flows start to pick up modestly with the latest Fed rate hike.

AI-related financing should remain a growing source of supply, with GPU financing likely to be a key driver in the loan market. Substantial neocloud backlogs and capital expenditure requirements point to further financing needs, although these will be distributed across syndicated loans, private credit and other structures.

Key risks include a prolonged Middle East conflict, a slowdown in AI investment or adoption, renewed weakness in software sentiment and more substantial rate increases. The 2028-2029 maturity wall also warrants attention, particularly among software issuers associated with the 2021-2022 buyout cycle.

This fund was formerly known as the Credit Suisse Floating Rate High Income Fund and was renamed effective September 4, 2026.

UBS Asset Management Floating Rate High Income Fund Performance

Performance: Average Annual Total Returns (%) *unless otherwise specified*

	Latest Month End: 9/30/2026						Latest Quarter End: 9/30/26		
	3 Month (cumulative)	YTD (cumulative)	1 Year	3 Years	5 Years	10 Years	1 Year	5 Years	10 Years
Class I	0.49	4.04	4.92	6.53	5.70	4.94	4.92	5.70	4.94
Class A (without sales charge)	0.43	3.86	4.50	6.27	5.41	4.69	4.50	5.41	4.69
Class A (with max. 4.75% sales charge)	(4.38)	(1.12)	(0.45)	4.55	4.40	4.18	(0.45)	4.40	4.18
Class C (without sales charge)	0.25	3.28	3.73	5.49	4.63	3.91	3.73	4.63	3.91
Class C (with max. 1.00% sales charge)	(0.74)	2.29	2.75	5.49	4.63	3.91	2.75	4.63	3.91
Morningstar LSTA US Leveraged Loan Index[A]	1.95	3.29	4.56	7.04	6.19	5.38	4.56	6.19	5.38
S&P UBS Leveraged Loan Index[B]	2.03	3.42	4.65	7.11	6.12	5.38	4.65	6.12	5.38

From time to time, the fund's investment adviser and co-administrators may waive some fees and/or reimburse some expenses at any time, without which performance would be lower. Waivers and/or reimbursements are subject to change. Returns represent past performance and include change in share price and reinvestment of dividends and capital gains. **Past performance does not predict future returns. Historical performance is not a reliable indicator for current or future performance. The current performance of the fund may be lower or higher than the figures shown. The fund's yield, returns and share price will fluctuate, and redemption value may be more or less than original cost. Performance information current to the most recent month-end is available at https://us-fund.ubs.com/en/home.**

Class I Gross Expense Ratio: 0.81%, Net Expense Ratio: 0.70%[C]
Class A Gross Expense Ratio: 1.06%, Net Expense Ratio: 0.95%[C]
Class C Gross Expense Ratio: 1.81%, Net Expense Ratio: 1.70%[C]

Performance Disclaimers:

A As of 10/1/2025, the Fund has changed benchmarks to the Morningstar LSTA US Leveraged Loan Index. The Morningstar LSTA US Leveraged Loan Index is a market-value weighted index designed to measure the performance of the US leveraged loan market. This index limits non-rated and private placement exposure, focusing on broadly syndicated loans, which improves investability and transparency. Investors cannot invest directly in an index.

B The S&P UBS Leveraged Loan Index is designed to mirror the investable universe of the U.S. dollar denominated leveraged loan market. This index was the fund's benchmark prior to the Morningstar LSTA US Leveraged Loan Index and was switched out due to changes in the index's composition making it less reflective of the US leveraged loan market performance. Investors cannot invest directly in an index.

C Estimated fees and expenses are taken from the prospectus dated 2/28/26. Net fees are reported net of fee waivers and expense reimbursements. Gross fees do not include these waivers or reimbursements. Waivers and expense reimbursements or credits will be in place until 2/28/27. Waivers are contractual.

Fund shares are not deposits or other obligations of UBS Asset Management, LLC or any affiliate, are not insured by the Federal Deposit Insurance Corporation and are not guaranteed by UBS Asset Management, LLC or any affiliate. Fund investments are subject to investment risks, including loss of your investment.

This is a traditional benchmark agnostic approach which seeks to generate a return in all circumstances. This does not constitute a guarantee by UBS Asset Management.

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Performance Commentary

The UBS Asset Management Floating Rate High Income Fund (I-share class) was up **0.49%** net for the three-month period ending September 30, 2026, vs. 1.95% for the Morningstar LSTA US Leveraged Loan Index. Bank loan underperformance was primarily driven by an equity position received from the restructuring of a name belonging to the **Capital Goods** sector. Equity markets as a whole saw increased volatility over the quarter as AI disruption and geopolitical tensions weighed on market sentiment. Security selection within the **Software & Services** sector also detracted from performance, while selection within the **Financial Services** and **Media & Entertainment** sectors contributed.

- **Contributors:** During Q3 2026, several sectors contributed positively to the Fund's overall performance, reflecting healthy underlying fundamentals and disciplined portfolio construction. The **Financial Services** sector was the strongest performer, generating an uplift of 7 bps to relative returns due to good security selection. The **Media & Entertainment** sector also provided a positive contribution of 7 bps to relative performance. Regarding ratings, **B-** names were the largest contributors, followed by **CCC-** and **B** rated credits.
- **Detractors:** During the period, the largest detractor was the **Capital Goods** sector, driven by the performance of Doncasters (DPC), a specialized manufacturer of precision-cast components and superalloys for aerospace engines and industrial gas turbines. The Firm went through a restructuring and CIG's remaining exposure consists solely of an equity position; the portfolio is restricted in this specific position, limiting the ability to actively manage the exposure during this period. While DPC drove underperformance, we do not see any company-specific issue and the selling off in Q3 appears linked to sector concerns around engine retirements and some moderation in expectations for gas turbine demand. Given the Firm's revenue mix and strong multi-year demand visibility, we remain constructive on the name. The **Software & Services** sector also detracted -12 bps relative to the index driven primarily by security selection. From a ratings perspective, **NR**, **CCC+** and **B+** names were the largest detractors.

Fund Positioning

Our approach remains selective, with an emphasis on issuer quality and transaction structure. Strong secondary-market trading levels have increased our focus on primary issuance, but the expanding pipeline contains varying degrees of credit quality. We are also monitoring extensions and refinancings that address near-term maturities.

Outlook

Within AI-related debt, we favor GPU financings with amortization that better aligns with potential chip depreciation, limited mismatches between contract duration and financing tenor, high-quality contractual counterparties and conservative lending and draw requirements. Given the anticipated volume of future issuance, we do not believe participation in every transaction is necessary where risks fall outside our comfort level. For data center operators, we favor established track records, facilities in established markets, more favorable re-tenanting and refinancing risk profiles and reasonable loan-to-value ratios. We are less constructive on remote locations. We remain positive on Aerospace, supported by strong travel demand, healthy aircraft order books and limited new deliveries, which support aircraft values and aftermarket demand.



We are more cautious on Homebuilding and Building Products given declining housing starts, but see selective opportunities, particularly in Repair and Remodel. Aging homes and healthy homeowner equity support this segment, although softer consumer spending and higher financing costs remain risks.

Past performance does not predict future returns. Historical performance is not a reliable indicator for current or future performance.

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Index Definitions:

Morningstar LSTA US Leveraged Loan Index is a capitalization-weighted syndicated loan index based upon market weightings, spreads and interest payments. The Morningstar LSTA US Leveraged Loan Index (USLLI) covers the US market back to 1997 and currently calculates on a daily basis.

Term Definitions:

CLO: A Collateralized Loan Obligation is a type of security that is backed by collateral, or a pool of leveraged loans, and is structured into various tranches of different risk/return profiles.

Ratings: Corporate debt ratings are assigned by ratings agencies such as Moody's, S&P, and Fitch, and represent an issuer's ability to meet its financial obligations. Non-Investment Grade ratings range from BB/Ba, B/B, CCC/Caa, CC/Ca, C, to Default (D). NR = Not Rated.

Risk Considerations:

Below Investment Grade Securities Risk – Below investment grade securities are regarded as being predominantly speculative as to the issuer's ability to make payments of principal and interest. **Collateralized Loan Obligations Risk** – CLOs are subject to the risk of substantial losses due to actual defaults, decrease of market value due to collateral defaults and disappearance of subordinate tranches, market anticipation of defaults, and investor aversion to CLO securities as a class. **Conflict of Interest Risk** – Affiliates of Credit Suisse may act as underwriter, lead agent or administrative agent for loans and participate in the secondary market for loans. **Convertible Securities Risk** – The market value of a convertible security performs like that of a regular debt security; that is, if market interest rates rise, the value of a convertible security usually falls. **Credit Risk** – The issuer of a security, the borrower of a loan or the counterparty to a contract, including derivatives contracts, may default or otherwise become unable to honor a financial obligations. **Derivatives Risk** – Derivatives are financial contracts whose value depends on, or is derived from, the value of an underlying asset, instrument or index. **Extension Risk** – An unexpected rise in interest rates may extend the life of a mortgage-backed security beyond the expected prepayment time, typically reducing the security's value. Foreign Securities Risk – Investing outside the U.S. carries additional risks that include: **Currency Risk** – Fluctuations in exchange rates between the U.S. dollar and foreign currencies may negatively affect an investment. **Information Risk** – Key information about an issuer, security or market may be inaccurate or unavailable. **Political Risk** – Foreign governments may expropriate assets, impose capital or currency controls, impose punitive taxes, or nationalize a company or industry. **Futures Contracts Risk** – The risks associated with the fund's use of futures contracts include the risk that: (i) changes in the price of a futures contract may not always track the changes in the market value of the underlying reference asset; (ii) trading restrictions or limitations may be imposed by an exchange, and government regulations may restrict trading in futures contracts; and (iii) if the fund has insufficient cash to meet margin requirements, the fund may need to sell other investments, including at disadvantageous times. **Hedged Exposure Risk** – The fund's hedging activities could multiply losses generated by a derivative used for hedging purposes. **Interest Rate Risk** – Changes in interest rates may cause a decline in the market value of an investment. **Liquidity Risk** – Certain portfolio holdings may be difficult or impossible to sell at the time and the price that the fund would like. **Market Risk** – The market value of an instrument may fluctuate, sometimes rapidly and unpredictably. **Mortgage- and Asset-Backed Securities Risks** – The value of the fund's mortgage backed securities can fall if the owners of the underlying mortgages pay off their mortgages sooner than expected, which could happen when interest rates fall, or later than expected, which could happen where interest rates rise. **Prepayment Risk** – In a declining interest rate environment, prepayment of loans and other fixed income instruments with high stated interest rates may increase. **Senior Loans Risk** – Senior Loans are subject to the risk that a court could subordinate a Senior Loan, which typically holds the most senior position in the issuer's capital structure, to presently existing or future indebtedness or take other action detrimental to the holders of Senior Loans. **Short Position Risk** – Taking short positions involves leverage of the fund's assets and presents various risks. U.S. **Government Securities Risk** – Obligations of U.S. Government agencies and authorities are supported by varying degrees of credit but generally are not backed by the full faith and credit of the U.S. Government. **Valuation Risk** – The lack of an active trading market may make it difficult to obtain an accurate price for

an instrument held by the fund. For a detailed discussion of these and other risks, please refer to the fund's Prospectus, which should be read carefully before you invest.

Fund shares are not deposits or other obligations of UBS Asset Management, LLC or any affiliate, are not insured by the Federal Deposit Insurance Corporation and are not guaranteed by UBS Asset Management, LLC or any affiliate. Fund investments are subject to investment risks, including loss of your investment.

This is a traditional benchmark agnostic approach which seeks to generate a return in all circumstances. This does not constitute a guarantee by UBS Asset Management.

The fund's investment objectives, risks, charges and expenses (which should be considered carefully before investing), and more complete information about the fund, are provided in the Prospectus, which should be read carefully before investing. You may obtain copies by calling 800-577-2321. For up-to-date performance, please visit our website at https://us-fund.ubs.com.

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