UBS (Canada) Global Merger Arbitrage Fund

Fund Investment Objectives

The investment objective of UBS (Canada) Global Merger Arbitrage Fund (the Fund) is to realize consistently high risk-adjusted appreciation in the value of its assets while focusing on securities involving corporate actions. The Fund's secondary goal is to seek to provide a differentiated return stream compared to global equity indices, while having lower volatility. The Fund seeks to achieve its investment objective by investing substantially all of its assets in Nineteen77 Global Merger Arbitrage Limited, Nineteen77 Global Merger Arbitrage Master Limited and/or by directly implementing a merger arbitrage strategy in the Fund's portfolio, at UBS Asset Management (Canada) Inc. (the Manager)'s sole discretion. The Fund has initially invested substantially all of its assets in Nineteen77 Global Merger Arbitrage Limited (the Cayman Fund). Nineteen77 Global Merger Arbitrage Limited will invest no less than 90% of its net asset value through a master-feeder structure in Nineteen77 Global Merger Arbitrage Master Limited.

Key Canadian Fund Facts

FundServ Code: Subscriptions:	UGA 100 (F class-CAD)	Fund manager:	UBS Asset Management (Canada) Inc.
Redemptions:	UGA 101 (F class-CAD)	Administrator:	CIBC Mellon
Fund NAV on June 30, 2026:	CAD 12.4424	Distributions:	No regular cash distributions
Total Fund value on June 30, 2026:	CAD 64,039,660	Auditor:	Ernst & Young
Management Fee:	1.5%	Minimum investment:	CAD 5,000 initial, 5,000 additional
Performance Fee:	15%	Subscriptions/Redemptions:	Monthly with notice required
Date Series created:	December 31, 2017	Trailing Commission:	Not applicable

Please see the Fund's offering memorandum for specific details.

Key Cayman Fund Information

Administrator:	MUFG Alternative Fund Services (Cayman) Ltd.	Cayman master fund net assets under management as of July 1, 2026:	USD 1,272 million
Cayman Fund Manager:	UBS O'Connor LLC	O'Connor assets under management as of July 1, 2026:	USD 7.785 million
Auditor:	Ernst & Young	Strategy assets under management as of July 1, 2026:	USD 3,214 million
Prime Broker:	Various		
Current long leverage June 15, 2026:	2.2		
Current gross leverage June 15, 2026:	3.0		

Please refer to General Notes on the Cayman Fund for an explanation of the calculation methodology. AUM may be estimated based on available information. UBS O'Connor LLC is a related entity to UBS Asset Management (Canada) Inc. as they are both part of UBS Asset Management and indirect, wholly-owned subsidiaries of UBS AG.

Portfolio performance (%)

Total Returns (in CAD): Periods Ending June 30, 2026

				Annualized			
	Month	**QTR**	**1 year**	**3 years**	**5 years**	**10 Years**	**Since Inception[1]**
UBS (Canada) Global Merger Arbitrage Fund, Series F	1.43	0.70	6.31	5.99	2.61	n.a.	4.82

1 Inception date as of December 31, 2017
Performance is net of investment management fees and expenses. **Past performance is no guarantee of future results.**

1 MTH	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D
2026	0.69	-0.45	-0.16	0.43	-1.14	1.43							0.78
2025	0.14	0.45	0.41	1.10	0.90	0.79	1.00	0.60	0.72	0.54	1.11	1.41	9.55
2024	0.08	0.11	0.11	-0.56	-0.02	0.82	1.50	0.12	-0.77	-0.72	-0.40	1.55	1.81
2023	-0.16	0.11	0.06	0.12	-2.68	0.74	0.82	2.69	1.24	-0.36	1.49	-0.06	3.96
2022	-0.01	0.65	0.38	-0.65	-0.85	-1.50	1.65	0.90	-0.39	1.54	-3.56	0.31	-1.63
2021	2.27	0.07	-1.28	1.22	-0.28	-0.32	-3.51	0.45	1.22	0.66	-0.03	0.23	0.58
2020	0.69	-0.09	-6.80	4.37	1.24	1.86	0.78	1.05	2.57	-1.91	4.42	3.12	11.33
2019	0.33	0.17	1.12	0.91	-0.54	0.05	1.64	0.53	0.26	0.42	0.29	1.07	6.42
2018	0.78	1.45	-3.85	-0.84	3.50	2.95	-3.27	0.33	2.99	-0.55	3.91	1.52	8.92

This document contains key information you should know about UBS (Canada) Global Merger Arbitrage Fund. You can find more detailed information in the Fund's offering memorandum. Ask your representative for a copy, contact UBS Asset Management (Canada) Inc. at 416-681 5200 or ubs-am-canada@ubs.com, or visit www.ubs.com/assetmanagement. **Before you invest in any fund, consider how the fund would fit with your other investments and your risk tolerance.**

Nineteen77 Global Merger Arbitrage Master Limited Commentary

Market Commentary

Arbitrage markets rebounded in June after May's late month drawdown. May's primary culprit was AXTA/AKZA which rallied quickly in the early days of June, regaining all of its losses after the interloping offer for AKZA from Sherwin-Williams and Nippon Paint was abruptly withdrawn. The arb market gathered positive momentum through the month and we saw spreads generally trade tighter; median spreads rallied by about 50 bps, although the average and weighted average measures widened reflecting some volatility in larger deals, most notably WBD/PSKY and Blackstone's acquisition of utility TXNM (source Goldman Sachs). Through the month a good number of deals closed, including a handful that technically closed on July 1st, but new supply continued to outpace closings, adding USD 102B in new deals in the US and Europe and increasing the market cap of the developed market deal universe to the highest level since 2018 (source Barclays). On the closing side the long-running USD 38B Toyota Industries/Toyota Group buy-in came off the sheets, as did Permira's USD 8.4B acquisition of Clearwater Analytics. New announcements were led by Fox Corporations USD 21.7B offer for streaming platform Roku; in industrials Irish building materials supplier CRH agreed to acquire U.S.-based infrastructure products provider Arcosa for USD 8.5B; and activity continued in the satellite communication sector after the GSAT/AMZN deal and the SPCX IPO, with Rocketlab announcing their USD 8B offer for Iridium and their legacy LEO communication constellation.

Portfolio Commentary

O'Connor's Global Merger Arbitrage strategy was positive in June, with the best monthly performance in 18 months. Unsurprisingly the rebound in the AXTA/AKZA transaction was a large contributor and represented approximately 40% of June's gross performance. As we described above and in more detail in last month's letter, it appears that the interloping parties' offer is dead and we await the AKZA shareholder vote in The Netherlands to approve the AXTA acquisition in late July. We had added to the position when it was trading near its wides in the last days of May, which gave us a helpful boost as the spread recovered. Toyota Industries/Toyota Motors was also a material contributor, where although the deal had technically closed we retained our shares post-tender offer as we sought to profit from the subsequent squeeze-out by Toyota Group to compulsorily purchase the stakes of remaining minority shareholders; the shares were delisted in June after the squeeze-out was completed. In the US, the spread in EA/PIF & Silver Lake rallied after the parties filed for both EC Antitrust approval and EC Foreign Subsidiaries Regulation (FSR) approval, both of which have late July deadlines for decisions to either approve or take to a longer Phase 2 review. The filings were somewhat earlier than expected and represent positive direction of travel, but there's still some doubt about whether they were made on the back of potentially positive "fix it first" discussions with the regulators, or if the parties submitted just to get the clock started on a review before the August holiday slowdown in EU processing. We're working with our consultant to find more details and we maintain our position. Finally the BLD/QXO deal provided a material boost thanks to an unusual outcome in the shareholder election around the deal's cash vs stock collar. Despite the cash consideration being worth ~50% more than stock, in the end roughly 9% of the market cap received all stock rather than cash and stock, either by electing to receive stock or by not filing their election. These baffling decisions benefitted those electing the maximum amount of cash and ultimately took what would have been a run-of-the-mill return to one of our larger YTD gross performers. On the negative side of the book the WBD/PSKY transaction widened, driven by the ongoing angst of whether or not the California State Attorney General will sue in an attempt to block the transaction now that the DOJ has cleared it, and then exacerbated in the last days of the month when the UK Secretary of State announced that she was "minded to" order a Public Interest Intervention Process to investigate the deal's potential impact on market shares in a number of sectors. It appears highly unlikely that this action could lead to the UK blocking the deal, but it could delay timing and in the end it buys the California AG some additional time to decide his course of action. We maintain our position.

Outlook

June's rally capped an uneventful first half of 2026 in Merger Arbitrage, where the strategy performed according to plan, protecting capital in the market volatility of March and providing a diversifying low-beta return. Merger spreads remain barbelled with smaller market cap/less complex deals trading narrow, and mega-cap deals and those with hair or extended timelines trading wide, pushing potential PnL into the second half of the year. On the mega-cap side of the book we anticipate significant catalysts over the next few months in the regulatory reviews of EA/PIF and WBD/PSKY, along with NSC/UNP's journey through the US Surface Transportation Board. There are other deals which should see activity through the summer, such as BHF/Sixth Street (state insurance commission reviews); WBS/SAN (FRB approval in US); PEN/BSX (cash/stock election dynamic); QRVO/SWKS, TECK/AAL, SLAB/TXN (China approval); UNF/CTAS (progress in Phase 2); and AXTA/AKZA (shareholder vote). Looking further ahead the past 6 months have brought us an array of deals with degrees of complexity and potential regulatory/geopolitical intrigue which could spur volatility in spreads, which generally suits our opportunistic approach in managing our portfolio. With a number of larger positions having closed in June and our largest position (GTLS/BKR) expected to close in July we have additional dry powder on hand to add to positions as our conviction rises.

On the Macro front M&A market dynamics continue to provide us a tailwind. New deal announcements remain at near-record pace in transactions > USD 5B, and at this rate US deal volume looks to rise 24% y/y and eclipse the record M&A volume of 2022. This activity increased the potential profit pool in US deals alone to nearly 4x the recent lows of May 2025 (source Goldman Sachs). The regulatory environment in the US has swung like a pendulum over the past 18 months but now seems to have settled on a more predictable path, especially at the DOJ where full reviews are back on the table and the leadership has stated that they'd prefer to negotiate settlements rather than pursue lawsuits. Our M&A attorneys continue to tell us that they see elevated animal spirits in board rooms, looking for opportunities to structure blockbuster deals to take advantage of strong equity markets and the remaining 2 ½ years of a seemingly malleable Trump administration. As of July 1st there are 72 deals in the portfolio and leverage stands at 2.0x. We thank you for your support.

Announcement

None.

Top Five Deals

GTLS	Chart Industries Inc	
NSC	Norfolk Southern Corp	
EA	Electronic Arts Inc	
WBS	Webster Financial Corporation	
QRVO	Qorvo Inc	Additional transparency available upon request.

Merger Arbitrage Exposure

Deal Quality	% of Allocated Capital
Grade 1	0.0
Grade 2	13.1
Grade 3	84.9
Grade 4	0.6
Grade 5	1.4

Grade 1 Criteria: High probability of close Risk Guideline: Single deal break risk limited to 10% of capital. Grade 2 Criteria: Medium/high probability of close. Risk Guideline: Single deal break risk limited to 5% of capital. Grade 3 Criteria: Medium probability of close. Risk Guideline: Single deal break risk limited to 2.5% of capital. Grade 4 Criteria: Trade with definable catalyst. Risk Guideline: Single deal break risk limited to 1.25% of capital. Grade 5 Criteria: Trade with potential catalyst and no concrete timeframe. Risk Guideline: Single deal break risk limited to 0.625% of capital. Risk guidelines are internal guidelines that are subject to change without notice.

Risk Considerations of the UBS (Canada) Global Merger Arbitrage Fund

The Fund's investment program is speculative and entails substantial risks which may place your capital at risk. An investment in the Fund includes the risks inherent in an investment in equity and fixed income securities, as well as specific risks associated with limited liquidity. The Fund may utilize the following investment techniques which may increase the risk to your capital: the use of leverage and borrowing, ETFs, short sales, options, futures, derivative instruments, investments in non-U.S. securities, currencies, real estate-related securities, commodity futures contracts and illiquid investments. The Fund is not subject to regulatory oversight and may invest in other unregulated hedge funds. Such an investment may increase an investor's volatility for potential losses or gains. The potential that changes may occur in the regulatory treatment of hedge funds or the instruments in which the Fund invests may also impact the risk of investment in the Fund. One or more of the funds, from time to time, may invest a substantial portion of the assets managed in an industry sector. The Fund does not have any formal guidelines for diversification, as a result, the manager's investment portfolio (as well as the Fund's) may be subject to greater risk and volatility than if investments had been made in the securities of a broader range of issues. There can be no assurances that a fund's strategy (hedging or otherwise) will be successful or that it will employ such strategies with respect to all or any portion of its portfolio. The funds in which the Fund invests can be highly illiquid, are not required to provide periodic pricing or valuation to investors, and may involve complex tax strategies. In addition, the overall performance of the Fund is dependent not only on the investment performance of individual strategies, but also on the ability of the Fund's Adviser to effectively select and allocate the Fund's assets among such strategies on an ongoing basis. The Fund's portfolio may be highly leveraged and the volatility of the price of its interests may be great. The Fund's fees and expenses may substantially offset the Fund's trading profits. There is no secondary market for interests in the Fund and none is expected to develop. In addition, the ability to redeem or transfer one's interest in the Fund is restricted. It is possible that the Fund will be unable to provide tax information to investors without significant delays and investors may need to seek extensions on the time to file their tax returns at the federal, state and local levels. Interests are not deposits or obligations of, or guaranteed or endorsed by any bank or other insured depository institution, and are not insured by the Federal Deposit Insurance Corporation, Financial Service Compensation Scheme or other relevant non-U.S. governmental agency. Investors should consider the Fund as a supplement to an overall investment program and should invest only if they are willing to undertake the risks involved.

General Notes on the Cayman Fund

Delta-Adjusted Exposure
Delta-adjusted exposure represents market value adjusted to use the delta equivalent market value for futures (excluding interest rate futures) and equity derivative instruments; jump to default with zero recovery value for corporate, convertible, and non-US government debt instruments; a 10-year treasury bond equivalent value for interest rate futures and options and US government debt instruments; and market value for other instruments with the exception of credit default swaps. The credit default swap ("CDS") positions are presented to reflect the relevant market exposure. As a result, long CDS positions are presented as short jump to default with zero recovery value and vice versa. In addition, CDS positions established with more than one counterparty that identically offset each other are netted to show zero exposure.

Jump to Default Zero Recovery
Represents the change in value of the portfolio if the issuer were to default, assuming no recovery on assets. The amount includes accrued interest. The foregoing information was prepared by UBS O'Connor based on un-audited information provided by the fund's administrators or contained in its accounting, risk management and other internal reporting systems (as applicable), has not been reviewed by an independent third party and there may be other methods to prepare this information. Please note that this report is intended for sophisticated investors who understand the subject matter contained herein who accept all risks associated with interpreting or relying upon the information herein and understand past performance is not indicative of future results. Further, please note that we may, in our discretion, change variables such as allocations among sectors, geographical locations, positions, concentrations and/or leverage, any of which could affect the information presented.

Leverage
Current Long Leverage is calculated as long exposure divided by fund capital. Long exposure for equity products is defined as dollar delta adjusted long market value. This calculation excludes repos and FDIC insured bonds. Current Gross leverage is calculated as long exposure (defined above) plus the absolute value of short exposure divided by fund capital. Short exposure is calculated in a similar manner to long exposure.

Strategy assets under management
Strategy AUM represents the AUM of the standalone fund as well as any managed accounts, in addition to capital allocated to the strategy within O'Connor's multi-strategy vehicles. Managed account and/or multi-strategy AUM may be adjusted by a factor used to represent the varying degrees of leverage utilized within these vehicles versus the level of leverage utilized in the stand alone fund.

Disclaimer

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