

# Fortress Focus Select Asia Fund (FFSAF)

December 2020

## Investment Objective

The Fortress Focus Select Asia Fund (the “Fund”) aims to provide medium to long-term return by investing in listed companies in selected Asian markets, focusing on core economic and industrial factors that drive Asia’s growth.

## Why FFSAF?

- Quantamental
- FFSAF uses a concentrated (high-conviction) quantitative and fundamental stock selection process
- Rebalances quarterly to maximize information value and price impact of stocks in the fund
- Balances capital growth and capital preservation during periods of market volatility
- Highly transparent to investors – FFSAF reports monthly on performance and quarterly on fund activity and investment rationale

## Analysis Methodology (FVMR)

- **Fundamental**  
A company’s profitability shows if it is managed well. Prefer high or rising profitability
- **Valuations**  
How the market perceives this stock. Prefer good fundamentals at low prices
- **Momentum**  
Avoid “value traps” by looking for positive momentum in both price and earnings
- **Risk**  
Look for low business and price risk. Seek for stocks with stable returns and strong dividends

## Key Facts

Fund Type:	Equity Growth
Liquidity:	Daily Pricing
Launch Date:	18 May 2016
Financial Year End:	30th June
Offer Currencies:	USD, MYR, SGD
Base Currency:	USD
Relative	MSCI Asia ex-Japan Index

## Stock Selection Process

1. All stocks in Asia
2. Pick a universe: Asia ex Japan, India and financials
3. The large and most liquid Asian stocks
4. Fundamental research on top 5%
5. Selection of 15 to 18 best stocks based on FVMR

## Fees & Charges

Share Class	Minimum Initial Investment	Annual Management Fee	Annual Performance Fee
Class A USD	USD 10,000	1.85%	N/A
Class A MYR	MYR 30,000	1.85%	N/A
Class A SGD	SGD 15,000	1.85%	N/A
Class B USD	USD 10,000	1.35%	8%
Class B MYR	MYR 30,000	1.35%	8%
Class B SGD	SGD 15,000	1.35%	8%
Class C USD	USD 1,000,000	1.00%	5%
Class C MYR	MYR 3,000,000	1.00%	5%
Class C SGD	SGD 1,500,000	1.00%	5%

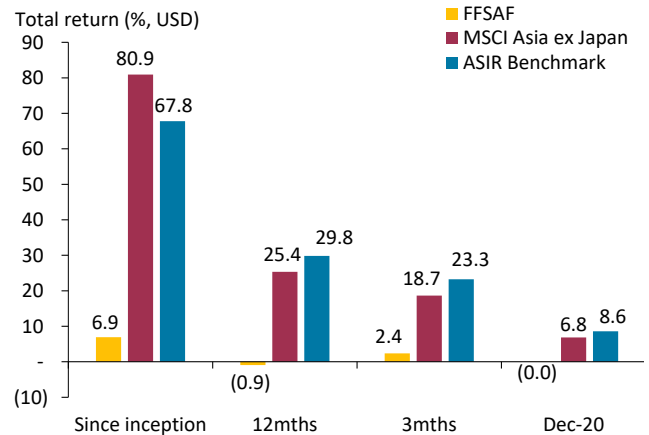
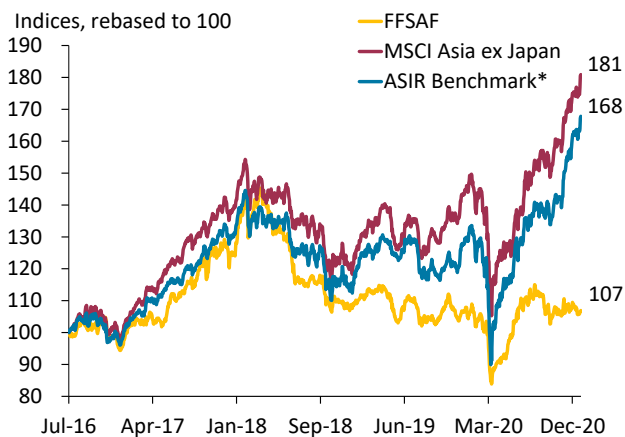
- Annual performance fee and annual management fee are subject to selected Share Class
- Sales charge: Up to 5% of NAV per Unit subscribed in the selected Share Class
- Please refer to the Fund’s Offering Document for information on additional fees related to the Fund such as Trustee, Auditor, etc.

# Fortress Absolute Return Fund (FAR Fund)

December 2020

## Performance Review - December 2020

- FFSAF has generated an after-fee total gain of 6.9% since inception
- The Fund does not invest in stocks in Japan or India and it also does not hold shares of Financial companies
- Since inception, the Fund has underperformed the prospectus benchmark MSCI Asia ex Japan by 74.0% after fees, partially due to strong performance in India and of the Financial sector during much of 2017 and defensive positioning since April 2018
- After fees, the fund has underperformed the more comparable ASIR Benchmark\* by 60.9%



- Since inception: FFSAF has underperformed the ASIR Benchmark by 60.9% and had an NAV of US\$0.5346 on December 31st
- Past one-year: FFSAF has fallen 0.9% versus the ASIR Benchmark's gain of 29.8%
- Past three-months: FFSAF has gained 2.4% versus the ASIR Benchmark's gain of 23.3%
- Past one-month: FFSAF has dropped 0.0% while the ASIR Benchmark has risen by 8.6%. Best performer was Nickel Asia Corp (NIKL PM). Laggard was MK Restaurant Group PCL (M TB). NIKL saw strong performance as nickel price gained
- Fundamentals: For 2020CE\*, the prospectus benchmark MSCI Asia ex Japan, is trading at 19.7x PE with an EPS growth of 3.1% above MSCI World's earnings growth of -15.3% and the World trades at 25.1x PE

Wholesale Fund is for Sophisticated Investors only. Investors are advised to read and understand the content of the Wholesale Funds' ("Fund") Information Memorandum, including any Supplemental / Replacement Information Memorandum and / or Product Highlight Sheet (collectively known as "Offering Document") before investing. The Offering Document is available on [www.fortresscapital.com.my](http://www.fortresscapital.com.my). The Offering Document has been deposited with the Securities Commission Malaysia who takes no responsibility for its contents. Investors should consider the fees and charges involved before investing. Prices of Units may go down or up, and past performance of the Fund is not an indication of its future performance. Where a distribution / unit split is declared, investors are advised that the NAV per Unit will be reduced from cum-distribution NAV/pre-Unit split NAV to ex-distribution NAV/post-Unit split NAV. Where a Unit split is declared, the value of your investment in currency value will remain unchanged after the distribution of the additional Units. Please note that the NAV per Unit, sales charge and fees displayed in this document are quoted exclusive of any applicable tax as maybe imposed by the government of other authorities from time to time. All fees and expenses are subjected to applicable tax at the prevailing rate. This document is prepared by Fortress Capital Asset Management (M) Sdn Bhd. It is not intended to be an offer or invitation to subscribe or purchase of the Fund. The information contained herein has been obtained from sources believed in good faith to be reliable; however, no guarantee is given in its accuracy or completeness. This Fund may not be suitable for all. If in doubt, the investor should seek independent, professional advice.