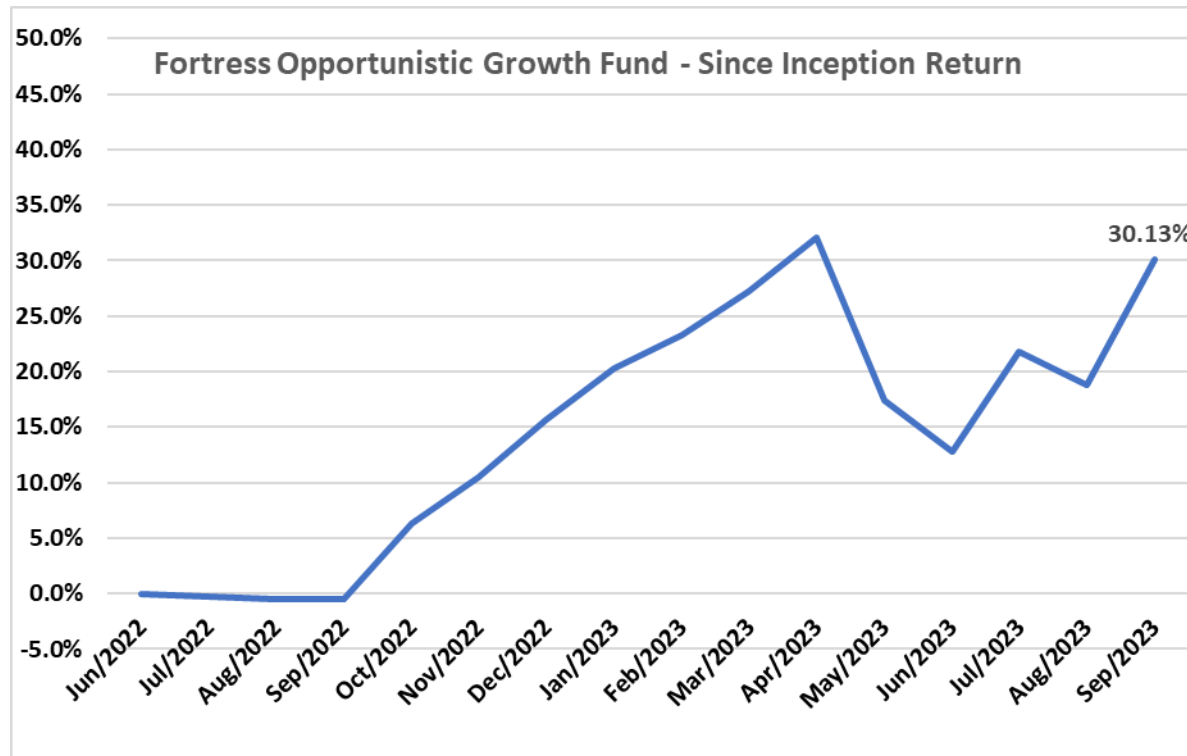


Fortress Opportunistic Growth Fund (FOGF)

Quarterly Performance Report

September 2023

Performance Review Jul – Sep 2023

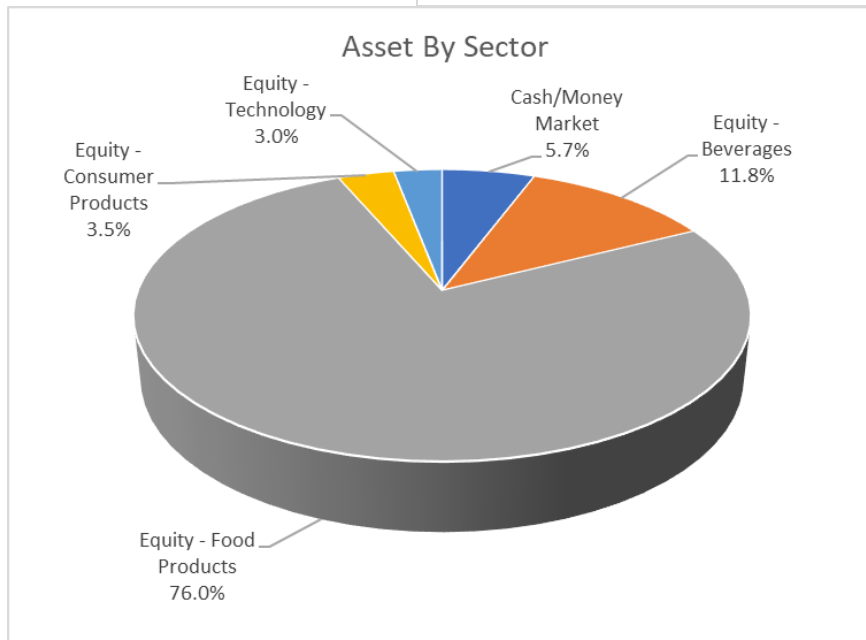
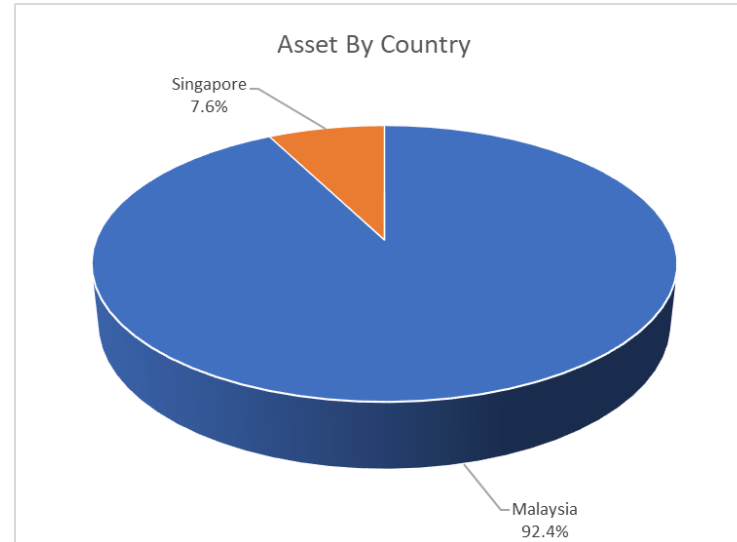


Sources: FCAM NAV

- The Fortress Opportunistic Growth Fund (FOGF) has generated an after-fee total return of +30.13% since inception in June 2022.
- Third quarter 2023's return is +15.34%.
- The benchmark is an absolute return of 7% per annum.
- During the third quarter of 2023, returns for Market indices : MSCI Asia ex Japan -4.14%, Hang Seng Index -5.85%, Straits Times Index +0.36%, KLCI +3.45%, Jakarta Composite +4.17%, Stock Exchange Thailand -2.11%.

Asset Allocation

- As of 30th Sep 2023, FOGF is holding assets in Singapore (7.6%), Malaysia(92.4%).
- The fund is 94.3% invested in listed equities and holding 5.7% of cash/money market.
- The fund has the largest exposure to Food Products sector with a portfolio weight of 76.0%



Market Review & Outlook

- In the third quarter of year 2023, global equity markets mostly retreated as hawkish tone by U.S. Federal Reserve (Fed) set in again. Since the first quarter of 2022, Fed has raised interest rate by 525 basis points. Even though Fed paused interest rate hike in the latest September 2023 meeting, the guidance is still hawkish. Market now is expecting interest rates will stay higher for a longer time, with some expecting another 25 basis points before the year ends.
- During third quarter of year 2023, both U.S. equity and bond markets fell even though economic activities remained strong. The composite purchasing manager's index (PMI) continued to indicate economy was in expansion mode while labour market continued to stay resilient. European shares fell also. However, inflation was declining as economy slowed down, giving hopes that central bank's tightening policy was over.
- Asia markets performed mixed with Southeast Asia markets outperformed North Asia markets. China/Hong Kong markets continued to face outflow as concerns over China economy dampened investor's sentiment. Expectation of large scale stimulus measures by China government diminished over the quarter, and foreign investors continued to exit the markets.
- For the second quarter of 2023, Fortress Opportunistic Growth Fund (FOGF) returned +15.34%. The fund was mainly investing in the Food Products sector in Malaysia.

Market Review & Outlook

- Going into the final quarter of the year 2023, U.S. Federal Reserve is expected to maintain its tight monetary policy and interest rate should peak in the year 2023. Current market is pricing in Fed rate to stay high until third quarter 2024. The market shall remain volatile due to the policy being data dependent. U.S. inflation and job data would affect Fed's decision.
- Southeast Asia economy has yet to benefit from China's reopening, especially for the tourism sector. The outbound travels for China tourists are likely to pick up gradually. Domestic demand would be the key focus as exports are largely affected by slower demand from advanced countries.
- For Malaysia market, the negative effect of labour shortage, higher minimum wage as well as higher raw material costs will gradually ease out and should benefit corporate earnings. Market sentiment should improve as there would be more clarity on policies with stable political environment.
- Asia markets remain attractive with the undemanding valuations. The main risk is inflation continues to stay high leading to a global recession. The geo-political tensions would continue to affect market sentiment.

Disclaimer

This document is prepared for informational purposes only. This document shall under no circumstances be construed as an offer to sell nor shall it be taken as a form of professional advice of any manner. The performance of the fund is not guaranteed, and the value of investment and their derived income may increase or decrease. Past performance is not a guide to future or likely performance. Before investing into the fund, you should consider whether this fund meets your investment objective and risk appetite. Although the information in this document was compiled with due care and from reliable sources, Fortress Capital Asset Management (M) Sdn Bhd (FCAM) does not guarantee its accuracy, completeness, correctness, or timeliness for any particular purpose. FCAM reserves the right to change any information without giving any notice.

Investors are advised to read the Information Memorandum the Fortress Opportunistic Growth Fund and obtain professional advice before subscribing to the Fund.

Units of the Fortress Opportunistic Growth Fund can only be sold to Sophisticated Investors.