

# **FORTRESS VALUE SELECTIVE FUND**

## **(“the Fund”)**

### **RESPONSIBILITY STATEMENT**

This Product Highlights Sheet has been reviewed and approved by the directors of Fortress Capital Asset Management (M) Sdn Bhd and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements or omissions of other facts which would make any statement in this Product Highlights Sheet false or misleading.

### **STATEMENT OF DISCLAIMER**

The relevant information and document in relation to the Fortress Value Selective Fund, including a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia under the Lodge and Launch Framework.

The lodgement of the relevant information and document in relation to the Fortress Value Selective Fund, including this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the Fortress Value Selective Fund or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Fortress Capital Asset Management (M) Sdn Bhd responsible for the Fortress Value Selective Fund and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

**This Product Highlights Sheet only highlights the key features and risks of the Fortress Value Selective Fund. Investors are advised to request, read and understand the information memorandum before deciding to invest.**

### 1. What is Fortress Value Selective Fund?

The Fund is a mixed assets fund managed by Fortress Capital Asset Management (M) Sdn Bhd. The Fund aims to provide medium to long term\* capital appreciation.

*\* medium to long term means a period of 3 years and above.*

### 2. Fund Suitability

The Fund is suitable for Sophisticated Investors\* who:

- wish to gain exposure to the global equity markets;
- seek capital growth; and
- have a medium to long term investment horizon.

*\* Please refer to the definition of "Sophisticated Investors" in the information memorandum for more details.*

### 3. Investment Objective

The Fund aims to provide medium to long term capital appreciation.

### 4. Key Product Features

<b>Fund Type</b>	Growth.
<b>Fund Category</b>	Mixed Assets.
<b>Investment Strategy</b>	<p>The Fund aims to achieve its investment objective by investing primarily in equities and equity-related securities which are value driven.</p> <p>The Fund's investments may also be concentrated in a single security that has potential capital growth or that will minimize the Fund's exposure to market risks.</p> <p>In addition to equities and equity-related securities, the Fund may also invest in other asset classes depending on the prevailing market conditions. These asset classes would range from fixed income securities, money market instruments, deposits and/or collective investments schemes.</p> <p><i>The investment strategy is further elaborated in section 4.2 of the information memorandum.</i></p>
<b>Reference Benchmark</b>	<p>Absolute return of 6% per annum.</p> <p><i>This is not a guaranteed return and is only a measurement of the Fund's performance.</i></p>
<b>Launch Date</b>	27 September 2024.
<b>Manager</b>	Fortress Capital Asset Management (M) Sdn Bhd.
<b>Annual Management Fee</b>	Up to 1.50% per annum of the NAV of the Fund.

<b>Sales Charge</b>	Up to 5.00% of the NAV per unit. The Manager may at its absolute discretion reduce or waive the sales charge imposed on any investors from time to time.
<b>Penalty Charge</b>	Nil.
<b>Switching Fee</b>	MYR10 per switch.
<b>Transfer Fee</b>	MYR10 per transfer.
<b>Trustee</b>	CIMB Commerce Trustee Berhad.
<b>Annual Trustee Fee</b>	Up to 0.04% per annum of the NAV of the Fund (excluding foreign custodian fees and charges), subject to a minimum fee of MYR15,000 per annum.
<b>Minimum Initial Investment<sup>^</sup></b>	MYR250,000
<b>Minimum Additional Investment<sup>^</sup></b>	MYR50,000
<b>Minimum Holdings<sup>^</sup></b>	50,000 units.
<b>Minimum Redemption Amount<sup>^</sup></b>	100,000 units. If the unit holdings of a unit holder after a redemption request fall below the minimum holdings of units for the Fund, a request for full redemption is deemed to have been made and the Manager will pay the redemption proceeds to the unit holder.
<i><sup>^</sup> or such other amount or number of units as may be determined by the Manager at its discretion.</i>	
<b>Distribution Policy</b>	The Fund is not expected to make any distribution. However, incidental distribution may be declared whenever is appropriate. The source of income, if any, for the purpose of distribution shall be derived from realised income and/or gain.

**YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.**

## 5. Asset Allocation

<b>Asset Type</b>	<b>% of the Fund's NAV</b>
Equities and equity-related securities	0% - 100%
Fixed income securities, money market instruments and/or deposits	0% - 100%
Collective investment schemes (including but not limited to real estate investment trusts ("REITs") and exchange-traded funds ("ETFs") including inverse ETFs)	0% - 100%
Unlisted securities	0% - 20%
Derivatives and embedded derivatives	0% - 20%

## 6. Key Risks

### Specific Risks of the Fund

- (a) **Stock Specific Risk**

Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the Fund's NAV.
- (b) **Currency Risk**

As the investments of the Fund may be denominated in currencies other than the base currency of the Fund, any fluctuation in the exchange rate between the base currency of the Fund and the currencies in which the investments are denominated may have an impact on the value of these investments. Investors should be aware that if the currencies in which the investments are denominated depreciate against the base currency of the Fund, this will have an adverse effect on the NAV of the Fund in the base currency of the Fund and vice versa. Investors should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.
- (c) **Country Risk**

Investments of the Fund in any countries may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the laws or regulations of the countries in which the Fund invests in. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the Fund in those affected countries. This in turn may cause the NAV of the Fund or prices of units to fall.
- (d) **Equity-related Securities Risk**

The risk of investing in equity-related securities is generally higher than their underlying equities. The pricing of the equity-related securities will depend on the price movements of their underlying equities. Any change to the pricing of the underlying equities would either positively or negatively impact the value of the equity-related securities hence impacting the NAV of the Fund.
- (e) **Credit/Default/Counterparty Risk**

This risk refers to the inability of the issuers to fulfil their financial obligations to the Fund in a timely manner. This risk concerns the Fund's investment in equity-related securities, derivatives, embedded derivatives, fixed income securities and money market instruments. To reduce this risk, the Manager emphasizes on stringent credit selection process in selecting issuers and maintains monitoring mechanism to manage this risk.
- (f) **Tactical Asset Allocation Fund Risk**

This Fund is a tactical asset allocation fund where the strategies employed shifts the asset mix of the Fund between equities and equity-related securities, fixed income securities, money market instruments, deposits and collective investment schemes depending on the prevailing market outlook. The Manager's investment decision on the asset allocation may adversely affect the Fund's performance if the assessment concluded by the Manager is not consistent with the market outlook.
- (g) **Derivatives Risk**

The Fund may utilise derivatives mainly for hedging purposes. The NAV of the Fund will be impacted by the valuation of the derivatives. These include, but are not limited to, price movement of the underlying assets, volatility of the underlying assets, interest rate levels and the correlation of the underlying assets. Any change in the aforesaid factors would

either positively or negatively impact the valuation of the derivatives hence impacting the NAV of the Fund.

(h) Collective Investment Schemes Risk

Investing in collective investment schemes may be more costly to the Fund than if the Fund had invested in the underlying investments directly as the Fund will indirectly be paying the fees and expenses of the collective investment schemes. Additionally, the Fund's investments in REITs will involve many of the same risks associated with direct ownership of real estate, including but not limited to possible declines in real estate's value, increase in interest rates and real estate borrowing costs, changes in property taxes, higher operating expenses, damages from natural or man-made disasters, and fall in market rental rates. The Fund's investments in ETFs or inverse ETFs may subject the Fund to additional risks (such as risks related to the changes in the constituent securities of the index that the ETF is tracking which may result in the rise or fall of the price of the ETF or cessation of the index that the ETF including inverse ETF is tracking which may result in the termination of the ETF including inverse ETF) than if the Fund would have invested directly in the constituent securities of the index. Any adverse price movements of such REITS and/or ETFs including inverse ETFs will adversely affect the Fund's NAV.

***Investors are reminded that the risks listed above may not be exhaustive and if necessary, they should consult their adviser(s), e.g. bankers, lawyers, stockbrokers or independent professional advisers for a better understanding of the risks.***

*For more details, please refer to section 5.1 of the information memorandum for the general risks of investing in the Fund.*

***Note: If your investments are made through an institutional unit trust scheme adviser ("Distributor") which adopts the nominee system of ownership, you would not be deemed to be a unit holder under the deed and as a result, your rights as an investor may be limited. Accordingly, we will only recognize the Distributor as a unit holder of the Fund and the Distributor shall be entitled to all the rights conferred to it under the deed.***

## 7. Valuation of Investment

The Fund will be valued **daily** at **11:00 a.m.** on the next business day except during the initial offer period. If the foreign market in which the Fund is invested in is closed for business on the business day, the Manager will value the investment based on the latest available price as at the day the particular foreign market was last opened for business.

Unit holders will be able to obtain the price of a unit for a particular valuation day from **www.fortresscapital.com.my** after **2:00 p.m.** 2 business days after the valuation day. The price of a unit would also be made available upon request by the unit holders.

## 8. Exiting from Investment

Submission of Redemption Request	The cut-off time for redemption of units shall be on or before <b>2:00 p.m.</b> on a business day.
Payment of Redemption Proceeds	Redemption proceeds will be paid out within 10 business days from the day the redemption request is received by the Manager provided that all documentations are completed and verifiable.
Remittance of Redemption Proceeds	The Manager shall remit the redemption proceeds to the unit holder's banking account.

## 9. Contact Information

- I. For internal dispute resolution, you may contact:

### **Clients Servicing Personnel**

Tel : 03-2162 1622  
Fax : 03-2166 1622  
Email : [client.services@fortresscapital.com.my](mailto:client.services@fortresscapital.com.my)  
Website : [www.fortresscapital.com.my](http://www.fortresscapital.com.my)

- II. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industry Dispute Resolution Center (SIDREC):

**a.** via phone to : 03-2282 2280  
**b.** via fax to : 03-2282 3855  
**c.** via email to : [info@sidrec.com.my](mailto:info@sidrec.com.my)  
**d.** via letter to : Securities Industry Dispute Resolution Center (SIDREC)  
Unit A-9-1, Level 9, Tower A  
Menara UOA Bangsar  
No. 5, Jalan Bangsar Utama 1  
59000 Kuala Lumpur

- III. You can also direct your complaint to the Securities Commission Malaysia (SC) even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Consumer & Investor Office:

**a.** via phone to : 03-6204 8999  
**b.** via fax to : 03-6204 8991  
**c.** via email to : [aduan@seccom.com.my](mailto:aduan@seccom.com.my)  
**d.** via the online complaint form available at [www.sc.com.my](http://www.sc.com.my)  
**e.** via letter to : Consumer & Investor Office  
Securities Commission Malaysia  
No. 3, Persiaran Bukit Kiara  
Bukit Kiara, 50490 Kuala Lumpur