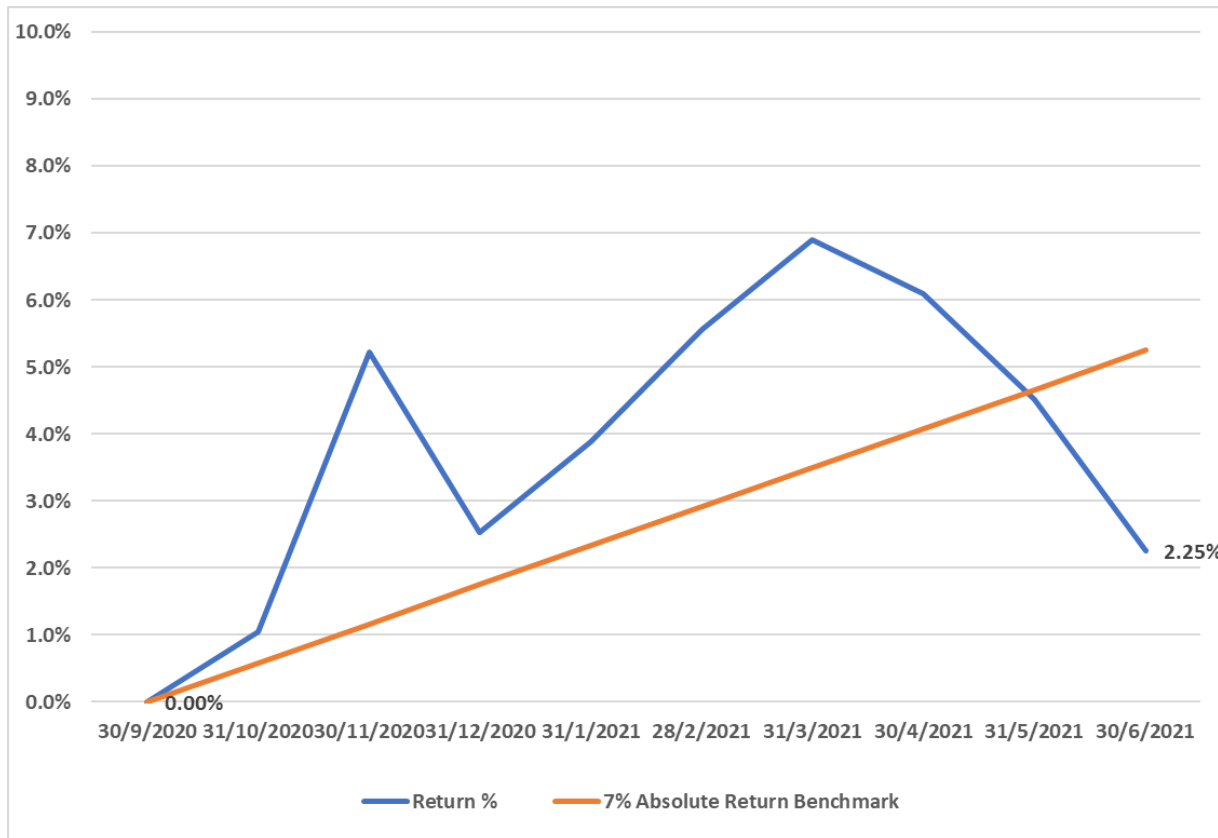


Fortress Value Tactical Fund (FVTF)

Quarterly Performance Report

April - June 2021

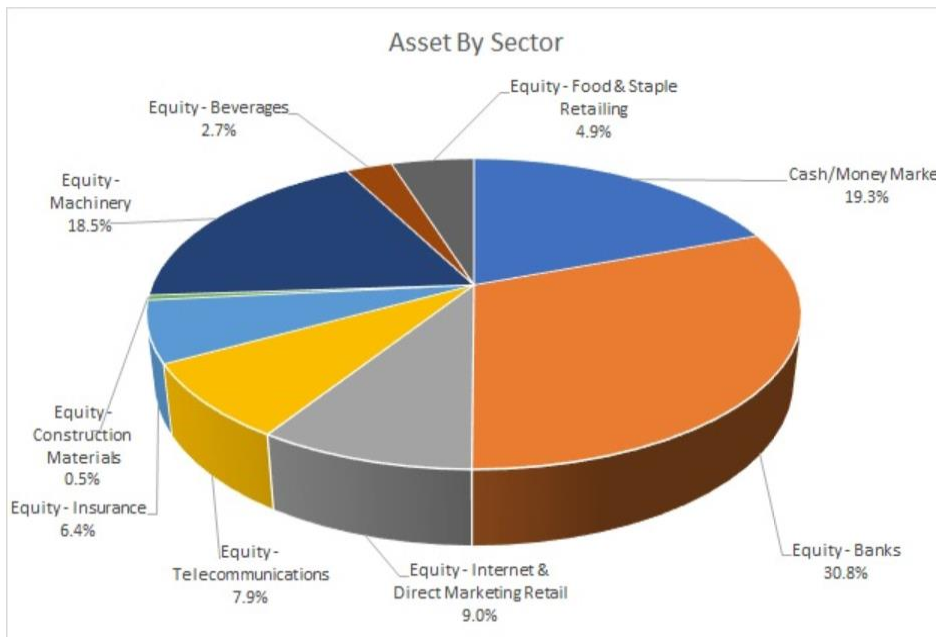
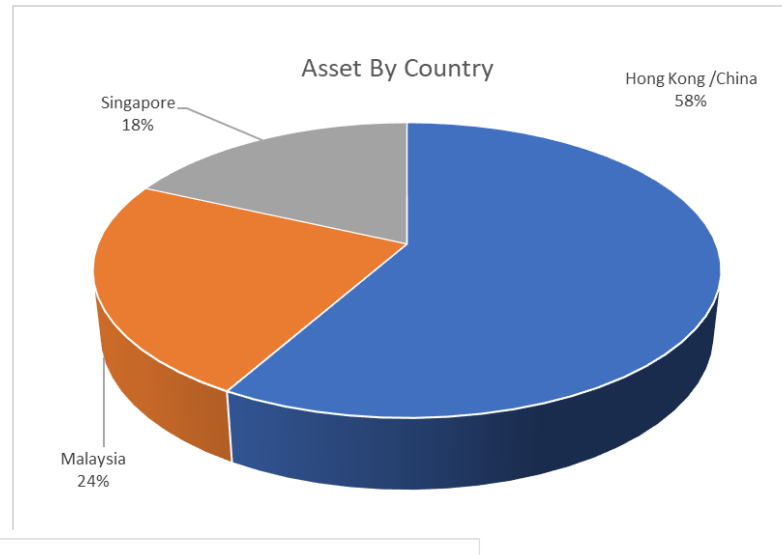
Performance Review Apr – Jun 2021



- The Fortress Value Tactical Fund (FVTF) has generated an after-fee total return of +2.25% since inception in October 2020.
- Return registered over 2Q2021 was -4.35%.
- The benchmark is an absolute return of 7% per annum.
- During 2Q2021, returns for MSCI Asia ex-Japan, Hang Seng Index, Straits Times Index, and KLCI was +3.14%, +1.81%, -1.10% and -2.56% respectively.

Sources: FCAM NAV

Asset Allocation



- As of 30th June 2021, FVTF is holding assets in Hong Kong/China (58%), Singapore (18%) and Malaysia (24%).
- The fund is 80.7% invested in listed equities and holding 19.3% of cash/money market.
- The fund has the largest exposure to the Banks sector with a portfolio weight of 30.8%

Market Review & Outlook

- Global equity markets performed mixed in the second quarter of 2021, with advanced markets outperforming emerging markets, as vaccination rate progressed much faster in advanced countries.
- However, improvement in economic activity and employment had fueled inflation, amplified by year-on-year figures comparison. U.S. inflation surged to 5% year-on-year in May 2021 with investors concerning this might cause Federal Reserve to tighten policy earlier than expected.
- For the second quarter of 2020, Fortress Value Tactical Fund (FVTF) returned -4.35%. The fund's performance was affected by its investments in the Southeast Asia equity markets, where a resurgence of Covid-19 cases resulted in more movement restrictions, slowing down economic activity and causing generally weak equity market performance.

Market Review & Outlook

- Moving into the second half of 2021, economic recovery is likely to pick up as more vaccines will be available. Recovery though could be bumpy as the virus mutates but fiscal and monetary policies are likely to stay loose for the rest of the year.
- Once inflation expectations have been fully digested by investors, equity markets are likely to continue their upward bias. With diverging valuations between advanced markets and emerging markets, Asia markets appear to be attractive now.
- The other risk that might arise is geo-political risk, especially on the on-going trade and political confrontations between the U.S. and China. The fund would take into consideration of these heightened risks when selecting value stocks.

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 Value Tactical Fund and obtain professional advice before subscribing to the Fund.

Units of the Fortress Value Tactical Fund can only be sold to Sophisticated Investors.