



# 2024 annual report

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Fortress  
**GLOBAL FUNDS SPC**

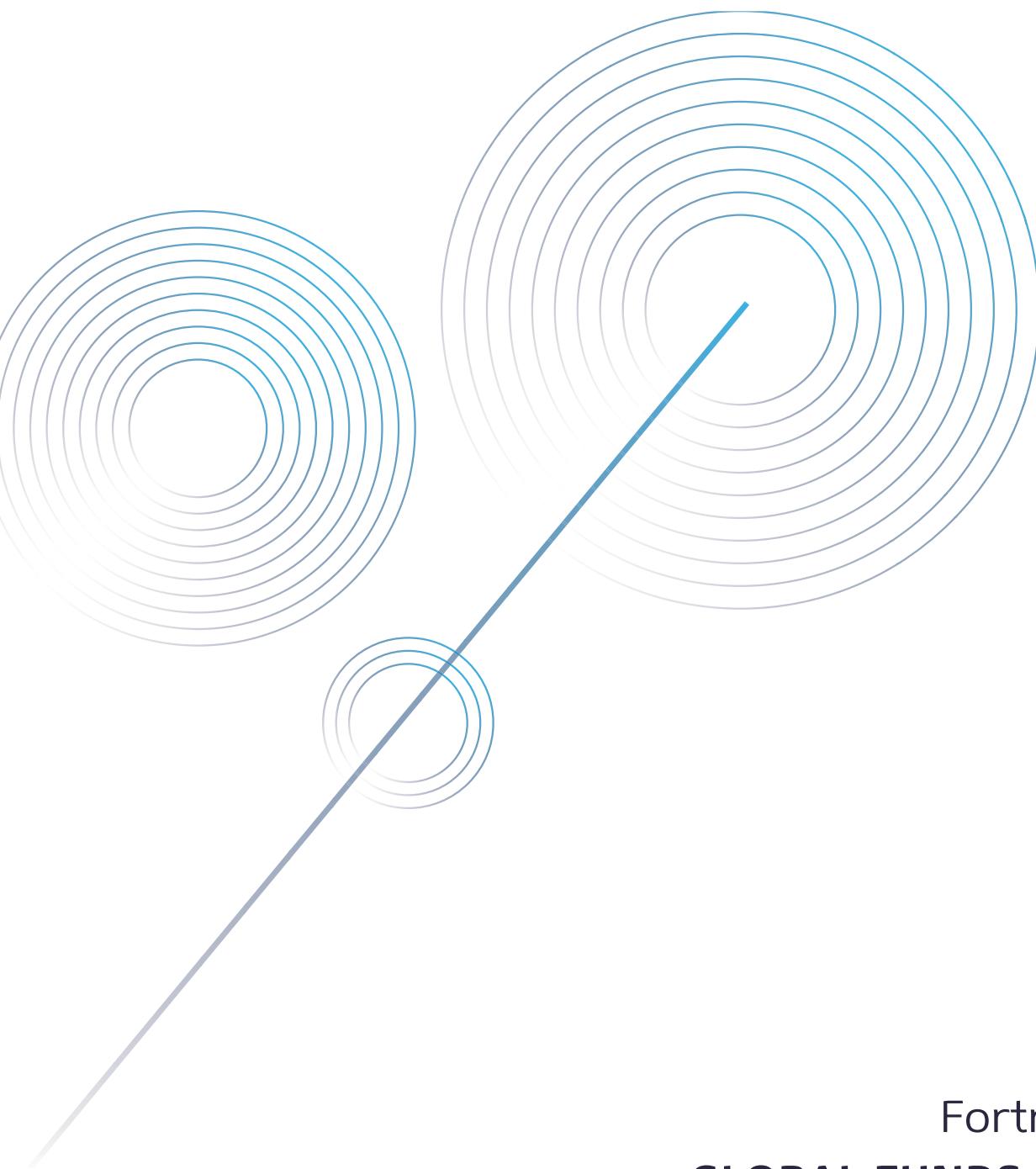


Fortress Fund Managers is a Barbados-based investment manager. We have been providing top-ranked returns, open communication and accessible service to our clients since 1996.

We offer a range of funds and investment products to meet the needs of individuals and institutions. In each case, our main goal is to achieve consistent long-term returns for our clients. We do this by applying sound, disciplined processes to our investments in equities, fixed income and real estate. We offer products with global reach, as well as those that focus primarily on the Caribbean region.

Please feel free to contact us to learn more about this Fund, or any of our products.

Fortress Fund Managers Limited  
Radley Court  
Upper Collymore Rock  
St. Michael, BB14004  
Barbados  
TEL (246) 431 2198  
FAX (246) 431 0514  
[invest@fortressfund.com](mailto:invest@fortressfund.com)  
[www.fortressfund.com](http://www.fortressfund.com)



Fortress  
**GLOBAL FUNDS SPC**

# Investment Objectives & Fund Details

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The overall investment objective of the Fund is long term capital appreciation. Each of the sub-funds pursues a discrete investment policy and strategy consistent with its particular objectives. These include funds investing for growth in a specific area of the global equity markets (i.e. U.S., international or emerging markets), a conservative fixed income fund, and a "whole portfolio" fund with a mix of growth and income/security assets.

The funds do not pay dividends - investors receive their entire return, including interest, dividends and capital gains, via the funds' increase in Net Asset Value.

All dollar amounts are in U.S. dollars unless noted otherwise.

**FUND NAME:** Fortress Global Funds SPC Inc.

**SUB-FUNDS:**

Fortress Fixed Income Fund SP  
Fortress Global Opportunity Wealth Fund SP  
Fortress US Equity Fund SP  
Fortress International Equity Fund SP  
Fortress Emerging Markets Fund SP

**FUND INCEPTION:**

Oct. 2, 2017  
May 31, 2013  
Feb. 28, 2013  
Feb. 28, 2013  
Feb. 28, 2013

**NAV CURRENCY:** USD

**LAUNCH PRICE:** \$100 per share

**DEALING/NAV DATES:** 15th and end of each month

**MINIMUM INVESTMENT:** \$100,000.00  
\$10,000.00 for subsequent investments

**NAV QUOTATIONS:** Internet: [www.fortressfund.com](http://www.fortressfund.com)  
Bloomberg: FORFIFA KY  
FORTGOW KY  
FORUEFA KY  
FORIEFA KY  
FORTEMA KY

**FUND STATUS:** Open

**INITIAL CHARGES:** Nil

**MANAGEMENT EXPENSES:**

*Management fees:* 0.35%-1.00% per annum on the net assets.  
*Administrator fees:* 0.075%- 0.10% per annum on the net assets .

**INVESTMENT MANAGER & ADMINISTRATOR:** Fortress Fund Managers Limited

Please see the applicable fund Quarterly Report, Fact Sheet or Offering Supplement for details of features and expenses unique to each fund. Available at [www.fortressfund.com](http://www.fortressfund.com).

# Directors & Administrators

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## FORTRESS FUND MANAGERS DIRECTORS

Roger Cave, Chairman  
Ruth Henry  
John Howard  
Gregory McConnie  
Maria Nicholls  
Tracey Shuffler  
John Williams

## FUND DIRECTORS

Roger Cave  
John Howard  
Maria Nicholls

## REGISTERED OFFICE

c/o Ocorian Trust (Cayman) Limited  
Windward 3, Regatta Office Park  
George Town, Grand Cayman  
Cayman Islands, KY1-1108

## INVESTMENT MANAGER AND ADMINISTRATOR

Fortress Fund Managers Limited  
Radley Court  
Upper Collymore Rock  
St. Michael, BB14004  
Barbados

Tel: (246) 431 2198  
Fax: (246) 431 0514  
Email: [invest@fortressfund.com](mailto:invest@fortressfund.com)

## PRIMARY CUSTODIAN

Northern Trust Company  
50 S. LaSalle Street  
Chicago, IL 60603  
USA

## INDEPENDENT AUDITORS

Ernst & Young Ltd.  
62 Forum Lane  
Camana Bay  
P.O. Box 510, Grand Cayman

## LEGAL ADVISORS

Appleby (Cayman) Ltd.  
9th Floor, 60 Nexus Way  
Camana Bay, PO Box 190  
Cayman Islands, KY1-1104

Fortress Global Funds SPC Inc. is an exempted segregated portfolio company incorporated with limited liability under the Companies Law of the Cayman Islands. It is an umbrella fund offering a range of sub-funds ("segregated portfolios"), each one of which has its own assets and liabilities, and pursues its own, independent mandate and investment objective.

Important information about the Fund is contained in its offering memorandum, and in the supplements for each specific segregated portfolio, all of which are available at [www.fortressfund.com](http://www.fortressfund.com). We encourage you to read the relevant documents before making an investment. Each of the funds referenced here is offered only to qualified investors. This does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. **The Fund may not be sold to U.S. persons.**

# Fund Net Asset Values

As of September 30, 2024:

Fund	Net Asset Value per Share (NAV)	Fund Net Assets	Bloomberg Ticker
Fortress US Equity Fund SP	\$237.0593	\$68,011,127	FORUEFA KY
Fortress International Equity Fund SP	\$175.7285	\$85,890,461	FORIEFA KY
Fortress Emerging Markets Fund SP	\$140.0398	\$49,163,067	FORTEMA KY
Fortress Global Opportunity Wealth Fund SP	\$153.6973	\$25,833,744	FORTGOW KY
Fortress Fixed Income Fund SP	\$116.6115	\$38,569,964	FORFIFA KY

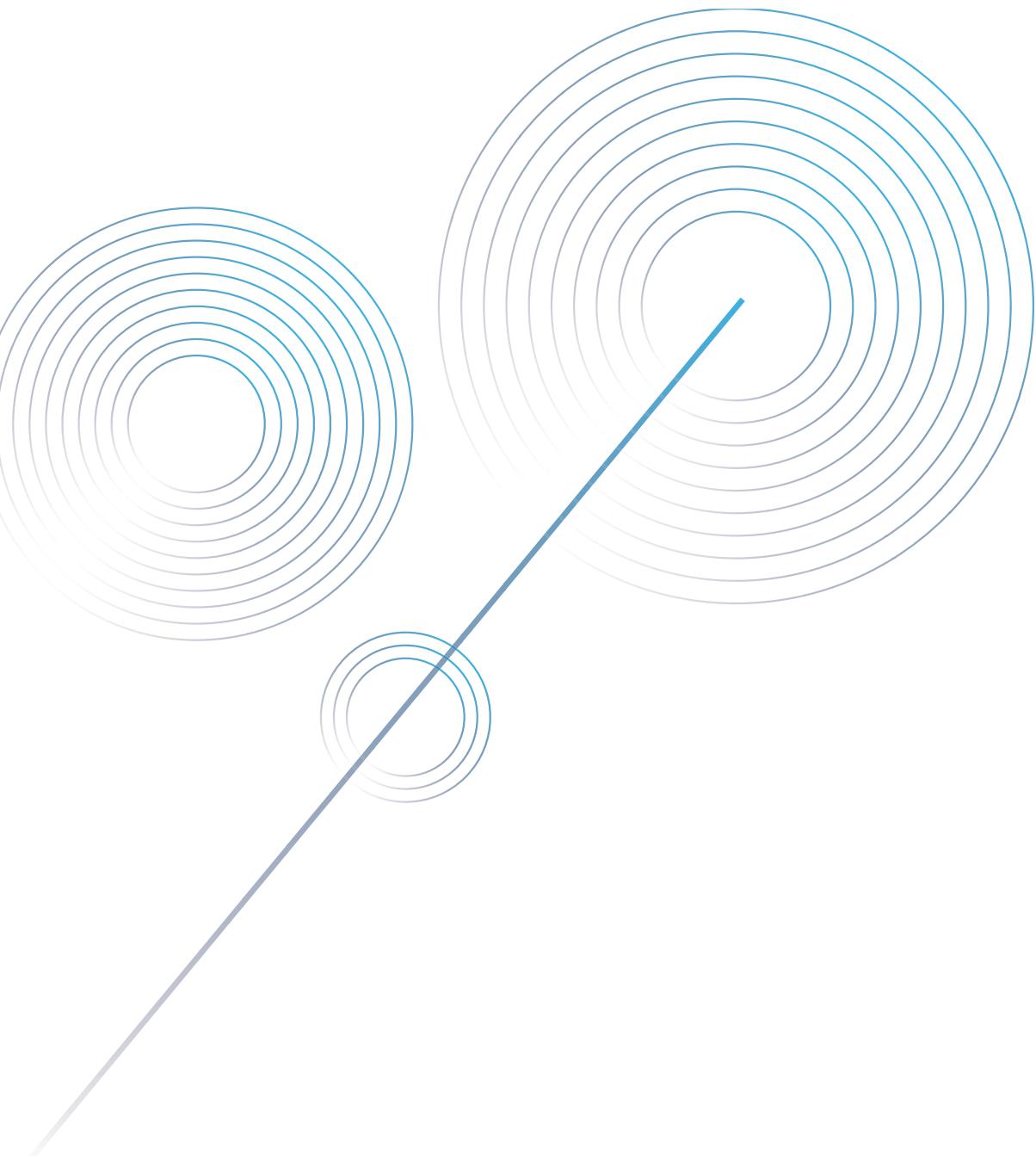
# Investment Performance

Performance Summary as at September 30, 2024\*:

Fund	1 Year Return	3 Year Return	5 Year Return	Return Since Inception*	Fund Inception
Fortress US Equity Fund SP	27.0%	7.4%	10.3%	7.7%	Feb. 28, 2013
Fortress International Equity Fund SP	22.6%	5.3%	7.3%	5.0%	Feb. 28, 2013
Fortress Emerging Markets Fund SP	21.5%	-2.1%	3.1%	2.9%	Feb. 28, 2013
Fortress Global Opportunity Wealth Fund SP	19.4%	3.2%	6.1%	3.9%	May. 31, 2013
Fortress Fixed Income Fund SP	9.7%	-0.3%	1.6%	2.2%	Oct. 2, 2017

*\*Periods longer than one year are annual compound returns.*

Quarterly reports for the funds, including current positioning and long term performance since inception of the underlying strategies, are available at [www.fortressfund.com](http://www.fortressfund.com).



Directors' Report

# Directors' Report

"The funds all posted strong gains this year. Returns ranged from 9.7% for the Fixed Income Fund to 27.0% for the US Equity Fund."

The funds all posted strong gains this year. Returns ranged from 9.7% for the Fixed Income Fund to 27.0% for the US Equity Fund. This year, global financial markets were supported by declining interest rates and generally healthy corporate earnings. As inflation eased, central banks around the world lowered interest rates, which pushed bond prices higher and supported equity valuations.

Each of the Fortress Global Funds pursues its own independent mandate and investment objective. The goal in all cases is to provide investors with easy access to effective and durable investment processes at reasonable cost. The range of funds allows investors to choose an investment that suits their specific needs – whether it is a focus on a particular area of the global equity markets (i.e., U.S., international or emerging markets), a conservative fixed income fund, or one with a balanced portfolio of global equities and fixed income. We select investments systematically based on clear, disciplined value criteria and focus on achieving long-term returns while limiting risk.

For a detailed listing of each fund's holdings, please see the accompanying financial statements, or view the periodically updated holdings information in Bloomberg. Additional investment commentary is also contained in the quarterly investor letters and reports available at [www.fortressfund.com](http://www.fortressfund.com).

## INVESTMENT PERFORMANCE AND POSITIONING

Short summaries by Fund are below.

### Fortress US Equity Fund

The Fortress US Equity Fund returned **27.0%** during the year. Interest rates remained high for most of the year, but corporate earnings held in, and the U.S. economy grew moderately, providing a tailwind for share prices. Inflation came down closer to the U.S. Federal Reserve's 2% target, which gave them room to cut rates by 0.50% in September. This year, growth stocks, especially the largest technology shares, outperformed the rest of the market by a wide margin, extending a trend from the previous year. The Fund's value-oriented portfolio lagged the market index, which returned 36.4% for the year. The valuations of the largest technology shares are now even more stretched and are reflecting a worrying amount of optimism, in our view. The Fund's portfolio is still substantially different from that of the broad market, with greater diversification and better valuation characteristics. We continue to see far better risk-return prospects in the kinds of well-priced, high-quality shares that make up the portfolio. The Fund's holdings have an average price/earnings (P/E) ratio of 17x and dividend yield of 1.9%.

## FUND PORTFOLIO SUMMARY

	PE Ratio	PB Ratio	Div Yield	ROE
<b>Fund</b>	17.2	4.6	1.9	26.5%
<b>Index</b>	21.4	5.1	1.5	23.7%

### Fortress International Equity Fund

The Fortress International Equity Fund gained **22.6%** compared to a market index return of 25.4%. In the United Kingdom, Europe and Canada, central banks lowered their short-term rates which helped equities advance. Local market returns were further boosted by currency strength against the U.S. dollar. Despite a temporary dip in July, the Fund's shares in Japan had another strong year and contributed meaningfully to the year's strong result. Holdings in Hong Kong gained sharply near the end of September, boosted by stimulus measures by the Chinese government. We still see excellent return potential from a range of high-quality, well-valued international equities. The average P/E of the Fund's portfolio is now 12x with a dividend yield of 3.0%. Currencies continue to offer a source of potential return for the Fund as the U.S. dollar's relationship to other currencies normalises.

## FUND PORTFOLIO SUMMARY

	PE Ratio	PB Ratio	Div Yield	ROE
<b>Fund</b>	11.8	1.7	3.0	14.4%
<b>Index</b>	13.6	1.8	2.8	13.3%

### Fortress Emerging Markets Fund

The Fortress Emerging Markets Fund returned **21.5%** for the year, compared to the market index increase of 26.1%. This year, Chinese equities gained strongly to recover some of the ground lost since 2021. Performance was choppy through much of the year, but in September, most Chinese holdings in the Fund surged on stimulus measures introduced by the government to support the economy.

Other emerging market equities gained on the news as well. Even with this year's performance, a number of holdings in the Fund are still a long way from their highs. There is immense value to be found within emerging markets even in light of (and partly because of) geopolitical risks that are well known to investors. The Fund's average P/E of 8x and dividend yield of 2.9% continue to imply deep investor pessimism and are consistent with outsized future returns.

## FUND PORTFOLIO SUMMARY

	PE Ratio	PB Ratio	Div Yield	ROE
<b>Fund</b>	8.4	1.2	2.9	14.3%
<b>Index</b>	12.4	1.7	2.3	13.7%

### Fortress Global Opportunity Wealth Fund

The Fortress Global Opportunity Wealth Fund's balanced portfolio returned **19.4%** for the year as both global equities and bonds gained. This return compares to the blended benchmark increase of 23.4%. The Fund outperformed in fixed income, and international and emerging equity performance was close to the market indexes. U.S. equity performance lagged this year, though, as the largest growth stocks continued to account for an outsized portion of index returns. We continue to see meaningful risks among highly valued U.S. technology shares, and the Fund still has only minimal exposure there. The focus, as always, is on high-quality, well-valued shares in the U.S., and in international and emerging markets where valuations, and future return prospects, are still attractive. Bond yields in the U.S. declined this year as the market welcomed the first rate cut from the U.S. Federal Reserve since 2020 and priced in more to come. Emerging market bonds also performed well. Even with lower yields this year, we believe bonds are still priced to contribute to the attractive overall return the Fund can expect from its diversified global equity holdings.

### Fortress Fixed Income Fund

The Fortress Fixed Income Fund gained **9.7%** for the year, as the portfolio continued to earn relatively high levels of coupon income, and bond prices rose. In the latter part of the year, the U.S. Federal Reserve lowered its target rate by 0.5% to a range of 4.75-5%—the first reduction since 2020. Leading up to this move by the Fed, bond yields fell, and prices rose in anticipation of many more rate cuts to come. Corporate spreads tightened to reflect confidence in the U.S. economy which helped investment grade corporate bonds perform well. As of September 30, 2024, the average term to maturity of the Fund's diversified holdings was 8.1 years, higher than the previous year and well-positioned to benefit as interest rates remain stable or continue to fall. The average gross yield to maturity of the portfolio is 4.6%, a good estimate of its medium-term return potential. This is down from a yield of 5.6% last year, reflecting lower prevailing bond yields this year. The portfolio of high-quality government and corporate bonds is structured to generate an acceptable yield while remaining robust to a range of risks including those from rates, inflation, and credit.

### OUTLOOK

Globally, inflation has subsided from the worrying levels of a few years ago and financial markets have adjusted to the likely expectation of further Fed rate cuts to bring interest rates down. Even with the recent declines in yields, though, global bonds are still priced to generate healthy returns from here. The Fortress Fixed Income Fund portfolio now has an average gross yield of 4.6%, a good estimate of its medium-term return potential. This return could be higher, and look a lot like last year's result, if economic weakness develops in the global economy and bond yields decline further, pushing prices up again.

We also see good return prospects for the equity funds' high-quality, well-valued global investments. But we do not see similar prospects across all areas of global equities. During the last year, U.S. stock indices such as the S&P 500 reached all-time highs. While we see opportunities among certain U.S. stocks, we believe that the more expensive segments of the U.S. market are vulnerable to price corrections. Furthermore, the U.S. stock market's

relative outperformance compared to the rest of the world continued this year, and we consider this trend to be unsustainable.

Attractive valuations can still be found in the quieter parts of the U.S. market, and in other parts of the world, among regions like emerging markets and developed international stocks, which trade at discounts of 30-50% to U.S. companies. However, it is a balancing act. Chinese equities, for example, despite their appealing valuations, carry significant and well-publicised risks. Economic moderation in Europe, meanwhile, has buoyed share prices as investors welcome cuts from the central banks but a softer economy can quickly transition into recession, which can be bad for stocks. And the U.S. remains by far the largest, most liquid market with many of the world's greatest companies. But we believe the crosswinds argue more than ever for wide diversification and to look for tomorrow's returns where valuations are most compelling, and not necessarily where yesterday's returns were strongest.

Governance and complying with regulatory oversight are key aspects of the funds' operations. The funds' Board and that of the Manager were active and engaged throughout the year, and we would like to thank all members of our boards for their efforts on behalf of investors. Northern Trust, the funds' primary custodian, as well as EY the external auditor and Ravi Whitehead the internal auditor, worked diligently with us to oversee the safekeeping of assets and monitor the integrity of important processes and financial reporting. We would like to thank them, and the other excellent counterparties and service providers who make operating funds like this possible and secure.

Sincere thanks to you, our shareholders, for your trust and support. We look forward to reporting on the funds' continued progress in the year ahead.



Roger Cave CA, CFA  
Chairman



Peter Arender, CFA  
CEO & Chief Investment Officer



Financial Statements



Building a better  
working world

Ernst & Young Ltd.  
62 Forum Lane  
Camana Bay  
P.O. Box 510  
Grand Cayman KY1-1106  
CAYMAN ISLANDS

Tel: +1 345 949 8444  
Fax: +1 345 949 8529  
ey.com

## Independent Auditor's Report

The Board of Directors  
Fortress Global Funds SPC Inc.

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Fortress Global Funds SPC Inc. (comprising of Fortress US Equity Fund SP, Fortress International Equity Fund SP, Fortress Emerging Markets Fund SP, Fortress Global Opportunity Wealth Fund SP and Fortress Fixed Income Fund SP) (the "Company"), which comprise the statement of financial position as at September 30, 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

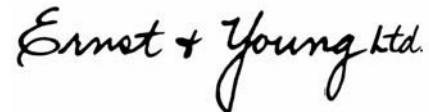
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



*Ernst & Young Ltd.*

Grand Cayman, Cayman Islands  
December 16, 2024

# Fortress Global Funds SPC Inc.

## Statement of Financial Position

As at September 30, 2024

(expressed in United States dollars)

	September 30, 2024				
	Fortress US Equity Fund SP \$	Fortress International Equity Fund SP \$	Fortress Emerging Markets Fund SP \$	Fortress Opportunity Wealth Fund SP \$	Fortress Global Fixed Income Fund SP \$
<b>Assets</b>					
Cash and cash equivalents (note 6)	1,440,033	3,658,638	2,753,163	236,208	440,204
Accounts receivable	60,083	100,285	89,540	—	—
Financial assets at fair value through profit or loss (note 5)	66,524,261	82,148,048	46,329,856	25,612,407	38,137,190
<b>Total assets</b>	<b>68,024,377</b>	<b>85,906,971</b>	<b>49,172,559</b>	<b>25,848,615</b>	<b>38,577,394</b>
<b>Liabilities</b>					
Accounts payable and accrued expenses	13,250	16,510	9,492	14,871	7,430
<b>Total liabilities</b>	<b>13,250</b>	<b>16,510</b>	<b>9,492</b>	<b>14,871</b>	<b>7,430</b>
<b>Equity</b>					
Net assets attributable to holders of redeemable mutual fund shares (note 8)	68,011,127	85,890,461	49,163,067	25,833,744	38,569,964
<b>Total liabilities and equity</b>	<b>68,024,377</b>	<b>85,906,971</b>	<b>49,172,559</b>	<b>25,848,615</b>	<b>38,577,394</b>
<b>Net asset value per share</b>	<b>237.0593</b>	<b>175.7285</b>	<b>140.0398</b>	<b>153.6973</b>	<b>116.6115</b>

The accompanying notes form an integral part of these financial statements.

Approved by the Board of Directors on December 13, 2024

Reagan Cane  
Director

Maria Nickells  
Director

# Fortress Global Funds SPC Inc.

Statement of Financial Position...*continued*

As at September 30, 2024

(expressed in United States dollars)

	September 30, 2023				
	Fortress US Equity Fund	Fortress International Equity Fund	Fortress Emerging Markets Fund	Fortress Opportunity Wealth Fund	Fortress Global Fixed Income Fund
	SP \$	SP \$	SP \$	SP \$	SP \$
<b>Assets</b>					
Cash and cash equivalents (note 6)	1,054,820	2,863,721	2,175,820	322,521	818,555
Accounts receivable	40,300	44,208	112,909	—	—
Financial assets at fair value through profit or loss (note 5)	51,020,638	66,547,147	37,957,943	19,611,862	28,536,149
<b>Total assets</b>	<b>52,115,758</b>	<b>69,455,076</b>	<b>40,246,672</b>	<b>19,934,383</b>	<b>29,354,704</b>
<b>Liabilities</b>					
Accounts payable and accrued expenses	6,280	8,318	4,780	2,354	3,468
<b>Total liabilities</b>	<b>6,280</b>	<b>8,318</b>	<b>4,780</b>	<b>2,354</b>	<b>3,468</b>
<b>Equity</b>					
<b>Net assets attributable to holders of redeemable mutual fund shares (note 8)</b>	<b>52,109,478</b>	<b>69,446,758</b>	<b>40,241,892</b>	<b>19,932,029</b>	<b>29,351,236</b>
<b>Total liabilities and equity</b>	<b>52,115,758</b>	<b>69,455,076</b>	<b>40,246,672</b>	<b>19,934,383</b>	<b>29,354,704</b>
<b>Net asset value per share</b>	<b>186.6058</b>	<b>143.3077</b>	<b>115.2894</b>	<b>128.6909</b>	<b>106.3227</b>

The accompanying notes form an integral part of these financial statements.

# Fortress Global Funds SPC Inc.

## Statement of Changes in Equity

For the year ended September 30, 2024

(expressed in United States dollars)

	Net assets attributable to holders of redeemable mutual fund shares				
	Fortress US Equity Fund SP	Fortress International Equity Fund SP	Fortress Emerging Markets Fund SP	Fortress Global Opportunity Wealth Fund SP	Fortress Fixed Income Fund SP
<b>Balance as at September 30, 2022</b>	<b>45,125,117</b>	<b>57,417,397</b>	<b>36,298,627</b>	<b>16,862,893</b>	<b>31,099,703</b>
Issue of shares	850,000	885,354	–	1,728,691	1,330,000
Redemption of shares	(25,020)	(128,992)	–	(435,371)	(3,659,810)
Total comprehensive income for the year	6,159,381	11,272,999	3,943,265	1,775,816	581,343
<b>Balance as at September 30, 2023</b>	<b>52,109,478</b>	<b>69,446,758</b>	<b>40,241,892</b>	<b>19,932,029</b>	<b>29,351,236</b>
Issue of shares	1,675,970	672,705	275,000	2,431,839	6,568,715
Redemption of shares	(25,050)	–	(25,125)	(526,554)	(581,273)
Total comprehensive income for the year	14,250,729	15,770,998	8,671,300	3,996,430	3,231,286
<b>Balance as at September 30, 2024</b>	<b>68,011,127</b>	<b>85,890,461</b>	<b>49,163,067</b>	<b>25,833,744</b>	<b>38,569,964</b>

The accompanying notes form an integral part of these financial statements.

# Fortress Global Funds SPC Inc.

## Statement of Comprehensive Income For the year ended September 30, 2024

(expressed in United States dollars)

	For the year ended September 30, 2024				
	Fortress US Equity Fund SP	Fortress International Equity Fund SP	Fortress Emerging Markets Fund SP	Fortress Global Opportunity Wealth Fund SP	Fortress Fixed Income Fund SP
	\$	\$	\$	\$	\$
<b>Investment income</b>					
Net fair value gain on financial assets/liabilities through profit or loss (note 5)	14,225,564	14,510,009	7,505,515	4,000,545	2,065,580
Dividend income	998,968	2,551,270	1,820,141	8,679	93,695
Interest and other income	23,744	64,400	29,276	2,575	1,236,435
Net exchange losses on cash and cash equivalents	—	(92)	—	—	—
<b>Total investment income</b>	<b>15,248,276</b>	<b>17,125,587</b>	<b>9,354,932</b>	<b>4,011,799</b>	<b>3,395,710</b>
<b>Expenditure</b>					
Management fees (note 7)	611,355	772,502	435,325	(20,509)	121,092
Withholding taxes	275,516	423,416	139,981	1,405	—
Brokerage and investment fees	20,407	44,512	43,323	—	—
Administrator and custodian fees (note 7)	72,530	91,305	51,423	26,817	32,382
Professional and audit fees	12,873	16,791	9,551	4,896	7,337
Other operating expenses	1,035	1,214	1,294	1,343	1,445
Director fees (note 7)	3,831	4,849	2,735	1,417	2,168
<b>Operating expenses</b>	<b>997,547</b>	<b>1,354,589</b>	<b>683,632</b>	<b>15,369</b>	<b>164,424</b>
<b>Total comprehensive gain for the year</b>	<b>14,250,729</b>	<b>15,770,998</b>	<b>8,671,300</b>	<b>3,996,430</b>	<b>3,231,286</b>

The accompanying notes form an integral part of these financial statements.

# Fortress Global Funds SPC Inc.

Statement of Comprehensive Income...*continued*

For the year ended September 30, 2024

(expressed in United States dollars)

	For the year ended September 30, 2023				
	Fortress US Equity Fund SP	Fortress International Equity Fund SP	Fortress Emerging Markets Fund SP	Fortress Global Opportunity Wealth Fund SP	Fortress Fixed Income Fund SP
	\$	\$	\$	\$	\$
<b>Investment income</b>					
Net fair value gain/(loss) on financial assets/liabilities through profit or loss (note 5)	6,093,926	10,083,573	3,114,233	1,776,681	(340,608)
Dividend income	927,813	2,373,787	1,508,657	11,223	83,583
Interest and other income	25	270	3	486	977,497
<b>Total investment income</b>	<b>7,021,764</b>	<b>12,457,630</b>	<b>4,622,893</b>	<b>1,788,390</b>	<b>720,472</b>
<b>Expenditure</b>					
Management fees (note 7)	519,962	685,723	412,378	(15,101)	105,491
Withholding taxes	254,566	386,806	164,644	1,254	–
Brokerage and investment fees	19,648	22,535	48,902	–	1,452
Administrator fees (note 7)	51,996	68,572	41,238	19,382	22,605
Professional and audit fees	11,436	14,908	8,799	4,193	6,308
Other operating expenses	1,092	1,159	685	1,454	1,258
Director fees (note 7)	3,683	4,928	2,982	1,392	2,015
<b>Operating expenses</b>	<b>862,383</b>	<b>1,184,631</b>	<b>679,628</b>	<b>12,574</b>	<b>139,129</b>
<b>Total comprehensive gain for the year</b>	<b>6,159,381</b>	<b>11,272,999</b>	<b>3,943,265</b>	<b>1,775,816</b>	<b>581,343</b>

The accompanying notes form an integral part of these financial statements.

# Fortress Global Funds SPC Inc.

## Statement of Cash Flows

For the year ended September 30, 2024

(expressed in United States dollars)

	For the year ended September 30, 2024				
	Fortress US Equity Fund	Fortress International Equity Fund	Fortress Emerging Markets Fund	Fortress Global Opportunity Wealth Fund	Fortress Fixed Income Fund
	SP \$	SP \$	SP \$	SP \$	SP \$
<b>Cash flows from operating activities</b>					
<b>Comprehensive gain for the year</b>	<b>14,250,729</b>	<b>15,770,998</b>	<b>8,671,300</b>	<b>3,996,430</b>	<b>3,231,286</b>
Adjustments for:					
Net fair value gains on financial assets/liabilities at fair value	(14,225,564)	(14,510,009)	(7,505,515)	(4,000,545)	(2,065,580)
Dividend income	(998,968)	(2,551,270)	(1,820,141)	(8,679)	(93,695)
Interest income	(23,694)	(64,400)	(29,150)	(1,542)	(1,235,854)
<b>Operating loss before working capital changes</b>	<b>(997,497)</b>	<b>(1,354,681)</b>	<b>(683,506)</b>	<b>(14,336)</b>	<b>(163,843)</b>
Increase in accounts payable	6,970	8,192	4,712	12,517	3,962
Purchase of financial assets/liabilities at fair value through profit or loss	(14,327,600)	(9,720,757)	(6,059,855)	(2,000,000)	(18,226,794)
Proceeds on sale of financial assets/liabilities at fair value through profit or loss	13,049,541	8,629,865	5,193,457	–	10,795,347
<b>Cash used in operations</b>	<b>(2,268,586)</b>	<b>(2,437,381)</b>	<b>(1,545,192)</b>	<b>(2,001,819)</b>	<b>(7,591,328)</b>
Interest received	23,694	64,400	29,150	1,542	1,131,840
Dividend received	979,185	2,495,193	1,843,510	8,679	93,695
<b>Net cash generated from/ (used in) operating activities</b>	<b>(1,265,707)</b>	<b>122,212</b>	<b>327,468</b>	<b>(1,991,598)</b>	<b>(6,365,793)</b>
<b>Cash flows from financing activities</b>					
Issue of redeemable mutual fund shares	1,675,970	672,705	275,000	2,431,839	6,568,715
Redemption of redeemable mutual fund shares	(25,050)	–	(25,125)	(526,554)	(581,273)
<b>Net cash generated from financing activities</b>	<b>1,650,920</b>	<b>672,705</b>	<b>249,875</b>	<b>1,905,285</b>	<b>5,987,442</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>385,213</b>	<b>794,917</b>	<b>577,343</b>	<b>(86,313)</b>	<b>(378,351)</b>
<b>Cash and cash equivalents - beginning of year</b>	<b>1,054,820</b>	<b>2,863,721</b>	<b>2,175,820</b>	<b>322,521</b>	<b>818,555</b>
<b>Cash and cash equivalents - end of year</b>	<b>1,440,033</b>	<b>3,658,638</b>	<b>2,753,163</b>	<b>236,208</b>	<b>440,204</b>

The accompanying notes form an integral part of these financial statements.

# Fortress Global Funds SPC Inc.

## Statement of Cash Flows ...continued For the year ended September 30, 2024

(expressed in United States dollars)

	For the year ended September 30, 2023				
	Fortress US Equity Fund SP \$	Fortress International Equity Fund SP \$	Fortress Emerging Markets Fund SP \$	Fortress Global Opportunity Wealth Fund SP \$	Fortress Fixed Income Fund SP \$
<b>Cash flows from operating activities</b>					
Comprehensive gain for the year	6,159,381	11,272,999	3,943,265	1,775,816	581,343
Adjustments for:					
Net fair value (gains)/losses on financial assets/liabilities at fair value	(6,093,926)	(10,083,573)	(3,114,233)	(1,776,681)	340,608
Dividend income	(927,813)	(2,373,787)	(1,508,657)	(11,223)	(83,583)
Interest income	(5)	(12)	(3)	(15)	(974,087)
<b>Operating loss before working capital changes</b>	<b>(862,363)</b>	<b>(1,184,373)</b>	<b>(679,628)</b>	<b>(12,103)</b>	<b>(135,719)</b>
Increase/(decrease) in accounts payable	286	640	(130)	145	(491)
Purchase of financial assets/liabilities at fair value through profit or loss	(8,047,470)	(4,488,353)	(5,486,164)	(1,410,000)	(2,661,926)
Proceeds on sale of financial assets/liabilities at fair value through profit or loss	7,337,873	4,037,104	6,013,736	–	3,831,522
<b>Cash generated from/ (used in) operations</b>	<b>(1,571,674)</b>	<b>(1,634,982)</b>	<b>(152,186)</b>	<b>(1,421,958)</b>	<b>1,033,386</b>
Interest received	5	12	3	15	991,961
Dividend received	924,674	2,374,491	1,562,244	11,223	83,583
<b>Net cash generated from/ (used in) operating activities</b>	<b>(646,995)</b>	<b>739,521</b>	<b>1,410,061</b>	<b>(1,410,720)</b>	<b>2,108,930</b>
<b>Cash flows from financing activities</b>					
Issue of redeemable mutual fund shares	850,000	885,354	–	1,728,691	1,330,000
Redemption of redeemable mutual fund shares	(25,020)	(128,992)	–	(435,371)	(3,659,810)
<b>Net cash generated from/(used in) financing activities</b>	<b>824,980</b>	<b>756,362</b>	<b>–</b>	<b>1,293,320</b>	<b>(2,329,810)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>177,985</b>	<b>1,495,883</b>	<b>1,410,061</b>	<b>(117,400)</b>	<b>(220,880)</b>
<b>Cash and cash equivalents - beginning of year</b>	<b>876,835</b>	<b>1,367,838</b>	<b>765,759</b>	<b>439,921</b>	<b>1,039,435</b>
<b>Cash and cash equivalents - end of year</b>	<b>1,054,820</b>	<b>2,863,721</b>	<b>2,175,820</b>	<b>322,521</b>	<b>818,555</b>

The accompanying notes form an integral part of these financial statements.

# **Fortress Global Funds SPC Inc.**

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## **1 Incorporation and principal activity**

Fortress Global Funds SPC Inc. (the "Company") was incorporated in the Cayman Islands on October 15, 2012, as an exempted segregated portfolio company with limited liability under the Companies Act CAP 22. The Company was registered under the Mutual Funds Act of the Cayman Islands on February 19, 2013, and is regulated by the Cayman Islands Monetary Authority. The Company maintains its registered office at c/o Ocorian Trust (Cayman) Ltd, Windward 3, Regatta Office Park, Grand Cayman, Cayman Islands.

The Company may offer separate classes of shares each representing interest in a separate segregated portfolio (a "Segregated Portfolio"). Each Segregated Portfolio will have a separate and distinct portfolio of investments and a separate class of shares will be issued in respect of any such Segregated Portfolio. Separate books and records have been maintained for each Segregated Portfolio.

At September 30, 2024, there were five (5) Segregated Portfolios, (each "a fund" and together "the funds") in existence: Fortress US Equity Fund SP, Fortress International Equity Fund SP, Fortress Emerging Markets Fund SP, Fortress Global Opportunity Wealth Fund SP and Fortress Fixed Income Fund SP.

These are the financial statements of each of the funds.

The primary objectives of each fund are stated below:

- Fortress US Equity Fund SP's objective is long term growth with limited risk in US large cap equities. The fund invests for long term growth using a systematic, value-based process in US large cap equities. The disciplined approach consistently positions in a portfolio of approximately 30 stocks that offer the best value in the US market.
- Fortress International Equity Fund SP's objective is long term growth with limited risk in non-US large cap equities. The fund invests for long term growth using a systematic, value-based process in non-US large cap equities. The disciplined approach consistently positions in a portfolio of approximately 30 stocks that offer the best value in the international market.
- Fortress Emerging Markets Fund SP's objective is long term growth with limited risk in emerging markets equities. The fund invests for long term growth using a systematic, value-based process in large-cap emerging markets equities. The disciplined approach consistently positions in a portfolio of approximately 30 stocks that offer the best value in the emerging markets.
- Fortress Global Opportunity Wealth Fund SP's objective is long term appreciation. The fund combines investments in Fortress US Equity Fund SP, Fortress International Equity Fund SP, Fortress Emerging Markets Fund SP and Fortress Fixed Income Fund SP and allocations to select specialist managers in fixed income, equity and alternatives assets classes.
- Fortress Fixed Income Fund SP's objective is to generate consistent returns and protect principal over the medium-term. The fund seeks to achieve this by investing primarily in high quality government and corporate fixed income securities across a range of maturities, reducing risk and volatility through consistent portfolio structure and diversification. It aims to increase returns by investing selectively in corporate bonds whose yields are more attractive than would be suggested by the issuers' underlying operations, risks and business prospects.

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## **1 Incorporation and principal activity...continued**

The Company's investment management and advisory activities are managed by Fortress Fund Managers Limited ("the Manager"). The Company's administration activities are performed by Fortress Fund Managers Limited.

In accordance with the Companies Act of the Cayman Islands, the Company is a separate legal entity, while each Segregated Portfolio is not a separate legal entity. The assets and liabilities of the Company held within each Segregated Portfolio are segregated from the assets and liabilities of other Segregated Portfolios and from the general assets and liabilities of the Company. The assets of each Segregated Portfolio are only available to meet the liabilities attributable to that particular Segregated Portfolio. This segregation has not been judicially tested and may not be enforced in some jurisdictions. The directors of the Company consider that the cross-liability risk between segregated portfolios is minimal.

## **2 Accounting policies**

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

### **a) Basis of preparation**

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRS Interpretations Committee (IFRS IC) promulgated by the International Accounting Standards Board (IASB), applicable to companies reporting under IFRS. The financial statements have been prepared in accordance with the historical cost convention, as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Funds' accounting policies. Although these estimates are based on management's best knowledge of current events and conditions, actual results could differ from these estimates. These areas involving a higher degree of judgement on complexity, or areas where assumptions and estimates are significant to the financial assets are disclosed in note 3.

### ***New and amended standards adopted by the Company***

The Company has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2023.

- Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2
- Definition of Accounting Estimates - Amendments to IAS 8

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## **2 Accounting policies...continued**

### **b) Foreign currency translation**

#### *Functional and presentation currency*

Items included in the fund's financial statements are measured using the currency of the primary economic environment in which it operates ("the functional currency"). The financial statements are presented in United States dollars which is each of the funds' functional and presentation currency.

#### *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Translation differences on non-monetary financial assets such as equities held at fair value through profit or loss are recognised in the statement of comprehensive income as part of the fair value gain and loss.

### **c) Financial assets and liabilities at fair value through profit or loss**

#### *i) Classification*

##### *Assets*

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed, and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective.

Consequently, all investments are measured at fair value through profit or loss. Financial assets in the category at fair value through profit or loss have been so designated by management at inception since the assets form part of the managed portfolio whose performance is evaluated on a fair value basis in accordance with a documented investment strategy.

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## **2 Accounting policies...continued**

### **c) Financial assets and liabilities at fair value through profit or loss...continued**

#### **i) Classification...continued**

##### *Liabilities*

The Fund makes short sales in which a borrowed security is sold in anticipation of a decline in the market value of that security, or it may use short sales for various arbitrage transactions. Short sales are held for trading and are consequently classified as financial liabilities at fair value through profit or loss. Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss. As such, the Fund classifies all of its investment portfolio as financial assets or liabilities as fair value through profit or loss.

The Fund's policy requires the Investment Manager and the Board of Directors to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

#### **ii) Recognition, derecognition and measurement**

Regular-way purchases and sales of financial assets at fair value through profit or loss are recognised on the trade date, which is the date a fund commits to purchase or sell the investments. Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include the bid-ask spread, fees and commissions paid to agents, advisers, brokers and dealers.

Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as an expense. Financial assets at fair value through profit or loss are derecognised when the rights to receive cash flows from the investments have expired or a fund has transferred substantially all risks and rewards of ownership.

When a fund purchases an option, an amount equal to fair value which is based on the premium paid is recorded as an asset. When a fund writes an option, an amount equal to fair value which is based on the premium received by the funds is recorded as a liability. When options are closed, the difference between the premium and the amount paid or received, net of brokerage commissions is recognised as a gain or loss and is presented in the statement of comprehensive income within net fair value gains or losses on financial assets at fair value through profit or loss. If the option expires worthless, the full amount of the premium is recognised as a gain or loss and is presented in the statement of comprehensive income within net fair value gains or losses on financial assets and liabilities at fair value through profit or loss.

Financial assets at fair value through profit or loss in other investment funds are valued at fair value on the basis of the net asset value per share as determined by the administrators of those investment vehicles in accordance with industry practice.

All other financial assets at fair value through profit or loss are initially recognised at fair value and are subsequently carried at fair value based on quoted exit prices.

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## **2 Accounting policies...continued**

### **c) Financial assets and liabilities at fair value through profit or loss...continued**

#### ***ii) Recognition, derecognition and measurement...continued***

In the absence of quoted exit prices, the last close price and other information including the quoted offer price is considered by the Manager to determine the appropriate fair value price to be used. In the event that a security held by a fund is unquoted, if unusual market conditions exist, or in the event that a particular security's value has become impaired, the Manager, and on advice of an independent broker, will make a reasonable estimate of the fair value price by using valuation techniques. These can include the use of recent arm's length transactions, reference to other instruments that are substantially the same or discounted cash flow analysis which make maximum use of market inputs and rely as little as possible on entity-specific inputs.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income within other net changes in fair value of financial assets and liabilities at fair value through profit or loss in the period in which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income within dividend income when the Fund's right to receive payments is established. Interest on debt securities at fair value through profit or loss is recognised in the statement of comprehensive income.

#### ***iii) Fair value estimation***

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the funds is the current exit price; the quoted market price for financial liabilities is the current exit price. If a significant movement in fair value occurs subsequent to the close of trading on the year end date, valuation techniques will be applied to determine the fair value. A significant event is any event that occurs after the last market price for a security, close of market or close of the foreign exchange, but before the funds' valuation time that materially affects the integrity of the closing prices for any security, instrument, currency or securities affected by that event so that they cannot be considered 'readily available' market quotations.

The fair value of financial assets and liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques and from other sources. The funds use a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## **2 Accounting policies...continued**

### **c) Financial assets and liabilities at fair value through profit or loss...continued**

#### **iii) Fair value estimation...continued**

Investments in other funds are measured on the net asset value per share as determined by the administrator of the fund.

#### **iv) Transfers between levels of the fair value hierarchy**

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

### **d) Cash and cash equivalents**

Cash equivalents are short-term, highly liquid investments, with original maturities of three months or less that are readily convertible to known amounts of cash which are subject to insignificant changes in value.

### **e) Due from and due to brokers**

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased, that have been contracted for but not yet settled or delivered by the statement of financial position date, respectively.

### **f) Equity**

Redeemable shares are classified as equity instruments when:

- The redeemable shares entitle the holder to a pro rata share of the funds' net assets in the event of the funds' liquidation.
- The redeemable shares are in the class of instruments that is subordinate to all other classes of instruments.
- All redeemable shares in the class of instruments that is subordinate to all other classes of instruments have identical features.
- The redeemable shares do not include any contractual obligation to deliver cash or another financial asset other than the holder's rights to a pro rata share of the funds' net assets.
- The total expected cash flows attributable to the redeemable shares over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the funds over the life of the instrument.

In addition to the redeemable shares having all of the above features, the funds must have no other financial instrument or contract that has:

- Total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the funds.
- The effect of substantially restricting or fixing the residual return to the redeemable shareholders.

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## **2 Accounting policies...continued**

### **f) Equity...continued**

The Company continuously assesses the classification of the redeemable shares. If the redeemable shares cease to have all the features, or meet all the conditions set out, to be classified as equity, the fund will reclassify them as financial liabilities and measure them at fair value at the date of reclassification, with any differences from the previous carrying amount recognised in equity. If the redeemable shares subsequently have all the features and meet the conditions to be classified as equity, the fund will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

Each fund issues redeemable shares which have all the features above and as such are classified as equity. Redeemable shares are redeemable at the holder's option and can be put back to a fund bi-weekly for cash equal to a proportionate share of that funds' net asset value. The redeemable shares equal the redemption amount that is payable at the statement of financial position date if the holders exercises the right to put the shares back to a fund.

Each funds' net asset value per redeemable mutual fund share is calculated by dividing the net assets attributable to those shares by the number of outstanding redeemable shares. In accordance with the provisions of each funds' regulations, investment positions are valued based on the procedures described in note 2c for the purpose of determining the net asset value per share for subscriptions and redemptions.

### **g) Income**

#### **Interest income**

Interest is recognised on a time-proportionate basis using the effective interest method. Interest income includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss includes interest from debt securities.

#### **Dividend income**

Dividend income is recognised when each funds' right to receive payment has been established.

### **h) Expenses**

Expenses are accounted for on an accrual basis. Expenses are charged to the statement of comprehensive income. In addition to the management fees and administration expenses, each fund is responsible for the payment of all direct expenses relating to its operations such as audit, legal and professional fees.

### **i) Distributions payable to holders of redeemable mutual fund shares**

The funds' do not pay dividends or distributions to the holders of redeemable mutual fund shares. All income, including interest, dividends and capital gains earned by each fund, are automatically reinvested and this income is reflected in the quoted net asset value of the shares.

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## **2 Accounting policies...continued**

### **j) Taxation**

The Company was incorporated in the Cayman Islands on October 15, 2012, as an exempted segregated portfolio company with limited liability under the Companies Law CAP 22. The Directors have resolved that all of the net income of each fund is attributable to each funds' redeemable mutual fund shareholders. The Cayman Islands at present impose no taxes on profit, income, capital gains or appreciations in value of the Company.

Dividend and interest income received by each fund may be subject to withholding tax imposed in the country of origin. Investment income is recorded gross of such taxes.

## **3 Critical accounting estimates and assumptions**

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying value of assets and liabilities within the next financial year relate to the valuation of unquoted investments and the determination of impairment provisions. The fair value of such securities not quoted in an active market may be determined by the funds using reputable pricing sources (such as pricing agencies) or indicative prices.

The funds would exercise judgement and estimates on the quantity and quality of pricing sources used. The determination of what constitutes 'observable' requires significant judgement by the funds. The funds consider observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Management policies surrounding these estimates and assumptions are disclosed in note 4.

## **4 Financial risk management**

The funds' activities expose them to a variety of financial risks: market risk (which includes price risk, interest rate risk and foreign currency risk), credit risk and liquidity risk on the financial instruments held.

The funds' overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the funds' financial performance. The risk management policies employed by the funds to manage these risks are discussed below. The management of these risks is carried out by the Manager under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, the use of derivative financial instruments and non-derivative financial instruments and the investment of excess liquidity.

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## 4 Financial risk management...continued

### Market risk

#### i) Price risk

The funds are exposed to equity securities price risk and derivative price risk. Equity price risk is the risk of unfavourable changes in the fair values of equity instruments or equity-linked derivatives as the result of changes in the levels of equity indices and the value of individual shares. This arises from investments held by the funds for which prices in the future are uncertain. Where non-monetary financial instruments - for example, equity securities - are denominated in currencies other than the United States dollar, the price initially expressed in foreign currency and then converted into United States dollars will also fluctuate because of changes in foreign exchange rates. The below 'Foreign currency risk' note, sets out how this component of price risk is managed and measured.

To manage this risk each fund holds a diversified portfolio of investments in accordance with its investment policy. A summary of the overall statement of financial position market exposures at September 30, 2024 is disclosed in note 5.

Management's best estimate of the effect on profit or loss for a year due to a reasonably possible change in equity indices, with all other variables held constant is indicated in the table below. The analysis is based using the MSCI All Country World Index, for all funds except for Fortress Fixed Income SP. The majority of the financial assets held in Fortress Fixed Income SP are debt securities. The analysis for this fund was based using the Bloomberg Barclays US Aggregate Bond Index. The analysis is based on the historically-based assumptions that the MSCI All Country World Index increased by 15% (2023 - 15%) and the Bloomberg Barclays US Aggregate Bond Index increased by 5% (2023- 4%), with all other variables held constant. In practice, the actual trading results may differ from the sensitivity analysis below and the difference could be material.

An equivalent decrease in each of the indices shown below would have resulted in an equivalent, but opposite, impact.

<i>Sensitivity</i>	<b>2024</b>	<b>2023</b>
	\$	\$
<b>Effect on net assets attributable to redeemable shares of an increase in the indices</b>		
Fortress US Equity Fund SP	<b>9,409,754</b>	6,071,171
Fortress International Equity Fund SP	<b>11,819,580</b>	8,456,115
Fortress Emerging Markets Fund SP	<b>7,621,177</b>	4,729,630
Fortress Global Opportunity Wealth Fund SP	<b>2,339,933</b>	1,568,481
Fortress Fixed Income Fund SP	<b>1,491,894</b>	1,016,375

The Investment Manager uses the MSCI All Country World Index and the Bloomberg Barclays US Aggregate Bond Index as a reference point in evaluating portfolio risk and performance. However, the Investment Manager does not manage the Fund's investment strategy to track the MSCI All Country World Index, the Bloomberg Barclays US Aggregate Bond Index or any other index or external benchmark.

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## **4 Financial risk management...continued**

### **Market risk...continued**

#### ***ii) Cash flows and fair value interest rate risk***

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flow. The majority of each funds' financial assets and liabilities are non-interest bearing. The majority of the funds' debt securities are fixed rate securities. As a result, the funds are not subject to significant amounts of risk due to fluctuation in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates. The effective yield on cash and cash equivalents is disclosed in note 6.

#### ***iii) Foreign currency risk***

Selected fund holds financial assets denominated in currencies other than United States dollars, the functional currency of each fund. Consequently, except where assets and liabilities are denominated in currencies fixed to the United States dollar, these funds are exposed to currency risk.

When the Manager formulates a view on the future direction of foreign exchange rates and the potential impact on the funds, the Manager factors that into its portfolio allocation decisions. While the funds have direct exposure to foreign exchange rate changes on the price of non-United States dollar-denominated securities, they may also be indirectly affected by the impact of foreign exchange rate changes on the earnings of certain companies in which the funds invest, even if those companies' securities are denominated in United States dollars. For that reason, the below sensitivity analysis may not necessarily indicate the total effect on the funds' net assets attributable to holders of redeemable shares of future movements in foreign exchange rates.

Foreign currency risk arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. IFRS 7 considers the foreign exchange exposure relating to non-monetary assets and liabilities to be a component of market price risk not foreign currency risk. However, management monitors the exposure on all foreign currency denominated assets and liabilities.

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## 4 Financial risk management...continued

### Market risk...continued

#### *iii) Foreign currency risk...continued*

Fortress US Equity Fund SP, Fortress Global Opportunity Wealth Fund SP and Fortress Fixed Income Fund SP hold financial assets denominated in United States dollars only, the functional currency of the Fund. For all other funds, the table below summarises each funds' exposure to currency risk:

	GBP	JPY	EUR
	\$	\$	\$
<b>Fortress International Equity Fund SP</b>			
<b>At September 30, 2024</b>			
<b>Financial assets</b>			
Financial assets at fair value through profit or loss	–	9,002,982	5,518,924
<b>Total financial assets</b>	<b>–</b>	<b>9,002,982</b>	<b>5,518,924</b>
<b>Total financial liabilities</b>			
–	–	–	–
<b>Net position</b>	<b>–</b>	<b>9,002,982</b>	<b>5,518,924</b>
<b>At September 30, 2023</b>			
<b>Financial assets</b>			
Financial assets at fair value through profit or loss	1,767,266	7,192,579	4,370,853
<b>Total financial assets</b>	<b>1,767,266</b>	<b>7,192,579</b>	<b>4,370,853</b>
<b>Total financial liabilities</b>			
–	–	–	–
<b>Net position</b>	<b>1,767,266</b>	<b>7,192,579</b>	<b>4,370,853</b>

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## 4 Financial risk management...continued

### Market risk...continued

#### *iii) Foreign currency risk...continued*

##### *Sensitivity*

Each of the above funds is most exposed to currency risk in its operating currencies whose values have noticeably fluctuated against the United States dollar. These currencies include the Great Britain Pound (GBP), Japanese Yen (JPY), and the Euro (EUR). The theoretical decrease in net assets if these currencies had depreciated by 5% against the United States dollar with all other variables held constant is considered below.

	Effect of a 5% depreciation as of September 30, 2024	Effect of a 5% depreciation as of September 30, 2023
	\$	\$
<b>Fortress International Equity Fund SP</b>		
Balances denominated in JPY	<b>450,149</b>	359,629
Balances denominated in EUR	<b>275,946</b>	218,543
Balances denominated in GBP	—	88,363

A 5% appreciation in the currencies will have an equal and opposite effect to that disclosed above.

While each fund has direct exposure to foreign exchange rate changes on the price of non-United States-denominated securities, it may also be indirectly affected by the impact of foreign exchange rate changes on the earnings of certain companies in which each fund invests, even if those companies' securities are denominated in United States dollars. For that reason, the above sensitivity analysis may not necessarily indicate the total effect on each funds' net assets attributable to holders of redeemable shares of future movements in foreign exchange rates.

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## 4 Financial risk management...continued

### Credit risk

Credit risk is the risk that an issuer or counterparty to a financial instrument will be unable or unwilling to meet a commitment thereby causing a financial loss to a fund. It is the fund's policy to enter into financial instruments with reputable counterparties.

The maximum exposure of each fund to the credit risk is set out in the following table:

	Fortress US Equity Fund SP \$	Fortress International Equity Fund SP \$	Fortress Emerging Markets Fund SP \$	Fortress Global Opportunity Wealth Fund SP \$	Fortress Fixed Income Fund SP \$
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### September 30, 2024

Cash and cash equivalents	1,440,033	3,658,638	2,753,163	236,208	440,204
Accounts receivable	60,083	100,285	89,540	—	—
Debt securities	—	—	—	—	37,228,590
	<b>1,500,116</b>	<b>3,758,923</b>	<b>2,842,703</b>	<b>236,208</b>	<b>37,668,794</b>

### September 30, 2023

Cash and cash equivalents	1,054,820	2,863,721	2,175,820	322,521	818,555
Accounts receivable	40,300	44,208	112,909	—	—
Debt securities	—	—	—	—	27,724,199
	<b>1,095,120</b>	<b>2,907,929</b>	<b>2,288,729</b>	<b>322,521</b>	<b>28,542,754</b>

Credit risk is minimised through holding a diversified portfolio of investments, purchasing securities after careful assessment of the borrower and placing deposits with financial institutions with a strong capital base.

As of September 30, 2024, none (2023- nil) of the funds' accounts receivables are impaired or past due but not impaired.

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## 4 Financial risk management...continued

### Credit risk...continued

The analysis below summarises the credit quality of the funds' debt portfolio by rating agency category:

	2024	2023
	% of debt securities	
<b>Fortress Fixed Income Fund SP</b>		
AAA/Aaa	33%	33%
AA+	2%	2%
AA-	2%	3%
A+	4%	5%
A	11%	5%
A-	22%	10%
BBB+	13%	15%
BBB/Baa2	7%	16%
BBB-	4%	3%
BB+	1%	2%
BB-	—	4%
BB	1%	1%
CCC+	—	1%
	<b>100%</b>	<b>100%</b>

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal since delivery of securities sold is only made once the broker has delivered payment. On a purchase, payment is made once the securities have been received by the broker. The trade will fail if either party fails to meet their obligation.

Each funds' significant exposure to individual counterparty credit risk on its cash and cash equivalents is set out below:

	Fortress	Fortress	Fortress	Fortress
	US	International	Emerging	Global
	Equity Fund	Equity Fund	Markets Fund	Opportunity Fund
	SP	SP	SP	SP
	\$	\$	\$	\$

**September 30, 2024**

Northern Trust (A- by  
Standard & Poor's)

1,313,680	3,637,724	2,633,852	124,028	315,962
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**September 30, 2023**

Morgan Stanley (A- by  
Standard & Poor's)

1,029,839	2,566,939	2,166,603	166,854	796,709
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# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## 4 Financial risk management...*continued*

### Credit risk...*continued*

During the year, the Company changed its prime broker from Morgan Stanley Smith Barney LLC to the Northern Trust Company. The clearing and depository operations for each fund's security transactions were mainly concentrated with one prime broker the Northern Trust Company, a member of a major securities exchange, and at September 30, 2024 had a credit rating of A- by Standard & Poor's. At September 30, 2024, substantially all cash and cash equivalents and investments are placed in custody with the Northern Trust Company.

There is a risk involved in dealing with custodians or brokers who settle trades with regard to the segregation of assets. It is expected that all securities and other assets deposited with custodians or brokers will be clearly identified as being assets of each fund; each fund should not therefore be exposed to a credit risk with respect to such parties. However, it may not always be possible to achieve this segregation, so the portfolios of the funds may experience increased exposure to credit risk associated with the applicable custodians or brokers.

### Liquidity risk

Each fund is exposed to bi-monthly cash redemptions of Redeemable Mutual Fund Shares (note 2f). They therefore invest the majority of their assets in investments that are traded in an active market and can be readily disposed of. The table below analyses each funds' non- derivative financial liabilities and equity into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the tables below are the contractual undiscounted cash flows.

	Less than 1 month	1 - 3 months
	\$	\$
<b>2024</b>		
<b>Fortress US Equity Fund SP</b>		
Accounts payable and accrued expenses	—	13,250
Net assets attributable to holders of redeemable mutual fund shares	<u>68,011,127</u>	—
<b>Total financial liabilities and equity</b>	<b><u>68,011,127</u></b>	<b><u>13,250</u></b>
<b>Fortress International Equity Fund SP</b>		
Accounts payable and accrued expenses	—	16,510
Net assets attributable to holders of redeemable mutual fund shares	<u>85,890,461</u>	—
<b>Total financial liabilities and equity</b>	<b><u>85,890,461</u></b>	<b><u>16,510</u></b>
<b>Fortress Emerging Markets Fund SP</b>		
Accounts payable and accrued expenses	—	9,492
Net assets attributable to holders of redeemable mutual fund shares	<u>49,163,067</u>	—
<b>Total financial liabilities and equity</b>	<b><u>49,163,067</u></b>	<b><u>9,492</u></b>

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

September 30, 2024

(expressed in United States dollars)

## 4 Financial risk management...continued

### Liquidity risk...continued

	Less than 1 month	1 - 3 months
	\$	\$
<b>2024</b>		
<b>Fortress Global Opportunity Wealth Fund SP</b>		
Accounts payable and accrued expenses	—	14,871
Net assets attributable to holders of redeemable mutual fund shares	<u>25,833,744</u>	<u>—</u>
<b>Total financial liabilities and equity</b>	<b><u>25,833,744</u></b>	<b><u>14,871</u></b>
<b>Fortress Fixed Income Fund SP</b>		
Accounts payable and accrued expenses	—	7,430
Net assets attributable to holders of redeemable mutual fund shares	<u>38,569,964</u>	<u>—</u>
<b>Total financial liabilities and equity</b>	<b><u>38,569,964</u></b>	<b><u>7,430</u></b>
<b>2023</b>		
<b>Fortress US Equity Fund SP</b>		
Accounts payable and accrued expenses	—	6,280
Net assets attributable to holders of redeemable mutual fund shares	<u>52,109,478</u>	<u>—</u>
<b>Total financial liabilities and equity</b>	<b><u>52,109,478</u></b>	<b><u>6,280</u></b>
<b>Fortress International Equity Fund SP</b>		
Accounts payable and accrued expenses	—	8,318
Net assets attributable to holders of redeemable mutual fund shares	<u>69,446,758</u>	<u>—</u>
<b>Total financial liabilities and equity</b>	<b><u>69,446,758</u></b>	<b><u>8,318</u></b>
<b>Fortress Emerging Markets Fund SP</b>		
Accounts payable and accrued expenses	—	4,780
Net assets attributable to holders of redeemable mutual fund shares	<u>40,241,892</u>	<u>—</u>
<b>Total financial liabilities and equity</b>	<b><u>40,241,892</u></b>	<b><u>4,780</u></b>
<b>Fortress Global Opportunity Wealth Fund SP</b>		
Accounts payable and accrued expenses	—	2,354
Net assets attributable to holders of redeemable mutual fund shares	<u>19,932,029</u>	<u>—</u>
<b>Total financial liabilities and equity</b>	<b><u>19,932,029</u></b>	<b><u>2,354</u></b>

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## 4 Financial risk management...continued

### Liquidity risk...continued

	Less than 1 month	\$	1 - 3 months	\$
<b>2023</b>				
<b>Fortress Fixed Income Fund SP</b>				
Accounts payable and accrued expenses	—	3,468		
Net assets attributable to holders of redeemable mutual fund shares	<u>29,351,236</u>	<u>—</u>		
<b>Total financial liabilities and equity</b>	<b><u>29,351,236</u></b>	<b><u>3,468</u></b>		

Redeemable shares are redeemed bi-monthly on demand at the holder's option (note 8). In the event that a fund receives any request for redemption in respect of any one Redemption Day, either singly or when aggregated with other redemption requests, representing more than 20% of the number of Redeemable Shares of any Class outstanding and the Directors determine that the redemption of such volume of Redeemable Shares of that Class would materially prejudice the interests of the other Shareholders of that Class or otherwise materially and adversely affect that fund, the Directors may scale down, on a pro-rata basis, each request for redemption with respect to such Redemption Day so that not more than 20% of the issued and outstanding Redeemable Shares of the relevant Class shall be redeemed on such relevant Redemption Day. Each such redemption request shall be treated with respect to the unsatisfied balance as if a further request has been made by the redeeming Shareholder in respect of the next Redemption Day until the request for redemption is satisfied in full. In the event of unusual circumstances, the directors of the Company reserve the right to suspend the determination of the net asset value, the sale, allotment, issue or redemption of a fund's shares.

At September 30, 2024, 96% (2023- 95%) of financial assets at fair value through profit or loss for Fortress Global Opportunity Wealth Fund SP (FGOW), comprise of investments in the other SP funds that have been fair valued in accordance with the policies set out in note 2c. Since the shares in the other funds are not publicly traded, redemption can only be made by FGOW on the redemption dates and subject to the required notice periods specified in the offering documents of each of the other funds. The rights of FGOW to request redemption of its investments in the other funds may vary in frequency from daily to monthly redemptions.

As a result, the carrying values of the other funds may not be indicative of the prevailing values ultimately realised on redemption. In addition, FGOW may be materially affected by the actions of other investors who have invested in the other funds in which FGOW has invested.

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## 4 Financial risk management...continued

### Liquidity risk...continued

The fund manages its liquidity risk by investing predominantly in securities that it expects to be able to liquidate within 1 month or less. The following table illustrates the expected liquidity of assets held.

	Less than 1 month	\$	1 - 3 months	\$	Over 3 months	\$
<b>September 30, 2024</b>						
<b>Fortress US Equity Fund SP</b>						
Total assets	<b>68,024,377</b>		—		—	
<b>Fortress International Equity Fund SP</b>						
Total assets	<b>85,860,702</b>		<b>46,269</b>		—	
<b>Fortress Emerging Markets Fund SP</b>						
Total assets	<b>49,147,238</b>		<b>25,321</b>		—	
<b>Fortress Global Opportunity Wealth Fund SP</b>						
Total assets	<b>25,848,615</b>		—		—	
<b>Fortress Fixed Income Fund SP</b>						
Total assets	<b>38,577,394</b>		—		—	
<b>September 30, 2023</b>						
<b>Fortress US Equity Fund SP</b>						
Total assets	<b>52,115,758</b>		—		—	
<b>Fortress International Equity Fund SP</b>						
Total assets	<b>69,455,076</b>		—		—	
<b>Fortress Emerging Markets Fund SP</b>						
Total assets	<b>40,246,672</b>		—		—	
<b>Fortress Global Opportunity Wealth Fund SP</b>						
Total assets	<b>19,934,383</b>		—		—	
<b>Fortress Fixed Income Fund SP</b>						
Total assets	<b>29,354,704</b>		—		—	

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## 4 Financial risk management...*continued*

### Capital risk management

The capital of each fund is represented by the net assets attributable to holders of redeemable shares. The amount of net asset attributable to holders of redeemable shares can change significantly on a monthly basis as the funds are subject to bi-monthly subscriptions and redemptions at the discretion of shareholders. The funds' objective when managing capital is to safeguard the funds' ability to continue as a going concern in order to provide returns for shareholders and to maintain a strong capital base to support the development of the investment activities of the funds.

### Fair value estimation

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the year end date. The quoted market price used for financial assets held by the funds is the exit price; the quoted market price for financial liabilities is the exit price. If a significant movement in fair value occurs subsequent to the close of trading on the year end date, valuation techniques will be applied to determine the fair value.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The funds are required to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by each fund. Each fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## 4 Financial risk management...continued

### Fair value estimation ...continued

The following table analyses within the fair value hierarchy each funds' financial assets and liabilities (by class) measured at fair value:

	<b>Level 1</b> \$	<b>Level 2</b> \$	<b>Level 3</b> \$	<b>Total</b> \$
<b>September 30, 2024</b>				
<b>Fortress US Equity Fund SP</b>				
<b>Financial assets at fair value through profit or loss:</b>				
Listed equity securities	<u>66,524,261</u>	—	—	<b><u>66,524,261</u></b>
<b>Fortress International Equity Fund SP</b>				
<b>Financial assets at fair value through profit or loss:</b>				
Listed equity securities	<u>82,148,048</u>	—	—	<b><u>82,148,048</u></b>
<b>Fortress Emerging Markets Fund SP</b>				
<b>Financial assets at fair value through profit or loss:</b>				
Listed equity securities	<u>46,329,856</u>	—	—	<b><u>46,329,856</u></b>
<b>Fortress Global Opportunity Wealth Fund SP</b>				
<b>Financial assets at fair value through profit or loss:</b>				
Listed equity securities	252,806	—	—	<b>252,806</b>
Mutual funds	—	<u>25,359,601</u>	—	<b><u>25,359,601</u></b>
	<b>252,806</b>	<b>25,359,601</b>	—	<b>25,612,407</b>
<b>Fortress Fixed Income Fund SP</b>				
<b>Financial assets at fair value through profit or loss:</b>				
Listed equity securities	908,600	—	—	<b>908,600</b>
Debt securities	<u>37,228,590</u>	—	—	<b><u>37,228,590</u></b>
	<b>38,137,190</b>	—	—	<b>38,137,190</b>

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## 4 Financial risk management...continued

### Fair value estimation ...continued

	<b>Level 1</b> \$	<b>Level 2</b> \$	<b>Level 3</b> \$	<b>Total</b> \$
<b>September 30, 2023</b>				
<b>Fortress US Equity Fund SP</b>				
<b>Financial assets at fair value through profit or loss:</b>				
Listed equity securities	<u>51,020,638</u>	—	—	<b><u>51,020,638</u></b>
<b>Fortress International Equity Fund SP</b>				
<b>Financial assets at fair value through profit or loss:</b>				
Listed equity securities	<u>66,547,147</u>	—	—	<b><u>66,547,147</u></b>
<b>Fortress Emerging Markets Fund SP</b>				
<b>Financial assets at fair value through profit or loss:</b>				
Listed equity securities	<u>37,957,943</u>	—	—	<b><u>37,957,943</u></b>
<b>Fortress Global Opportunity Wealth Fund SP</b>				
<b>Financial assets at fair value through profit or loss:</b>				
Listed equity securities	196,796	—	—	<b>196,796</b>
Mutual funds	—	<u>19,415,066</u>	—	<b><u>19,415,066</u></b>
	<b>196,796</b>	<b>19,415,066</b>	—	<b>19,611,862</b>
<b>Fortress Fixed Income Fund SP</b>				
<b>Financial assets at fair value through profit or loss:</b>				
Listed equity securities	811,950	—	—	<b>811,950</b>
Debt securities	<u>27,724,199</u>	—	—	<b><u>27,724,199</u></b>
	<b>28,536,149</b>	—	—	<b>28,536,149</b>

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities. The funds do not adjust the quoted price for these instruments.

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## 4 Financial risk management...continued

### Fair value estimation ...continued

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include unlisted mutual funds. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently, are unquoted or are determined by a third party. There were no transfers between levels for the current financial year.

### Assets and liabilities not carried at fair value but for which fair value is disclosed

The following table analyses within the fair value hierarchy the funds' assets and liabilities (by class) not measured at fair value at September 30, 2024 but for which fair value is disclosed.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>September 30, 2024</b>				
<b>Fortress US Equity Fund SP</b>				
<b>Assets</b>				
Accounts receivable	—	60,083	—	<b>60,083</b>
Cash and cash equivalents	1,440,033	—	—	<b>1,440,033</b>
<b>Total</b>	<b>1,440,033</b>	<b>60,083</b>	—	<b>1,500,116</b>
<b>Liabilities</b>				
Accounts payable and accrued expenses	—	13,250	—	13,250
<b>Total</b>	—	<b>13,250</b>	—	<b>13,250</b>
<b>Fortress International Equity Fund SP</b>				
<b>Assets</b>				
Accounts receivable	—	100,285	—	<b>100,285</b>
Cash and cash equivalents	3,658,638	—	—	<b>3,658,638</b>
<b>Total</b>	<b>3,658,638</b>	<b>100,285</b>	—	<b>3,758,923</b>
<b>Liabilities</b>				
Accounts payable and accrued expenses	—	16,510	—	<b>16,510</b>
<b>Total</b>	—	<b>16,510</b>	—	<b>16,510</b>

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## 4 Financial risk management...continued

### Fair value estimation ...continued

#### Assets and liabilities not carried at fair value but for which fair value is disclosed...continued

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>September 30, 2024</b>				
<b>Fortress Emerging Markets Fund SP</b>				
<b>Assets</b>				
Accounts receivable	—	89,540	—	<b>89,540</b>
Cash and cash equivalents	2,753,163	—	—	<b>2,753,163</b>
<b>Total</b>	<b>2,753,163</b>	<b>89,540</b>	—	<b>2,842,703</b>
<b>Liabilities</b>				
Accounts payable and accrued expenses	—	9,492	—	<b>9,492</b>
<b>Total</b>	<b>—</b>	<b>9,492</b>	—	<b>9,492</b>
<b>Fortress Global Opportunity Wealth Fund SP</b>				
<b>Assets</b>				
Cash and cash equivalents	236,208	—	—	<b>236,208</b>
<b>Total</b>	<b>236,208</b>	—	—	<b>236,208</b>
<b>Liabilities</b>				
Accounts payable and accrued expenses	—	14,871	—	<b>14,871</b>
<b>Total</b>	<b>—</b>	<b>14,871</b>	—	<b>14,871</b>
<b>Fortress Fixed Income Fund SP</b>				
<b>Assets</b>				
Cash and cash equivalents	440,204	—	—	<b>440,204</b>
<b>Total</b>	<b>440,204</b>	—	—	<b>440,204</b>
<b>Liabilities</b>				
Accounts payable and accrued expenses	—	7,430	—	<b>7,430</b>
<b>Total</b>	<b>—</b>	<b>7,430</b>	—	<b>7,430</b>

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## 4 Financial risk management...continued

### Fair value estimation ...continued

#### Assets and liabilities not carried at fair value but for which fair value is disclosed...continued

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>September 30, 2023</b>				
<b>Fortress US Equity Fund SP</b>				
<b>Assets</b>				
Accounts receivable	—	40,300	—	<b>40,300</b>
Cash and cash equivalents	1,054,820	—	—	<b>1,054,820</b>
<b>Total</b>	<b>1,054,820</b>	<b>40,300</b>	—	<b>1,095,120</b>
<b>Liabilities</b>				
Accounts payable and accrued expenses	—	6,280	—	<b>6,280</b>
<b>Total</b>	<b>—</b>	<b>6,280</b>	—	<b>6,280</b>
<b>Fortress International Equity Fund SP</b>				
<b>Assets</b>				
Accounts receivable	—	44,208	—	<b>44,208</b>
Cash and cash equivalents	2,863,721	—	—	<b>2,863,721</b>
<b>Total</b>	<b>2,863,721</b>	<b>44,208</b>	—	<b>2,907,929</b>
<b>Liabilities</b>				
Accounts payable and accrued expenses	—	8,318	—	<b>8,318</b>
<b>Total</b>	<b>—</b>	<b>8,318</b>	—	<b>8,318</b>

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

September 30, 2024

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(expressed in United States dollars)

## 4 Financial risk management...continued

### Fair value estimation ...continued

#### Assets and liabilities not carried at fair value but for which fair value is disclosed...continued

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>September 30, 2023</b>				
<b>Fortress Emerging Markets Fund SP</b>				
<b>Assets</b>				
Accounts receivable		112,909	—	<b>112,909</b>
Cash and cash equivalents	2,175,820	—	—	<b>2,175,820</b>
<b>Total</b>	<b>2,175,820</b>	<b>112,909</b>	—	<b>2,288,729</b>
<b>Liabilities</b>				
Accounts payable and accrued expenses	—	4,780	—	<b>4,780</b>
<b>Total</b>	<b>—</b>	<b>4,780</b>	—	<b>4,780</b>
<b>Fortress Global Opportunity Wealth Fund SP</b>				
<b>Assets</b>				
Cash and cash equivalents	322,521	—	—	<b>322,521</b>
<b>Total</b>	<b>322,521</b>	—	—	<b>322,521</b>
<b>Liabilities</b>				
Accounts payable and accrued expenses	—	2,354	—	<b>2,354</b>
<b>Total</b>	<b>—</b>	<b>2,354</b>	—	<b>2,354</b>
<b>Fortress Fixed Income Fund SP</b>				
<b>Assets</b>				
Cash and cash equivalents	818,555	—	—	<b>818,555</b>
<b>Total</b>	<b>818,555</b>	—	—	<b>818,555</b>
<b>Liabilities</b>				
Accounts payable and accrued expenses	—	3,468	—	<b>3,468</b>
<b>Total</b>	<b>—</b>	<b>3,468</b>	—	<b>3,468</b>

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

September 30, 2024

(expressed in United States dollars)

## 5 Financial assets and liabilities at fair value through profit or loss

	Fortress US Equity Fund SP \$	Fortress International Equity Fund SP \$	Fortress Emerging Markets Fund SP \$	Fortress Global Opportunity Wealth Fund SP \$	Fortress Fixed Income Fund SP \$
<b>September 30, 2024</b>					
<b>Financial assets designated at fair value through profit or loss:</b>					
Listed equity investments	66,524,261	82,148,048	46,329,856	252,806	908,600
Debt securities	—	—	—	—	37,228,590
Mutual funds	—	—	—	25,359,601	—
<b>Total financial assets designated at fair value through profit or loss</b>	<b>66,524,261</b>	<b>82,148,048</b>	<b>46,329,856</b>	<b>25,612,407</b>	<b>38,137,190</b>
 <b>Total gain/(losses) recognised in relation to financial assets and liabilities at fair value through profit or loss:</b>					
Realised gains/(losses)	(723,285)	2,262,550	33,748	—	(773,939)
Change in unrealized gains/(losses)	14,948,849	12,247,459	7,471,767	4,000,545	2,839,519
	<b>14,225,564</b>	<b>14,510,009</b>	<b>7,505,515</b>	<b>4,000,545</b>	<b>2,065,580</b>

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

(expressed in United States dollars)

## 5 Financial assets and liabilities at fair value through profit or loss...continued

	Fortress US Equity Fund	Fortress International Equity Fund	Fortress Emerging Markets Fund	Fortress Global Opportunity Wealth Fund	Fortress Fixed Income Fund
	SP	SP	SP	SP	SP
	\$	\$	\$	\$	\$
<b>September 30, 2023</b>					
<b>Financial assets designated at fair value through profit or loss:</b>					
Listed equity investments	51,020,638	66,547,147	37,957,943	196,796	811,950
Debt securities	–	–	–	–	27,724,199
Mutual funds	–	–	–	19,415,066	–
<b>Total financial assets designated at fair value through profit or loss</b>	<b>51,020,638</b>	<b>66,547,147</b>	<b>37,957,943</b>	<b>19,611,862</b>	<b>28,536,149</b>
 <b>Total gain/(losses) recognised in relation to financial assets and liabilities at fair value through profit or loss:</b>					
Realised gains/(losses)	653,730	531,308	32,112	–	(162,571)
Change in unrealized gains/(losses)	5,440,196	9,552,265	3,082,121	1,776,681	(178,037)
	<b>6,093,926</b>	<b>10,083,573</b>	<b>3,114,233</b>	<b>1,776,681</b>	<b>(340,608)</b>

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

(expressed in United States dollars)

## 5 Financial assets and liabilities at fair value through profit or loss...continued

The detailed portfolios of financial assets at fair value through profit or loss are as follows:

	2024		2023	
	Cost \$	Fair Value \$	Cost \$	Fair Value \$
<b>Financial assets at fair value through profit and loss:</b>				
<b>Fortress US Equity Fund SP</b>				
Meta Platforms Inc	1,466,664	2,976,688	2,058,971	2,191,533
Ebay Inc	2,609,512	2,858,329	2,278,266	1,582,831
Check Point Software Tech Ltd	1,744,024	2,776,464	1,744,024	1,919,232
General Dynamics Corp	1,706,031	2,689,580	1,706,031	1,966,633
Tractor Supply Co	1,282,471	2,647,463	1,282,471	1,847,755
Vertex Pharmaceuticals	1,282,835	2,604,448	1,603,544	2,434,180
Berkshire Hathaway	1,602,387	2,531,430	1,602,387	1,926,650
A O Smith Corp	1,865,625	2,515,240	1,865,625	1,851,640
Garmin Ltd	1,724,060	2,464,420	1,724,060	1,472,800
Charter Communications Inc	2,051,490	2,333,376	—	—
United Health Group Inc	1,049,742	2,280,252	1,049,742	1,966,341
Adobe Inc	2,019,844	2,278,232	—	—
Johnson & Johnson	2,227,257	2,270,136	1,684,577	1,605,471
Applied Materials Inc	1,664,178	2,222,550	1,664,178	1,522,950
Decker Outdoor Corporation	1,144,206	2,200,410	—	—
Target Corporation	2,233,615	2,197,626	1,000,764	663,420
O'reilly Automotive Inc New	1,040,247	2,188,040	1,040,247	1,726,834
Snap-On Inc	1,491,320	2,172,825	1,491,320	1,912,950
Best Buy Co	1,790,002	2,076,330	1,790,002	1,396,347
Elevance Health Inc	1,111,816	2,028,000	1,111,816	1,698,138
Celanese Corp	2,038,669	2,012,208	2,038,669	1,857,696
Northrop Grumman Corp	1,381,088	2,006,666	1,381,088	1,672,722
Schlumberger Limited Com	2,042,807	1,887,750	—	—
Hershey Company	1,915,079	1,879,444	—	—
Starbucks Corp Washington	1,762,577	1,774,318	1,762,577	1,661,114
Church & Dwight Co Inc	1,625,606	1,727,880	1,625,606	1,511,895
Merck & Co Inc New Com	1,329,197	1,703,400	1,329,197	1,544,250
FMC Corp	2,354,100	1,681,470	1,655,513	984,459
T Rowe Price Group Inc	1,547,104	1,394,304	1,547,104	1,342,336
Global Payment Inc	1,779,337	1,290,492	1,779,337	1,453,914
SPDR S&P 400 ETF Trust	647,135	854,490	647,135	684,960
Intel Corp	—	—	2,549,165	2,033,460
Comcast Corp	—	—	1,999,993	1,786,902
SPDR S&P Regional Banking	—	—	1,568,160	1,633,207
Fortune Brands Home & Security	—	—	1,978,717	1,373,736
Paypal Holdings Inc	—	—	2,002,080	1,139,970
Kenvue Inc	—	—	412,883	385,797
Masterbrand Inc	—	—	—	268,515
	<b>51,530,025</b>	<b>66,524,261</b>	<b>50,975,249</b>	<b>51,020,638</b>

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

September 30, 2024

(expressed in United States dollars)

## 5 Financial assets and liabilities at fair value through profit or loss...continued

	2024		2023	
	Cost \$	Fair Value \$	Cost \$	Fair Value \$
<b>Financial assets at fair value through profit and loss:</b>				
<b>Fortress International Equity Fund SP</b>				
Manulife Financial	2,292,171	3,826,725	2,292,171	2,367,260
Nomura Research Institute	2,570,178	3,608,859	—	—
Legrand SA	2,283,676	3,220,689	2,283,676	2,584,464
Willis Towers Watson Plc	2,618,153	3,092,565	2,618,153	2,194,080
Sekisui House Ltd	1,977,804	3,065,634	1,977,804	2,208,290
Tokyo Electron Ltd	1,498,130	3,046,139	1,069,694	2,011,569
Nintendo Co	2,645,147	3,030,371	2,645,147	2,377,385
Bunzl Plc	2,110,669	3,029,834	2,110,669	2,288,005
Recordati Industria Chimica	2,243,276	3,026,270	2,243,276	2,529,047
Itochu Corp	1,049,252	2,998,912	1,346,633	2,605,830
Koninklijke Ahold Delhaize	2,066,354	2,969,356	1,921,157	2,440,650
Orix Corporaion	1,981,728	2,938,436	1,981,728	2,378,459
Daito Trust Construction	2,570,749	2,775,805	2,570,749	2,414,642
Kingspan Group Plc	2,566,665	2,761,357	—	—
Wolters Kluwer	1,423,083	2,729,256	1,906,229	2,630,461
Logitech Intl	1,852,511	2,727,792	2,498,452	2,826,540
Air Liquide	1,888,115	2,720,628	2,462,503	2,825,660
Roche Holdings	2,865,912	2,560,076	2,865,912	2,189,009
CIE Generale Des	2,008,581	2,549,568	2,008,581	1,930,203
KDDI Corp	2,232,432	2,434,059	2,232,432	2,331,856
Toronto Dominion Bank	2,213,676	2,391,228	2,213,676	2,277,828
Heineken Holding Nv	2,609,432	2,257,309	2,356,170	2,008,066
Porsche Automobile Holdings	2,593,216	2,217,435	—	—
British American Tobacco Plc	2,240,183	2,135,003	2,240,183	1,842,197
Canadian Tire Corp	2,059,897	1,953,469	2,059,897	1,753,417
Alibaba Group Holdings	3,287,173	1,888,936	3,287,173	1,543,972
Nippon Telegraph & Telephone Corp	1,545,861	1,836,644	1,545,861	2,130,306
Ping An Insurance Group	2,879,885	1,786,503	2,879,885	1,585,945
Magna International Inc	2,517,854	1,674,432	—	—
China Merchants Bank	1,880,358	1,631,172	1,880,358	1,373,461
Kering	3,004,174	1,258,411	3,004,174	2,009,251
Netease Inc	1,163,805	1,168,875	—	—
Ishare MSCI EAFE ETF	612,216	836,300	612,216	689,200
Sap Se	—	—	2,102,645	2,245,540
Legal & General Group Plc	—	—	2,263,814	1,767,266
Magna International Inc	—	—	2,517,854	2,187,288
	<b>71,352,316</b>	<b>82,148,048</b>	<b>67,998,872</b>	<b>66,547,147</b>

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

September 30, 2024

(expressed in United States dollars)

## 5 Financial assets and liabilities at fair value through profit or loss...continued

	2024		2023	
	Cost \$	Fair Value \$	Cost \$	Fair Value \$
<b>Financial assets at fair value through profit and loss:</b>				
<b>Fortress Emerging Markets Fund SP</b>				
Tencent Holdings Ltd	1,623,977	2,287,920	1,623,977	1,564,120
Naspers Ltd	1,520,465	2,161,486	1,520,465	1,421,983
Taiwan Semiconductor	1,441,991	2,084,040	2,439,367	1,764,070
Itau Unibanco Holdings	2,049,716	2,047,535	2,049,716	1,653,423
PDD Holdings Inc	1,738,969	2,035,631	—	—
Companhia De Sanemento Basico	904,598	1,902,100	1,258,571	1,939,200
Great Wall Motor Co Ltd	1,651,743	1,754,999	1,285,061	816,084
Haier Smart Home Co Ltd	562,485	1,744,762	562,485	1,368,329
Alibaba Group Holdings Ltd	3,028,941	1,719,144	3,028,941	1,405,188
Grupo Mexico	1,463,833	1,712,063	1,463,833	1,454,109
Ping An Insurance	2,368,323	1,593,595	2,368,323	1,414,693
Netease Inc	1,110,456	1,589,670	1,110,456	1,702,720
Agricultural Bank of China	1,406,465	1,501,606	1,840,913	1,556,410
Industrial & Commercial Bank of China	1,730,236	1,497,479	1,730,236	1,207,752
Vipshop Holdings Ltd	1,420,030	1,433,003	1,420,030	1,458,511
Vale SA	1,445,628	1,396,928	990,367	1,072,000
CSPC Pharmaceutical Group	1,525,180	1,374,789	1,525,180	1,294,771
Banco Bradesco SA	2,050,221	1,372,557	1,822,564	1,205,262
Ishare MSCI South Korea Index Fund	1,361,706	1,343,160	1,147,436	1,031,450
China Merchants Bank	672,534	1,337,075	672,534	1,125,829
America Movil	1,566,950	1,267,900	1,337,915	1,125,800
Mondi Ltd	1,526,601	1,228,465	1,526,601	1,190,434
Piraeus Financial Holdings	733,524	1,209,925	733,524	843,764
National Bank of Greece	758,590	1,170,966	758,590	773,502
Samsung Electronics	1,487,294	1,169,000	1,487,294	1,260,000
Alpha Services & Holdings	794,904	902,096	794,904	691,918
China Longyuan Power Group	669,848	834,440	669,848	801,228
Beijing Enterprises Holdings	1,248,029	833,794	1,248,029	800,970
XP Inc	923,099	821,796	708,053	786,190
Hengan Intl Group Co Ltd	1,673,089	792,994	1,673,089	732,826
Yadea Group Holdings	681,700	753,830	—	—
Nine Dragons Paper Holdings	1,604,986	657,590	1,604,986	695,464
Bolsa Holdings Sa	700,993	524,355	700,993	610,155
Text SA	404,634	273,163	—	—
Ishare MSCI Emerging Markets	—	—	663,118	645,150
Guangzhou Automobile Group Co	—	—	1,184,193	544,638
	<b>45,851,738</b>	<b>46,329,856</b>	<b>44,951,592</b>	<b>37,957,943</b>

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

(expressed in United States dollars)

## 5 Financial assets and liabilities at fair value through profit or loss...continued

	2024		2023	
	Cost \$	Fair Value \$	Cost \$	Fair Value \$
<b>Financial assets at fair value through profit and loss:</b>				
<b>Fortress Global Opportunity Wealth Fund SP</b>				
Fortress US Equity Fund	6,000,200	8,192,674	5,200,200	5,780,816
Fortress Fixed Income Fund	7,764,440	8,104,955	6,864,440	6,526,430
Fortress International Equity Fund	4,776,618	6,117,210	4,576,618	4,813,407
Fortress Emerging Markets Fund	1,916,400	2,053,719	1,816,400	1,598,380
Frank Templeton Inv	659,952	891,043	659,952	696,033
Vanguard TTL World STK Index	184,645	252,806	184,645	196,796
	<b>21,302,255</b>	<b>25,612,407</b>	<b>19,302,255</b>	<b>19,611,862</b>

	2024		2023	
	Rate	Maturity	Cost \$	Fair Value \$
<b>Financial assets at fair value through profit and loss:</b>				
<b>Fortress Fixed Income Fund SP</b>				
US Treasury	4.25%	2039-05-15	5,724,336	6,090,455
US Treasury	—	2025-02-20	4,916,105	4,930,984
US Treasury	2.25%	2049-08-15	5,011,248	4,524,607
US Treasury	0.13%	2052-02-15	1,731,865	1,760,241
Ishares JPM	—	—	1,065,605	908,600
Abbvie Inc	2.95%	2026-11-21	873,151	841,322
Government of Bermuda	3.72%	2027-01-25	855,891	840,371
JP Morgan	4.80%	2028-01-23	806,344	817,011
American Express	3.72%	2028-07-26	802,240	813,658
Wells Fargo	4.28%	2028-04-22	803,360	813,566
Bank of America	3.88%	2027-07-22	806,094	813,095
Mitsubishi UFJ	3.76%	2026-02-20	800,000	806,688
Royal Bank Of Canada	3.63%	2027-05-04	797,744	804,453
Oracle Corp	2.50%	2025-04-01	782,200	780,868
Gilead Sciences Inc	3.65%	2026-03-01	846,368	796,184
Enbridge Inc	2.50%	2025-02-15	801,840	795,327
Stryker Corp	3.50%	2026-03-15	843,040	793,323
Morgan Stanley	2.00%	2027-05-04	800,000	771,116
Amazon.Com Inc	1.65%	2028-05-12	799,528	746,276
Juniper Networks Inc	2.00%	2030-12-10	736,800	691,345
Apple Inc	1.20%	2028-02-08	698,313	646,049
Orix Corp	5.00%	2027-09-13	599,844	612,166
Verizon Communications	4.40%	2025-05-15	602,051	607,941
<b>Balance c/fwd</b>			<b>32,503,967</b>	<b>32,025,646</b>
			<b>16,713,418</b>	<b>14,561,934</b>

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

(expressed in United States dollars)

## 5 Financial assets and liabilities at fair value through profit or loss...continued

	Rate	Maturity	2024		2023			
			Cost	Fair Value	Cost	Fair Value		
<b>Financial assets at fair value through profit and loss:</b>								
<b>Fortress Fixed Income Fund SP</b>								
<b>Balance b/fwd</b>			<b>32,503,967</b>	<b>32,025,646</b>	<b>16,713,418</b>	<b>14,561,934</b>		
Altria Group Inc	2.45%	2032-02-04	676,745	600,394	676,745	530,478		
Celanese US Holdings	6.17%	2027-07-15	498,950	524,867	498,950	499,592		
Royal Bank Of Canada	5.20%	2026-07-20	499,238	515,774	499,238	499,302		
Amkor Technology Inc	6.63%	2027-09-15	545,625	505,593	545,625	492,940		
Bat Intl Finance Plc	4.45%	2028-03-16	502,005	501,332	502,005	466,728		
AT&T	3.88%	2026-01-15	509,113	501,281	509,113	484,538		
ING Group NV	3.87%	2026-03-28	500,000	497,697	500,000	482,715		
PNC Financial Serv	2.60%	2026-07-23	499,113	489,107	499,113	463,718		
MSCI Inc	3.88%	2031-02-15	518,125	479,840	518,125	430,619		
KB Home	4.80%	2029-11-15	403,333	403,518	403,333	361,626		
Sagicor Financial Corp	5.30%	2028-05-13	307,500	303,762	307,500	288,358		
Elevance Health Inc	3.35%	2024-12-01	301,567	302,413	301,567	294,556		
General Electric Co	2.57%	2026-05-05	275,706	286,019	275,706	285,125		
Elevance Health Inc	4.10%	2028-03-01	200,000	199,947	200,000	189,072		
US Treasury	2.88%	2028-08-15	—	—	4,533,034	3,893,534		
US Treasury	0.63%	2030-05-15	—	—	1,201,125	931,781		
US Treasury	2.25%	2027-02-15	—	—	1,035,656	925,899		
AT&T	4.72%	2024-06-12	—	—	596,684	605,376		
Bayer US Finance	4.04%	2023-12-15	—	—	496,078	501,624		
Transocean Inc	11.50%	2027-01-30	—	—	112,674	194,473		
Lennar Corp	4.88%	2023-12-15	—	—	259,507	252,824		
Goldman Sachs Group Inc	6.40%	2023-11-29	—	—	400,283	403,165		
US Steel Corp	6.88%	2029-03-01	—	—	498,000	496,172		
			<b>38,740,987</b>	<b>38,137,190</b>	<b>32,083,479</b>	<b>28,536,149</b>		

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## 6 Cash and cash equivalents

	Fortress US Equity Fund SP \$	Fortress International Equity Fund SP \$	Fortress Emerging Markets Fund SP \$	Fortress Global Opportunity Wealth Fund SP \$	Fortress Fixed Income Fund SP \$
<b>September 30, 2024</b>					
Cash at bank	1,440,033	3,658,638	2,753,163	236,208	440,204
	<b>1,440,033</b>	<b>3,658,638</b>	<b>2,753,163</b>	<b>236,208</b>	<b>440,204</b>
<b>September 30, 2023</b>					
Cash at bank	41,782	344,543	42,526	156,341	25,536
Money market funds	1,013,038	2,519,178	2,133,294	166,180	793,019
	<b>1,054,820</b>	<b>2,863,721</b>	<b>2,175,820</b>	<b>322,521</b>	<b>818,555</b>

Cash and cash equivalents are placed with leading commercial banks. The effective yield on cash at bank is nil (2023 - nil).

## 7 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Fortress Fund Managers Limited (“the Manager”) served as investment advisor and manager of the funds. As a result of providing management services, the Manager receives a monthly management fee (0.35% -1%) based on the actual net asset value of each Fund, calculated monthly and payable in arrears. The gross management fee amounted to \$2,087,291 (2023 - \$1,849,540) for the year.

Management fees of \$167,526 (2023 - \$141,087) were refunded by the Manager being 0.35%- 1% of the net asset values of Fortress US Equity Fund SP, Fortress International Equity Fund Limited SP, Fortress Fixed Income Fund SP and the Fortress Emerging Markets Fund SP shares held by the Fortress Global Opportunity Wealth Fund SP during the year. This is to avoid double charging of management fees on assets invested in related funds which have the same manager.

Fortress Fund Managers Limited serves as administrator of the funds. As a result of providing administrator services, Fortress Fund Managers Limited receives a monthly administration fee based on the actual net asset value of each fund, calculated monthly and payable in arrears. The administrator fees amounted to \$230,484 (2023- \$203,793) for the year.

Directors' fees of \$15,000 (2023- \$15,000) were accrued during the year. Directors' interest (including beneficial interests) in participating redeemable mutual fund shares are as follows:

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

(expressed in United States dollars)

## 7 Related parties...continued

	Number of shares at start of year	Number of shares acquired in the year	Number of shares redeemed in the year	Number of shares at year end
<b>September 30, 2024</b>				
<b>Shareholder</b>				
Director	<b>11,070</b>	423	—	<b>11,493</b>
<b>September 30, 2023</b>				
<b>Shareholder</b>				
Director	<b>9,561</b>	1,509	—	<b>11,070</b>

Related party interests in participating redeemable mutual fund shares are as follows:

	Number of shares 2024	2023
<b>Fortress Mutual Fund Limited</b>		
Fortress US Equity Fund SP	227,243	227,243
Fortress International Equity Fund SP	405,488	405,488
Fortress Emerging Markets Fund SP	288,901	288,901
Fortress Global Opportunity Wealth Fund SP	29,999	29,999
<b>Fortress Caribbean High Interest Fund Limited</b>		
Fortress Fixed Income Fund SP	164,426	128,933
Fortress Global Opportunity Wealth Fund SP	14,587	14,587
<b>Fortress Caribbean Pension Fund Limited</b>		
Fortress Emerging Markets Fund SP	2,856	2,856
Fortress Global Opportunity Wealth Fund SP	25,189	25,189
<b>Fortress Global Opportunity Wealth Fund SP</b>		
Fortress US Equity Fund SP	34,560	30,979
Fortress International Equity Fund SP	34,811	33,588
Fortress Emerging Markets Fund SP	14,665	13,864
Fortress Fixed Income Fund SP	69,504	61,383
<b>Fortress Fund Managers Limited</b>		
Fortress Fixed Income Fund SP	<b>6,455</b>	6,455
<b>Fortress World Funds SCC</b>		
Fortress US Equity Fund SP	20,564	18,801
Fortress International Equity Fund SP	23,127	21,275
Fortress Emerging Markets Fund SP	9,770	8,783
Fortress Fixed Income Fund SP	<b>48,959</b>	48,959

# Fortress Global Funds SPC Inc.

Notes to the Financial Statements

**September 30, 2024**

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(expressed in United States dollars)

## 8 Capital management

The authorized share capital of the Company is \$50,000 divided into 100 voting, non-redeemable management shares and 4,999,900 redeemable participating shares at par value \$0.01 each, which may be issued in classes. Each class of shares participates in a Segregated Portfolio.

Management shares carry one vote each. No other shares have a right to receive notice, attend or vote at the general meetings of the Company. Management shares do not have a right to dividends. On a winding up of the Company, Management shares rank only for a return of the nominal amount paid up thereon provided the Company has sufficient assets after settlement of all obligations to creditors and the holders of participating shares. The management shares are held by the investment manager, Fortress Fund Managers Limited.

Redeemable participating shares were sold during the initial offering at a price of \$100, and thereafter, any subsequent issuance and redemptions are valued at the applicable net asset value per participating redeemable share on the valuation date. Holders of redeemable participating shares have the right to redeem or require the funds to repurchase their shares. A redemption notice or repurchase request must be submitted to the Administrator at least 1 business day prior to the valuation date.

Holders of redeemable participating shares do not have the right to vote, but are entitled to receive upon winding up of the Company, a return of the nominal value paid in respect to such shares, and the right to share in surplus assets available for distribution after return of the nominal value paid up on all shares.

During the year ended September 30, 2024, the number of redeemable participating shares issued, redeemed and outstanding were as follows:

	Number of shares				
	Fortress	Fortress	Fortress	Fortress	Fortress
	US Equity	International	Emerging	Global	Fixed
	Fund	Equity Fund	Markets	Opportunity	Income
	SP	SP	SP	SP	SP
<b>Balance as at September 30, 2022</b>	<b>274,674</b>	<b>479,407</b>	<b>349,051</b>	<b>145,065</b>	<b>298,834</b>
Issue of shares	4,713	6,084	—	13,170	12,315
Redemption of shares	(138)	(892)	—	(3,352)	(35,091)
<b>Balance as at September 30, 2023</b>	<b>279,249</b>	<b>484,599</b>	<b>349,051</b>	<b>154,883</b>	<b>276,058</b>
Issue of shares	7,754	4,169	2,211	16,929	59,798
Redemption of shares	(108)	—	(197)	(3,730)	(5,100)
<b>Balance as at September 30, 2024</b>	<b>286,895</b>	<b>488,768</b>	<b>351,065</b>	<b>168,082</b>	<b>330,756</b>





FORTRESS FUND MANAGERS LIMITED  
RADLEY COURT, UPPER COLLYMORE ROCK, ST. MICHAEL, BB14004, BARBADOS  
TEL: (246) 431-2198 FAX: (246) 431-0514 • [invest@fortressfund.com](mailto:invest@fortressfund.com) • [www.fortressfund.com](http://www.fortressfund.com)