



Annual Report

Fortress Mutual Fund Limited
**CARIBBEAN
GROWTH FUND**



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
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Fortress Mutual Fund Limited
CARIBBEAN GROWTH FUND

Investment Objectives & Fund Details

The Fund's primary objective is capital growth over the long-term. The Manager uses a value-oriented approach to invest primarily in Caribbean and global equities.

All income, including interest, dividends and capital gains earned by the Fund, is automatically re-invested and this income is reflected in the quoted net asset value (NAV) of the shares. The Fund does not pay dividends.

FUND NAME:	Fortress Mutual Fund Limited (Fortress Caribbean Growth Fund)
NAV CURRENCY:	BBD
LAUNCH DATE:	December 9, 1996
LAUNCH PRICE:	\$1.00 per share
MINIMUM INVESTMENT:	\$1,000 initial / \$500 if monthly savings plan \$100 for subsequent investments
FUND STATUS:	Open
NET ASSET VALUE PER SHARE 9/30/2025	\$8.3645
NET ASSETS 9/30/2025	\$746,933,852
MANAGEMENT EXPENSES: <i>Investment Manager:</i>	1.75% per annum on the first \$500 million of net assets 1.50% per annum on remaining balance of net assets
<i>Administrator:</i>	0.10% per annum on the first \$30 million of net assets 0.0875% per annum on the remaining balance of net assets
<i>Custodian:</i>	0.0875% per annum on the first \$30 million of the net assets 0.075% per annum of the remaining balance of net assets
REDEMPTION CHARGES:	None
INVESTMENT MANAGER & ADMINISTRATOR:	Fortress Fund Managers Limited
CUSTODIAN:	SigniaGlobe Financial Group Inc.
FUND VALUATIONS:	Weekly on Fridays
NAV QUOTATIONS:	www.fortressfund.com Local Barbados newspapers Bloomberg: FORCAGF BA

Directors & Administrators

DIRECTORS

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

COMPANY SECRETARY

Hanna M. Chrysostom
One+ Haggatt Hall
St. Michael
Barbados

FORTRESS FUND MANAGERS AUDIT COMMITTEE

John Howard
Gregory McConnie
Maria Nicholls

FORTRESS FUND MANAGERS GOVERNANCE COMMITTEE

Ruth Henry
Tracey Shuffler
John Williams

REGISTERED OFFICE

Radley Court
Upper Collymore Rock
St. Michael, BB14004
Barbados

ATTORNEY AT LAW

Clarke Gittens Farmer
Parker House
Wildey Business Park
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St. Michael
Barbados

INDEPENDENT AUDITORS

Ernst & Young Ltd.
One Welches
Welches
St. Thomas
Barbados

CUSTODIAN

SigniaGlobe Financial Group Inc.
Shirley House
Hastings Main Road
Christ Church
Barbados

INVESTMENT MANAGER & ADMINISTRATOR

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

Tel: (246) 431 2198
Fax: (246) 431 0514
Internet: www.fortressfund.com
Email: invest@fortressfund.com

Fortress Caribbean Growth Fund ("the Fund", legally named Fortress Mutual Fund Limited) is an open-ended mutual fund company and was incorporated on December 4, 1996 under the provisions of the Mutual Funds Act of Barbados. The Fund maintains its registered office at Radley Court, Upper Collymore Rock, St. Michael, BB14004, Barbados. The principal activity of the Fund is investment in domestic, regional and international markets with the aim of achieving long-term capital appreciation.

Important information about this Fund is contained in its prospectus, which we encourage you to read before making an investment. The indicated returns in this document are net of all fees and expenses. Returns are historical and are not necessarily indicative of future performance. Investors should be aware that there are risks involved where the value of the Fund's shares may go down as well as up. A copy of the prospectus may be obtained from the offices of Fortress Fund Managers, or downloaded at www.fortressfund.com.



Directors' Report

Directors' Report

"The Fund gained 5.9% for the year. Most returns came from global equities, where emerging and international markets led the way."

The Fortress Caribbean Growth Fund gained 5.9% for the financial year ended September 30, 2025. The net asset value (NAV) per share of the Fund increased to \$8.3645 from \$7.8973 and net assets were \$747 million compared to \$689 million a year ago. The Fund's annual compound rate of return since inception in 1996 is 7.7%.

Global equities rose again this year, though not evenly or in all areas. The Fund's global holdings performed well overall, while Caribbean shares were mostly lower. Despite the weakness in Caribbean shares, the Fund reached a new all-time high in September. The year began with volatility and policy noise in the U.S. and elsewhere but ended on a steadier note as inflation continued to decline, artificial intelligence spend provided support to global markets and the U.S. Federal Reserve (Fed) finally resumed cutting interest rates in September. The Fund's diversified mix of U.S., international, and emerging markets investments via the Fortress Global Funds returned between -2.9% and 32.0% for the year, with the greatest returns coming from the emerging markets shares that started the year among the cheapest in the world.

Investment Performance

The Fund gained 5.9% for the year. Most returns came from global equities, where emerging and international markets led the way. U.S. stocks also advanced but value shares (where the Fund is invested) lagged, as returns and investor enthusiasm were largely concentrated among the largest technology companies. Caribbean shares were generally weaker.

The first half of the year was marked by sharp moves in global markets due to changing trade policies

and political uncertainty. Markets steadied after the U.S. paused tariff increases to negotiate trade deals, investors began to anticipate easier monetary policy, and excitement spread about the impact of artificial intelligence on technology companies. By mid-year, the focus had shifted from, "When will interest rates fall?" to "How much will rates fall, and how fast?" When the Fed delivered its first rate cut in September, it confirmed that the unwinding of its inflation-fighting tightening cycle was resuming. Equity and bond markets both rallied.

Emerging markets were standouts this year, supported by great starting valuations and signs of renewed government support in China. International shares also performed well, with Japan continuing to benefit from corporate reforms and more shareholder-friendly policies. Contrary to many investors' expectations following the new administration in the U.S., most global currencies strengthened meaningfully against the dollar. This added to gains in U.S. dollar terms from investments all around the world. The Fund's allocations through the Fortress Global Funds and specialist managers captured these gains effectively.

In the Caribbean, weak trading volumes, limited liquidity, and foreign exchange constraints continued to weigh on market activity and share prices. Trinidad shares declined amid low energy prices and social stresses, while Jamaica saw modest weakness. Massy Holdings and Guardian Holdings in Trinidad both faced selling pressure despite solid business performance. We believe this prolonged softness has improved the long-term outlook for some of the relatively well-run regional companies now trading at multi-year low valuations.

The Fund's wide global diversification again proved its value during the year, generating returns when regional markets struggled. The portfolio remains broadly diversified by company, geography, and currency.

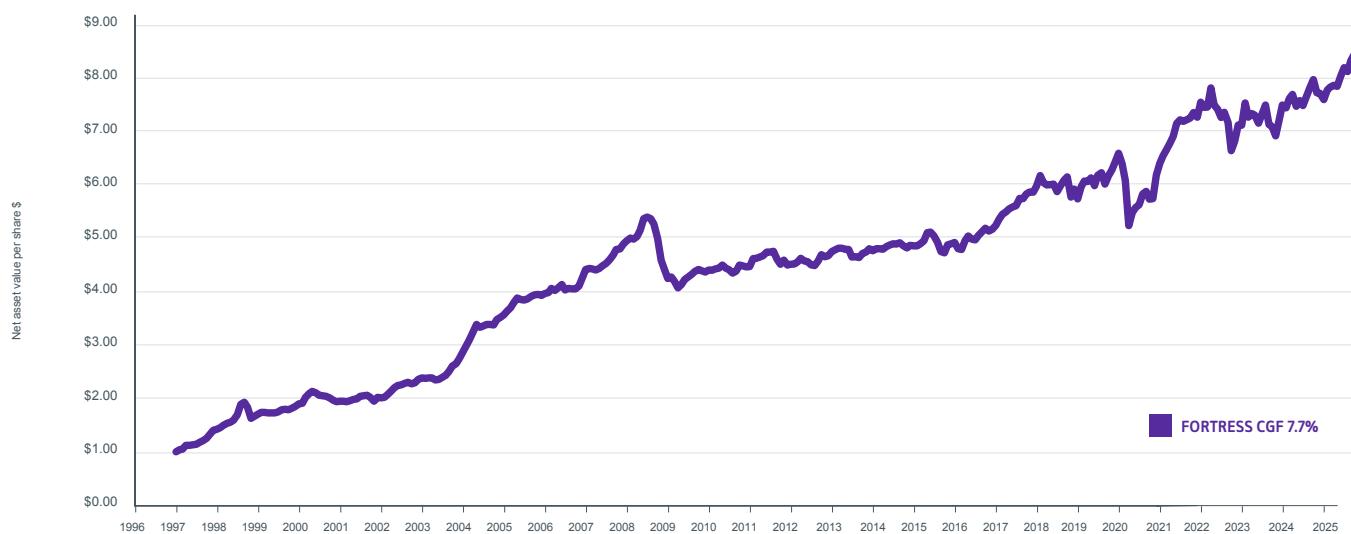
The Fund's recent performance and performance since inception in 1996 are summarized in the table and graph below.

Performance Summary as of 9/30/25*

	1 year	3 year	5 year	Inception
Fortress	5.9%	8.3%	8.0%	7.7%
Jamaica	0.5%	-5.1%	-5.4%	5.3%
Trinidad	-6.8%	-9.9%	-5.7%	6.0%
Barbados	-4.9%	3.3%	0.2%	2.8%
Global Benchmark	17.7%	24.3%	14.9%	8.3%

**periods longer than one year are annual compound returns*

Caribbean Growth Fund Net Asset Value Since Inception



Portfolio Positioning

Roughly one-third of the Fund's assets remain invested in Caribbean securities, with more than two-thirds in U.S., international, and emerging markets. This mix provides Fund investors with both global opportunity and regional participation. We continue to focus on owning good businesses at reasonable valuations all around the world.

During the year, we reduced the Fund's long-standing position in the Templeton Asian Smaller Companies Fund and redirected proceeds into core, internally managed global equities. This improved liquidity and simplified exposures while maintaining diversification. Cash in the Fund ended the year around 4%, leaving flexibility for future investments or investor liquidity needs.

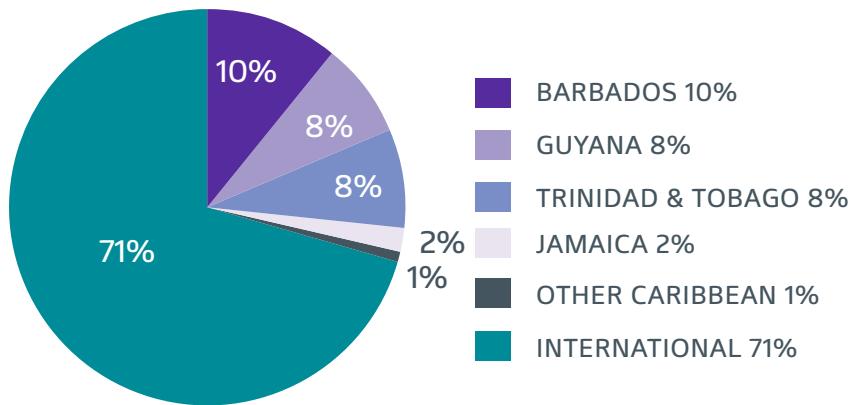
The Fund's largest holdings continue to be its allocations to the Fortress Global Funds – U.S. Equity, International Equity, and Emerging Markets – which together make

up about half of the portfolio. These investments provide efficient access to global markets through disciplined, value-oriented strategies. The Fund also holds selected direct positions such as Berkshire Hathaway and investments with specialist external managers with strong long-term records like Franklin Templeton.

Across all regions in which the Fund invests, valuations of holdings remain attractive even as some parts of the U.S. market rise to troublingly high valuations. The Fund's combination of broad exposure and valuation discipline continues to position it well for future returns while taking acceptable and sensible risks.

The following graph summarises the Fund's geographic distribution as of September 30, 2025, based on the country of primary risk. For a complete list of the Fund's holdings as of year-end please see the notes to the accompanying financial statements.

Geographic Distribution of Portfolio



Top 10 Holdings

Holding	Country/Region	Sector	Weight
Fortress International Equity Fund SP	International	Various	22%
Fortress US Equity Fund SP	US	Various	15%
Fortress Emerging Markets Fund SP	International	Various	14%
Berkshire Hathaway Inc Class B	US	Various	5%
Deposits - CIBC Caribbean Bank	Barbados	Bank	4%
Templeton Asian Smaller Co.'s Fund	International	Various	3%
Goddard Enterprises Limited	Barbados	Conglomerate	3%
Banks DIH Ltd	Guyana	Consumer	3%
Demerara Bank	Guyana	Financial	3%
Agostini Limited	Trinidad	Consumer	3%

Outlook

Even after a volatile year, we see an investment world that still has plenty of opportunities for disciplined investors. Companies and markets have adapted at least partially to recent policy surprises and sudden shifts in the operating environment. The post-pandemic inflation surge appears to have passed, allowing interest rates to decline. Economic activity on average remains relatively healthy. Artificial intelligence is likely to make people wealthier and more productive than they might have been otherwise. But the news is not all good. Trade policy changes have damaged some parts of the global economy, especially in the U.S. At the same time, many U.S. stocks, particularly in the technology sector, are priced with very high expectations already baked in, meaning that future disappointment is possible. Thankfully, there are very good values in other sectors and regions where sentiment has remained subdued, or even weakened, and operating results have been just fine. After the year we've just had, a surprising number of these opportunities can be found in the quieter areas of the very U.S. market that also contains some of the highest priced shares.

From a wider perspective, falling inflation and lower interest rates should support both bond and equity valuations. But financial market returns do not occur in a straight line, or in a vacuum. Investors are likely to keep debating the strength of the global economy and the pace of monetary easing, so some volatility is inevitable. In managing the Fund's portfolio, our focus as always is on companies with solid balance sheets, durable earnings, and reasonable prices. These characteristics, more than any short-term forecast, are what drive long-term returns.

In the Caribbean, investor confidence is cautious, in some cases with good reason. But as share prices decline we also see encouraging (though perhaps early) signs for future potential returns. Valuations in some cases are low, and earnings among many key holdings remain resilient. For long-term investors, this kind of environment can create opportunities, well before anyone can say what the positive catalysts might be or become.

As we approach the 30-year anniversary of the Fund, we are extremely grateful for the contributions of the many skilled people and excellent organisations that make running such a fund possible. We would especially like to thank the Board members of the Fund and the Manager for their commitment and diligence, over many years. We also thank SigniaGlobe Financial, the Fund's custodian; EY, the external auditor; and Ravichandran Whitehead, the internal auditor, for their professionalism and continued support.

Finally, thank you to you, our shareholders, for your trust and partnership. Investing for the long term is a truly cooperative project, and the work is only successful if we undertake it together.



Roger Cave, CA, CFA
Chairman



Peter Arender, CFA,
CEO & Chief Investment
Officer

Financial Statements



**Shape the future
with confidence**

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF FORTRESS MUTUAL FUND LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Fortress Mutual Fund Limited (“the Fund”), which comprise the statement of financial position as at 30 September 2025, and the statement of net assets attributable to holders of redeemable mutual fund shares, statement of comprehensive income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at 30 September 2025 and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

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 Fund in accordance with the International Ethics Standards Board for Accountants’ (IESBA) 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.

Other information included in the 2025 Annual Report

Management is responsible for the other information. Other information consists of the information included in the Annual Report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF FORTRESS MUTUAL FUND LIMITED

Report on the Audit of the Financial Statements (Continued)

Responsibilities of Management and the Audit Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, 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 Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Fund'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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



**Shape the future
with confidence**

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF FORTRESS MUTUAL FUND LIMITED

Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- 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 Fund'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 Fund 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 Audit Committee 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.

Other Matter

This report is made solely to the Fund's shareholders, as a body, in accordance with Section 147 of the Companies Act of Barbados. Our audit work has been undertaken so that we might state to the Fund's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law and subject to any enactment or rule of law to the contrary, we do not accept or assume responsibility to anyone other than the Fund and the Fund's shareholders as a body, for our audit work, for this report, or for the opinion we have formed.

Ernst & Young Ltd

BARBADOS
19 December 2025

Fortress Mutual Fund Limited

Statement of Financial Position

As at September 30, 2025

(expressed in Barbados dollars)

	2025	2024
	\$	\$
Assets		
Financial assets (note 5)	715,103,741	669,530,479
Accounts receivable	302,769	1,759,726
Cash and cash equivalents (note 6)	<u>31,742,682</u>	<u>17,685,899</u>
Total assets	<u>747,149,192</u>	<u>688,976,104</u>
Liabilities		
Accounts payable and accrued expenses	<u>175,340</u>	<u>69,631</u>
Total liabilities (excluding net assets attributable to holders of redeemable mutual fund shares)	<u>175,340</u>	<u>69,631</u>
Net assets attributable to holders of redeemable mutual fund shares (note 9)	<u>746,933,852</u>	<u>688,866,473</u>
Total liabilities	<u>747,109,192</u>	<u>688,936,104</u>
Share capital (note 10)	<u>40,000</u>	<u>40,000</u>
Liabilities and shareholder funds	<u>747,149,192</u>	<u>688,976,104</u>
Net asset value per redeemable mutual fund share	<u>8.3645</u>	<u>7.8973</u>

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

Approved by the Board of Directors on December 15, 2025

 Director

 Director

Fortress Mutual Fund Limited

Statement of Changes in Net Assets Attributable to Holders of Redeemable Mutual Fund Shares For the year ended September 30, 2025

(expressed in Barbados dollars)

	Number of shares	Net assets attributable to holders of redeemable mutual fund shares \$
Balance at September 30, 2023	86,097,994	604,734,330
Issue of shares	5,545,414	41,575,631
Redemption of shares	(4,415,544)	(32,997,516)
Total comprehensive income for the year	—	75,554,028
Balance at September 30, 2024	87,227,864	688,866,473
Issue of shares	5,701,479	45,012,264
Redemption of shares	(3,631,659)	(28,363,514)
Total comprehensive income for the year	—	41,418,629
Balance at September 30, 2025	89,297,684	746,933,852

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

Fortress Mutual Fund Limited

Statement of Comprehensive Income For the year ended September 30, 2025

(expressed in Barbados dollars)

	2025	2024
	\$	\$
Revenue		
Net fair value gains on financial assets at fair value through profit and loss (note 5)	44,102,638	77,430,294
Dividend income	7,155,159	7,456,117
Interest income (note 7)	65,355	55,173
Net foreign currency exchange gains on cash and cash equivalents	<u>22,992</u>	<u>63,593</u>
Total investment income	<u>51,346,144</u>	<u>85,005,177</u>
Expenses		
Management fees (note 8)	8,092,271	7,722,060
Administrator and custodian fees (note 8)	1,128,115	1,053,196
Brokerage and investment fees	410,819	377,575
Operating expenses	110,818	108,888
Professional and audit fees	94,430	95,892
Withholding taxes	<u>91,062</u>	<u>93,538</u>
Operating expenditure	<u>9,927,515</u>	<u>9,451,149</u>
Net income and total comprehensive income	<u>41,418,629</u>	<u>75,554,028</u>

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

Fortress Mutual Fund Limited

Statement of Cash Flows

For the year ended September 30, 2025

(expressed in Barbados dollars)

	2025	2024
	\$	\$
Cash flows from operating activities		
Total comprehensive income	41,418,629	75,554,028
Adjustments for:		
Net fair value gains on financial assets at fair value through profit and loss	(44,102,638)	(77,430,294)
Dividend income	(7,155,159)	(7,456,117)
Interest income	(65,355)	(55,173)
Operating loss before working capital changes	(9,904,523)	(9,387,556)
Decrease/(increase) in accounts receivable	7,979	(7,979)
Increase/(decrease) in accounts payable and accrued expenses	105,709	(32,110)
Purchase of financial assets at fair value through profit and loss	(12,246,604)	(30,616,004)
Proceeds on sale of financial assets at fair value through profit and loss	10,786,693	19,223,459
Cash used in operations	(11,250,746)	(20,820,190)
Interest received	39,942	61,098
Dividends received	8,618,837	6,860,051
Cash used in operating activities	(2,591,967)	(13,899,041)
Cash flows from financing activities		
Issue of mutual fund shares	45,012,264	41,575,631
Redemption of mutual fund shares	(28,363,514)	(32,997,516)
Cash generated from financing activities	16,648,750	8,578,115
Net increase/(decrease) in cash and cash equivalents	14,056,783	(5,320,926)
Cash and cash equivalents – beginning of year	17,685,899	23,006,825
Cash and cash equivalents – end of year	31,742,682	17,685,899

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

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

1 Incorporation and principal activity

Fortress Mutual Fund Limited (“the Fund”) was incorporated in Barbados on December 4, 1996, is registered under the Companies Act of Barbados and is licensed under the Mutual Funds Act 2002-22 as an authorised Mutual Fund. The Fund maintains its registered office at Radley Court, Upper Collymore Rock, St. Michael, Barbados. The Fund’s primary objective is capital growth over the long term.

The Fund’s investment and administration activities are managed by Fortress Fund Managers Limited (“the Investment Manager”).

The Fund is an open-ended fund and offers its shares to a broad group of investors.

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 IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB). IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards;
- IAS Standards; and
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body,
- the Standing Interpretations Committee (SIC Interpretations).

The financial statements have been prepared in accordance with the historical cost convention, as modified by the revaluation of financial assets held at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Fund’s accounting policies. Although these estimates are based on management’s best knowledge of current events and conditions, actual results could differ from these estimates. The 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.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

New and amended standards and interpretations

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on January 1, 2024, that have a material effect on the financial statements of the Fund.

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

2 Accounting policies...continued

a) Basis of preparation

New standards, amendments and interpretations effective after January 1, 2024, and that have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2024, and have not been early adopted in preparing these financial statements.

The Fund's assessment of the impact of these new standards and amendments is set out below:

i) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026)

The IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. Among other amendments, the IASB clarified the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system.

ii) IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

The IASB issued the new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss.

The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss with defined subtotals;
- the requirement to determine the most useful structured summary for presenting expenses in the statement of profit or loss;
- required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Fund is currently still assessing the effect of the forthcoming standard and amendments.

No other new standards or amendments to standards are expected to have a material effect on the financial statements of the Fund.

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

2 Accounting policies...continued

b) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The financial statements are presented in Barbados dollars which is the Fund’s 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 currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the statement of financial position date. Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within ‘net foreign currency gains or losses on cash and cash equivalents’.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within ‘net fair value gains or losses on financial assets at fair value through profit and loss’.

c) Financial assets and financial 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 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 Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

2 Accounting policies...continued

c) Financial assets and financial 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 purchases and sales of investments are recognised on the trade date, which is the date the Fund commits to purchase or sell the investments. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income which include the bid-ask spread, fees and commissions paid to agents, advisers, brokers and dealers.

Financial assets at fair value through profit or loss are derecognised when the rights to receive cash flows from these assets have expired or the Fund has transferred substantially all risks and rewards of ownership.

When the Fund purchases an option, an amount equal to fair value which is based on the premium paid is recorded as an asset. When the Fund writes an option, an amount equal to fair value which is based on the premium received by the Fund is recorded as a liability. When options are closed, the difference between the premium and the amount paid or received, net of brokerage commissions or the full amount of the premium, if the option expires worthless, is recognised as a gain or loss and is 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.

The Fund's interests in jointly controlled entities are initially recognised at fair value and are subsequently carried at fair value based on the Fund's proportionate share of the underlying fair value of the entity's net assets.

Investments in other investment funds are valued on the basis of the net asset value per share as determined by the administrators of those investment vehicles in accordance with industry practice.

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

2 Accounting policies...continued

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

ii) Recognition, derecognition and measurement...continued

All other financial assets at fair value through profit or loss are initially recognised at fair value and subsequently carried at fair value.

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 Fund utilises the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value. 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 Fund’s 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 or from other sources. The Fund uses 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. 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.

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

2 Accounting policies...continued

d) Cash and cash equivalents

Cash and 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 fair value. Cash includes deposits held at call with banks.

e) 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 in the statement of comprehensive income when the Fund's right to receive payment is established.

f) 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, the Fund is responsible for the payment of all direct expenses relating to its operations such as audit, legal and professional fees.

g) 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.

h) Redeemable mutual fund shares/ Net asset value

The Fund issues redeemable mutual fund shares which are redeemable at the holder's option and are classified as financial liabilities. Redeemable mutual fund shares can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's net asset value. The redeemable mutual fund shares are carried at the redemption amount that is payable at the statement of financial position date if the holders were to exercise the right to put the shares back to the Fund.

Redeemable mutual fund shares are issued and redeemed at the holder's option at prices based on the Fund's net asset value per share at the time of issue or redemption. The Fund's 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 mutual fund shares. In accordance with the provisions of the Fund's 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.

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

2 Accounting policies...continued

i) Distributions payable to holders of redeemable mutual fund shares

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

j) Taxation

The Fund is licensed as an authorised mutual fund under the Mutual Funds Act, 2002-22 of Barbados. The Board of Directors have resolved that all of the net income of the Fund is attributable to the Fund's Class "A" redeemable mutual fund shareholders. In calculating the assessable income of the Fund for tax purposes, the Act provides for a deduction of up to 100% of the income that is designated to be the income of the Fund shareholders.

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 Fund using reputable pricing sources (such as pricing agencies) or indicative prices.

The Fund 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 Fund. The Fund considers 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.

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

4 Financial risk management

The Fund's activities expose it to a variety of financial risks: market risk (which includes price risk, interest rate risk and foreign currency risk), credit risk and liquidity risk.

The Fund is also exposed to operational risks such as custody risk. Custody risk is the risk of loss of securities held in custody occasioned by the insolvency or negligence of the custodian. Although an appropriate legal framework is in place that eliminates the risk of loss of value of the securities held by the custodian, in the event of its failure, the ability of the Fund to transfer securities might be temporarily impaired.

The Fund's overall risk management programme seeks to maximise the returns derived for the level of risk to which the Fund is exposed and seeks to minimise the potential adverse effect on the Fund's financial performance. The Fund's policy allows it to use derivative financial instruments to moderate certain risk exposures.

All securities investments present a risk of loss of capital. The maximum loss of capital on purchased options, long equity and debt securities is limited to the fair value of those positions. On written call options, short future positions and on equity and debt sold short, the maximum loss of capital can be unlimited. The maximum loss of capital on written put options, long futures and forward currency contracts is limited to the notional contract values of those positions.

The risk management policies employed by the Fund to manage these risks are discussed below. There are no changes in the risk management policies from the prior year.

The management of these risks is carried out by the investment manager under policies approved by the Board of Directors ('the Board'). 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.

Market risk

(i) Price risk

The Fund is exposed to equity securities 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.

The equity price risk exposure arises from the Fund's investments in equity securities and units in managed equity funds. To manage this risk the 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, 2025, is disclosed in note 5.

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

4 Financial risk management...continued

Market risk

(i) Price risk

Sensitivity

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 on the assumptions that the MSCI All Country World Index increased by 15% (2024 - 15%), 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.

	2025	2024
	\$	\$
Effect on net assets attributable to redeemable shares of an increase in the indices		
MSCI All Country World Index	53,999,396	58,415,119

The Investment Manager uses the MSCI All Country World 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 or any other index or external benchmark.

(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 the Fund's financial assets and liabilities are non-interest bearing. The Fund's debt securities are fixed rate securities. As a result the Fund is not subject to significant amounts of cash flow interest 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 is disclosed on cash and cash equivalents in note 6.

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

4 Financial risk management...continued

Market risk ...continued

(iii) Foreign currency risk

The Fund holds financial assets denominated in currencies other than the Barbados dollar, the functional currency of the Fund. Consequently, except where assets and liabilities are denominated in currencies fixed to the Barbados dollar, the Fund is exposed to currency risk. The Fund's policy is not to enter into hedging transactions to mitigate currency risk.

When the Investment Manager formulates a view on the future direction of foreign exchange rates and the potential impact on the Fund, the Investment Manager factors that into its portfolio allocation decisions.

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

Foreign currency risk arises as 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.

The table below summarises the Fund's exposure to direct currency risk in Barbados dollars:

	TTD \$	JMD \$	GYD \$
September 30, 2025			
Financial assets			
Investments	53,942,817	7,210,947	49,344,220
Account receivable	288,069	—	—
Cash and cash equivalents	2,067,905	713,918	—
Total financial assets	56,298,791	7,924,865	49,344,220
Total financial liabilities			
Net position	56,298,791	7,924,865	49,344,220

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

4 Financial risk management...continued

Market risk...continued

(iii) Foreign currency risk...continued

	TTD \$	JMD \$	GYD \$
September 30, 2024			
Financial assets			
Investments	51,767,690	7,608,450	55,153,919
Account receivable	190,349	32,242	20,673
Cash and cash equivalents	1,238,309	28,905	—
Total financial assets	53,196,348	7,669,597	55,174,592
Total financial liabilities			
Net position	53,196,348	7,669,597	55,174,592

Sensitivity

The Fund is most exposed to currency risk in its operating currencies whose values have noticeably fluctuated against the Barbados dollar. These currencies include the Trinidad and Tobago dollar (TTD), the Jamaica dollar (JMD) and the Guyanese dollar (GYD).

The theoretical decrease in net assets had these currencies depreciated by 5% against the Barbados dollar with all other variables held constant is considered below:

	Effect of a 5% depreciation as of September 30, 2025 \$	Effect of a 5% depreciation as of September 30, 2024 \$
Balances denominated in TTD	2,814,940	2,659,817
Balances denominated in JMD	396,243	383,480
Balances denominated in GYD	2,467,211	2,758,730

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

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados 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 the Fund. It is the Fund's policy to enter into financial instruments with reputable counterparties.

The main concentration to which the Fund is exposed arises from the Fund's investments in debt securities. The Fund is also exposed to counterparty credit risk on cash and cash equivalents, amounts due from brokers and other receivable balances.

Credit risk from debt securities 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.

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.

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

	2025	2024
	\$	\$
Debt securities	1,432,713	1,131,000
Accounts receivable	302,769	1,759,726
Cash and cash equivalents	<u>31,742,682</u>	<u>17,685,899</u>
	<hr/> 33,478,164	<hr/> 20,576,625

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward-looking information in determining any expected credit loss. At September 30, 2025, and September 30, 2024, all other receivables, amounts due from brokers, cash and short-term deposits are held with counterparties with a credit rating of BBB+ or equivalent and are due to be settled within 1 week. Management considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Fund.

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

4 Financial risk management...continued

Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund is exposed to weekly cash redemptions of Class "A" Redeemable Mutual Fund Shares (note 9). It therefore invests the majority of its assets in investments that are traded in an active market and can be readily disposed of. The table below analyses the Fund's financial liabilities 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 table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amount, as the impact of discounting is not significant.

	Less than 1 month	1 - 3 months
	\$	\$
September 30, 2025		
Accounts payable and accrued expenses	82,505	92,835
Net assets attributable to holders of redeemable mutual fund shares	<u>746,933,852</u>	—
Total financial liabilities	<u>747,016,357</u>	<u>92,835</u>
September 30, 2024		
Accounts payable and accrued expenses	64,531	5,100
Net assets attributable to holders of redeemable mutual fund shares	<u>688,866,473</u>	—
Total financial liabilities	<u>688,931,004</u>	<u>5,100</u>

Redeemable shares are redeemed on demand at the holder's option (note 9). In the event of unusual circumstances and redemption requests representing more than 20% of the Fund's assets being received within 30 consecutive days, the directors of the Fund reserve the right to suspend redemptions and to hold a special meeting of the Fund shareholders to determine the future of the Fund, including the liquidation of the Fund's assets.

At September 30, 2025, 64% (2024- 62%) of financial assets at fair value through profit or loss, comprise of investments in other funds that have been fair valued in accordance with the policies set out in note 2c. Since the shares of the other funds are not publicly traded, redemption can only be made by the Fund 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 the Fund to request redemption of its investments in 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, the Fund may be materially affected by the actions of other investors who have invested in funds in which the Fund has invested.

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados 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 week or less. The following table illustrates the expected liquidity of assets held.

	Less than 1 week \$	1 week- 1 month \$	1 - 3 months \$	Over 3 months \$
September 30, 2025				
Total assets	<u>148,546,589</u>	<u>572,278,938</u>	<u>8,211,180</u>	<u>18,112,485</u>
September 30, 2024				
Total assets	<u>135,210,747</u>	<u>535,034,190</u>	<u>1,274,849</u>	<u>17,456,318</u>

Capital risk management

The capital of the 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 weekly basis as the Fund is subject to weekly subscriptions and redemptions at the discretion of shareholders. The Fund's objective when managing capital is to safeguard the Fund's 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 Fund.

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 Fund 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.

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 Fund is 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).

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

4 Financial risk management...*continued*

Fair value estimation...*continued*

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 the Fund. The 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.

The following tables analyse within the fair value hierarchy the Fund’s financial assets and liabilities (by class) measured at fair value:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
September 30, 2025				
Assets				
Financial assets at fair value through profit or loss:				
Mutual funds	2,999,799	452,805,650	—	455,805,449
Listed equity securities	232,260,923	7,583,671	—	239,844,594
Joint arrangements	—	16,599,065	16,599,065	
Hedge funds	—	1,341,213	—	1,341,213
Debt securities	—	1,432,713	—	1,432,713
Unlisted securities	—	—	80,707	80,707
	235,260,722	463,163,247	16,679,772	715,103,741

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

4 Financial risk management...continued

Fair value estimation...continued

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
September 30, 2024				
Assets				
Financial assets at fair value through profit or loss:				
Mutual funds	2,582,525	411,615,426	—	414,197,951
Listed equity securities	231,348,155	5,253,206	—	236,601,361
Joint arrangements	—	—	16,014,822	16,014,822
Hedge funds	—	1,274,849	—	1,274,849
Debt securities	—	1,131,000	—	1,131,000
Unlisted securities	—	—	310,496	310,496
	233,930,680	419,274,481	16,325,318	669,530,479

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities, listed close-ended mutual funds and traded government debt securities. The Fund does not adjust the quoted price for these instruments.

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 investment-grade corporate bonds, untraded government securities and 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. Level 3 instruments include unlisted hedge funds, mutual funds and securities.

Level 3 valuations are reviewed on a weekly basis by the Fund's investment committee who report to the Board of Directors. The committee considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques generally recognised as standard within the industry.

The level 3 unlisted securities amounts to \$80,707 (2024 - \$310,496) and consists of unlisted mutual funds and equities. The Fund values these instruments using prices from prior transactions or third-party pricing information.

There were no transfers between levels in the current year.

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

4 Financial risk management...*continued*

Fair value estimation...*continued*

The following tables present the movement in level 3 instruments by class of financial instrument:

	Joint arrangements \$	Unlisted securities \$	Total \$
September 30, 2025			
Opening balance	16,014,822	310,496	16,325,318
Sales/distributions	(1,336,172)	–	(1,336,172)
Gains/(losses) recognised in the statement of comprehensive income	1,920,415	(229,789)	1,690,626
Closing balance	16,599,065	80,707	16,679,772
Change in unrealised gains/(losses) for level 3 assets held at year end and included in other net changes in fair value on financial assets at fair value through profit or loss	1,920,415	(229,789)	1,690,626
September 30, 2024			
Opening balance	15,940,929	322,029	16,262,958
Sales/distributions	–	(7,259)	(7,259)
Gains/(losses) recognised in the statement of comprehensive income	73,893	(4,274)	69,619
Closing balance	16,014,822	310,496	16,325,318
Change in unrealised gains/(losses) for level 3 assets held at year end and included in other net changes in fair value on financial assets at fair value through profit or loss	73,893	(4,274)	69,619

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

4 Financial risk management...continued

Fair value estimation...continued

The below table provides information about fair value measurements using significant unobservable inputs (level 3).

Description	Fair value at September 30, 2025	Fair value at September 30, 2024	Valuation technique	Unobservable Input	Relationship of unobservable inputs to fair value
	\$	\$			
Joint arrangements	16,599,065	16,014,822	Proportionate share of the net assets of the joint arrangements	Fair value of underlying assets	The higher the fair value of the underlying assets of the joint arrangement the higher the fair value
Unlisted securities	80,707	310,496	Net tangible assets	Net book value of underlying assets	The higher the net asset value per share the higher the fair value

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 Fund's assets and liabilities (by class) not measured at fair value at September 30, 2025, but for which fair value is disclosed.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
September 30, 2025				
Assets				
Accounts receivable	—	302,769	—	302,769
Cash and cash equivalents	31,742,682	—	—	31,742,682
Total	31,742,682	302,769	—	32,045,451
Liabilities				
Accounts payable and accrued expenses	—	175,340	—	175,340
Net assets attributable to holders of redeemable mutual fund shares	—	746,933,852	—	746,933,852
Total	—	747,109,192	—	747,109,192

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados 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

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
September 30, 2024				
Assets				
Accounts receivable	–	1,759,726	–	1,759,726
Cash and cash equivalents	17,685,899	–	–	17,685,899
Total	17,685,899	1,759,726	–	19,445,625
Liabilities				
Accounts payable and accrued expenses	–	69,631	–	69,631
Net assets attributable to holders of redeemable mutual fund shares	–	688,866,473	–	688,866,473
Total	–	688,936,104	–	688,936,104

The remaining assets and liabilities, except for the redeemable mutual fund shares, included in the above table are carried at amortised cost; their carrying values are a reasonable approximation of fair value. Margin accounts, cash and cash equivalents include cash in hand, deposits held with banks and other short-term investments in an active market.

Amounts due from brokers and other receivables include the contractual amounts for settlement of trades and other obligations due to the Fund. Amounts due to brokers and accruals represent the contractual amounts and obligations due by the Fund for settlement of trades and expenses.

The puttable value of redeemable shares is calculated based on the net difference between total assets and all other liabilities of the Fund in accordance with the Fund's offering memorandum. These shares are not traded on an active market. A demand feature is attached to these shares, as they are redeemable at the holders' option and can be put back to the Fund at any dealing date for cash equal to a proportionate share of the Fund's net asset value attributable to the share class (note 2h). The fair value is based on the amount payable on demand, discounted from the first date that the amount could be required to be paid. The impact of discounting in this instance is not material. As such, level 2 is deemed to be the most appropriate categorisation for net assets attributable to holders of redeemable shares.

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

5 Financial assets

The classification of the Fund's financial assets is detailed below:

	2025	2024
	\$	\$
Designated at fair value through profit or loss at inception:		
- mutual funds	455,805,449	414,197,951
- listed equity securities	239,844,594	236,601,361
- joint arrangements	16,599,065	16,014,822
- hedge funds	1,341,213	1,274,849
- debt securities	1,432,713	1,131,000
- other	80,707	310,496
Total financial assets designated at fair value through profit or loss	715,103,741	669,530,479
Net gains/ (losses) recognised in relation to investments		
- realised gains/(losses)	3,741,830	(819,641)
- change in unrealised gains	40,360,808	78,249,935
	44,102,638	77,430,294

The detailed portfolio of investments is as follows:

Security	2025		2024	
	Cost	Market value	Cost	Market value
	\$	\$	\$	\$
Financial assets at fair value through profit or loss				
Barbados				
Goddard Enterprises Limited	12,555,998	23,461,057	12,554,798	27,354,303
CIBC Caribbean Bank Ltd	6,877,802	5,494,506	6,877,802	5,628,519
Eppley Caribbean Property Fund -Value Fund	2,514,533	2,573,250	2,460,359	2,125,508
Insurance Corporation of Barbados Ltd	2,055,469	1,282,401	2,055,469	1,223,814
Barbados Dairy Industries Ltd	877,117	472,728	877,117	520,000
Eppley Caribbean Property Fund- Dev Fund	1,162,478	426,549	1,162,478	457,017
	26,043,397	33,710,491	25,988,023	37,309,161

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

5 Financial assets...continued

Security	2025		2024	
	Cost	Market value	Cost	Market value
	\$	\$	\$	\$
Financial assets at fair value through profit or loss				
Jamaica				
Pan Jam Investments Limited	1,164,850	3,883,534	1,164,850	3,897,807
GraceKennedy Limited	421,112	958,036	421,112	1,005,904
Sagicor Group Jamaica Ltd	882,037	794,726	882,037	761,253
Stanley Motta Limited	801,810	751,410	801,810	858,060
National Commercial Bank of Jamaica	366,965	495,155	366,965	636,854
JMMB Group Limited	213,460	328,086	213,460	448,572
	3,850,234	7,210,947	3,850,234	7,608,450
Trinidad				
Agostini Limited	8,865,743	19,714,106	8,865,743	18,611,524
Massy Holdings Ltd	14,149,229	18,188,187	14,149,229	17,833,461
Guardian Holdings Limited	21,391,942	15,205,749	20,630,539	14,446,504
Republic Bank Limited	1,077,292	834,775	1,077,292	876,201
	45,484,206	53,942,817	44,722,803	51,767,690
East Caribbean				
East Caribbean Financial Holdings Ltd	2,932,344	3,933,301	2,932,344	1,638,875
St Lucia Electricity Services	534,208	2,083,507	534,208	1,996,694
Trading & Development Co Ltd	551,202	763,016	551,202	763,016
	4,017,754	6,779,824	4,017,754	4,398,585
Guyana				
Banks DIH Ltd	2,162,555	21,267,235	2,162,555	27,343,588
Demerara Bank Limited	913,727	20,164,179	913,727	21,215,080
Demerara Distilleries Ltd	233,674	5,277,369	233,674	4,485,764
Guyana Bank for Trade and Industry Ltd	520,268	2,331,377	520,268	1,779,209
Demerara Tobacco Co Ltd	113,465	304,060	113,465	330,278
	3,943,689	49,344,220	3,943,689	55,153,919

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

5 Financial assets...continued

Security	2025		2024	
	Cost	Market Value	Cost	Market Value
Financial assets at fair value through profit or loss				
International				
Fortress International Equity Fund	109,234,746	160,685,706	105,334,746	143,092,065
Fortress US Equity Fund	82,374,293	109,769,062	77,474,293	107,785,497
Fortress Emerging Markets Fund	67,354,138	108,234,131	66,154,138	81,094,879
Berkshire Hathaway Inc	22,340,962	40,923,036	22,340,962	37,465,164
Templeton Asian Smaller Companies	15,135,473	25,278,932	20,799,948	34,913,388
Ishares TR Nasdaq Biotechnology	12,406,480	15,332,094	12,406,480	15,462,720
SPDR S&P Midcap ETF	13,236,124	14,543,132	13,236,124	13,899,704
OAM Asian Recovery Fund	12,570,548	13,744,530	13,025,442	13,322,911
Fortress World Growth Fund	10,002,000	13,153,630	10,002,000	12,507,501
Sagicor Financial Company Ltd	15,334,346	12,531,149	15,334,346	8,620,820
OAM European Value Fund	8,400,160	12,298,957	8,400,160	9,665,290
Fortress Global Opportunity Wealth Fund	5,999,920	9,640,702	5,999,920	9,233,895
Johnson & Johnson	6,907,313	8,195,564	6,907,313	7,163,052
ChapelGate Credit Opportunity Fund Ltd	444,040	1,341,213	444,040	1,274,849
	381,740,543	545,671,838	377,859,912	495,501,735
Other				
CS&C Joint Venture	8,961,228	8,713,593	8,961,228	8,303,445
Sunset Joint Venture	936,000	3,951,238	936,000	4,086,860
Emerald City Trust	3,051,745	3,934,234	3,051,745	3,624,517
	12,948,973	16,599,065	12,948,973	16,014,822
Holdings less than 0.05%	6,525,374	1,844,539	6,234,374	1,776,117
Total financial assets at fair value through profit and loss	484,554,170	715,103,741	479,565,762	669,530,479

Financial assets at fair value at profit and loss are grouped based on their primary market in which the issuer operates.

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

6 Cash and cash equivalents

	2025	2024
	\$	\$
Cash at bank	29,737,348	17,003,791
Money market funds	2,005,334	682,108
	<hr/> 31,742,682	<hr/> 17,685,899

The effective yield on cash and cash equivalents and money market funds is nil (2024- nil).

7 Interest income

	2025	2024
	\$	\$
Debt securities at fair value through profit or loss	42,320	32,504
Cash and cash equivalents	23,035	22,669
	<hr/> 65,355	<hr/> 55,173

8 Related party transactions

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 serves as manager, registrar and administrator of the Fund. As a result of providing investment advisory, management, registrar and administrator services, Fortress Fund Managers Limited receives a weekly management and administration fee based on the actual net asset value of the Fund, calculated weekly and payable in arrears. The gross management fee being 1.50% - 1.75% amounted to \$11,594,144 (2024 - \$10,905,817) for the year. The administrator fees amounted to \$607,158 (2024 - \$566,816) for the year.

Management fees of \$3,501,873 (2024 - \$3,183,757) were refunded by Fortress Fund Managers Limited being 0.60% - 1.00% of the net asset values of Fortress World Funds- Growth Fund, Fortress International Equity Fund Limited, Fortress Emerging Markets Fund, Fortress US Equity Fund and Fortress Global Opportunity Wealth Fund shares held by the Fund during the year. This is to avoid double charging of management fees on assets invested in related Funds which have the same Manager.

The Fund holds 416,330 (2024 - 405,488) shares valued at \$160,685,706 (2024 - \$143,092,065) in the Fortress International Equity Fund SP.

The Fund holds 292,740 (2024 - 288,901) shares valued at \$108,234,131 (2024 - \$81,094,879) in the Fortress Emerging Markets Fund SP.

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

8 Related party transactions...continued

The Fund holds 238,414 (2024 - 227,243) shares valued at \$109,769,062 (2024 - \$107,785,497) in the Fortress US Equity Fund SP.

The Fund holds 29,999 (2024 - 29,999) shares valued at \$9,640,702 (2024 - \$9,233,895) in the Fortress Global Opportunity Wealth Fund SP.

The Fund holds 5,001,000 (2024 - 5,001,000) shares valued at \$13,153,630 (2024 - \$12,507,501) in the Fortress World Funds Limited SCC- Growth Fund.

Director fees of \$70,000 (2024 - \$70,000) were paid during the year. Directors' interests (including beneficial interests) in class "A" redeemable mutual fund shares are as follows:

	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
September 30, 2025				
Shareholder				
Directors	544,039	25,578	(167,333)	402,284
September 30, 2024				
Shareholder				
Directors	548,780	36,024	(40,765)	544,039

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

	Number of shares		
	2025	2024	
Fortress Caribbean Pension Fund Limited	38,908,555	39,270,840	
Fortress Insurance Company Limited	85,422	85,422	

9 Redeemable mutual fund shares

Class 'A' Redeemable Mutual Fund Shares (Fund shares)

Each Fund share is entitled to an equal share in the distribution of net income and net capital gains of the Fund and participates equally in all other respects. Fund shareholders shall not be entitled to vote at meetings of shareholders of the Fund save and except as permitted under the Companies Act, CAP 308, for the following:

- i) Disposal of substantially all of the Assets of the Fund, other than the course of ordinary business.
- ii) Any change or abrogation of the rights of the shares or any variation affecting the rights of the shares.
- iii) Any proposed amalgamation of the Fund or any amalgamation of the Fund.

Fortress Mutual Fund Limited

Notes to the Financial Statements

September 30, 2025

(expressed in Barbados dollars)

10 Share capital

	2025		2024	
	Number of shares	\$	Number of shares	\$
Common shares				
An unlimited number of common shares				
Issued	1,000		40,000	
				1,000
				40,000

Common shares

The 1,000 common shares, held by the Fund Manager, carry full voting rights, but do not share in the profits of the Fund. On winding up of the Fund, the shares would be repaid at issued value.



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