30 YEARS OF SMART INVESTING

Fortress FUND MANAGERS

Dear fellow investors,

The second quarter brought a strong recovery in global equities even as energy prices remained high and the war in Iran continued. Financial markets don't always wait for good news to trade higher, but one major driver of returns this quarter was the buildout of physical capacity to enable artificial intelligence (AI), and the excitement over much more to come. The capital expenditure numbers have been enormous and companies that make things like memory chips saw outsized gains this quarter as sales volumes and profit margins both ballooned. The long-anticipated initial public offering of SpaceX fed into this risk-loving enthusiasm, as investors were still in a mood to "shoot first and ask questions later" once AI was involved.

Our discipline requires us always to ask questions. One big question today where AI is concerned is: what companies, if any, will be able to lay claim durably to outsized profits from its use and expansion? And will these profits come from new sources, or primarily at the expense of existing companies, who will see their earnings plummet or businesses disappear? No one knows the answers yet. But that's not stopping investors from betting heavily on the outcomes. Today's perceived winners have such high valuations that the future must be very bright indeed, not just for AI in general (a fair bet), but for them specifically (much tougher). At the same time, prices are becoming wonderfully undemanding among many other areas of global equity markets. Will AI change the world? Yes, almost certainly. Will it entirely change which companies earn durable profits, wiping out all of today's established companies? We don't think so, and the Fortress portfolios are increasingly being given the opportunity to position accordingly all around the world.

Thank you very much for investing with us.

Sincerely,
Fortress Fund Managers

OF INTEREST THIS QUARTER:

THE CARIBBEAN GROWTH FUND

gained 5.8% in the second quarter and is up 9.3% over the past year. Global equities recaptured first quarter losses and rallied to new highs as energy prices remained volatile and the AI buildout continued.

THE CARIBBEAN HIGH INTEREST FUND

gained 1.3% in the second quarter and is up 3.1% over the past year. Global bond prices were little changed amid energy volatility and changing expectations for central bank policy.

THE CARIBBEAN PENSION FUND

shares gained between 1.6% and 5.1% in the second quarter and are up between 3.7% and 8.8% over the past year. Equities and bonds both posted positive returns.

Perspective Matters

When the waves are up close, they are huge, swirling and never ending. Then, with a bit of distance, they calm down. And from farther still there are no waves at all, only a lovely, calm sea. It's the same with investing – a little distance helps. That's why we always take a long-term view, thinking in years, not months, and always owning high-quality assets at reasonable prices.

Fortress FUND MANAGERS

Caribbean Growth Fund

HIGHLIGHTS:

- *The Fund gained 5.8% in the second quarter and is up 9.3% over the past year.*
- *Global equities recaptured first quarter losses and rallied to new highs as energy prices remained volatile and the AI buildout continued.*

The Fund gained 5.8% in the second quarter and is up 9.3% over the past year. The net asset value (NAV) per share as of June 26 was $8.8710. Net assets of the Fund were $820 million, up from $716 million this time last year. The Fund's annual compound rate of return since inception in 1996 is 7.7% per year. Its portfolio remains well diversified by security, geography, and currency.

Global equities staged a strong comeback in the second quarter as investors concluded the conflict in the Middle East posed less risk to the global economy than initially feared. By April, stocks had recovered their first quarter declines and oil prices retreated, even ahead of a formal ceasefire agreement. In the U.S., while most sectors gained, semiconductor and memory stocks were by far the leaders on favourable dynamics from the AI buildout. Oil prices normalised and energy, the best performing sector in the first quarter, declined 13%. Despite easing inflation pressures from oil prices, the U.S. Federal Reserve (Fed) remained cautious and biased against rate cuts in the near term. In the U.S., value and growth delivered comparable returns and the S&P 500 index returned 15% for the quarter. International and emerging market equities outperformed the U.S., though gains in U.S. dollar terms were marginally lower due to weaker currencies. Japanese shares saw strong returns, as technology and financial stocks lifted performance. Emerging Markets shares returned 22% in the quarter, with performance due largely to outsized gains in companies tied to the AI buildout such as Samsung and SK Hynix. Our performance this quarter, while positive, lagged meaningfully in April and May as investor focus was almost entirely on AI-related shares. The Fund's core allocations to U.S., international and emerging equities via the Fortress Global Funds returned between 4% and 11% with the International Equity Fund posting the strongest returns. The Fund's select positions across U.S. healthcare and emerging market small cap stocks returned between 6% and 17%.

Caribbean equity markets saw mixed results during the quarter. After prolonged weakness, Trinidad's market returned 5.7% which brought its year to date return positive. The Jamaica index was up marginally while Barbados was flat. The Fund's largest holdings in Guyana were down 2%-3%. In Barbados, Roberts Manufacturing completed its Initial Public Offering (IPO), the market's first in two decades. The Fund participated in the offering, establishing a 0.5% position in the portfolio. We view the issuance as an encouraging development for the local capital market.

Looking ahead, global equities remain supported by easing inflation expectations and continued AI investment. However, risks persist including the fragile U.S./Iran ceasefire, pronounced market concentration, and potential volatility from upcoming large technology IPOs. While these risks cannot be eliminated, the Fund's focus on well valued, durable companies helps limit exposure to them. Overall, we continue to see good prospects for the Fund's portfolio.

The Fund is open to new subscriptions.

FUND OBJECTIVE

Capital growth over the long term. The Fund uses a value approach to invest primarily in Caribbean and international equities.

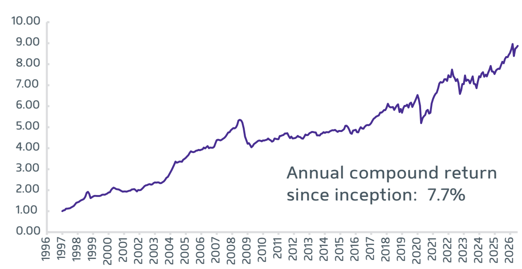
Dealing	Weekly on Fridays
Net Asset Value per share	$8.8710
Fund Net Assets	$819,899,305
Fund Inception	Dec 9, 1996

INVESTMENT RETURNS

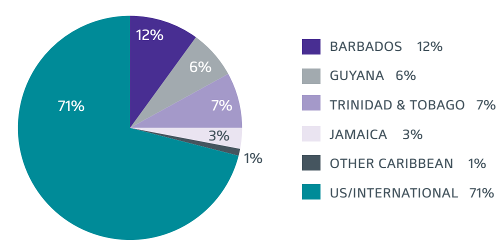
	3 Mo	1 Yr	3 Yrs	5 Yrs	Incept.
Fortress	**5.8%**	**9.3%**	**6.9%**	**4.4%**	**7.7%**
Jamaica	1.5%	14.6%	1.2%	-4.6%	5.5%
Trinidad	5.1%	-3.7%	-6.5%	-6.7%	5.8%
Barbados	1.7%	0.9%	3.4%	2.8%	2.8%
Global Index	14.1%	20.3%	19.1%	11.6%	8.5%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO JUNE 30TH, 2026



GEOGRAPHICAL DISTRIBUTION OF PORTFOLIO



TOP 10 HOLDINGS

	Holding	*Country/Region*
1	Fortress International Equity Fund	International
2	Fortress Emerging Markets Fund	International
3	Fortress US Equity Fund	US
4	Deposits - CIBC Caribbean Bank	Barbados
5	Berkshire Hathaway Inc Class B	US
6	Templeton Asian Smaller Companies	International
7	Banks DIH Ltd	Guyana
8	Goddard Enterprises Limited	Barbados
9	iShares Biotechnology ETF	US
10	Demerara Bank	Guyana

EXPENSES

*Manager:**
1.75% per annum on the first $500 million of net assets
1.50% per annum on remaining balance of net assets
Custodian:
0.0875% on first $30M in net assets
0.075% on amounts over $30M in net assets
Administrator:
0.10% on the first $30M in net assets
0.0875% on amounts over $30M in net assets
Redemption Charge: none
Initial Charges: 2%

MANAGER & ADMINISTRATOR

Fortress Fund Managers Ltd.

CUSTODIAN

SigniaGlobe Financial Group

AUDITORS

EY Barbados

ATTORNEY-AT-LAW

Clarke Gittens Farmer

DIRECTORS

Roger Cave, Chairman
Ruth Henry
Greg McConnie
Maria Nicholls
Tracey Shuffler
Ryle Weekes
John Williams

***Where allocations are made to other Fortress funds, management fees are rebated to the Fund to avoid double charging.**
Please see our **Fund Prospectus** for further important information.

Caribbean High Interest Fund

Fortress FUND MANAGERS

HIGHLIGHTS:

- *The Fund gained 1.3% in the second quarter and is up 3.1% over the past year.*
- *Global bond prices were little changed amid energy volatility and changing expectations for central bank policy.*

The Fund gained 1.3% in the second quarter and is up 3.1% over the past year. The net asset value (NAV) of the Fund's Accumulation share as of June 26 was $2.3418, while the Distribution share finished at $1.1198. Net assets of the Fund were $163 million, up from $150 million this time last year. The Fund's annual compound rate of return since inception in 2002 is 3.6% per year. Its portfolio remains as diversified as possible across various issuers, industries, geographies, and terms to maturity.

Global fixed income markets saw heightened volatility during the second quarter, driven by geopolitical conflict, energy-related supply shocks, and shifting central bank policy expectations. At its June meeting, the U.S. Federal Reserve (Fed) kept its target rate unchanged but emphasized a commitment to price stability and removed language suggesting a bias toward future rate cuts. Its messaging, therefore, became decidedly more hawkish and focused on inflation risks, as resilient economic activity and stable labour market conditions helped temper concerns about slowing growth. Against this backdrop, the Treasury yield curve flattened, with short and medium-term yields moving higher while those in longer maturities inched lower. Credit spreads tightened over the quarter as investor confidence improved, leading to corporate bonds outperforming comparable government securities. In our view, corporate spreads continue to offer only modest compensation for additional risk, leading us to favour only the highest quality credits. With bond yields overall near multi-year highs, we see the current environment presenting an increasingly attractive income opportunity. At the same time, ongoing macroeconomic uncertainty and lingering geopolitical risks warrant a selective and disciplined approach.

During the quarter, the Fund's core allocation to the US$ Fortress Fixed Income Fund returned 2.0%, in line with the broad market. Our small emerging market bond allocation gained 3.8%. We took advantage of higher yields among shorter maturity bonds by adding floating and fixed-rate U.S. corporate exposure in the 3 to 5-year term via the Fortress Fixed Income Fund.

The Fund's holdings in Government of Barbados (GoB) and local Barbados dollar corporate bonds performed in line with expectations. Barbados' decreasing debt-to-GDP ratio and continued recovery in tourism suggest a stabilising fiscal trend and, at the margin, improving credit quality. Cash represented 14.4% of the Fund at quarter end, up slightly from 12.5% last quarter. The liquidity provides flexibility, allowing us to deploy capital opportunistically as market conditions continue to evolve. The portfolio's average term to maturity is little changed at 6.7 years. Its gross yield remains at 4.1%, a good estimate of the Fund's medium term return potential.

The Fund is open to new subscriptions.

FUND OBJECTIVE

Income and capital preservation over the medium term. The Fund actively invests in a diversified portfolio of primarily Caribbean and international debt securities.

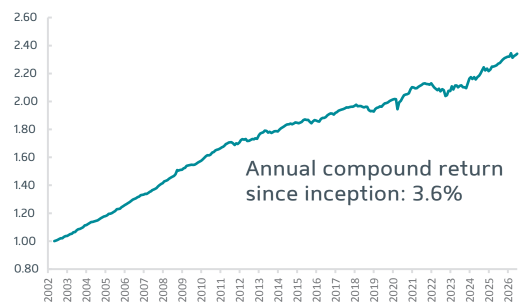
Dealing	Weekly on Fridays
Net Asset Value per share	$2.3418/ $1.1198
Fund Net Assets	$162,722,034
Fund Inception	May 17, 2002

INVESTMENT RETURNS

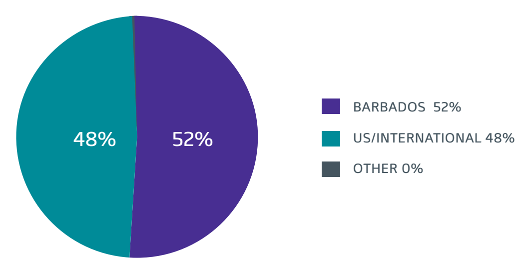
3 Months	1 Year	3 Years	5 Years	Inception
1.3%	3.1%	3.5%	2.0%	3.6%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO JUNE 30TH, 2026



GEOGRAPHICAL DISTRIBUTION OF PORTFOLIO



TOP 10 HOLDINGS

	Holding	*Country/Region*
1	Fortress Fixed Income Fund	US
2	Deposits - CIBC Caribbean Bank	Barbados
3	Fortress World Fixed Income Fund	US
4	GEL Note Nov 27 2026	Barbados
5	Barbados Series B Sep 30 2033	Barbados
6	Barbados 7.75% Feb 28 2044	Barbados
7	Templeton Asian Opportunities Fund	International
8	iShares JP Morgan EM Bond	International
9	First Citizens Repo Dec 28, 2026	Barbados
10	Stallion Prop Holdings 5% Dec 31 2026	Barbados

EXPENSES

*Manager:**
0.75% per annum
Custodian & Administrator:
0.20% on first $30M in net assets
0.175% on next $50M in net assets
0.15% on amounts over $80M in net assets
Redemption Charge:
2% for funds held less than 6 months
Up to 1% for funds held less than 6 months - 2 years
Nil after 2 years
Initial Charges: none

MANAGER & ADMINISTRATOR
Fortress Fund Managers Ltd.

CUSTODIAN
SigniaGlobe Financial Group

AUDITORS
EY Barbados

ATTORNEY-AT-LAW
Clarke Gittens Farmer

DIRECTORS
Roger Cave, Chairman
Ruth Henry
Greg McConnie
Maria Nicholls
Tracey Shuffler
Ryle Weekes
John Williams

***Where allocations are made to other Fortress funds, management fees are rebated to the Fund to avoid double charging.**
Please see our **Fund Prospectus** for further important information.

Caribbean Pension Fund

Fortress FUND MANAGERS

HIGHLIGHTS:

- *The three classes of shares of the Pension Fund gained between 1.6% and 5.1% in the second quarter and are up between 3.7% and 8.8% over the past year. Equities recovered from their first quarter weakness and bonds also posted positive returns.*
- *Returns by class of share are shown in the table to the right.*

A Tale from Dogpatch.

There's an old comic strip following the character Li'l Abner on his adventures, as he bungles through the village of Dogpatch. On one occasion, Abner, with eyes set on marrying the local girl, finds himself seeking out the wise Old Man Mose, in search of advice on how to win her heart. Mose, being the font of all knowledge in Dogpatch, tells Abner: "Double your money 20 times and she will be yours", and sends him on his way.

Now, one dollar doubled 20 times comes to just over a million dollars. Abner, by some miracle, manages to make a good start in following the instructions, taking his only dollar through four doubles to reach $16. Feeling rather chuffed, he wanders into a nearby bar, stumbles onto a slot machine and promptly pops in his $16. He cranks the handles - and amazingly hits a jackpot! Two million dollars streams out of the machine onto the floor, covering his feet. Abner, seeing that Old Man Mose's advice has been working perfectly so far, bends down, picks up $32 from all the money at his feet, and sets off in search of his next "double".

We can laugh and some would agree this scenario is pretty unrealistic. But many of us do something akin to this, though it may be quieter and its impact harder to define. On the quest for a secure retirement, are we making the best choices with today's dollars? Where we are able, do we take full benefit from willing employers who wish to help us save in pension plans? Are we leaving money in the bank, rather than putting it to work in productive, long-term assets such as mutual funds?

The only thing we know about the future is that it's not certain. Wherever we are in our journey, it's worth looking down at what's already at our feet and considering whether we're doing as much as we can. Fortress Fund Managers is here to help.

Investors in the Pension Fund typically select from three different classes of shares, based on personal circumstances and risk tolerance. These classes differ in how their assets are spread across the major asset classes of equities, bonds, and real estate and other assets. The graphs show how each of the classes (AA, CC, CS) is allocated currently. The reports on the Caribbean Growth Fund and Caribbean High Interest Fund on pages two and three of this quarterly report give you a direct look into the performance, positioning and outlook for the major underlying investments in the Pension Fund.

FUND OBJECTIVE

Capital growth, income and security over the long term, as appropriate to each class of share. The Fund invests in equities, fixed income, and real estate assets primarily via the other Fortress funds.

Net Asset Value Per Share: $37.38 / $34.67 / $21.49 (AA/CC/CS)

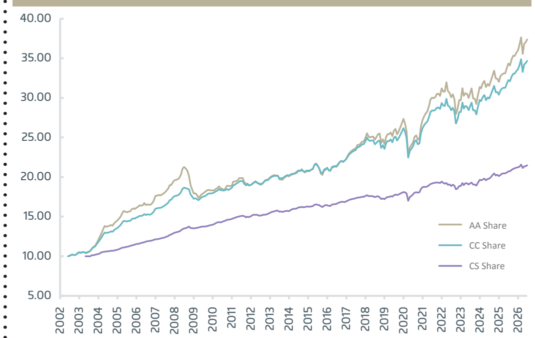
Fund Net Assets: $493,561,265

INVESTMENT RETURNS

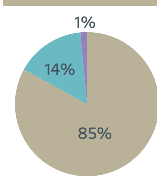
	3 Mo	1 Yr	3 Yrs	5 Yrs	Incept.
AA Share	5.1%	8.8%	6.9%	4.5%	5.6%
CC Share	4.2%	7.5%	6.2%	4.1%	5.3%
CS Share	1.6%	3.7%	3.8%	2.3%	3.4%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO JUNE 30TH, 2026

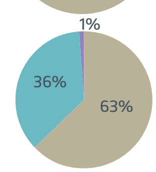


ASSET ALLOCATION



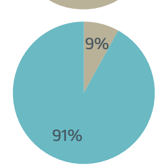
AGGRESSIVE ACCUMULATOR (AA)

- EQUITIES 85%
- FIXED INCOME 14%
- REAL ESTATE/OTHER 1%



CONSERVATIVE CONSOLIDATOR (CC)

- EQUITIES 63%
- FIXED INCOME 36%
- REAL ESTATE/OTHER 1%



CAPITAL SECURE (CS)

- EQUITIES 9%
- FIXED INCOME 91%
- REAL ESTATE/OTHER 0%

Fortress is a leading provider of investment management and pension administration services to defined contribution (DC) and defined benefit (DB) pension plans of all sizes.

In addition, our proprietary pension products serve companies and employees both before and after retirement:

Personal Pension (RRSP)
- Individual account for investing your own pension savings.
- If you change employers your accumulated pension savings can be transferred into an RRSP and remain invested as you select.

INNOVA Lifestage Income Plan
- An alternative to low rates on fixed annuities after retirement.
- You stay invested even in retirement and draw down a variable monthly pension from your own investment account.
- Any undrawn amount forms part of your estate.

The Fortress Caribbean Pension Fund is the primary investment offering behind all our pension products and for company defined contribution pension plans.

EXPENSES

Manager: 0.50% per annum of net assets at the Fund level. Fees from the underlying Fortress funds in which the Fund invests are capped at between 0.25% and 0.50% per annum of net assets, depending on the fund.
Custodian: $7,500 per year paid by the Fund as a whole.
Administrator: 0.03% per annum.
Sales Charge: None
Redemption Charge: none

MANAGER & ADMINISTRATOR
Fortress Fund Managers Ltd

CUSTODIAN
SigniaGlobe Financial Group

AUDITORS
EY Barbados

ATTORNEY-AT-LAW
Clarke Gittens Farmer

DIRECTORS

Please see our **Fund Prospectus** for further important information.

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