

Prizm Master Fund

A Large Cap U.S. Equities Long / Short Market Neutral Strategy

31 January 2026

FUND FACTS

Launch Date	31 May 2022
Domicile	UK
Fees	1.5% & 20%
Denominations	USD
Liquidity/Dealing	Monthly
Year End	31 January
ISIN	KYG724AP1013
Minimum Investment	\$100,000

OVERVIEW

Investment Objectives

The Funds objective is to provide highly uncorrelated returns against the market and peers while aiming to achieve positive returns, irrespective of market direction. Whilst performance is an important consideration a core tenet of the strategy is capital preservation.

Investment Approach

The strategy employs a fully systematic fundamentally driven process centred around the 1000 largest US stocks by market capitalisation. The process, structured in a market-neutral framework, adopts a fundamental, valuation driven approach focused on 50 longs and 50 shorts rebalanced back to 2% each month (shorts are beta-adjusted around 2% weights). The valuation driven methodology ranks the universe utilising a systematic 13-factor approach, aiming to generate alpha from both sides of the book.

PRIZM MASTER FUND PERFORMANCE vs. INVESCO US MARKET ETF & PEERS

From Inception (31/5/2022 – 31/1/2026) - Net Performance %

PERIODS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-to-Date (Net)	Cumulative (Net) Since Inception	Cumulative (Annualised) Net
PRIZM MASTER FUND - 2026	-0.73												-0.73	-11.87	-3.39
With Intelligence (n=100.0% Jan 2026)	1.84												1.84	34.94	8.52
Barclay Hedge (n=2602 Jan 2026)	2.11												2.11	34.62	8.44
Bloomberg Peers (n=57/62)	0.86												0.86	34.63	8.45
^Aurum US ELS	0.22												0.22	34.58	8.44
Invesco US Market ETF	3.39												3.39	42.76	10.20
PRIZM MASTER FUND - 2025	0.17	4.67	1.04	-2.60	-4.67	-4.72	-9.03	1.07	-6.29	-8.29	8.82	3.17	-16.85	-11.22	-3.27
With Intelligence (n=506 Dec 2025)	1.56	-1.03	-2.17	-0.49	2.87	2.33	0.91	2.12	1.65	0.54	0.81	0.94	10.35	32.46	8.16
Barclay Hedge (n=2602 Dec 2025)	1.71	-0.16	-1.55	-0.13	2.80	2.38	0.93	1.95	2.25	0.98	0.26	0.59	12.57	31.81	8.01
Bloomberg Peers (n=62)	2.27	-0.87	-2.35	-0.33	2.75	2.47	0.18	1.79	0.74	-0.10	0.87	0.56	8.40	33.49	8.40
^Aurum US ELS	2.26	-1.27	-3.99	-0.11	3.02	2.31	0.80	2.03	0.63	1.39	0.60	0.74	8.46	34.20	8.55
Invesco US Market ETF	3.50	-0.61	-3.38	-2.29	4.35	3.43	0.97	2.69	1.11	-0.95	1.90	0.45	11.43	38.08	9.42
PRIZM MASTER FUND - 2024	5.66	-2.19	2.06	0.78	1.08	0.47	3.72	-0.80	-1.68	-3.69	-12.30	3.48	-4.56	6.77	2.57
With Intelligence (n=506)	0.66	2.49	2.16	-1.74	1.79	0.02	1.79	0.26	0.89	-0.07	3.70	-1.27	11.05	20.04	7.31
BARCLAY HEDGE	0.44	1.94	1.91	-1.10	1.69	0.45	1.46	0.71	1.62	-0.59	2.07	-1.25	9.68	17.09	6.29
Bloomberg Peers (n=66)	1.16	2.59	2.32	-2.31	2.47	0.91	0.92	1.75	1.18	-0.32	2.93	-2.13	11.49	23.15	8.64
^Aurum US ELS	1.56	3.15	2.17	-2.21	2.42	0.90	1.09	1.38	1.12	0.18	3.20	-1.57	13.39	26.83	10.55
Invesco US Market ETF	-0.82	4.16	4.46	-4.87	2.82	0.45	4.49	2.50	2.34	-1.63	6.42	-6.26	6.13	11.86	7.34
PRIZM MASTER FUND - 2023	-1.34	0.83	-2.29	2.98	-0.11	2.24	1.19	3.69	1.56	1.23	-1.53	-2.25	6.13	11.86	7.34
With Intelligence (n=506)	3.50	-0.77	-0.07	0.20	-0.32	2.38	1.83	-0.66	-1.44	-1.40	3.64	3.35	10.70	8.09	5.03
BARCLAY HEDGE	3.36	-1.08	0.05	0.40	-0.63	2.18	1.69	-0.61	-1.27	-1.61	3.82	2.81	9.27	6.76	4.21
Bloomberg Peers (n=68)	2.68	-1.16	1.19	1.03	-0.08	3.14	1.42	-0.25	-2.23	-0.83	4.06	2.51	11.47	10.18	6.43
^Aurum US ELS	3.62	-0.12	0.63	0.70	1.14	2.93	1.20	-0.24	-2.32	-1.50	4.64	2.85	14.13	13.68	8.44
Invesco US Market ETF	7.39	-3.30	-0.88	0.34	-3.79	7.72	3.46	-3.16	-5.08	-4.08	9.14	6.86	13.87	9.65	5.99
PRIZM MASTER FUND - 2022						-0.90	1.46	-2.87	0.85	4.13	1.88	0.88	5.40	5.40	9.44
With Intelligence (n=506)						-4.04	3.06	-0.63	-3.60	2.72	1.98	-1.62	-2.36	-2.36	-4.00
BARCLAY HEDGE						-3.85	2.58	-0.38	-3.94	1.86	2.89	-1.24	-2.30	-2.30	-3.89
Bloomberg Peers (n=58/63)						-4.16	3.14	-1.86	-3.77	4.13	3.02	-1.80	-0.86	-0.86	-1.48
^Aurum US ELS						-3.53	3.80	-0.78	-4.25	2.99	2.48	-0.80	-0.09	-0.09	0.00
Invesco US Market ETF						-9.40	8.70	-3.50	-9.23	9.80	6.70	-4.71	-3.71	-3.71	-6.24

Trailing Twelve Months (TTM) - 31/1/2025-31/1/2026

Inception - 31/5/2022-31/1/2026

Portfolio Risk Stats	Invesco US ETF	Bloomberg Peers *	Aurum US ELS **	With Intelligence. NA **	PRIZM MASTER FUND	Invesco US ETF	Bloomberg Peers *	Aurum US ELS **	With Intelligence. NA **	PRIZM MASTER FUND
Annualised Returns (Net) of Fees	11.31	6.92	6.36	10.69	-17.60	10.20	8.45	8.44	8.52	-3.39
Cumulative (Net) Returns						42.76	34.63	34.58	34.94	-11.87
Sharpe Ratio (Net): **	0.94	2.13	41.76	1.40	-1.18	0.20	0.18	0.35	0.38	-0.28
Standard Deviation:	0.32	0.05	-3.99	0.12	0.26	0.32	0.13	13.10	0.12	0.26
Correlation to SPXEWIT		0.92	6.06	0.93	-0.07		0.88	0.52	0.95	-0.09
Beta to SPXEWIT		1.81	1.32	1.79	-0.12		2.24	1.72	2.40	-0.11
Tracking Error:		0.18	75.00	0.17	0.26		0.17	0.26	0.18	0.13
Mean Return:	0.92	0.57	5.31	0.86	-0.73	0.89	0.01	0.77	0.70	-0.21
Max Drawdown: ^	6.17	3.27	119.76	3.65	30.10	13.74	6.65	5.95	5.26	36.87
Peak-To-Valley: ^	2025/2/19-2025/4/8				2025/4/8-2025/10/15	2024/11/29-2025/4/8				2024/8/7-2025/10/15
Recovery: ^	59 Days				Ongoing	62 Days				Ongoing
Positive Periods: ^	143 (55%)				130 (50%)	511 (54.59%)				502 (52.40%)
Negative Periods: ^	117 (45%)				130 (50%)	425 (45.41%)				456 (47.60%)

^ Source: South River AM risk statistics are net returns unless otherwise stated & are against the Invesco US Market ETF. Performance numbers have been independently verified by EisnerAmper (Auditors) to March 2024. Net returns are after 1.5% management and 20% performance fees. Risk Free Rate/3M SOFR 3.84% (month end). **With Intelligence NA performance data are frequently updated, often years back & adding to survivor bias. ^Bloomberg Peer perf. and risk stats are monthly. ^^Aurum NA ELS data is an average of the three peers until numbers available. Total Return = TR. With is discontinuing 506 peers.

Of the 57 hedge funds listed by Bloomberg with an equity market neutral & geographic focus on the United States (since inception in May 2022 to January 2026) the Fund ranked 56th (in USD) or 98th percentile in the (inclusive) peer group with a net loss of 11.87%. For the month of January 2026, the Fund ranked 51st within the 62 hedge funds listed (in USD) with a loss of 0.73%. Within the (preliminary) January 2026 Soc Gen Equity Long/Short peer group, the Fund ranked 50/61 within the comparative funds, or 82nd percentile and over the TTM period the Fund ranked 93/95 within the comparative peers, or 98th percentile.

Prizm Master Fund - Large Cap US Equities Long / Short Market Neutral Strategy

FUND MANAGER MONTHLY COMMENTARY | 31 JANUARY 2026

Market and performance review

The Prizm Large Cap US Equities Long/Short Fund (the Fund), which aims for capital preservation and positive returns across diverse market conditions, often exhibiting negative correlation, had a fair month, falling by a net 0.73% as compared to the Invesco US Market ETF gain of 3.39%. The top 50 stocks by highest short interest at the end of December on average rose 6.05% (and a range of -18.85% (QBTS) to +54.33% (UUUU) and a median gain of 4.26%. While the Energy, Materials and Industrials sectors led markets this month, the closing week revealed a stark bifurcation in the market. A major rotation out of 'growth' is underway; notably, names such as IonQ, APLD, SoFi, and RKT saw significant drawdowns. These technical breakdowns may be signalling a shift in risk appetite that bears closer monitoring as we move through February.

As of the end of January 2026, the Fund's Trailing-Twelve-Month (TTM) performance showed a 17.60% loss, contrasting with the Invesco US Market ETF's 11.31% gain. Since its inception in May 2022, the Fund has achieved a cumulative loss of 11.87%, net of all fees, trailing the 10.20% gain of the Invesco US Market ETF. The Fund is managed with a clear, absolute-return mandate focused on **capital preservation and uncorrelated returns** especially so during periods of market stress. It is fundamentally designed to provide defensive downside protection when broader equity markets experience corrections or sustained weakness. Consequently, the strategy is structurally designed to lag, and incur drawdowns, during periods of strong, uninterrupted equity market gains, such as seen since the Trump election victory.

Current estimates anticipate 4.9% nominal GDP growth for FY25 (and 4.8% for FY26), based on 2.2% GDP growth (2.4% for 2026) and 2.7% inflation (2.7% for 2026) down from 3.0% and 2.8% at year-end 2025.

Fundamentally, the Fund is committed to authentic valuation-driven stock picking without the need for any leverage to "make it work". Our methodology does not reflect the intrinsic quality of a business, the competence of its leadership, or its business offering. Rather, it signals/questions whether the current market valuation accurately reflects the prevailing company "story" and whether it is undervalued or excessively overvalued. And of course, stocks can always become more expensive or indeed cheaper. At its core, this product is about capital preservation when you need it most, namely during market drawdowns.

Sector exposure of the Long Book was focused on Technology, Energy and Consumer Discretionary/Staples and while the Short Book was (heavily) focused on Industrials, Financials and Technology (Industrials and Financials were net short sectors, while Energy and Consumer Discretionary were a net longs). January's Long book saw an average increase of 2.39%, while the Short book saw an average increase of 3.35%. 27 of the 50 longs were up on the month and 27 of the 50 shorts up on the month.

The factor with the most significant negative contribution to performance this month was our Free Cashflow to Assets factor. We initiate longs in those names where stocks have high Free Cashflow to Assets and short those which have low Free Cashflow to Assets. Six of the thirteen factors recorded positive returns on the month. While not a standalone factor in our methodology (its is incorporated in our Total Yield factor) it was very noteworthy that the Dividend Yield factor rallied very strongly into month-end.

Standout positives among the stocks in the Long "book" this month were, firstly, CRC (California Resources, Corp.) an exploration and production (E&P) business was up 19.66% over the month on the back of a higher

Crude price (13.5%) and arguably now being seen as a "green" clean energy provider to data centres and now trades on a next year forward EV/EBITDA multiple of 5.4x. And secondly, RUSHA (Rush Enterprises, Inc.) the largest commercial vehicle dealership network in North America. The stock serves as a proxy for the health of the U.S. freight and logistics sector and was up 19.00% over the month and now trades on a next year forward PE multiple of 10.0x.

In the Short "book," the winners this month, was PI (Impinj, Inc.), a pioneer and leader in RAIN RFID (Radio Frequency Identification) technology which was down 20.64% after announcing that its revenue would be near the high end of its \$90M-\$93M guidance. However, it appears that the market was disappointed that this essentially flat performance (compared to \$96mm in the previous year) while also confirming a seasonal slowdown they were seeing in its core logistics business. The stock still trades on next year forward EV/EBITDA multiple of 47.0x. Secondly, JOBY (Joby Aviation, Inc.) a loss-making EVTOL (electric vertical take-off and landing) company imploded in the last week of the month (down 24.12%), and down 19.92% month-to-date, after announcing a massive \$1.2 billion fundraising deal issuing 53 million new shares, or about 6% dilution, and now trades on a next year forward EV/Sales multiple of 94.9x. The 33% monthly drawdown in PFSI is a tough pill to swallow, especially given our successful short bias in 2025 with an average win rate of 7.5%. We closed the position in November; unfortunately, the stock's ranking hadn't deteriorated enough (read outperformed) to feature in the 'Bottom 50' ranking in January. The weakness was largely fundamental (something our methodology had highlighted)— but the decline was driven by a massive 39% EPS miss due to rising competitive churn.

Negatives on the Long side were WST (West Pharmaceutical Services, Inc.), a company who design, manufacture, and sells containment and delivery systems for injectable drugs that was down 16.00% as the market increasingly focused on the transition of "weight loss" (GLP-1) drugs from injectables to oral (pill) forms and now trades on a next year forward EV/EBITDA multiple of 19.6x. Meanwhile ADSK (Autodesk, Inc.) a CAD/CAM software provider was down 14.57% over the month after announcing a 7% headcount reduction, and a full-year (January) guidance above market expectations and is increasingly caught up in the rotation out of the software sector and now trades on a next year forward EV/EBITDA multiple of 17.3x.

On the Short side, negatives were, BE (Bloom Energy Corp.), a company that designs, manufactures, sells, and installs solid-oxide fuel cell systems for on-site power generation rose 74.21% after announcing a large power agreement with American Electric Power and now trades on next year forward EV/EBITDA multiple of 106.3x. And secondly, APLD (Applied Digital, Corp.) an AI and data centre infrastructure solutions company that rose 38.17% after reporting revenues substantially ahead of expectations and now trades on a next year forward EV/EBITDA multiple of 83.2x.

By way of conclusion, two final points: Firstly, we offer a note of caution. As highlighted by FactSet and NYU, the second year of a presidential term— often referred to as "the midterms" — in the last 45 years, typically delivers a median return for the Invesco US Market ETF of just 8.4%, a figure well below historical annualised medians of 12.4%. And secondly, and far be it for us to question a billionaire, but we find it astounding that a man who has declared business bankruptcy six times thinks he knows better how to run a country let alone the Federal Reserve, who are supported by ~800 hundred PhDs...

MONTHLY PERFORMANCE CONTRIBUTION

Top Contributors – January 2026	%
Impinj, Inc. (PI - Short)	- 20.6
Joby Aviation, Inc. (JOBY - Short)	- 19.9
California Resources, Corp. (CRC - Long)	+ 19.7
Rush Enterprises, Inc. (RUSHA - Long)	+ 19.0
Affirm Holdings, Inc. (AFRM - Short)	- 19.0

Top Detractors – January 2026	%
Bloom Energy, Corp. (BE - Short)	+ 74.2
Applied Digital, Corp. (APLD - Short)	+ 38.2
Kratos Defense & Security Solutions, Inc. (KTOS - Short)	+ 35.7
Mercury Systems, Inc. (MRCY - Short)	+ 28.6
EOSE Energy Enterprises, Inc. (EOSE - Short)	+ 27.7

INVESTMENT TEAM LEAD



Robert Sellar

With a rich background encompassing both hedge funds and long only investing, Robert Sellar embarked on his investment career in 1982.

His impressive career includes Founder and Hedge Fund manager of the South River/Prizm Large Cap North American Equities Long/Short Fund, London.

- Hedge Fund Portfolio Manager and Partner at Cameron Capital Management LLC, PA, (CCM was a long/short market neutral fund which was successfully sold to Valley Forge Advisors, USA)
- Co-managed the BP Pension Fund North American fund (\$5Bn AUM), London
- Head of North American equities and top decile PM for Aberdeen Asset Management (\$3Bn AuM) in London and Philadelphia (where he lived for ~seven years)
- Robert also managed the Aberdeen Asset Management Global Technology Fund (\$100mm AuM), London
- Co-managed the British Steel European equities fund (\$1Bn AuM), London
- Worked for both BZW and UBS on the sell side.
- Robert is a member of a five-man team within South River AM
- Robert was born in New Zealand

CONTACTS

Investment Manager



South River Asset Management Ltd.
55 Hersham Road
Walton-on-Thames, Surrey
England KT12 1LJ
United Kingdom



Investor Services & Dealing
0800 123 4567



investorservices@southriveram.com

Investment Adviser



RPMS Investments Ltd.
35 Station Approach,
West Byfleet,
Surrey KT14 6NF
United Kingdom



www.prizmfunds.com



[@southriver](https://twitter.com/southriver)



cl@southriveram.com

PLEASE NOTE: SOUTH RIVER ASSET MANAGEMENT LTD IS THE FCA REGULATED HOSTING PLATFORM TO THE NEWLY NAMED PRIZM MASTER FUND SOON TO BE LAUNCHED CAYMAN FUND. INCEPTION NET FUND RETURNS DO NOT YET INCLUDE FUND EXPENSES AHEAD OF LAUNCH.

IMPORTANT INFORMATION

This factsheet is not an invitation to subscribe and is for information purposes only. The systematic process is based on the long-term track record of PRIZM back tested market neutral process which dates back to January 1999 with all factors and coefficients fixed since inception and going forward. Please note that the value of funds and assets (and the income from them) may go down as well as up and may be affected by, amongst other things, changes in rates of exchange. Please note the information in this factsheet does not form an invitation to buy or sell units or shares and must not be distributed without the express permission of South River Asset Management Ltd.

The above numbers are from a Separate Managed Account invested using the Factors to be used in the upcoming Prizm Master Fund. These returns have been reviewed by the funds' auditor, EisnerAmper