

Prizm Master Fund

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

31 August 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 and "tail risk" protection during market convulsions.

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

From Inception (31/5/2022 – 31/8/2026) - 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	1.34	5.58	-4.17	-12.64	6.74	18.40	1.56					14.13	1.32	0.31
With Intelligence (n=90.0% August 2026)	1.81	1.07	-2.95	5.91	3.07	1.41	-1.24	0.74					9.99	57.33	11.25
Barclay Hedge (n=89.8% August 2026)	2.11	1.29	-3.53	4.41	2.09	0.33	-0.88	1.53					7.38	41.57	8.52
Bloomberg Peers (n=56)	0.73	0.63	-2.52	3.04	1.02	0.08	1.75	0.89					5.67	40.89	8.40
Aurum US Equity L/S (n=71.0% August 2026)	0.86	1.11	-4.02	4.57	1.17	1.29	-0.65	-0.40					3.79	37.54	7.79
Invesco US Market ETF	3.39	3.55	-5.97	5.97	2.68	2.38	1.01	2.06					15.59	59.61	11.63
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=236 Dec 2025)	2.30	-1.99	-3.76	-0.35	4.44	3.57	1.29	2.91	2.21	1.02	0.93	0.77	13.86	43.05	10.51
Barclay Hedge (n=2348 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	12.59	31.83	8.02
Bloomberg Peers (n=59)	2.20	-0.72	-2.05	0.45	2.62	2.22	0.41	1.81	0.68	0.00	0.85	0.42	8.88	33.33	8.26
Aurum US Equity L/S (n=162)	2.26	-1.27	-3.99	0.35	1.80	1.63	0.13	1.76	0.72	1.39	0.99	1.28	7.05	30.11	7.62
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=236)	1.00	3.44	2.50	-2.50	2.42	0.71	2.08	0.74	1.06	0.15	5.16	-2.34	15.12	25.64	9.24
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	9.67	17.09	6.30
Bloomberg Peers (n=59)	1.20	2.20	2.20	-1.77	1.92	0.55	1.28	1.50	0.86	-0.19	2.83	-1.78	10.79	22.16	9.01
Aurum US Equity L/S (n=162)	1.56	3.15	2.17	-2.21	2.42	0.90	1.09	1.38	1.12	0.18	3.20	-1.57	14.07	21.54	7.84
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=236)	3.61	-1.17	0.02	0.13	0.07	3.43	2.26	-1.00	-2.26	-1.83	4.70	3.90	12.16	9.14	5.68
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	9.28	6.76	4.22
Bloomberg Peers (n=55)	2.97	-0.99	0.87	0.74	-0.48	2.89	1.38	-0.04	-1.49	-1.02	3.72	2.37	10.90	9.94	6.28
Aurum US Equity L/S (n=162)	3.62	-0.12	0.63	0.70	1.14	2.93	1.20	-0.24	-2.32	-1.50	4.64	2.85	6.97	6.55	4.09
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=236)						-4.91	4.10	-1.25	-4.29	3.81	2.58	-2.33	-2.69	-2.69	-4.57
BARCLAY HEDGE						-3.85	2.58	-0.38	-3.94	1.86	2.89	-1.24	-2.31	-3.92	-3.92
Bloomberg Peers (n=52/56)						-3.88	2.92	-1.61	-3.62	4.06	2.79	-1.62	-0.96	-0.96	-0.88
Aurum US Equity L/S (n=162)						-3.53	3.80	-0.78	-4.25	2.99	2.48	-0.80	-0.40	-0.68	-0.68
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) - 31/8/2025-31/8/2026

Inception - 31/5/2022-31/8/2026

Portfolio Risk Stats	Invesco US ETF	Bloomberg Peers *	Aurum US - Eq L/S	With Intelligence NA	PRIZM MASTER FUND	Invesco US ETF	Bloomberg Peers *	Aurum US - Eq L/S	With Intelligence NA	PRIZM MASTER FUND
Annualised Returns (Net) of Fees	18.50	7.02	8.41	15.50	10.13	11.63	8.40	7.79	11.25	0.31
Cumulative (Net) Returns						59.61	40.89	37.54	57.33	1.32
Sharpe Ratio (Net): **	1.51	1.23	0.70	1.63	0.22	0.27	0.26	0.35	0.50	-0.43
Standard Deviation:	0.33	0.04	-4.02	0.18	0.36	0.33	0.13	14.37	0.18	0.36
Correlation to SPXEW		<>	0.84	0.82	<>		0.85	0.56	0.92	-0.12
Beta to SPXEW		1.93	1.36	1.11	-0.12		2.46	1.74	1.76	-0.11
Tracking Error:		0.16	75.00	0.18	0.26		0.18	0.26	0.16	0.13
Mean Return:	1.46	0.57	4.02	1.23	2.01	0.89	0.01	0.71	0.92	0.15
Max Drawdown: ^	5.97	2.52	208.14	2.95	16.28	13.74	6.19	5.95	6.44	36.97
Peak-To-Valley: ^	2026/02/27 - 2026/03/30				2025/06/13 - 2026/05/28	2024/11/29-2025/4/8				2024/08/07 - 2026/05/28
Recovery: ^	27 Days				42 Days	62 Days				Ongoing
Positive Periods: ^	148 (56.704980843)				133 (50.957854406)	611 (55.094679892)				577 (52.028854824)
Negative Periods: ^	113 (43.295019157)				128 (49.042145594)	498 (44.905320108)				532 (47.971145176)

^ 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/30-day average SOFR 3.65%. *Bloomberg Peer perf. and risk stats are monthly. Total Return = TR.

Of the 51 hedge funds listed by Bloomberg with an equity market neutral & geographic focus on the United States (since inception in May 2022 to August 2026) the Fund ranked 49th (in USD) or 96th percentile in the (inclusive) peer group with a net gain of 1.32%. For the month of August 2026, the Fund ranked 19th within the 55 hedge funds listed (in USD) with a gain of 1.56% and YTD ranks seventh with a return of 14.13%. Within the August 2026 Soc Gen Equity Long/Short peer group, the Fund ranked 39/94 within the comparative funds, or 41st percentile and YTD the Fund ranked 14/106 within the comparative peers, or 13th percentile. For July, the Fund beat EVERY other Soc Gen peer (n=708), across every strategy, the next highest at 11.72%.

FUND MANAGER MONTHLY COMMENTARY | 31 AUGUST 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 and providing “Crisis Alpha/Tail Risk” protection, had another positive month and was up 1.56%. This performance should be seen in the context of the Invesco US Market Equal Weighted (TR) ETF gain of 2.06%, the S&P500 Index (TR) gain of 2.72% and the NASDAQ 100 (TR) gain of 4.24%. The top 50 stocks ranked by highest short interest at the end of July on average rose by 4.71% (and a range of +43.74% (ANF (a Long for us this month)) to -19.33% (AMBA (a Short this month) and a median gain of 3.13%.

As of the end of August 2026, the Fund's Trailing-Twelve-Month (TTM) performance showed a 10.13% gain, contrasting with the Invesco US Market Equal Weighted ETF's 18.50% gain. Since its inception in May 2022, the Fund has achieved a cumulative gain of 1.32%, net of all fees, trailing the 59.61% gain of the Invesco US Market ETF. The Fund is managed with a clear, absolute-return mandate focused on **tail risk protection and uncorrelated returns as exemplified this month**. 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 equity market gains.

Current estimates anticipate 5.4% nominal GDP growth for FY26 (and down from 5.6% in June), based on 2.1% GDP growth (down from 2.2% last month) and 3.3% inflation (down from 3.5% in May) and 4.5% for 2027 (2.1% GDP and 2.4% inflation) and compares to 4.4% in May.

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 (heavily focused on Software names), Consumer Discretionary and Financials while the Short Book was (heavily) focused on Industrials, Technology and Financials (Consumer Discretionary were net longs, while Industrials were a net short). August's Long book saw an average gain of 4.32%, while the Short book saw an average gain of 1.55%. 29 of the 50 longs were up on the month contrasting with 31 of the 50 shorts up on the month. It has been extremely encouraging to see the Long generate positive returns this month as the market broadens out. Notwithstanding the phenomenal earnings from NVDA (In the Long book this month) but given the improving breadth in the market and, at the margin, away from Semis and AI. If so, this should play into the strength of the product going forward. After all triple leveraged ETFs work both ways and are never a one-way street.

The factor with the most significant positive contribution to performance this month was our Asset Turnover factor. We initiate longs in those names where stocks have high Asset Turnover and short those which have low Asset Turnover. Five of our 13 factors saw positive returns on the month.

Standout positives among the stocks in the Long “book” this month were, firstly, SSRM (SSR Mining Inc.) a gold, silver, copper, lead, and zinc company was up 46.94% over the month after missing earnings estimates but reinstating the dividend and authorizing an additional \$500mm buyback and a beneficiary of the moves on gold and silver on the month and now

trading on a next year forward PE multiple of 7.3x. And secondly, ANF (Abercrombie & Fitch Co.) an apparel retailer was up 43.74% on the month after reporting blow out earnings and raising the operating margin guidance. The stock now trades on a next year forward PE multiple of 11.6x.

In the Short “book,” the winners this month, was LASR (nLight Inc.), designs and builds high-power semiconductor and fibre lasers for aerospace & defense Sold off hard despite an in-line/beat quarter but cut guidance for next quarter while announcing China supply-chain delays and was down 38.56%. The stock trades on a next year forward EV/EBITDA multiple of 67.1x. Secondly, AMBA (Ambarella, Inc.), a fabless chipmaker specializing in low-power computer-vision SoCs for security cameras, automotive ADAS/autonomy, and edge-AI devices was down 19.33% on rumours that the NXP bid might lead nowhere and also was hurt by sector rotation out of semiconductor stocks. The stock trades on a next year forward EV/EBITDA multiple of 40.3x.

Negatives on the Long side were TTD (The Trade Desk, Inc.) Leading independent demand-side platform; ad buyers use its software to plan, buy and optimize programmatic digital campaigns across CTV, display, audio and video was down 23.95% on the month after announcing an earnings miss and margin pressures coupled with slashing guidance. The stock now trades on next twelve months PE multiple of 15.2x. Meanwhile, APP (AppLovin, Corp.) a mobile ad-tech company; its AXON AI engine matches ads to users to drive app installs and in-app spending, monetizing a large network of mobile games and apps was down 21.18%. The decline was driven by a combination of sector-wide tech pressure, customer concentration exposure, and an earnings miss together with broker downgrades, and the stock now trades on next twelve months PE multiple of 16.5x.

On the Short side, negatives were, HOOD (Robinhood Markets, Inc.), a commission-free brokerage app for stocks, options and crypto; revenue mostly from transaction-based rebates, net interest and its Gold subscription rose 21.08% benefitting from steady private credit deployment, and signs of an accelerating M&A environment. The stock now trades on next year forward PE multiple of 36.6x And secondly, STEP (StepStone Group Inc.), a Global private-markets asset manager and advisor; builds and manages portfolios across private equity, private credit, real estate and infrastructure via funds, co-investments and secondaries rose 19.15% on a combination of broad sector relief, upward wall-street revisions and a solid Q2 earnings print. The stock now trades on next year forward PE multiple of 19.4x.

Given that the US Federal Reserve's dual mandate balances employment and inflation, and with inflation being the primary concern, we question the BEA's timing for changing its methodology at the end of September 2026. The adjustment will lower Core inflation (PCE – inflation excluding food & energy) at a time when the Chair already has cover to pause rate hikes while awaiting year-end task force reports - if it were not for his Jackson Hole speech. Importantly short-term interest rate increases, in the past, have not always led to market sell-offs. That said, leverage levels have never been this high either.

Finally, we think the market may be closer to an earnings bubble than a price bubble. The money flowing into the AI infrastructure build-out is astronomical, feeding through the supply chain exponentially, each tier booking revenue from the tier above. This phenomenon is lifting both the rate of earnings growth and the rate at which that growth accelerates. Part of what sustains it is that no hyperscaler can afford to be seen easing back: to cut capex now is to risk being cast as the one falling behind in the race, so all of them keep spending regardless of near-term returns. It is the second derivative that concerns us most. If that dynamic breaks and the spending cycle turns, the same multiplier runs in reverse, and earnings could contract more sharply than prices alone would imply.

MONTHLY PERFORMANCE CONTRIBUTION

Top Contributors – August 2026	%
SSRM Mining Inc. (SSRM - Long)	+ 46.9
Abercrombie & Fitch Corp. (ANF - Long)	+ 43.7
Hecia Mining, Co. (HL - Long)	+ 40.8
nLight, Inc. (LASR - Short)	- 38.6
Newmont, Corp. (NEM - Long)	+ 34.5

Top Detractors – August 2026	%
The Trade Desk, Inc. (TTD - Long)	- 24.0
AppLovin, Corp. (APP - Long)	- 21.2
Robinhood Markets, Inc. (HOOD – Short)	+ 21.1
StepStone Group, Inc. (STEP - Short)	+ 19.1
SentinelOne, Inc. (S - Short)	+ 16.0

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

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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