



Artemis Funds (Lux)  
*Société d'Investissement  
à Capital Variable*  
("SICAV")

Semi-Annual Review and  
Unaudited Financial Statements

for the six months ended 30 April 2024

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## MANAGEMENT, ADMINISTRATION AND INDEPENDENT AUDITOR

### Directors

Henry Kelly (Chairman)  
Independent Director  
4, rue J-P Lanter  
L-5943 Itzig  
Grand Duchy of Luxembourg

Hanna Duer  
Independent Director  
9a, Reeds Farm Estate, Roxwell Road  
Writtle  
Chelmsford CM1 3ST  
United Kingdom

Jérôme Wigny  
Partner, Elvinger Hoss Prussen, *société anonyme*  
2, place Winston Churchill  
L-1340 Luxembourg  
Grand Duchy of Luxembourg

*From 28 March 2024*  
Sheenagh Dougall  
Chief Operating Officer, Artemis Investment Management LLP  
Cassini House  
57, St James's Street  
London SW1A 1LD  
United Kingdom

*Until 28 March 2024*  
Lesley Cairney  
Chief Operating Officer, Artemis Investment Management LLP  
Cassini House  
57, St James's Street  
London SW1A 1LD  
United Kingdom

Stewart Brown  
General Counsel, Artemis Investment Management LLP  
Cassini House  
57, St James's Street  
London SW1A 1LD  
United Kingdom

### Registered office

Artemis Funds (Lux)  
*Société d'Investissement à Capital Variable*  
10, rue du Château d'Eau,  
L-3364 Leudelange,  
Grand Duchy of Luxembourg

### Management Company

FundRock Management Company S.A.  
H20 Building  
33, rue de Gasperich  
L-5826 Hesperange  
Grand Duchy of Luxembourg

### Investment Manager

Artemis Investment Management LLP  
Cassini House  
57, St James's Street  
London SW1A 1LD  
United Kingdom

### Depositary, administration agent, registrar, transfer agent, domiciliary agent and company secretary

Northern Trust Global Services SE  
10, rue du Château d'Eau,  
L-3364 Leudelange,  
Grand Duchy of Luxembourg

### *Cabinet de révision agréé* of the Fund (Independent Auditor)

Deloitte Audit  
*Société à responsabilité limitée*  
20, Boulevard de Kockelscheuer,  
L-1821 Luxembourg,  
Grand Duchy of Luxembourg

### Legal adviser

Elvinger Hoss Prussen, *société anonyme*  
2, place Winston Churchill  
L-1340 Luxembourg  
Grand Duchy of Luxembourg

### Global distributor

Artemis Investment Management LLP  
Cassini House  
57, St James's Street  
London SW1A 1LD  
United Kingdom

### Austrian paying & information agent

Erste Bank der Osterreichischen  
Sparkassen AG  
Am Belvedere 1  
1100 Vienna  
Austria

### French paying & information agent

CACEIS Bank France SA  
1-3, Place Valhubert  
75013 Paris  
France

### German paying & information agent

German Fund Information Service UG (Haftungsbeschränkt)  
Zum Eichhagen 4  
21382 Brietlingen  
Germany

### Irish paying & information agent

CACEIS Bank Luxembourg Dublin Branch  
One Custom House Plaza  
IFSC  
Dublin 1  
Ireland

### Isle of Man distributor

FIM Capital Limited  
55 Athol Street  
Douglas, IM1 1LA  
Isle of Man

### Spanish paying & information agent

Allfunds Bank SA  
6, Estafeta  
La Moraleja Complejo  
Plaza de la Fuente Alcobendas  
28109 Madrid  
Spain

### Swedish paying & information agent

MFEX Mutual Funds Exchange AB  
Grev Turegatan 19  
Box 5378 SE-102 49  
Stockholm  
Sweden

### Swiss representative & paying agent

CACEIS Investor Services Bank S.A.  
Zurich Branch  
Bleicherweg 7  
CH-8027 Zurich  
Switzerland

## BOARD OF DIRECTORS' REPORT

The Board of Directors ("Board") of Artemis Funds (Lux) presents the Semi-Annual Report, including Financial Statements of the Company for the six months ended 30 April 2024.

### Structure of the Company

Artemis Funds (Lux) ("the Company") is an open-ended investment company organised as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and qualifies as a *Société d'Investissement à Capital Variable* ("SICAV"). The Company qualifies as an Undertakings for Collective Investment in Transferable Securities ("UCITS") for the purposes of the UCITS Directive and the Company is registered pursuant to Part I of the Law of 17 December 2010 on UCITS, as amended and is subject to the supervision of the *Commission de Surveillance du Secteur Financier* ("CSSF"). The Company operates separate sub-funds ("funds"), each of which is represented by one or more share classes. The funds are distinguished by their specific investment policy or any other specific features.

The Company constitutes a single legal entity, but the assets of each fund shall be invested for the exclusive benefit of the shareholders of the corresponding fund and the assets of a specific fund are solely accountable for the liabilities, commitments and obligations of that fund.

The Board may at any time resolve to set up new funds and/or create within each fund one or more share classes and the Prospectus will be updated accordingly. The Board may also at any time resolve to close a fund, or one or more share classes within a fund to further subscriptions.

All the funds and share classes are registered for distribution in the Grand Duchy of Luxembourg and are marketed in accordance with the UCITS Directive in certain Member States of the European Union and elsewhere. Full details are available on the Artemis website [www.artemisfunds.com](http://www.artemisfunds.com).

As at 30 April 2024, the Company comprised ten funds with multiple share classes.

### Board composition

The Board is composed of five members, three of them being independent from the Management Company and Investment Manager. At each annual general meeting, the shareholders are required to re-elect the Board members to serve in office for the following accounting year. The Board consists of individuals from different areas of the asset management industry with a wide range of skills and experience.

#### Henry Kelly

Chairman & Independent Director

#### Hanna Duer

Independent Director

#### Jérôme Wigny

Partner, Elvinger Hoss Prussen, *société anonyme*

#### Sheenagh Dougall (from 28 March 2024)

Chief Operating Officer, Artemis Investment Management LLP

#### Lesley Cairney (until 28 March 2024)

Chief Operating Officer, Artemis Investment Management LLP

#### Stewart Brown

General Counsel, Artemis Investment Management LLP

### Chairman's statement

Since time immemorial, markets have been prone to alternating bouts of misplaced pessimism and overexuberance. Good investors are characterised by their ability to take a calm, rational view of the opportunities and the threats that both extremes present. They must be vigilant against the risks posed by a range of factors – inflation, war, the vagaries of the business cycle and technological change – without neglecting potential sources of return. In this report, you can read how the managers of the various sub-funds set about doing that over the last six months.

A cursory glance at headline return figures over our reporting period might imply that their task has been unusually straightforward: share prices rose, bond markets rallied and returns from all of the funds covered by this report were positive. Look beneath the surface, however, and market sentiment remained understandably fragile. As the reporting period began, an air of pessimism lingered about the ability of central bankers to bring prices under control without triggering a recession (a so-called 'hard landing'). Meanwhile, Russia's attritional war on Ukraine rumbled grimly on and the bitter conflict in Israel and Gaza periodically threatened to engulf the wider Middle East.

Why, then, were returns universally positive? A change in tone from central banks proved to be the pivotal event. As 2023 drew to a close, the US Federal Reserve indicated that easing inflationary pressures meant that interest rates were unlikely to move any higher and that borrowing costs could even start to fall in 2024. That implied a 'Goldilocks scenario', in which economic growth is neither too cold (recessionary) nor too hot (inflationary) but instead 'just right'. The effect was almost instant – bond yields fell and share prices worldwide rose.

## **Fund changes**

It is a truism that change is life's only constant. That applies to demand for investment funds as well as to the financial markets they invest in. Reflecting this, the last six months have seen the closure of Artemis Funds (Lux) – Global Equity Income and the launch of two new funds. The first, Artemis Funds (Lux) – Leading Consumer Brands, was launched in December 2023 and aims to tap into the earnings potential of the expanding middle classes and new generations of consumers worldwide. The second new fund, Artemis Funds (Lux) – UK Select, aims to capitalise on the opportunities in what some commentators have suggested is one of the world's most attractively valued stockmarkets: the UK.

Whichever of the funds you invest in, thank you for trusting us to plot a steady course for your capital through the market's shifting sentiments. We will do our utmost to ensure that your trust continues to be rewarded.

For and on behalf of the Board

**Henry Kelly**  
Chairman

Luxembourg, 25 June 2024

# FINANCIAL STATEMENTS

## Statement of Net Assets as at 30 April 2024

Artemis Funds (Lux) –		Global High Yield Bond	Global Select	Leading Consumer Brands <sup>1</sup>
	Notes	USD	USD	USD
<b>Assets</b>				
Investments in securities at cost	2(d)	19,240,722	8,922,567	12,440,593
Unrealised gain/(loss)		(489,498)	1,308,624	897,163
<b>Investments in securities at market value</b>		<b>18,751,224</b>	<b>10,231,191</b>	<b>13,337,756</b>
Cash at bank and at brokers	11	85,855	22,669	20,775
Receivables on subscriptions		–	–	–
Receivables on investments sold		–	165,833	–
Dividends receivable	2(k)	–	8,284	18,039
Dividends receivable on contracts for difference	2(f)	–	–	–
Interest receivable	2(k)	274,216	7	2
Interest receivable on contracts for difference	2(f)	–	–	–
Tax reclaims receivable		–	7,634	1,371
Options purchased contracts at fair value	2(j)	–	–	–
Unrealised gain on financial futures contracts	2(i)	24,163	–	–
Unrealised gain on forward currency exchange contracts	2(h)	122,216	–	–
Contracts for difference at fair value	2(f)	–	–	–
Other assets		–	198	89
<b>Total assets</b>		<b>19,257,674</b>	<b>10,435,816</b>	<b>13,378,032</b>
<b>Liabilities</b>				
Bank overdrafts		–	174,635	–
Due to brokers	9,11	10,000	–	–
Payables on redemptions		–	9,414	52,562
Payables on investments purchased		256,512	113,045	–
Dividends payable on contracts for difference	2(f)	–	–	–
Interest payable	2(k)	–	–	–
Interest payable on contracts for difference	2(f)	–	–	–
Management fees payable	3	7,473	5,839	8,345
Performance fees payable	3	–	–	–
Options written contracts at fair value	2(j)	–	–	–
Unrealised loss on financial futures contracts	2(i)	67,437	–	–
Unrealised loss on forward currency exchange contracts	2(h)	6,733	–	–
Contracts for difference at fair value	2(f)	–	–	–
Other liabilities		218	123	283
<b>Total liabilities</b>		<b>348,373</b>	<b>303,056</b>	<b>61,190</b>
<b>Total net assets</b>		<b>18,909,301</b>	<b>10,132,760</b>	<b>13,316,842</b>

<sup>1</sup> Artemis Funds (Lux) – Leading Consumer Brands was launched on 1 December 2023.

<b>Artemis Funds (Lux) –</b>		<b>Positive Future</b>	<b>Short-Dated Global High Yield Bond</b>	<b>SmartGARP Global Emerging Markets Equity</b>
	<b>Notes</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Assets</b>				
Investments in securities at cost	2(d)	4,084,630	92,415,660	51,992,302
Unrealised gain/(loss)		322,653	(2,153,343)	3,747,900
<b>Investments in securities at market value</b>		<b>4,407,283</b>	<b>90,262,317</b>	<b>55,740,202</b>
Cash at bank and at brokers	11	11,876	1,866,619	64,490
Receivables on subscriptions		–	58,531	29,606
Receivables on investments sold		65,270	790,890	151,985
Dividends receivable	2(k)	971	–	158,568
Dividends receivable on contracts for difference	2(f)	–	–	–
Interest receivable	2(k)	5	1,250,661	–
Interest receivable on contracts for difference	2(f)	–	–	–
Tax reclaims receivable		–	–	136,726
Options purchased contracts at fair value	2(j)	–	–	–
Unrealised gain on financial futures contracts	2(i)	–	84,653	–
Unrealised gain on forward currency exchange contracts	2(h)	–	571,594	–
Contracts for difference at fair value	2(f)	–	–	–
Other assets		188	32	107
<b>Total assets</b>		<b>4,485,593</b>	<b>94,885,297</b>	<b>56,281,684</b>
<b>Liabilities</b>				
Bank overdrafts		57,828	–	–
Due to brokers	9,11	–	–	–
Payables on redemptions		–	42,118	144,918
Payables on investments purchased		–	486,978	236,794
Dividends payable on contracts for difference	2(f)	–	–	–
Interest payable	2(k)	–	–	333
Interest payable on contracts for difference	2(f)	–	–	–
Management fees payable	3	2,652	26,041	44,739
Performance fees payable	3	–	–	–
Options written contracts at fair value	2(j)	–	–	–
Unrealised loss on financial futures contracts	2(i)	–	–	–
Unrealised loss on forward currency exchange contracts	2(h)	–	110,462	–
Contracts for difference at fair value	2(f)	–	–	–
Other liabilities		44	919	732
<b>Total liabilities</b>		<b>60,524</b>	<b>666,518</b>	<b>427,516</b>
<b>Total net assets</b>		<b>4,425,069</b>	<b>94,218,779</b>	<b>55,854,168</b>

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



# FINANCIAL STATEMENTS

Artemis Funds (Lux) –		UK Select <sup>2</sup>	US Extended Alpha	US Select
	Notes	GBP	USD	USD
<b>Assets</b>				
Investments in securities at cost	2(d)	2,218,186	338,683,160	59,785,844
Unrealised gain/(loss)		(769)	90,177,142	12,940,892
<b>Investments in securities at market value</b>		<b>2,217,417</b>	<b>428,860,302</b>	<b>72,726,736</b>
Cash at bank and at brokers	11	235,492	5,728,063	629,375
Receivables on subscriptions		2,036,938	2,909,508	2,477,644
Receivables on investments sold		–	855,252	–
Dividends receivable	2(k)	–	24,733	7,119
Dividends receivable on contracts for difference	2(f)	–	52,403	–
Interest receivable	2(k)	–	–	7
Interest receivable on contracts for difference	2(f)	–	328,657	–
Tax reclaims receivable		–	8,128	–
Options purchased contracts at fair value	2(j)	–	110,250	–
Unrealised gain on financial futures contracts	2(i)	–	–	–
Unrealised gain on forward currency exchange contracts	2(h)	–	741	77
Contracts for difference at fair value	2(f)	85	816,670	–
Other assets		95	–	53
<b>Total assets</b>		<b>4,490,027</b>	<b>439,694,707</b>	<b>75,841,011</b>
<b>Liabilities</b>				
Bank overdrafts		–	2,864,319	–
Due to brokers	9,11	7	5,015,839	–
Payables on redemptions		–	78,138	34,449
Payables on investments purchased		2,218,232	–	2,566,499
Dividends payable on contracts for difference	2(f)	–	242,309	–
Interest payable	2(k)	–	593	–
Interest payable on contracts for difference	2(f)	–	343,458	–
Management fees payable	3	50	375,739	51,134
Performance fees payable	3	–	65,593	–
Options written contracts at fair value	2(j)	–	688	–
Unrealised loss on financial futures contracts	2(i)	–	–	–
Unrealised loss on forward currency exchange contracts	2(h)	–	195,953	17,315
Contracts for difference at fair value	2(f)	24	386,036	–
Other liabilities		711	11,352	1,289
<b>Total liabilities</b>		<b>2,219,024</b>	<b>9,580,017</b>	<b>2,670,686</b>
<b>Total net assets</b>		<b>2,271,003</b>	<b>430,114,690</b>	<b>73,170,325</b>

<sup>2</sup> Artemis Funds (Lux) – UK Select was launched on 29 April 2024.

<b>Artemis Funds (Lux) –</b>		<b>US Smaller Companies</b>	<b>Combined</b>
	<b>Notes</b>	<b>USD</b>	<b>EUR</b>
<b>Assets</b>			
Investments in securities at cost	2(d)	182,759,704	723,005,828
Unrealised gain/(loss)		43,137,014	140,174,868
<b>Investments in securities at market value</b>		<b>225,896,718</b>	<b>863,180,696</b>
Cash at bank and at brokers	11	797,350	8,904,943
Receivables on subscriptions		95,143	7,594,926
Receivables on investments sold		–	1,897,736
Dividends receivable	2(k)	11,713	214,560
Dividends receivable on contracts for difference	2(f)	–	49,007
Interest receivable	2(k)	7	1,426,091
Interest receivable on contracts for difference	2(f)	–	307,360
Tax reclaims receivable		–	143,889
Options purchased contracts at fair value	2(j)	–	103,106
Unrealised gain on financial futures contracts	2(i)	–	101,765
Unrealised gain on forward currency exchange contracts	2(h)	–	649,616
Contracts for difference at fair value	2(f)	–	763,849
Other assets		144	870
<b>Total assets</b>		<b>226,801,075</b>	<b>885,338,414</b>
<b>Liabilities</b>			
Bank overdrafts		–	2,896,110
Due to brokers	9,11	–	4,700,173
Payables on redemptions		210,268	534,810
Payables on investments purchased		–	6,020,443
Dividends payable on contracts for difference	2(f)	–	226,607
Interest payable	2(k)	–	866
Interest payable on contracts for difference	2(f)	–	321,202
Management fees payable	3	144,072	622,934
Performance fees payable	3	–	61,343
Options written contracts at fair value	2(j)	–	643
Unrealised loss on financial futures contracts	2(i)	–	63,067
Unrealised loss on forward currency exchange contracts	2(h)	–	309,049
Contracts for difference at fair value	2(f)	–	361,049
Other liabilities		2,632	17,285
<b>Total liabilities</b>		<b>356,972</b>	<b>16,135,581</b>
<b>Total net assets</b>		<b>226,444,103</b>	<b>869,202,833</b>

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

# FINANCIAL STATEMENTS

## Statement of Operations and Changes in Net Assets for the six months ended 30 April 2024

Artemis Funds (Lux) –		Global Equity Income <sup>1</sup>	Global High Yield Bond	Global Select
	Notes	USD	USD	USD
<b>Net assets at the beginning of the period</b>		<b>22,126,081</b>	<b>16,376,290</b>	<b>11,759,895</b>
<b>Income</b>				
Dividend income, net of withholding taxes	2(k)	155,832	4,419	53,868
Interest income from investments, net of withholding taxes	2(k)	477	663,954	–
Dividend income on contracts for difference	2(f)	–	–	–
Interest income on contracts for difference	2(f)	–	–	–
Interest on swap contracts	2(g)	–	271	–
Bank interest	2(k)	–	925	193
<b>Total income</b>		<b>156,309</b>	<b>669,569</b>	<b>54,061</b>
<b>Expenses</b>				
Management fees	3	92,030	43,942	34,608
Performance fees	3	–	–	–
Taxe d'abonnement	5	970	1,209	585
Dividend expense on contracts for difference	2(f)	–	–	–
Bank and other interest expenses	2(l)	22	2,764	163
Interest expense on contracts for difference	2(f)	–	–	–
<b>Total expenses</b>		<b>93,022</b>	<b>47,915</b>	<b>35,356</b>
<b>Net investment income/(loss)</b>		<b>63,287</b>	<b>621,654</b>	<b>18,705</b>
Net realised gain/(loss) on:				
Sale of investments	2(e)	5,175,340	310,970	952,090
Options contracts	2(j)	–	–	–
Financial futures contracts	2(i)	–	(6,936)	–
Forward currency exchange contracts	2(h)	(9,324)	84,269	13,290
Contracts for difference	2(f)	–	–	–
Swaps contracts	2(g)	–	(303)	–
Currency exchange		(21,842)	39,617	(16,357)
<b>Net realised gain/(loss) for the period</b>		<b>5,144,174</b>	<b>427,617</b>	<b>949,023</b>
Net change in unrealised appreciation/(depreciation) on:				
Investments	2(d)	(1,121,596)	965,710	906,758
Options contracts	2(j)	–	–	–
Financial futures contracts	9(i)	–	(43,274)	–
Forward currency exchange contracts	2(h)	(38,623)	113,661	–
Contracts for difference	2(f)	–	–	–
Currency exchange		(1,340)	1,245	422
<b>Net change in unrealised appreciation/(depreciation) for the period</b>		<b>(1,161,559)</b>	<b>1,037,342</b>	<b>907,180</b>
<b>Increase/(decrease) in net assets as a result of operations</b>		<b>4,045,902</b>	<b>2,086,613</b>	<b>1,874,908</b>
Subscriptions		53,039	891,550	870,734
Redemptions		(25,841,367)	(423,538)	(4,372,777)
<b>Increase/(decrease) in net assets as a result of movements in share capital</b>		<b>(25,788,328)</b>	<b>468,012</b>	<b>(3,502,043)</b>
Dividend distributions	10	(383,655)	(21,614)	–
Foreign currency translation difference	2(c)	–	–	–
<b>Net assets at the end of the period</b>		<b>–</b>	<b>18,909,301</b>	<b>10,132,760</b>

<sup>1</sup> Artemis Funds (Lux) – Global Equity Income was closed on 16 April 2024.

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

Artemis Funds (Lux) –		Leading Consumer Brands <sup>2</sup>	Positive Future	Short-Dated Global High Yield Bond
	Notes	USD	USD	USD
<b>Net assets at the beginning of the period</b>		–	13,260,370	82,917,965
<b>Income</b>				
Dividend income, net of withholding taxes	2(k)	52,537	30,134	76,182
Interest income from investments, net of withholding taxes	2(k)	–	–	2,755,379
Dividend income on contracts for difference	2(f)	–	–	–
Interest income on contracts for difference	2(f)	–	–	–
Interest on swap contracts	2(g)	–	–	–
Bank interest	2(k)	33	474	–
<b>Total income</b>		<b>52,570</b>	<b>30,608</b>	<b>2,831,561</b>
<b>Expenses</b>				
Management fees	3	39,537	31,491	142,727
Performance fees	3	–	–	–
Taxe d'abonnement	5	1,699	433	4,271
Dividend expense on contracts for difference	2(f)	–	–	–
Bank and other interest expenses	2(l)	–	–	333
Interest expense on contracts for difference	2(f)	–	–	–
<b>Total expenses</b>		<b>41,236</b>	<b>31,924</b>	<b>147,331</b>
<b>Net investment income/(loss)</b>		<b>11,334</b>	<b>(1,316)</b>	<b>2,684,230</b>
Net realised gain/(loss) on:				
Sale of investments	2(e)	(126,776)	(178,172)	645,414
Options contracts	2(j)	–	–	–
Financial futures contracts	2(i)	–	–	75,550
Forward currency exchange contracts	2(h)	17,604	(27,489)	975,409
Contracts for difference	2(f)	–	–	–
Swaps contracts	2(g)	–	–	–
Currency exchange		(26,482)	23,639	21,186
<b>Net realised gain/(loss) for the period</b>		<b>(135,654)</b>	<b>(182,022)</b>	<b>1,717,559</b>
Net change in unrealised appreciation/(depreciation) on:				
Investments	2(d)	897,163	2,297,143	3,785,224
Options contracts	2(j)	–	–	–
Financial futures contracts	9(i)	–	–	(33,941)
Forward currency exchange contracts	2(h)	–	–	354,039
Contracts for difference	2(f)	–	–	–
Currency exchange		78	603	4,522
<b>Net change in unrealised appreciation/(depreciation) for the period</b>		<b>897,241</b>	<b>2,297,746</b>	<b>4,109,844</b>
<b>Increase/(decrease) in net assets as a result of operations</b>		<b>772,921</b>	<b>2,114,408</b>	<b>8,511,633</b>
Subscriptions		13,207,070	855,341	24,446,190
Redemptions		(663,149)	(11,805,050)	(19,088,713)
<b>Increase/(decrease) in net assets as a result of movements in share capital</b>		<b>12,543,921</b>	<b>(10,949,709)</b>	<b>5,357,477</b>
Dividend distributions	10	–	–	(2,568,296)
Foreign currency translation difference	2(c)	–	–	–
<b>Net assets at the end of the period</b>		<b>13,316,842</b>	<b>4,425,069</b>	<b>94,218,779</b>

<sup>2</sup> Artemis Funds (Lux) – Leading Consumer Brands was launched on 1 December 2023.

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

# FINANCIAL STATEMENTS

Artemis Funds (Lux) –	Notes	SmartGARP Global Emerging Markets Equity	UK Select <sup>3</sup>	US Extended Alpha
		USD	GBP	USD
<b>Net assets at the beginning of the period</b>		<b>45,873,092</b>	–	<b>384,683,528</b>
<b>Income</b>				
Dividend income, net of withholding taxes	2(k)	941,657	–	1,191,567
Interest income from investments, net of withholding taxes	2(k)	–	–	177,206
Dividend income on contracts for difference	2(f)	–	–	282,133
Interest income on contracts for difference	2(f)	–	–	2,011,225
Interest on swap contracts	2(g)	–	–	–
Bank interest	2(k)	–	–	25,886
<b>Total income</b>		<b>941,657</b>	–	<b>3,688,017</b>
<b>Expenses</b>				
Management fees	3	251,040	50	2,235,196
Performance fees	3	–	–	85,247
Taxe d'abonnement	5	3,881	99	66,633
Dividend expense on contracts for difference	2(f)	–	–	931,071
Bank and other interest expenses	2(l)	1,483	–	–
Interest expense on contracts for difference	2(f)	–	–	2,217,832
<b>Total expenses</b>		<b>256,404</b>	<b>149</b>	<b>5,535,979</b>
<b>Net investment income/(loss)</b>		<b>685,253</b>	<b>(149)</b>	<b>(1,847,962)</b>
Net realised gain/(loss) on:				
Sale of investments	2(e)	(102,303)	–	40,643,904
Options contracts	2(j)	–	–	(805,262)
Financial futures contracts	2(i)	–	–	–
Forward currency exchange contracts	2(h)	45,539	–	136,844
Contracts for difference	2(f)	–	18	(7,142,659)
Swaps contracts	2(g)	–	–	–
Currency exchange		(56,893)	–	459,000
<b>Net realised gain/(loss) for the period</b>		<b>(113,657)</b>	<b>18</b>	<b>33,291,827</b>
Net change in unrealised appreciation/(depreciation) on:				
Investments	2(d)	7,551,483	(769)	65,985,687
Options contracts	2(j)	–	–	(125,857)
Financial futures contracts	9(i)	–	–	–
Forward currency exchange contracts	2(h)	–	–	(422,660)
Contracts for difference	2(f)	–	61	730,721
Currency exchange		(2,415)	(441)	(845)
<b>Net change in unrealised appreciation/(depreciation) for the period</b>		<b>7,549,068</b>	<b>(1,149)</b>	<b>66,167,046</b>
<b>Increase/(decrease) in net assets as a result of operations</b>		<b>8,120,664</b>	<b>(1,280)</b>	<b>97,610,911</b>
Subscriptions		8,912,610	2,272,283	62,566,436
Redemptions		(7,046,735)	–	(114,746,185)
<b>Increase/(decrease) in net assets as a result of movements in share capital</b>		<b>1,865,875</b>	<b>2,272,283</b>	<b>(52,179,749)</b>
Dividend distributions	10	(5,461)	–	–
Foreign currency translation difference	2(c)	–	–	–
<b>Net assets at the end of the period</b>		<b>55,854,170</b>	<b>2,271,003</b>	<b>430,114,690</b>

<sup>3</sup> Artemis Funds (Lux) – UK Select was launched on 29 April 2024.

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

<b>Artemis Funds (Lux) –</b>		<b>US Select</b>	<b>US Smaller Companies</b>	<b>Combined</b>
	<b>Notes</b>	<b>USD</b>	<b>USD</b>	<b>EUR</b>
<b>Net assets at the beginning of the period</b>		<b>53,495,276</b>	<b>173,047,541</b>	<b>760,229,230</b>
<b>Income</b>				
Dividend income, net of withholding taxes	2(k)	155,796	435,033	2,896,338
Interest income from investments, net of withholding taxes	2(k)	–	–	3,363,929
Dividend income on contracts for difference	2(f)	–	–	263,851
Interest income on contracts for difference	2(f)	–	–	1,880,897
Interest on swap contracts	2(g)	–	–	253
Bank interest	2(k)	–	116	25,837
<b>Total income</b>		<b>155,796</b>	<b>435,149</b>	<b>8,431,105</b>
<b>Expenses</b>				
Management fees	3	286,868	815,458	3,715,512
Performance fees	3	–	–	79,723
Taxe d'abonnement	5	6,897	14,689	94,821
Dividend expense on contracts for difference	2(f)	–	–	870,738
Bank and other interest expenses	2(l)	121	–	4,569
Interest expense on contracts for difference	2(f)	–	–	2,074,116
<b>Total expenses</b>		<b>293,886</b>	<b>830,147</b>	<b>6,839,479</b>
<b>Net investment income/(loss)</b>		<b>(138,090)</b>	<b>(394,998)</b>	<b>1,591,626</b>
Net realised gain/(loss) on:				
Sale of investments	2(e)	7,584,003	23,904,179	73,701,848
Options contracts	2(j)	–	–	(753,081)
Financial futures contracts	2(i)	–	–	64,168
Forward currency exchange contracts	2(h)	(14,589)	(50,367)	1,095,293
Contracts for difference	2(f)	–	–	(6,679,794)
Swaps contracts	2(g)	–	–	(283)
Currency exchange		37,380	25,482	453,319
<b>Net realised gain/(loss) for the period</b>		<b>7,606,794</b>	<b>23,879,294</b>	<b>67,881,470</b>
Net change in unrealised appreciation/(depreciation) on:				
Investments	2(d)	7,807,354	40,718,023	121,381,465
Options contracts	2(j)	–	–	(117,701)
Financial futures contracts	9(i)	–	–	(72,212)
Forward currency exchange contracts	2(h)	(33,991)	–	(25,787)
Contracts for difference	2(f)	–	–	683,442
Currency exchange		66	67	1,730
<b>Net change in unrealised appreciation/(depreciation) for the period</b>		<b>7,773,429</b>	<b>40,718,090</b>	<b>121,850,937</b>
<b>Increase/(decrease) in net assets as a result of operations</b>		<b>15,242,133</b>	<b>64,202,386</b>	<b>191,324,033</b>
Subscriptions		13,975,319	29,894,603	148,246,359
Redemptions		(9,421,290)	(40,184,135)	(218,456,116)
<b>Increase/(decrease) in net assets as a result of movements in share capital</b>		<b>4,554,029</b>	<b>(10,289,532)</b>	<b>(70,209,757)</b>
Dividend distributions	10	(121,113)	(516,292)	(3,382,086)
Foreign currency translation difference	2(c)	–	–	(8,758,587)
<b>Net assets at the end of the period</b>		<b>73,170,325</b>	<b>226,444,103</b>	<b>869,202,833</b>

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

# FINANCIAL STATEMENTS

## Statistical Information as at 30 April 2024

Net asset value per share (in share class currency)	Shares outstanding as at 30 April 2024	NAV per Share as at 30 April 2024	NAV per Share as at 31 October 2023	NAV per Share as at 31 October 2022
<b>Artemis Funds (Lux) – Global Equity Income<sup>1</sup></b>				
A EUR Acc	–	–	1.2683	1.2797
B EUR Acc	–	–	1.3127	1.3146
B USD Acc	–	–	1.2280	1.1471
FI GBP Inc	–	–	1.0467	1.0688
I EUR Acc	–	–	1.2203	1.2216
I GBP Inc	–	–	1.0325	1.0569
<b>Total net assets in USD</b>		–	<b>22,126,081</b>	<b>21,272,604</b>
<b>Artemis Funds (Lux) – Global High Yield Bond</b>				
BH GBP Acc	254,853	1.1021	0.9984	0.9432
FBH GBP Acc	700,129	1.1540	1.0450	0.9855
FI EUR Acc	5,955	1.1159	1.0182	1.0208
FI USD Acc	588,519	1.0211	0.9225	0.8627
FIH GBP Inc	365,690	0.9971	0.9375	0.9523
I USD Acc	5,180,931	1.1940	1.0793	1.0102
IH EUR Acc	29,162	1.1038	1.0058	0.9636
IH EUR Inc	28,953	1.0684	0.9970	–
IH GBP Acc	7,102,387	1.1501	1.0417	0.9837
<b>Total net assets in USD</b>		<b>18,909,301</b>	<b>16,376,290</b>	<b>18,058,549</b>
<b>Artemis Funds (Lux) – Global Select</b>				
FB EUR Acc	345,945	1.4679	1.2345	1.2174
FB GBP Acc	3,394	1.4809	1.2721	1.2357
FI GBP Acc	2,445,076	1.4895	1.2792	1.2414
FI USD Acc	6,767	1.0405	0.8666	0.7968
I EUR Acc	2,751,454	1.4569	1.2275	1.2148
I GBP Acc	378,963	1.4682	1.2630	1.2307
I USD Acc	18,960	1.4198	1.1845	1.0934
<b>Total net assets in USD</b>		<b>10,132,760</b>	<b>11,759,895</b>	<b>44,587,792</b>
<b>Artemis Funds (Lux) – Leading Consumer Brands<sup>2</sup></b>				
A EUR Acc	2,607,236	1.0768	–	–
FB GBP Acc	809,346	1.0768	–	–
FI EUR Acc	3,070,631	1.0823	–	–
FI GBP Acc	3,771,495	1.0771	–	–
FI USD Acc	496,357	1.0675	–	–
I EUR Acc	5,836	1.0806	–	–
I GBP Acc	23,144	1.0753	–	–
I USD Acc	6,357	1.0657	–	–
<b>Total net assets in USD</b>		<b>13,316,842</b>	–	–

<sup>1</sup> Artemis Funds (Lux) – Global Equity Income was closed to investors on 16 April 2024.

<sup>2</sup> Artemis Funds (Lux) – Leading Consumer Brands was launched on 1 December 2023.

Net asset value per share (in share class currency)	Shares outstanding as at 30 April 2024	NAV per Share as at 30 April 2024	NAV per Share as at 31 October 2023	NAV per Share as at 31 October 2022
<b>Artemis Funds (Lux) – Positive Future</b>				
A EUR Acc	152,070	0.5957	0.5295	0.6316
B USD Acc	6,903	0.5456	0.4784	0.5283
FB EUR Acc	12,754	0.6119	0.5407	0.6377
FI EUR Acc	236,174	0.6126	0.5413	0.6381
FI GBP Acc	2,880,036	0.6107	0.5511	0.6396
FI USD Acc	10,872	0.5524	0.4834	0.5314
I EUR Acc	65,128	0.6054	0.5363	0.6347
I GBP Acc	5,000	0.6037	0.5459	0.6362
I USD Acc	3,491,112	0.5462	0.4789	0.5286
<b>Total net assets in USD</b>		<b>4,425,069</b>	<b>13,260,370</b>	<b>19,169,752</b>
<b>Artemis Funds (Lux) – Short-Dated Global High Yield Bond</b>				
B USD Acc	39,832	1.1967	1.1086	1.0044
BH GBP Acc	543,022	1.1683	1.0839	0.9894
FI EUR Acc	5,955	1.1980	1.1200	1.0864
FI USD Acc	1,601,416	1.2198	1.1293	1.0214
FIH EUR Acc	1,000,000	1.1209	1.0459	0.9679
FIH EUR Inc	13,219,018	0.8810	0.8511	0.8391
FIH GBP Acc	977,669	1.1731	1.0878	0.9913
FIH GBP Inc	26,688,106	0.9193	0.8824	0.8570
I USD Acc	1,106,354	1.2130	1.1235	1.0174
I USD Inc	588,114	1.0797	1.0353	–
IH EUR Acc	9,003,685	1.1119	1.0378	0.9614
IH EUR Inc	28,953	1.0496	1.0009	–
IH GBP Acc	1,480,438	1.1672	1.0828	0.9879
IH GBP Inc	24,319,338	1.0081	0.9681	0.9412
<b>Total net assets in USD</b>		<b>94,218,779</b>	<b>82,917,965</b>	<b>116,951,467</b>
<b>Artemis Funds (Lux) – SmartGARP Global Emerging Markets Equity</b>				
B EUR Acc	116,499	1.4127	1.2120	1.1166
B USD Acc	4,064,606	1.3173	1.1192	0.9617
FI GBP Acc	327,865	1.5077	1.3199	1.1948
I EUR Acc	26,826,237	1.4820	1.2712	1.1706
I GBP Inc	982,186	1.1417	1.0549	0.9784
I USD Acc	4,198,226	1.3650	1.1595	0.9958
<b>Total net assets in USD</b>		<b>55,854,168</b>	<b>45,873,092</b>	<b>45,024,853</b>
<b>Artemis Funds (Lux) – UK Select<sup>3</sup></b>				
I EUR Acc	5,858	1.0038*	–	–
I GBP Acc	5,000	1.0047*	–	–
I USD Acc	6,279	1.0045*	–	–
I USD Inc	6,279	1.0045*	–	–
JI EUR Acc	103,260	1.0038*	–	–
JI GBP Acc	2,031,938	1.0047*	–	–
JI USD Acc	165,431	1.0045*	–	–
<b>Total net assets in GBP</b>		<b>2,271,003</b>	–	–

<sup>3</sup> Artemis Funds (Lux) – UK Select was launched on 29 April 2024.

\* Net asset values per share include Swing price adjustments. Please refer to Note 7 for further details.



## FINANCIAL STATEMENTS

Net asset value per share (in share class currency)	Shares outstanding as at 30 April 2024	NAV per Share as at 30 April 2024	NAV per Share as at 31 October 2023	NAV per Share as at 31 October 2022
<b>Artemis Funds (Lux) – US Extended Alpha</b>				
A EUR Acc	2,459,104	2.0271	1.6263	1.5973
A USD Acc	20,402,096	1.9064	1.5146	1.3874
AH EUR Acc	20,863,309	1.6768	1.3448	1.2672
B EUR Acc	1,840,261	2.0490	1.6378	1.5965
B GBP Acc	1,132,022	1.6435	1.3418	1.2878
B USD Acc	54,873,751	1.9808	1.5679	1.4254
BH CHF Acc	593,646	1.6773	1.3560	1.2915
BH EUR Acc	6,463,670	1.7348	1.3860	1.2962
FI EUR Acc	1,025,759	2.1099	1.6912	1.6455
I EUR Acc	20,188	2.1149	1.6909	1.6476
I GBP Acc	300,388	2.0678	1.6878	1.6193
I USD Acc	102,466,763	1.9850	1.5709	1.4277
IH CHF Acc	411,987	1.6790	1.3572	1.2916
IH EUR Acc	6,913,012	1.7431	1.3918	1.3013
IH GBP Acc	29,448	1.8273	1.4507	1.3354
<b>Total net assets in USD</b>		<b>430,114,690</b>	<b>384,683,528</b>	<b>558,879,233</b>
<b>Artemis Funds (Lux) – US Select</b>				
A USD Acc	147,807	1.8418*	1.4281	1.3339
AH EUR Acc	2,288,976	1.6183*	1.2675	1.2176
B EUR Acc	1,154	1.9868*	1.5497	1.5404
B USD Acc	7,602,646	1.8932*	1.4624	1.3559
FI EUR Acc	1,684,515	2.0399*	1.5897	1.5773
I EUR Acc	764,097	2.0233*	1.5779	1.5677
I GBP Acc	513,591	1.9817*	1.5785	1.5443
I GBP Inc	7,066,048	1.9086*	1.5313	1.5110
I USD Acc	14,127,899	1.9228*	1.4850	1.3763
I USD Inc	1,820,625	1.3285*	1.0333	0.9659
IH EUR Acc	857,354	1.6430*	1.2818	1.2215
<b>Total net assets in USD</b>		<b>73,170,325</b>	<b>53,495,276</b>	<b>228,811,860</b>
<b>Artemis Funds (Lux) – US Smaller Companies</b>				
A USD Acc	5,111,823	1.5477	1.1239	1.2428
B EUR Acc	851,262	1.6769	1.2252	1.4416
B USD Acc	4,254,645	1.6149	1.1683	1.2822
FI GBP Inc	32,025,366	1.7685	1.3280	1.5418
FI USD Acc	1,431,597	1.6347	1.1800	1.2894
FI USD Inc	4,393,055	1.6324	1.1885	1.3069
I EUR Acc	6,691,814	1.8459	1.3483	1.5859
I GBP Acc	2,302,717	1.1847	0.8838	1.0236
I USD Acc	68,426,307	1.6523	1.1951	1.3112
<b>Total net assets in USD</b>		<b>226,444,103</b>	<b>173,047,541</b>	<b>548,791,561</b>

\* Net asset values per share include Swing price adjustments. Please refer to Note 7 for further details.

# ARTEMIS FUNDS (LUX) – GLOBAL EQUITY INCOME

**PLEASE NOTE THAT THIS FUND WAS LIQUIDATED ON 16 APRIL 2024.**

## INVESTMENT OBJECTIVE AND POLICY (PRIOR TO 16 APRIL 2024)

To increase the capital value of Shareholders' investments while producing a higher dividend income than the benchmark.

The fund invests principally in equities of companies selected on a global basis that exhibit strong levels of free cashflow generation, dividend distribution and dividend progression.

The fund may invest in ADRs, GDRs, participatory notes and contracts for difference. Participatory notes and contracts for difference will be used to access markets where direct access to purchase equities may be difficult. Their use is not intended to create leverage. Investments in participatory notes and contracts for difference shall not exceed 10% of the fund's Net Asset Value.

The fund may invest up to 10% of its Net Asset Value in China A-Shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.

The fund may use derivatives and other techniques for hedging and for efficient portfolio management. The fund's derivatives may include, but are not limited to, futures and forward currency contracts.

Subject to the limits set out in the Investment Restrictions, the fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in the Investment Restrictions, the fund may also invest in bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions.

At times the fund may invest in fixed income securities, including high yield bonds and contingent convertible bonds, up to a maximum of 10% of the fund's Net Asset Value. The minimum credit rating for high yield bonds is B (Standard & Poor's or the equivalent from other rating agencies). These investments would be made in periods of volatile or falling equity markets, with the aim of preserving investors' capital and to maintain income. There is no guarantee that such an aim will be met.

The fund may invest up to 10% of its Net Asset Value in other collective investment schemes.

## INVESTMENT REVIEW

### Returns for the period to 16 April 2024

From the start of the reporting period on 1 November 2023 through to the fund's liquidation on 16 April 2024, it generated a return of 23.5%<sup>1</sup> in sterling terms versus a return of 16.0% from the MSCI AC World Index NR.

### Fund closure

Given the size of Artemis Funds (Lux) – Global Equity Income, an assessment was undertaken on the ongoing viability of the fund and its future prospects, in terms of increasing size and scale through gaining new investors.

Having considered a number of options, the Board concluded that there were no suitable options for maintaining the fund.

Therefore, in the best interest of the shareholders of the fund and in accordance with Article 32 of the Articles of Incorporation of Artemis Funds (Lux) and the provisions of the fund's Prospectus, the fund was liquidated on 16 April 2024.

Artemis Investment Management LLP bore the cost of liquidating the fund, including legal and regulatory charges – but not the trading-related transactions costs, which were borne by the fund.

### Jacob de Tusch-Lec and James Davidson

Fund managers

Past performance is not a guide to the future.

<sup>1</sup> Source: Artemis/Lipper Limited, class B USD Acc to 16 April 2024. All figures show total returns with dividends and/or income reinvested, net of all charges. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if you invest in a different currency class.

# ARTEMIS FUNDS (LUX) – GLOBAL HIGH YIELD BOND

## INVESTMENT OBJECTIVE AND POLICY

The fund aims to increase the value of shareholders' investments through a combination of income and capital growth.

The fund may invest in the bonds of any type of issuer (for example government or corporates) with no restriction on economic or geographic areas (including emerging markets).

The fund will invest at least 80% in high-yield bonds, which either (a) have been given a credit rating of: (i) Ba1 or lower by Moody's; (ii) BB+ or lower by Standard & Poor's; or (iii) BB+ or lower by Fitch; or (b) have not been rated but which the Investment Manager believes would, if they were rated, be given a comparable credit rating.

Corporate bonds (held either directly or indirectly via derivatives) issued by companies involved in the following are automatically excluded:

- Tobacco: companies which derive more than 5% revenue from tobacco production;
- Nuclear power: companies which derive more than 5% revenue from:
  - nuclear power plant ownership or operation;
  - manufacturing of nuclear-specific essential components;
  - uranium mining; or
  - nuclear energy based power generation;
- Weapon companies:
  - involved in the production of controversial weapons (including cluster munitions, landmines, biological and chemical weapons) or nuclear weapons; or
  - which derive more than 5% revenue from conventional weapons, related components and systems;
- Fossil fuels: companies which:
  - derive more than 10% revenue from thermal coalbased power generation; or
  - derive more than 5% revenue from thermal coal mining or sale, oil sands, fracking or arctic drilling;
- Companies that the Investment Manager determines to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti- corruption.

The fund promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR. This is achieved through (i) operating exclusions lists, as detailed above, based on industries where the Investment Manager assesses there to be fundamental ESG-related concerns, (ii) taking into consideration ESG risks and opportunities, which may additionally influence the bonds selected depending on the outcome of the ESG evaluation, and (iii) favouring investment in issuers with low or reducing carbon intensity, with the Investment Manager aiming for the fund's carbon intensity (as measured by scope 1 & 2 emissions) to be below that of the ICE BoAML Global High Yield Constrained Index. Further information is contained in a methodology statement available on the Artemis website at [www.artemisfunds.com/methodology-statement](http://www.artemisfunds.com/methodology-statement).

The environmental social and governance (ESG) evaluation of individual securities is determined by the Investment Manager using information provided by the companies (for example company sustainability reports) and third-party data focusing on individual factors and metrics that the Investment Manager considers to be relevant.

More information about the environmental or social characteristics for this fund is available in the pre-contractual disclosure for financial products referred to in Article 8 under SFDR which follow the fund's details and which form an integral part of the Prospectus.

In addition to purchasing high yield bonds, the fund may use derivatives and other techniques for investment, hedging and for efficient portfolio management. The fund's derivatives may include, but are not limited to, futures, forward currency contracts, credit default swaps (single name and indices) and interest rate swaps. In particular, the Investment Manager intends to hedge the fund's Base Currency against the currencies in which the underlying assets of the fund are denominated. There may be certain currency exposures where it is impractical or not cost effective to apply the portfolio hedge, but the intention is that the fund will operate a target hedge ratio of 100%.

In the event that any bonds held by the fund are subject to a restructuring process, the fund will be permitted to invest in new bonds or equity securities issued as part of the reorganisation process.

The fund may invest up to 10% of its assets in each of the following:

- asset-backed securities and mortgage-backed securities;
- distressed/defaulted bonds; and
- other collective investment schemes.

The fund may invest up to 20% of its assets in each of the following:

- contingent convertible bonds; and
- more speculative high yield bonds, where they carry a credit rating from Moody's, Standard & Poor's or Fitch, that have been given ratings whereby none are at or above B- (for Standard & Poor's and Fitch) or B3 (for Moody's) not qualifying as distressed/defaulted bonds at the time of purchase.

Subject to the limits set out in the Investment Restrictions, the fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in the Investment Restrictions, the fund may also invest in bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions.

## INVESTMENT REVIEW

### Performance

The Artemis Funds (Lux) – Global High Yield Bond Fund made 10.6%<sup>1</sup> in the six months to the end of April 2024, compared with 9.2% from its ICE BofA Merrill Lynch Global High Yield Constrained USD Hedged index benchmark.

While it was a positive period for fixed income on the whole, it finished on a downbeat note with global government and investment grade corporate bonds in negative territory for April. The primary driver of this fall was the market's re-evaluation of the pace of monetary easing – at the start of the month, it had priced in 67bps of interest rate cuts in the US this year; by the end, this had fallen to 31bps.

However, our strategy has recently focused on finding opportunities at the front end of the maturity curve. These positions tend to be less correlated with market moves and present significant capital upside opportunities that anyone taking a broader approach will miss. As a result, we were relatively insulated from the rise in yields.

### Contributors

**Miller Homes**, **CPI Property** and **At Home** made the biggest contribution to returns during the six-month period.

For Miller Homes, our view was that market sentiment on UK assets in general, and the housing sector in particular, was overly negative. We were also attracted to its customer segment, strong asset backing, flexible cost structure and experienced management team. M&A activity in the sector underlined how well covered its bonds were.

CPI Property was one of two positions we added in European real estate (along with **AroundTown**) in December. While the sector was facing considerable stress at the time, we felt the two companies had strong asset coverage and minimal near-term liquidity needs. We thought stabilisation in the rates market – which, given the potential for rate cuts in 2024, was a reasonable assumption – should help these bonds to perform. And they did.

After poor performance in Q3, US home furnishings retailer At Home did well after it released a better-than-expected set of results and outlook in December.

### Detractors

In terms of detractors, our positions in **Isabel Marant** and **Pfleiderer** hindered performance.

French luxury clothing brand Isabel Marant has suffered as retailers have cut orders and inventory after a Covid-driven overstocking. The company adjusted its strategy towards 'premiumisation' which has reduced volume in the short term but will drive margin and brand equity in the long run. We remain confident in management and supportive of the strategy.

Cyclical concerns and a normalisation in energy prices saw German high-end manufactured wood producer Pfleiderer underperform the market. However, after the end of April, it reported solid numbers with a constructive outlook and the bonds rebounded.

### Activity

We continue to be attracted to opportunities in short-dated high yield bonds. This area tends to be much less volatile than the broader high-yield market, and the bonds tend to be redeemed early by issuers, creating capital upside for holders that is not recognised by the broader market.

One of the companies we use to demonstrate this opportunity – **Perenti**, an Australian mining contractor – partially redeemed its short-dated bonds in April at a premium to par (meaning it paid us more than the price it issued them at), illustrating the concept admirably.

In April, we added bonds issued by **IMA**, an Italian producer of specialist packaging machinery for pharmaceutical, dairy and other consumer goods. We believe there is substantial unpriced upside to an early redemption by the company.

Past performance is not a guide to the future.

<sup>1</sup> Source: Artemis/Lipper Limited, class I USD Acc to 30 April 2024. All figures show total returns with dividends and/or income reinvested, net of all charges. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if the investor's currency is different to that of the class.

# ARTEMIS FUNDS (LUX) – GLOBAL HIGH YIELD BOND

We also added positions in cruise operators **TUI** and **Carnival**. We believe both have strong market positions and can benefit from the trend for spending on experiences over physical goods (neatly illustrated by record booking levels).

In addition, both companies have a strong desire to improve their credit quality in the near term, which we believe will be rewarded through tighter credit spreads.

While we have historically been positive on certain parts of the oil & gas sector – most notably in the North Sea and eastern Mediterranean – February saw the sale of all our holdings in these two geographies. In the North Sea, the government's hostile approach to taxing the sector made long-term investment seem unlikely. This didn't seem like a huge issue for our holdings, but we felt it would impinge on their ability to refinance in the long term. We have been gradually reducing our positions over the past year.

In the eastern Mediterranean, we exited holdings in bonds secured on assets in Israeli waters. Prices have recovered since Hamas's attack in October, but the higher risk profile makes it difficult to justify exposure on an ongoing basis.

## Outlook

Why would an investor want to buy high-yield bonds now? Spreads appear tight, risk-free rates already offer mid-single digit returns and a period of hawkish monetary policy usually ends up with investors taking risk off the table. So high yield seems like an obvious part of the market to avoid, right?

Let's go through these reasons one at a time to explain why we disagree.

### 1. High-yield spreads are too tight

There are two elements here. The first is the abstract idea that a singular measure of high yield 'spread' can accurately represent thousands of underlying instruments. Are we referring to Isabel Marant Group 8% 2028 notes with a spread of 1,462bps as being tight? Or maybe Drax 6.625% 2025 notes with a spread of 0bps? We do not own the index (just a few percent of it) and therefore the average is a meaningless concept to us.

The second is that spreads in high-yield bonds are not comparable to those in other fixed income markets. Unlike with investment grade bonds, for example, high-yield bonds have multiple different payoff dates which can have an enormous impact on spreads.

### 2. Risk-free rates are more attractive

It is true that risk-free rates look attractive today. The issue is that as time goes on, the opportunity cost from sitting in cash or cash equivalents compounds.

Let's take an investor who bought US T-bills (short-dated US government bonds) the moment they passed a 3% yield (30 September 2022) and held them through to today.

They would have made a total return of 7.8% over this time. Not too shabby. But over the same period, our fund delivered a total return of 19.3%.

The missed carry from high yield relative to risk-free rates over the period means that even if there were a significant market downturn from here, the investor who remained in cash the whole time would likely still end up worse off versus the one who remained in high-yield bonds.

### 3. Tight monetary policy leads to a risk-off environment

While tight monetary policy does cause investors to sell riskier assets, high-yield bonds tend to do well in these periods.

Since the beginning of the 1980s, there have been eight hiking cycles that ended in cutting cycles. The average one-year total return on US high yield from the time of the first cut has been +7.1%. Put simply, the end of a hiking cycle (in other words, the start of a cutting cycle) tends to be good, not bad, for high yield.

There's a common thread running through what generates outperformance – looking at things a little differently and finding opportunities in areas where others simply don't bother to look. The high-yield market offers a huge opportunity for investors who are willing to do just this.

Ultimately, we think the question is not why should you own high-yield bonds at this point, but more why shouldn't you?

**David Ennett and Jack Holmes**  
Fund managers

# ARTEMIS FUNDS (LUX) – GLOBAL HIGH YIELD BOND

## Schedule of Investments as at 30 April 2024

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing</b>				
<b>Collective Investment Schemes</b>				
<b>Ireland</b>				
Northern Trust Global Funds plc - US Dollar Fund (The)	USD	15,000	15,000	0.08
<b>Total Ireland</b>			<b>15,000</b>	<b>0.08</b>
<b>Total Collective Investment Schemes</b>			<b>15,000</b>	<b>0.08</b>
<b>Corporate Bonds</b>				
<b>Australia</b>				
Perenti Finance Pty Ltd., 144A 7.5% 26/04/2029	USD	200,000	202,585	1.07
<b>Total Australia</b>			<b>202,585</b>	<b>1.07</b>
<b>Austria</b>				
AT&S Austria Technologie & Systemtechnik AG, Reg. S, FRN 5% Perpetual	EUR	300,000	282,965	1.50
<b>Total Austria</b>			<b>282,965</b>	<b>1.50</b>
<b>France</b>				
Goldstory SAS, Reg. S 6.75% 01/02/2030	EUR	100,000	109,460	0.58
IM Group SAS 8% 01/03/2028	EUR	300,000	243,440	1.29
SNF Group SACA, Reg. S 2% 01/02/2026	EUR	200,000	207,458	1.10
<b>Total France</b>			<b>560,358</b>	<b>2.97</b>
<b>Germany</b>				
Cheplapharm Arzneimittel GmbH, 144A 5.5% 15/01/2028	USD	200,000	188,212	1.00
CT Investment GmbH, Reg. S 6.375% 15/04/2030	EUR	200,000	215,221	1.14
IHO Verwaltungs GmbH, 144A 6% 15/05/2027	USD	200,000	196,539	1.04
PCF GmbH, Reg. S 4.75% 15/04/2026	EUR	300,000	221,010	1.17
Standard Profil Automotive GmbH, Reg. S 6.25% 30/04/2026	EUR	100,000	97,097	0.51
TUI Cruises GmbH, Reg. S 6.25% 15/04/2029	EUR	100,000	108,138	0.57
WEPA Hygieneprodukte GmbH, Reg. S 2.875% 15/12/2027	EUR	100,000	99,889	0.53
<b>Total Germany</b>			<b>1,126,106</b>	<b>5.96</b>
<b>Ireland</b>				
Flutter Treasury Designated Activity Co, Reg. S 5% 29/04/2029	EUR	100,000	108,815	0.58
<b>Total Ireland</b>			<b>108,815</b>	<b>0.58</b>
<b>Italy</b>				
IMA Industria Macchine Automatiche SpA, Reg. S 3.75% 15/01/2028	EUR	200,000	201,511	1.07
International Design Group SpA, Reg. S 10% 15/11/2028	EUR	100,000	109,914	0.58
Italmatch Chemicals SpA, Reg. S 10% 06/02/2028	EUR	100,000	112,830	0.60
Itelyum Regeneration SpA, Reg. S 4.625% 01/10/2026	EUR	100,000	104,398	0.55
Neopharmed Gentili SpA, Reg. S 7.125% 08/04/2030	EUR	100,000	107,656	0.57
<b>Total Italy</b>			<b>636,309</b>	<b>3.37</b>
<b>Jersey</b>				
CPUK Finance Ltd. 4.5% 28/08/2027	GBP	100,000	114,224	0.60
Kane Bidco Ltd., Reg. S 6.5% 15/02/2027	GBP	200,000	242,098	1.28
<b>Total Jersey</b>			<b>356,322</b>	<b>1.88</b>
<b>Luxembourg</b>				
CPI Property Group SA, REIT, FRN 4.875% Perpetual	EUR	100,000	64,375	0.34
CPI Property Group SA, REIT 1.75% 14/01/2030	EUR	200,000	159,311	0.84
Motion Finco Sarl, Reg. S 7.375% 15/06/2030	EUR	100,000	111,596	0.59
Sani/Ikos Financial Holdings 1 Sarl, Reg. S 5.625% 15/12/2026	EUR	100,000	104,933	0.55
<b>Total Luxembourg</b>			<b>440,215</b>	<b>2.32</b>
<b>Netherlands</b>				
Dufry One BV 4.75% 18/04/2031	EUR	100,000	108,012	0.57

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

## ARTEMIS FUNDS (LUX) – GLOBAL HIGH YIELD BOND

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing (continued)</b>				
<b>Corporate Bonds (continued)</b>				
<b>Netherlands (continued)</b>				
Q-Park Holding I BV, Reg. S 2% 01/03/2027	EUR	100,000	98,977	0.52
Teva Pharmaceutical Finance Netherlands II BV 7.375% 15/09/2029	EUR	100,000	118,535	0.63
United Group BV, Reg. S 3.125% 15/02/2026	EUR	100,000	103,681	0.55
United Group BV, Reg. S 6.75% 15/02/2031	EUR	100,000	110,030	0.58
<b>Total Netherlands</b>			<b>539,235</b>	<b>2.85</b>
<b>Panama</b>				
Carnival Corp., Reg. S 5.75% 15/01/2030	EUR	100,000	108,129	0.57
<b>Total Panama</b>			<b>108,129</b>	<b>0.57</b>
<b>Spain</b>				
Banco Santander SA, FRN 4.75% Perpetual	USD	200,000	171,712	0.91
<b>Total Spain</b>			<b>171,712</b>	<b>0.91</b>
<b>Sweden</b>				
Heimstaden AB, Reg. S 4.375% 06/03/2027	EUR	200,000	135,419	0.72
Heimstaden AB, Reg. S, FRN 6.75% Perpetual	EUR	100,000	28,268	0.15
Verisure Holding AB, Reg. S 3.25% 15/02/2027	EUR	100,000	103,030	0.54
<b>Total Sweden</b>			<b>266,717</b>	<b>1.41</b>
<b>United Kingdom</b>				
Allwyn Entertainment Financing UK plc, Reg. S 7.25% 30/04/2030	EUR	200,000	223,629	1.18
Barclays plc, FRN 8.875% Perpetual	GBP	200,000	253,265	1.34
BCP V Modular Services Finance II plc, Reg. S 6.125% 30/11/2028	GBP	200,000	230,247	1.22
Castle UK Finco plc, Reg. S 7% 15/05/2029	GBP	200,000	232,038	1.23
Constellation Automotive Financing plc, Reg. S 4.875% 15/07/2027	GBP	100,000	103,586	0.55
Deuce Finco plc, Reg. S 5.5% 15/06/2027	GBP	200,000	236,980	1.25
Dignity Finance plc 4.696% 31/12/2049	GBP	200,000	188,279	1.00
Drax Finco plc, 144A 6.625% 01/11/2025	USD	200,000	200,000	1.06
INEOS Quattro Finance 2 plc, Reg. S 8.5% 15/03/2029	EUR	300,000	336,891	1.78
Investec plc, Reg. S, FRN 10.5% Perpetual	GBP	200,000	263,880	1.40
Iron Mountain UK plc, REIT, Reg. S 3.875% 15/11/2025	GBP	200,000	243,858	1.29
Kier Group plc 9% 15/02/2029	GBP	200,000	256,643	1.36
Maison Finco plc, Reg. S 6% 31/10/2027	GBP	200,000	232,620	1.23
Meadowhall Finance plc, REIT 4.988% 12/07/2037	GBP	178,424	177,718	0.94
Mitchells & Butlers Finance plc 6.469% 15/09/2032	GBP	300,000	346,547	1.83
Ocado Group plc, Reg. S 3.875% 08/10/2026	GBP	100,000	109,675	0.58
Premier Foods Finance plc, Reg. S 3.5% 15/10/2026	GBP	100,000	119,913	0.63
RAC Bond Co. plc, Reg. S 5.25% 04/11/2046	GBP	100,000	118,519	0.63
SW Finance I plc 7% 16/04/2040	GBP	200,000	234,535	1.24
Synthomer plc, Reg. S 7.375% 02/05/2029	EUR	100,000	108,189	0.57
Unique Pub Finance Co. plc (The) 6.464% 30/03/2032	GBP	200,000	263,539	1.39
Victoria plc, Reg. S 3.625% 24/08/2026	EUR	200,000	176,995	0.94
<b>Total United Kingdom</b>			<b>4,657,546</b>	<b>24.64</b>
<b>United States of America</b>				
Catalent Pharma Solutions, Inc., Reg. S 2.375% 01/03/2028	EUR	350,000	356,371	1.89
Encore Capital Group, Inc., Reg. S 4.25% 01/06/2028	GBP	300,000	316,189	1.67
MPT Operating Partnership LP, REIT 3.692% 05/06/2028	GBP	300,000	284,621	1.50
MPT Operating Partnership LP, REIT 3.325% 24/03/2025	EUR	100,000	101,314	0.54

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

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing (continued)</b>				
<b>Corporate Bonds (continued)</b>				
<b>United States of America (continued)</b>				
Penske Automotive Group, Inc. 3.5% 01/09/2025	USD	350,000	337,769	1.79
<b>Total United States of America</b>			<b>1,396,264</b>	<b>7.39</b>
<b>Total Corporate Bonds</b>			<b>10,853,278</b>	<b>57.42</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing</b>			<b>10,868,278</b>	<b>57.50</b>
<b>Transferable securities and money market instruments dealt in on another regulated market</b>				
<b>Corporate Bonds</b>				
<b>Australia</b>				
Mineral Resources Ltd., 144A 8% 01/11/2027	USD	150,000	152,250	0.80
Mineral Resources Ltd., 144A 9.25% 01/10/2028	USD	50,000	52,452	0.28
Nufarm Australia Ltd., 144A 5% 27/01/2030	USD	400,000	366,916	1.94
<b>Total Australia</b>			<b>571,618</b>	<b>3.02</b>
<b>Canada</b>				
GFL Environmental, Inc., 144A 3.75% 01/08/2025	USD	350,000	341,185	1.80
<b>Total Canada</b>			<b>341,185</b>	<b>1.80</b>
<b>Denmark</b>				
Welltec International ApS, Reg. S 8.25% 15/10/2026	USD	200,000	204,715	1.08
<b>Total Denmark</b>			<b>204,715</b>	<b>1.08</b>
<b>France</b>				
SNF Group SACA, 144A 3.125% 15/03/2027	USD	200,000	184,035	0.97
<b>Total France</b>			<b>184,035</b>	<b>0.97</b>
<b>Ireland</b>				
Ardagh Metal Packaging Finance plc, 144A 3.25% 01/09/2028	USD	200,000	174,133	0.92
<b>Total Ireland</b>			<b>174,133</b>	<b>0.92</b>
<b>Jersey</b>				
Adient Global Holdings Ltd., 144A 4.875% 15/08/2026	USD	200,000	193,003	1.02
<b>Total Jersey</b>			<b>193,003</b>	<b>1.02</b>
<b>Marshall Islands</b>				
Seaspan Corp., 144A 5.5% 01/08/2029	USD	400,000	345,551	1.83
<b>Total Marshall Islands</b>			<b>345,551</b>	<b>1.83</b>
<b>United States of America</b>				
180 Medical, Inc., 144A 3.875% 15/10/2029	USD	200,000	178,574	0.94
Albertsons Cos, Inc./ Safeway, Inc./ New Albertsons LP / Albertsons LLC, 144A 3.25% 15/03/2026	USD	200,000	190,314	1.01
At Home Group, Inc., 144A 4.875% 15/07/2028	USD	300,000	144,750	0.77
Avis Budget Car Rental LLC / Avis Budget Finance, Inc., 144A 4.75% 01/04/2028	USD	300,000	265,956	1.41
Brundage-Bone Concrete Pumping Holdings, Inc., 144A 6% 01/02/2026	USD	100,000	98,873	0.52
Capstone Borrower, Inc., 144A 8% 15/06/2030	USD	100,000	101,031	0.53
Cloud Software Group, Inc., 144A 6.5% 31/03/2029	USD	300,000	285,555	1.51
Consensus Cloud Solutions, Inc., 144A 6.5% 15/10/2028	USD	118,000	103,344	0.55
Coty, Inc., 144A 4.75% 15/01/2029	USD	150,000	140,443	0.74
Crocs, Inc., 144A 4.125% 15/08/2031	USD	200,000	169,686	0.90
CTR Partnership LP, REIT, 144A 3.875% 30/06/2028	USD	150,000	135,892	0.72
EMRLD Borrower LP / Emerald Co-Issuer, Inc., 144A 6.625% 15/12/2030	USD	200,000	199,135	1.05
Energizer Holdings, Inc., 144A 4.375% 31/03/2029	USD	200,000	176,648	0.93
Gap, Inc. (The), 144A 3.625% 01/10/2029	USD	200,000	169,742	0.90
Hilton Domestic Operating Co., Inc., 144A 3.75% 01/05/2029	USD	200,000	179,745	0.95
JB Poindexter & Co., Inc., 144A 8.75% 15/12/2031	USD	100,000	102,335	0.54
Legends Hospitality Holding Co. LLC, 144A 5% 01/02/2026	USD	100,000	98,812	0.52

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



## ARTEMIS FUNDS (LUX) – GLOBAL HIGH YIELD BOND

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments dealt in on another regulated market (continued)</b>				
<b>Corporate Bonds (continued)</b>				
<b>United States of America (continued)</b>				
LGI Homes, Inc., 144A 4% 15/07/2029	USD	100,000	85,859	0.45
MajorDrive Holdings IV LLC, 144A 6.375% 01/06/2029	USD	300,000	282,543	1.49
Match Group Holdings II LLC, 144A 5% 15/12/2027	USD	100,000	95,020	0.50
Medline Borrower LP/Medline Co-Issuer, Inc., 144A 6.25% 01/04/2029	USD	28,000	27,996	0.15
MIWD Holdco II LLC / MIWD Finance Corp., 144A 5.5% 01/02/2030	USD	150,000	136,109	0.72
New Home Co., Inc. (The), 144A 9.25% 01/10/2029	USD	280,000	280,319	1.48
Owens & Minor, Inc., 144A 6.625% 01/04/2030	USD	200,000	193,417	1.02
PTC, Inc., 144A 3.625% 15/02/2025	USD	150,000	147,515	0.78
Raising Cane's Restaurants LLC, 144A 9.375% 01/05/2029	USD	100,000	107,454	0.57
Sally Holdings LLC / Sally Capital Inc. 6.75% 01/03/2032	USD	200,000	194,690	1.03
Sotheby's, 144A 5.875% 01/06/2029	USD	200,000	167,391	0.89
Talos Production, Inc., 144A 9% 01/02/2029	USD	200,000	211,807	1.12
TripAdvisor, Inc., 144A 7% 15/07/2025	USD	400,000	402,242	2.13
Vail Resorts, Inc., 144A 6.5% 15/05/2032	USD	100,000	100,438	0.53
VT Topco, Inc., 144A 8.5% 15/08/2030	USD	100,000	103,838	0.55
Wabash National Corp, 144A 4.5% 15/10/2028	USD	60,000	53,975	0.29
Williams Scotsman International, Inc., 144A 4.625% 15/08/2028	USD	200,000	185,002	0.98
ZipRecruiter, Inc., 144A 5% 15/01/2030	USD	400,000	352,256	1.86
<b>Total United States of America</b>			<b>5,868,706</b>	<b>31.03</b>
<b>Total Corporate Bonds</b>			<b>7,882,946</b>	<b>41.67</b>
<b>Total Transferable securities and money market instruments dealt in on another regulated market</b>			<b>7,882,946</b>	<b>41.67</b>
<b>Total Investments</b>			<b>18,751,224</b>	<b>99.17</b>
<b>Cash</b>			<b>85,855</b>	<b>0.45</b>
<b>Other assets/(liabilities)</b>			<b>72,222</b>	<b>0.38</b>
<b>Total net assets</b>			<b>18,909,301</b>	<b>100.00</b>

### Financial Futures Contracts

Security Description	Number of Contracts	Currency	Gross Exposure USD	Unrealised Gain/(Loss) USD	% of Net Assets
Euro-Bobl, 06/06/2024	(6)	EUR	767,129	8,288	0.04
US Ultra T-Bond (CBT), 18/06/2024	(2)	USD	255,437	15,875	0.09
<b>Total Unrealised Gain on Financial Futures Contracts - Assets</b>				<b>24,163</b>	<b>0.13</b>

Security Description	Number of Contracts	Currency	Gross Exposure USD	Unrealised Gain/(Loss) USD	% of Net Assets
US 10 Year T-Note, 18/06/2024	10	USD	1,102,125	(26,344)	(0.14)
US 5 Year T-Note (CBT), 28/06/2024	20	USD	2,137,813	(41,093)	(0.22)
<b>Total Unrealised Loss on Financial Futures Contracts - Liabilities</b>				<b>(67,437)</b>	<b>(0.36)</b>

### Forward Currency Exchange Contracts

Currency Purchased	Amount Purchased	Currency Sold	Amount Sold	Maturity Date	Counterparty	Unrealised Gain/(Loss) USD	% of Net Assets
USD	4,376,032	GBP	(3,456,030)	08/05/2024	Northern Trust	48,616	0.25
USD	4,718,480	EUR	(4,337,076)	08/05/2024	Northern Trust	73,600	0.39
<b>Total Unrealised Gain on Forward Currency Exchange Contracts - Assets</b>						<b>122,216</b>	<b>0.64</b>

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

Currency Purchased	Amount Purchased	Currency Sold	Amount Sold	Maturity Date	Counterparty	Unrealised Gain/(Loss) USD	% of Net Assets
USD	206,232	EUR	(193,433)	08/05/2024	Northern Trust	(929)	–
USD	314,576	GBP	(252,093)	08/05/2024	Northern Trust	(1,078)	(0.01)
<b>BH GBP Acc</b>							
GBP	279,845	USD	(350,581)	31/05/2024	Northern Trust	(132)	–
<b>FBH GBP Acc</b>							
GBP	802,223	USD	(1,004,997)	31/05/2024	Northern Trust	(379)	–
<b>FIH GBP Inc</b>							
GBP	363,627	USD	(455,539)	31/05/2024	Northern Trust	(172)	–
<b>IH EUR Acc</b>							
EUR	32,170	USD	(34,596)	31/05/2024	Northern Trust	(110)	–
<b>IH EUR Inc</b>							
EUR	30,954	USD	(33,289)	31/05/2024	Northern Trust	(106)	–
<b>IH GBP Acc</b>							
GBP	8,110,412	USD	(10,160,448)	31/05/2024	Northern Trust	(3,827)	(0.02)
<b>Total Unrealised Loss on Forward Currency Exchange Contracts - Liabilities</b>						<b>(6,733)</b>	<b>(0.03)</b>
<b>Net Unrealised Gain on Forward Currency Exchange Contracts - Assets</b>						<b>115,483</b>	<b>0.61</b>

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

# ARTEMIS FUNDS (LUX) – GLOBAL SELECT

## INVESTMENT OBJECTIVE AND POLICY

To increase the value of Shareholders' investments primarily through capital growth.

The fund invests principally (at least 80% of its assets) in equities of companies selected on a global basis.

The Investment Manager aims to identify long-term growth trends that are not seasonal or cyclical or dependent on current economic events. Companies are sought which may benefit from these trends and which exhibit characteristics such as high and persistent barriers to entry, competent management teams whose remuneration is aligned to the success of the company, exposure to external factors, and high governance standards.

Shares in the following types of companies (held either directly or indirectly via derivatives) are automatically excluded:

- Tobacco: companies which derive more than 10% revenue from tobacco;
- Gambling: companies which derive more than 10% of revenue from gambling;
- Weapons: companies:
  - involved in the production of controversial weapons (including cluster munitions, landmines, biological and chemical weapons); or
  - which derive more than 10% revenue from conventional or nuclear weapons, related components and systems;
- Fossil fuels: companies which derive more than 10% revenue from:
  - mining or sale of thermal coal; or
  - extraction, production or refining of either oil or gas.

The fund promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR. In that respect, the Investment Manager assesses the sustainability of each investment, including environmental, social and governance (ESG) factors such as a company's remuneration policy, energy and social supply policy, board diversity and any unequal voting rights alongside traditional financial metrics. However, investments are chosen on the basis of many quantitative (financial or ESG) or qualitative (e.g. quality and/or growth characteristics) attributes and need not rate highly on any or all of these sustainability factors to be included in the portfolio.

In addition to ESG criteria considered during company selection, other sustainability criteria are taken into account in the thematic analysis at sector and company level.

Stock selection is determined by the Investment Manager using information provided by the companies (for example company sustainability reports) and third-party data focusing on scores and metrics which the Investment Manager considers to be relevant.

More information about the environmental or social characteristics for this fund is available in the pre-contractual disclosure for financial products referred to in Article 8 under SFDR which follow the fund's details and which form an integral part of the Prospectus.

At times the fund may invest in ADRs, GDRs, participatory notes and contracts for difference. Participatory notes and contracts for difference would be used to access markets where direct access to purchase equities may be difficult. Their use is not intended to create leverage. Investments in participatory notes and contracts for difference shall not exceed 10% of the fund's Net Asset Value.

The fund may invest up to 10% of its Net Asset Value in China A-Shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.

The fund may use derivatives and other techniques for hedging and for efficient portfolio management. The fund's derivatives may include, but are not limited to, futures and forward currency contracts.

Subject to the limits set out in the Investment Restrictions, the fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in the Investment Restrictions, the fund may also invest in bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. Higher levels of investments in bank deposits, money market instruments or money market funds may be held in periods of elevated equity market valuations to reduce risk.

The fund may invest up to 10% of its Net Asset Value in other collective investment schemes.

## INVESTMENT REVIEW

### Main changes to the fund

- On a geographic basis, we added to emerging markets via new positions in Brazil (**Nu Holdings**), India (**HDFC Bank**), Mexico (**Grupo Banorte**) and China (**Meituan, PDD**).
- We also took profits in Japanese bank holdings which performed well after inflation returned to Japan, as subsequently did higher interest rates. The proceeds were re-invested into a selection of high-quality, idiosyncratic Japanese stocks that are likely to benefit from an improving backdrop for corporate governance and shareholder returns.
- New positions included consumer names such as **Campari** and **Nestlé**. These are high-quality businesses with strong product portfolios and robust long-term growth opportunities that are trading at attractive valuations due to near-term cyclical factors.

- The fund remains overweight healthcare. Despite short-term uncertainties – such as the pace of recovery in biopharma funding for life science companies and a US election which represents a potential threat for health insurers – we own a selection of market leaders that we believe can continue to compound earnings at high levels through multiple cycles.
- We took profits in **Siemens**, **Adobe** and **Intel**, which did well in 2023, and trimmed strong performers such as **Nvidia**, **Meta**, **Lam Research** and **Eagle Materials**. We also fully exited **Diageo**, **Humana** and **Baker Hughes**.
- Japanese stocks have performed well over the past six months as, following actions by the Tokyo Stock Exchange over recent years to encourage better corporate governance, many companies are actively improving balance sheet management and delivering higher shareholder returns.
- China continues to suffer the after-effects of its Covid lockdowns. The housing market remains troubled and consumer spending subdued. However, Chinese stocks began to rally in April following a strong GDP reading, improving manufacturing data and supportive policy stimulus.

### Explaining the fund's performance

- The fund returned 19.9%<sup>1</sup> in US dollar terms over the six-month period, marginally ahead of the MSCI AC World index's return of 19.8%.
- Our technology stocks performed best over this time. The emergence of generative artificial intelligence (AI) and its steep adoption curve and supply chain build-out have benefited semiconductor firms such as Nvidia (+112% in US dollar terms during the period), **TSMC** (+49%), Lam Research (+53%) and **ASML** (+50%).
- Industrials stock selection was also favourable, including **Schneider Electric** (+49%), **Ferguson** (+41%) and **Siemens** (+34%).
- Our investment theses were proved correct in **Amazon** as its profits expanded (+31%); **Uber** (+53%), which continued to outpace unprofitable rivals; and **Novo Nordisk** (+36%), whose weight-loss drug has already been a hit in the US.
- On the other hand, US health insurance stocks detracted as a heated election cycle looms in the US. For example, Humana fell 10% and **UnitedHealth** was down 9%.
- Insurance company **Aon** (-8%) fell after it made a significant acquisition, while the company's results showed that although it is growing, it is lagging behind some competitors.
- The underweight to energy detracted from fund performance. Our only holding in this sector, Baker Hughes (-18%), was affected by fears of gas oversupply and reduced oil production from OPEC members.

### The wider context

- Technology stocks led global markets given the emergence of generative AI as a productivity-enhancing tool with multiple applications.
- The Federal Reserve has been able to raise interest rates to levels not seen since before the financial crisis without pushing the economy into recession. This is the so-called 'soft landing' scenario. Markets broadened as a result, with financials and industrials rallying strongly into the calendar year-end.
- However, inflation has proved stickier than expected in 2024 so far, and yields have risen. Our focus remains on owning high-quality and durable businesses through this macro volatility.

### Looking ahead

- Global equity markets remain sensitive to macroeconomic factors such as the rate of disinflation, growth in the US, the economic recovery in China and the path of global rate cuts. Despite the volatility created by these conditions, the Artemis Global Select team continues to focus on secular trends which support long-term earnings growth among a select few companies. Macro volatility often presents us with opportunities to buy into high-quality businesses as patient long-term investors.

**Alex Stanić, Natasha Ebtahdj and Swetha Ramachandran**  
Fund managers

Past performance is not a guide to the future.

<sup>1</sup>Source: Artemis/Lipper Limited, class I USD Acc to 30 April 2024. All figures show total returns with dividends and/or income reinvested, net of all charges. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if you invest in a different currency class.

# ARTEMIS FUNDS (LUX) – GLOBAL SELECT

Schedule of Investments as at 30 April 2024

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing</b>				
<b>Collective Investment Schemes</b>				
<b>Ireland</b>				
Northern Trust Global Funds plc - US Dollar Fund (The)	USD	497,000	497,000	4.90
<b>Total Ireland</b>			<b>497,000</b>	<b>4.90</b>
<b>Total Collective Investment Schemes</b>			<b>497,000</b>	<b>4.90</b>
<b>Equities</b>				
<b>Canada</b>				
Wheaton Precious Metals Corp.	CAD	1,178	61,776	0.61
<b>Total Canada</b>			<b>61,776</b>	<b>0.61</b>
<b>Cayman Islands</b>				
Meituan 'B'	HKD	9,300	128,905	1.27
NU Holdings Ltd. 'A'	USD	6,674	73,581	0.73
PDD Holdings, Inc., ADR	USD	567	71,986	0.71
<b>Total Cayman Islands</b>			<b>274,472</b>	<b>2.71</b>
<b>Denmark</b>				
Novo Nordisk A/S 'B'	DKK	2,063	266,086	2.63
<b>Total Denmark</b>			<b>266,086</b>	<b>2.63</b>
<b>France</b>				
EssilorLuxottica SA	EUR	947	203,713	2.01
LVMH Moët Hennessy Louis Vuitton SE	EUR	179	148,770	1.47
Schneider Electric SE	EUR	461	107,065	1.06
<b>Total France</b>			<b>459,548</b>	<b>4.54</b>
<b>Germany</b>				
MTU Aero Engines AG	EUR	534	130,023	1.28
<b>Total Germany</b>			<b>130,023</b>	<b>1.28</b>
<b>India</b>				
HDFC Bank Ltd., ADR	USD	4,528	263,145	2.60
<b>Total India</b>			<b>263,145</b>	<b>2.60</b>
<b>Ireland</b>				
Aon plc 'A'	USD	704	201,252	1.99
Ryanair Holdings plc	EUR	9,334	202,736	2.00
<b>Total Ireland</b>			<b>403,988</b>	<b>3.99</b>
<b>Japan</b>				
FUJIFILM Holdings Corp.	JPY	4,000	86,077	0.85
Keyence Corp.	JPY	400	178,555	1.76
Shoei Co. Ltd.	JPY	5,900	76,156	0.75
TOPPAN Holdings, Inc.	JPY	3,200	76,443	0.75
Toyota Industries Corp.	JPY	800	76,727	0.76
<b>Total Japan</b>			<b>493,958</b>	<b>4.87</b>
<b>Jersey</b>				
Ferguson plc	USD	483	103,582	1.02
<b>Total Jersey</b>			<b>103,582</b>	<b>1.02</b>
<b>Mexico</b>				
Grupo Financiero Banorte SAB de CV 'O'	MXN	17,987	178,953	1.77
<b>Total Mexico</b>			<b>178,953</b>	<b>1.77</b>
<b>Netherlands</b>				
ASML Holding NV	EUR	135	122,045	1.20
Davide Campari-Milano NV	EUR	25,116	253,735	2.50

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

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing (continued)</b>				
<b>Equities (continued)</b>				
<b>Netherlands (continued)</b>				
NXP Semiconductors NV	USD	442	114,398	1.13
<b>Total Netherlands</b>			<b>490,178</b>	<b>4.83</b>
<b>South Korea</b>				
Samsung Electronics Co. Ltd.	KRW	2,602	145,848	1.44
<b>Total South Korea</b>			<b>145,848</b>	<b>1.44</b>
<b>Spain</b>				
Aena SME SA	EUR	1,117	206,195	2.04
<b>Total Spain</b>			<b>206,195</b>	<b>2.04</b>
<b>Switzerland</b>				
Nestle SA	CHF	591	59,733	0.59
<b>Total Switzerland</b>			<b>59,733</b>	<b>0.59</b>
<b>Taiwan</b>				
Taiwan Semiconductor Manufacturing Co. Ltd.	TWD	16,204	393,659	3.89
<b>Total Taiwan</b>			<b>393,659</b>	<b>3.89</b>
<b>United Kingdom</b>				
Anglo American plc	GBP	2,945	97,247	0.96
Haleon plc	GBP	46,151	195,344	1.93
London Stock Exchange Group plc	GBP	685	75,957	0.75
<b>Total United Kingdom</b>			<b>368,548</b>	<b>3.64</b>
<b>United States of America</b>				
Advanced Micro Devices, Inc.	USD	400	64,506	0.64
Alphabet, Inc. 'C'	USD	583	98,617	0.97
Amazon.com, Inc.	USD	3,581	650,256	6.42
CME Group, Inc.	USD	991	206,827	2.04
Eagle Materials, Inc.	USD	300	77,226	0.76
Elevance Health, Inc.	USD	192	101,729	1.00
Estee Lauder Cos., Inc. (The) 'A'	USD	2,192	323,462	3.19
Freeport-McMoRan, Inc.	USD	2,742	139,897	1.38
GE HealthCare Technologies, Inc.	USD	2,435	195,482	1.93
Hilton Worldwide Holdings, Inc.	USD	772	155,091	1.53
Intercontinental Exchange, Inc.	USD	1,555	201,924	1.99
Lam Research Corp.	USD	114	106,133	1.05
Mastercard, Inc. 'A'	USD	680	310,349	3.06
Meta Platforms, Inc. 'A'	USD	378	163,969	1.62
Micron Technology, Inc.	USD	920	106,656	1.05
Microsoft Corp.	USD	1,186	473,825	4.68
NIKE, Inc. 'B'	USD	1,136	105,955	1.05
NVIDIA Corp.	USD	335	296,599	2.93
Prologis, Inc., REIT	USD	1,546	160,513	1.58
Revvity, Inc.	USD	2,003	208,502	2.06
Salesforce, Inc.	USD	751	205,342	2.03
Synopsys, Inc.	USD	217	117,606	1.16
Thermo Fisher Scientific, Inc.	USD	269	154,300	1.52
TJX Cos, Inc. (The)	USD	616	58,237	0.57
Uber Technologies, Inc.	USD	1,472	99,765	0.98
Union Pacific Corp.	USD	872	207,671	2.05
UnitedHealth Group, Inc.	USD	449	217,835	2.15

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

## ARTEMIS FUNDS (LUX) – GLOBAL SELECT

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing (continued)</b>				
<b>Equities (continued)</b>				
<b>United States of America (continued)</b>				
Wells Fargo & Co.	USD	3,790	226,225	2.23
<b>Total United States of America</b>			<b>5,434,499</b>	<b>53.62</b>
<b>Total Equities</b>			<b>9,734,191</b>	<b>96.07</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing</b>			<b>10,231,191</b>	<b>100.97</b>
<b>Total Investments</b>			<b>10,231,191</b>	<b>100.97</b>
<b>Cash</b>			<b>(151,966)</b>	<b>(1.50)</b>
<b>Other assets/(liabilities)</b>			<b>53,535</b>	<b>0.53</b>
<b>Total net assets</b>			<b>10,132,760</b>	<b>100.00</b>

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

# ARTEMIS FUNDS (LUX) – LEADING CONSUMER BRANDS

## INVESTMENT OBJECTIVE AND POLICY

The fund aims to increase the value of Shareholders' investments primarily through capital growth over a five year period.

The fund invests principally (at least 80% of its assets) in companies selected on a worldwide basis (including in emerging markets) which are considered by the Investment Manager to own or operate leading consumer brands. These are consumer-facing businesses which, through their heritage, innovation and investment have developed market-leading brands in the category (or categories) in which they operate. The Investment Manager believes that these brands provide an enduring competitive advantage which allows them to earn customer loyalty, strong pricing power and high margins. The Investment Manager expects these companies to benefit from long-term structural trends in consumer spending. The fund will not be constrained to any sector.

It is expected that the portfolio of the fund will be invested in equities of between 25 and 50 companies.

Shares in the following types of companies (held either directly or indirectly via derivatives) are automatically excluded:

- Tobacco: companies which derive more than 10% revenue from tobacco;
- Gambling: companies which derive more than 10% of revenue from gambling;
- Weapons: companies:
  - involved in the production of controversial weapons (including cluster munitions, landmines, biological and chemical weapons); or
  - which derive more than 5% revenue from conventional or nuclear weapons, related components and systems;
- Fossil fuels: companies which derive more than 5% revenue from:
  - mining or sale of thermal coal; or
  - extraction, production or refining of either oil or gas.
- Companies that the Investment Manager determines to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption.

The fund promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR. In that respect, the Investment Manager assesses the sustainability of each investment by considering sustainability factors which are material to the investment case for each holding, such as carbon intensity, carbon transition plans, remuneration policy and/or board diversity, alongside traditional financial metrics. However, investments are chosen on the basis of many quantitative (financial or sustainability-related) or qualitative (e.g. quality and/or growth characteristics) attributes and need not rate highly on any or all of these sustainability factors to be included in the portfolio.

In addition to sustainability criteria considered during company selection, other sustainability criteria are taken into account in the thematic analysis at sector and company level.

More information about the environmental or social characteristics for this fund is available in the pre-contractual disclosure for financial products referred to in Article 8 under SFDR which follow the fund's details and which form an integral part of this Prospectus.

At times the fund may invest in ADRs, GDRs and participatory notes. Participatory notes would be used to access markets where direct access to purchase equities may be difficult. Their use is not intended to create leverage. Investments in participatory notes shall not exceed 10% of the fund's Net Asset Value.

The fund may invest up to 20% of its Net Asset Value in China A-Shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.

The fund may use derivatives and other techniques for hedging and for efficient portfolio management. The fund's derivatives may include, but are not limited to, futures, forward currency contracts and contracts for difference.

Subject to the limits set out in the Investment Restrictions, the fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in the Investment Restrictions, the fund may also invest in bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. Higher levels of investments in bank deposits, money market instruments or money market funds may be held in periods of elevated equity market valuations to reduce risk.

The fund may invest up to 10% of its Net Asset Value in other collective investment schemes.



# ARTEMIS FUNDS (LUX) – LEADING CONSUMER BRANDS

## INVESTMENT REVIEW

### Performance

The Artemis Funds (Lux) – Leading Consumer Brands Fund made 6.6%<sup>1</sup> between the time of inception on 1 December 2023 and the end of April 2024, below the 9.2% made by its MSCI AC World index benchmark, but ahead of the Morningstar Sector Equity Consumer Goods & Services average, which was up 5.6%.

Global equities rallied over this time, with markets such as Europe and Japan joining the US. Developed market equities outperformed their emerging market counterparts, led by large-cap growth stocks.

Within our leading consumer brands universe, the main area of weakness remains spirits. This is due to ongoing wholesaler and retailer destocking in the US, weak out-of-home consumption in China and normalisation of post-pandemic 'revenge conviviality'. However, our main exposure here is via **Campari Group**, which is significantly outperforming its peers due to its idiosyncratic growth drivers – it has a smaller portfolio geared to bitters (such as Aperol and Campari – the negroni has recently been crowned the world's most popular cocktail<sup>2</sup>).

In contrast, the travel & leisure sector remains buoyant. While US demand is normalising, it continues to grow at a global level, especially in the Asia Pacific. Travel from the Chinese mainland to Japan remains at 40% below pre-Covid levels<sup>3</sup>, while spending per capita is 60% above other nationalities<sup>4</sup>. At a global level, Chinese tourism peaked at 156 million trips in 2019, but was roughly half this level in 2023<sup>5</sup>, suggesting there is a major tailwind to come for the sector as the recovery continues.

### Contributors

Among the biggest contributors to the fund's performance since inception have been **Prada**, **Ferrari** and **Hermès**.

In its Q1 results, **Prada** reported a bucking of the 'normalisation' trends under way in luxury goods by reporting 17% year-on-year organic growth and an 18% increase in retail sales, led by 89% growth at its younger, fashion-forward Miu Miu brand.

**Ferrari** and **Hermès** are examples of companies that can continue to deliver pricing-led double-digit top-line growth thanks to the lower price elasticity of their richer customer base. However, such brands need to continuously innovate to offer 'value' to their customers, cementing their pricing privilege, and we are monitoring them closely to ensure this

remains the case. Following recent strong performance, we lightly trimmed our positions in March.

### Detractors

Among the biggest detractors from performance since inception have been **Lululemon**, **Hugo Boss** and **Watches of Switzerland**.

After **Lululemon** lowered its guidance in March, our research revealed that competitive pressures in the US market are more severe than we had anticipated, even as China-led international growth remains robust. With the US driving more than 60% of the company's sales, we felt it would take longer to regain the market share it lost to private competitors such as Vuori and Alo. We halved our position in April.

**Hugo Boss** was penalised after hinting that while its 2025 sales target of €5 billion a year was still in sight, it might be "a few months late". On a P/E of less than 13x for 2024 (compared with a 15-year average of 17x), we believe the company's repositioning efforts remain undervalued, with gross-margin recovery from the winding down of promotional intensity providing a credible floor to earnings expectations.

**Watches of Switzerland**, a small position in the fund, had an outsized impact on performance due to a severe reaction to its Christmas trading update. This highlighted a volatile and weak environment in the UK (which accounts for more than two-thirds of sales) even as the US (about 25% of sales and more than 40% of EBIT) continued to grow strongly.

In our view, the negative reaction was more a function of poor communication and guidance on the low visibility it had on the UK than on an existential challenge to the business model, so we have retained a small position.

### Activity

**Lindt & Sprüngli** has been our major addition since launch. We regard the chocolatier as a rare consumer staple with a long runway for organic volume growth, due to under penetration in emerging markets, ongoing consumer premiumisation – even in mature developed markets – as well as sticky pricing independent of the inflationary backdrop due to the seasonal and gift-giving nature of 50% of sales.

Past performance is not a guide to the future.

<sup>1</sup>Source: Artemis/Lipper Limited, class I USD Acc from launch to 30 April 2024. All figures show total returns with dividends and/or income reinvested, net of all charges. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if the investor's currency is different to that of the class.

<sup>2</sup>The bestselling classic cocktails at the world's best bars 2024 – Drinks International – The global choice for drink buyers.

<sup>3</sup>CEIC, Bloomberg, Citi.

<sup>4</sup>Global Blue.

<sup>5</sup>CEIC, Bloomberg, Citi.

With evidence pointing to a polarised rather than uniform recovery in luxury goods, we increased our weighting in our preferred names in this area, such as **LVMH**, as we believe tough year-on-year comparisons they face for the next six months are more than priced in to their undemanding valuations.

Following the market's punitive reaction to sport-shoe manufacturer **On Holding's** Q4 results, we added to our position. We viewed the sell-off as an opportunity to build our holding in a secular growth company with distribution-led gains and category expansion into apparel, underpinning visibility on near-term growth.

## Outlook

At a regional level, Europe will benefit from a summer of events – the Olympics, Euro 2024 and Taylor Swift's 18-city tour, which **Hilton** said has already boosted room rates in its EMEA (Europe, the Middle East and Africa) division.

The US consumer backdrop remains resilient. While there has been a slowdown in spending among lower-income demographics, this will have less of an impact on our investments. We will explain the reasons in more detail in a separate note.

One notable trend is the greater regional diversification compared with 2019, when Chinese consumers drove 90% of growth for most leading consumer brands. Today, India, South-East Asia and the Middle East are emerging as drivers, as is the US consumer.

Another trend we have noticed is that the shift towards 'experiences' from 'goods' following the end of Covid lockdowns is largely behind us, with both reverting towards pre-pandemic levels. This suggests we will likely see more trend growth across both goods and services rather than outsized growth in one at the expense of the other, as has been the case for much of the past four years.

In terms of opportunities for investors, we believe leading consumer brands' shares are pricing in a tepid consumer environment that fails to account for the ongoing recovery in Chinese tourism and the implications for company revenues and profits. On an EV/EBITDA basis, the portfolio trades at a discount in the high teens compared with its five-year average. Our approach is to stay focused on resilient businesses with inelastic demand and margin buffers as well as turnaround stories with catalysts set to power their recovery.

The portfolio trades at a discount to its MSCI ACWI benchmark on quality-, growth- and cashflow-based valuation measures. EPS is expected to grow ahead of the market over the long term, with significantly higher gross margins and lower leverage, delivering above-market returns on equity at above-market free cashflow yields. We believe these measures convey more information than P/E ratios due to the net-cash balance sheets of most of our holdings.

## Sustainability spotlight

Heineken and Pernod Ricard's Irish whiskey subsidiary have announced a joint initiative to promote regenerative agricultural practices in barley farming.

The project will encourage the adoption of regenerative agricultural practices such as minimising soil disturbance, improving crop diversity, increasing soil cover by maintaining living roots all year round and reducing chemical inputs. It is hoped these actions will aid soil health and carbon retention, develop water quality and improve the livelihoods of farmers.

This is important as each year, the Irish drinks industry is supported with grain production from more than 2,000 farmers who produce about 300,000 tonnes of grain from approximately 45,000 hectares.

**Swetha Ramachandran, Alex Stanić and Natasha Ebtehadj**  
Fund managers

# ARTEMIS FUNDS (LUX) – LEADING CONSUMER BRANDS

Schedule of Investments as at 30 April 2024

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing</b>				
<b>Collective Investment Schemes</b>				
<b>Ireland</b>				
Northern Trust Global Funds plc - US Dollar Fund (The)	USD	144,000	144,000	1.08
<b>Total Ireland</b>			<b>144,000</b>	<b>1.08</b>
<b>Total Collective Investment Schemes</b>			<b>144,000</b>	<b>1.08</b>
<b>Equities</b>				
<b>Cayman Islands</b>				
ANTA Sports Products Ltd.	HKD	17,600	200,456	1.51
<b>Total Cayman Islands</b>			<b>200,456</b>	<b>1.51</b>
<b>France</b>				
Accor SA	EUR	13,397	596,315	4.48
EssilorLuxottica SA	EUR	2,879	619,312	4.65
Hermes International	EUR	279	677,541	5.09
L'Oreal SA	EUR	988	467,645	3.51
LVMH Moet Hennessy Louis Vuitton SE	EUR	744	618,350	4.64
Pernod Ricard SA	EUR	1,305	198,630	1.49
<b>Total France</b>			<b>3,177,793</b>	<b>23.86</b>
<b>Germany</b>				
adidas AG	EUR	2,030	501,672	3.77
HUGO BOSS AG	EUR	5,414	294,953	2.21
<b>Total Germany</b>			<b>796,625</b>	<b>5.98</b>
<b>Italy</b>				
Brunello Cucinelli SpA	EUR	2,468	256,994	1.93
Moncler SpA	EUR	7,160	496,870	3.73
PRADA SpA	HKD	53,900	441,377	3.31
Technogym SpA	EUR	26,852	255,891	1.92
<b>Total Italy</b>			<b>1,451,132</b>	<b>10.89</b>
<b>Luxembourg</b>				
Samsonite International SA	HKD	72,600	256,692	1.93
<b>Total Luxembourg</b>			<b>256,692</b>	<b>1.93</b>
<b>Netherlands</b>				
Davide Campari-Milano NV	EUR	48,435	489,316	3.67
Ferrari NV	EUR	1,824	762,275	5.72
<b>Total Netherlands</b>			<b>1,251,591</b>	<b>9.39</b>
<b>Spain</b>				
Industria de Diseno Textil SA	EUR	9,237	427,369	3.21
<b>Total Spain</b>			<b>427,369</b>	<b>3.21</b>
<b>Switzerland</b>				
Avolta AG	CHF	3,997	152,585	1.15
Chocoladefabriken Lindt & Spruengli	CHF	3	351,475	2.64
Cie Financiere Richemont SA 'A'	CHF	3,557	500,604	3.76
On Holding AG 'A'	USD	12,164	398,371	2.99
<b>Total Switzerland</b>			<b>1,403,035</b>	<b>10.54</b>
<b>United Kingdom</b>				
Watches of Switzerland Group plc	GBP	23,428	101,878	0.77
<b>Total United Kingdom</b>			<b>101,878</b>	<b>0.77</b>
<b>United States of America</b>				
Coty, Inc. 'A'	USD	16,792	193,192	1.45

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

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing (continued)</b>				
<b>Equities (continued)</b>				
<b>United States of America (continued)</b>				
Deckers Outdoor	USD	569	475,132	3.57
Estee Lauder Cos., Inc. (The) 'A'	USD	3,732	550,713	4.14
Hilton Worldwide Holdings, Inc.	USD	3,328	668,579	5.02
Lululemon Athletica, Inc.	USD	448	162,084	1.22
Marriott International, Inc. 'A'	USD	2,502	595,476	4.47
NIKE, Inc. 'B'	USD	4,910	457,956	3.44
Ralph Lauren Corp. 'A'	USD	1,693	282,359	2.12
TJX Cos, Inc. (The)	USD	4,528	428,077	3.21
Vail Resorts, Inc.	USD	1,625	313,617	2.36
<b>Total United States of America</b>			<b>4,127,185</b>	<b>31.00</b>
<b>Total Equities</b>			<b>13,193,756</b>	<b>99.08</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing</b>			<b>13,337,756</b>	<b>100.16</b>
<b>Total Investments</b>			<b>13,337,756</b>	<b>100.16</b>
<b>Cash</b>			<b>20,775</b>	<b>0.15</b>
<b>Other assets/(liabilities)</b>			<b>(41,689)</b>	<b>(0.31)</b>
<b>Total net assets</b>			<b>13,316,842</b>	<b>100.00</b>

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

# ARTEMIS FUNDS (LUX) – POSITIVE FUTURE

## INVESTMENT OBJECTIVE AND POLICY

The fund aims to increase the value of Shareholders' investments primarily through capital growth by investing in companies which meet the Investment Manager's criteria for positive environmental and/or social impact.

The fund has a sustainable investment objective as provided by Article 9 of SFDR.

The fund invests principally (at least 80% of its net assets) in equities of companies selected on a global basis with no restriction on economic or geographic areas (including emerging markets).

Shares in the following types of companies are automatically excluded:

- Alcohol: companies which derive more than 5% revenue from alcohol;
- Tobacco: companies which derive more than 5% revenue from tobacco;
- Weapons: companies which produce or sell civilian firearms and/or manufacture or sell armaments, nuclear weapons or associated strategic products;
- Nuclear power: companies which mine uranium, own or operate nuclear power stations, generate nuclear power, or which supply key nuclear-specific products and services;
- Gambling: companies which derive more than 5% of revenue from gambling;
- Animal testing: companies that engage in the production and sale of animal tested cosmetics;
- Adult entertainment: companies which own an adult entertainment company or produce adult entertainment;
- Genetic modification: companies involved in the uncontrolled release of genetically-engineered organisms into the environment;
- Fossil fuels: companies which:
  - own oil and gas reserves; or
  - engage in conventional or unconventional oil and gas production and processing; or
  - own thermal coal reserves, mine thermal coal or derive more than 10% revenue from thermal coal-based electricity generation.
- Biodiversity and land use: Companies that the Investment Manager determines to be implicated in severe controversies related to the company's use or management of natural resources; and
- Companies that the Investment Manager determines to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti- corruption.

The fund is actively managed and will be concentrated, typically investing in 35-45 companies at any time. A research-driven stock selection process is used to identify innovative companies whose products and services the Investment Manager believes are disrupting established industries by offering a positive environmental and/or social impact.

The Investment Manager believes that companies which have a combination of disruptive positive impact, favourable strategic positioning, an emerging competitive advantage and improving operational quality are more likely to deliver significant economic returns for their shareholders. These companies are also typically growing faster than the market.

Assessment and measurement of a company's ability to deliver positive environmental and/or social impact and generate financial returns will be conducted at a company level. When considering the positive impact of and environmental, social and governance (ESG) risks of each company, the Investment Manager analyses the impact of:

- the products and services it provides;
- its operational practices and standards; and
- its future positive impact or capacity for improvement.

The Investment Manager is driven predominantly by a qualitative approach to research and stock selection but also utilises quantitative screening and third-party research, including ESG screens.

Engagement forms an important part of the Investment Manager's investment process. The Investment Manager expects that investee companies should set ambitious goals and seek to continuously improve. Engagement allows the Investment Manager to identify and monitor the progressive management philosophy they seek at investee companies. If it is the Investment Manager's opinion that an investee company no longer meets the required investment criteria or is not making sufficient progress on improving its operational performance, the fund will not make any further investments in the company and will seek to realise its investment in an orderly fashion.

The Investment Manager will report, on at least an annual basis, on the environmental and/or social impact of the companies in which the fund invests, consistent with the stated strategy, using both qualitative and quantitative assessments. The report will also provide details of the Investment Manager's stewardship activities.

The Investment Manager is not constrained by the results of the qualitative approach to research and stock selection or quantitative screening. Further information about the ESG criteria applied is available on the following website: [www.artemisfunds.com](http://www.artemisfunds.com).

More information about the environmental or social objectives for this fund is available in the pre-contractual disclosure for financial products referred to in Article 9 under SFDR which follow the fund's details and which form an integral part of the Prospectus.

At times the fund may invest in ADRs, GDRs and participatory notes. Participatory notes would be used to access markets where direct access to purchase equities may be difficult. Their use is not intended to create leverage. Investments in participatory notes shall not exceed 10% of the fund's Net Asset Value.

The fund may invest up to 10% of its Net Asset Value in China A-Shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.

The fund may use derivatives and other techniques for hedging and for efficient portfolio management. The fund's derivatives may include, but are not limited to, futures and forward currency contracts.

Subject to the limits set out in the Investment Restrictions, the fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in the Investment Restrictions, the fund may also invest in bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. Higher levels of investments in bank deposits, money market instruments or money market funds may be held in periods of elevated equity market valuations to reduce risk.

The fund may invest up to 10% of its Net Asset Value in UCITS and/or other UCIs.

## INVESTMENT REVIEW

### Portfolio management change

On 12 March 2024, the Investment Manager announced the restructuring of its impact equities team. Four members of the team left the company and Sacha El Khoury, Artemis' Head of Impact and Sustainable Equities, is now the fund's lead manager.

While the fund's objective remains the same, a greater emphasis is now being placed on driving positive change in environmental and social issues through constructive dialogue and engagement with companies. From a portfolio construction point of view, meanwhile, there is now increased focus on risk-adjusted returns with increased discipline around valuations.

### Main changes to the fund

We initiated a position in **Prysmian**, which makes high-voltage cables. The significant investment needed to modernise the world's energy grids as part of the energy transition combined with Prysmian's strong competitive position in making high-voltage cables should support its long-term growth.

We also bought shares in US company **Synopsis**, which operates in a number of attractive markets such as the design of advanced semiconductors. It operates in an effective oligopoly and we consider it to be a high-quality, defensive play on the adoption of artificial intelligence.

We sold Dutch health club operator **Basic-Fit**. Disappointing financial results invalidated our investment thesis around this company's growth dynamic. We also sold **Valmont Industries** in the light of concerns around shorter-term trends in irrigation, one of the key industries in which it operates. We sold the holding in Japanese healthcare company **Terumo** on valuation grounds.

More broadly, we have reduced the fund's holdings in the **healthcare** sector. We have also taken profits in some of its stronger recent performers and reinvested the capital to further broaden and diversify the portfolio.

### Explaining the fund's performance

The fund returned 14.1%<sup>1</sup> over the six months of the review period, underperforming the MSCI ACWI Index, which returned 19.8%. That underperformance was mainly driven by our stock selection in the industrials, consumer discretionary and information technology sectors. Set against that, our lack of exposure to the underperforming energy and consumer staples sectors was a positive.

On a stock level, holdings in **Cochlear** (hearing aids and implants), **Montrose Environmental Group** (environmental services), **DISCO** (precision engineering tools) and **DexCom** (medical devices) all added to the fund's relative performance. Conversely, the fund's lack of exposure to mega-cap technology companies – particularly **NVIDIA** – detracted from its relative returns. Positions in **Coursera** (online education), **Basic-Fit** (a low-cost gym), **Verisk Analytics** (whose analytical tools are used to assess the risks of natural disasters and extreme weather) and **PowerSchool Holdings** (cloud-based software for schools) also underperformed.

<sup>1</sup> Past performance is not a guide to the future.

<sup>1</sup> Source: Artemis/Lipper Limited, class I USD Acc to 30 April 2024. All figures show total returns with dividends and/or income reinvested, net of all charges. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if you invest in a different currency class.

## ARTEMIS FUNDS (LUX) – POSITIVE FUTURE

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### The wider context

The global economy has continued to perform better than expected, helping to support corporate earnings. This has been particularly notable in the US, which has continued to grow strongly and remains near full employment.

Inflation has fallen from its peak, but there are signs that the downward trajectory may be levelling out as a result of economic buoyancy. In response, investors have adjusted their expectations for interest rates, with the prospect of material rate cuts in the near term now appearing remote.

### Looking ahead

The strength of the global economy has surprised investors and strategists alike. The recession that was widely forecast 12-to-18 months ago has simply not materialised. As a result, central bankers are now expected to keep interest rates 'higher for longer'. Those higher rates are presenting a challenge to companies whose business models were overly reliant on cheap financing. At the same time, more resilient businesses have been able to strengthen their competitive positions as their financially fragile rivals have fallen away.

Despite the global economy's strong footing at present, bubbling geopolitical tensions and high levels of debt in the world's largest economies mean the outlook remains uncertain. Finding resilient businesses that can weather this uncertainty remains of vital importance.

### **Sacha El Khoury**

Fund manager

# ARTEMIS FUNDS (LUX) – POSITIVE FUTURE

Schedule of Investments as at 30 April 2024

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing</b>				
<b>Collective Investment Schemes</b>				
<b>Ireland</b>				
Northern Trust Global Funds plc - US Dollar Fund (The)	USD	122,000	122,000	2.76
<b>Total Ireland</b>			<b>122,000</b>	<b>2.76</b>
<b>Total Collective Investment Schemes</b>			<b>122,000</b>	<b>2.76</b>
<b>Equities</b>				
<b>Australia</b>				
Cochlear Ltd.	AUD	850	179,371	4.05
<b>Total Australia</b>			<b>179,371</b>	<b>4.05</b>
<b>Cayman Islands</b>				
NU Holdings Ltd. 'A'	USD	5,518	60,836	1.37
<b>Total Cayman Islands</b>			<b>60,836</b>	<b>1.37</b>
<b>Ireland</b>				
ICON plc	USD	506	153,950	3.48
nVent Electric plc	USD	1,246	94,179	2.13
<b>Total Ireland</b>			<b>248,129</b>	<b>5.61</b>
<b>Italy</b>				
Amplifon SpA	EUR	2,147	72,772	1.64
Prysmian SpA	EUR	1,797	98,939	2.24
Technogym SpA	EUR	9,841	93,782	2.12
<b>Total Italy</b>			<b>265,493</b>	<b>6.00</b>
<b>Japan</b>				
Disco Corp.	JPY	200	58,285	1.32
Shimano, Inc.	JPY	500	81,997	1.85
Shoei Co. Ltd.	JPY	4,600	59,376	1.34
Sompo Holdings, Inc.	JPY	4,500	89,387	2.02
<b>Total Japan</b>			<b>289,045</b>	<b>6.53</b>
<b>Mexico</b>				
Grupo Financiero Banorte SAB de CV 'O'	MXN	9,200	91,531	2.07
<b>Total Mexico</b>			<b>91,531</b>	<b>2.07</b>
<b>Netherlands</b>				
NXP Semiconductors NV	USD	311	80,493	1.82
Wolters Kluwer NV	EUR	1,376	207,890	4.70
<b>Total Netherlands</b>			<b>288,383</b>	<b>6.52</b>
<b>Switzerland</b>				
On Holding AG 'A'	USD	1,771	58,000	1.31
<b>Total Switzerland</b>			<b>58,000</b>	<b>1.31</b>
<b>Taiwan</b>				
Chroma ATE, Inc.	TWD	8,000	65,629	1.48
<b>Total Taiwan</b>			<b>65,629</b>	<b>1.48</b>
<b>United Kingdom</b>				
Halma plc	GBP	4,851	134,447	3.04
Oxford Instruments plc	GBP	3,433	96,285	2.18
Pearson plc	GBP	5,900	72,485	1.64
<b>Total United Kingdom</b>			<b>303,217</b>	<b>6.86</b>
<b>United States of America</b>				
Avery Dennison Corp.	USD	830	181,035	4.09
Clean Harbors, Inc.	USD	345	66,711	1.51

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



## ARTEMIS FUNDS (LUX) – POSITIVE FUTURE

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing (continued)</b>				
<b>Equities (continued)</b>				
<b>United States of America (continued)</b>				
Core & Main, Inc. 'A'	USD	1,610	92,205	2.08
Dexcom, Inc.	USD	1,094	138,933	3.14
Enovis Corp.	USD	1,255	69,602	1.57
First Solar, Inc.	USD	462	82,631	1.87
GE HealthCare Technologies, Inc.	USD	772	61,976	1.40
Graphic Packaging Holding Co.	USD	3,511	92,532	2.09
Hologic, Inc.	USD	2,326	175,985	3.98
IDEX Corp.	USD	762	170,726	3.86
Monolithic Power Systems, Inc.	USD	105	72,250	1.63
Motorola Solutions, Inc.	USD	583	201,695	4.56
MSA Safety, Inc.	USD	744	140,568	3.18
Penumbra, Inc.	USD	219	43,951	0.99
PowerSchool Holding, Inc. 'A'	USD	2,256	39,243	0.89
Revvity, Inc.	USD	438	45,594	1.03
Roper Technologies, Inc.	USD	339	173,163	3.91
Synopsys, Inc.	USD	213	115,439	2.61
Tetra Tech, Inc.	USD	1,003	195,083	4.41
Veeva Systems, Inc. 'A'	USD	333	67,456	1.52
Veralto Corp.	USD	720	68,148	1.54
Verisk Analytics, Inc.	USD	558	123,321	2.79
WillScot Mobile Mini Holdings Corp.	USD	451	17,402	0.39
<b>Total United States of America</b>			<b>2,435,649</b>	<b>55.04</b>
<b>Total Equities</b>			<b>4,285,283</b>	<b>96.84</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing</b>			<b>4,407,283</b>	<b>99.60</b>
<b>Total Investments</b>			<b>4,407,283</b>	<b>99.60</b>
<b>Cash</b>			<b>(45,952)</b>	<b>(1.04)</b>
<b>Other assets/(liabilities)</b>			<b>63,738</b>	<b>1.44</b>
<b>Total net assets</b>			<b>4,425,069</b>	<b>100.00</b>

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

# ARTEMIS FUNDS (LUX) – SHORT-DATED GLOBAL HIGH YIELD BOND

## INVESTMENT OBJECTIVE AND POLICY

The fund aims to generate a return greater than the benchmark, after the deduction of costs and charges, over rolling three-year periods, through a combination of income and capital growth.

The fund may invest in the bonds of any type of issuer (for example government or corporates) with no restriction on economic or geographic areas (including emerging markets).

The fund will invest at least 80% in short-dated high yield bonds, which:

- have a residual maturity of less than five and a half years; and
- either (a) have been given a credit rating of: (i) Ba1 or lower by Moody's; (ii) BB+ or lower by Standard & Poor's; (iii) BB+ or lower by Fitch; or (b) have not been rated but which the Investment Manager believes would, if they were rated, be given a comparable credit rating.

Corporate bonds (held either directly or indirectly via derivatives) issued by companies involved in the following are automatically excluded:

- Tobacco: companies which derive more than 5% revenue from tobacco production;
- Nuclear power: companies which derive more than 5% revenue from:
  - nuclear power plant ownership or operation;
  - manufacturing of nuclear-specific essential components;
  - uranium mining; or
  - nuclear energy based power generation;
- Weapons: companies:
  - involved in the production of controversial weapons (including cluster munitions, landmines, biological and chemical weapons) or nuclear weapons; or
  - which derive more than 5% revenue from conventional weapons, related components and systems;
- Fossil fuels: companies which:
  - derive more than 10% revenue from thermal coalbased power generation; or
  - derive more than 5% revenue from thermal coal mining or sale, oil sands, fracking or arctic drilling;
- Companies that the Investment Manager determines to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti- corruption.

The fund promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR. This is achieved through (i) operating exclusions lists, as detailed above, based on industries where the Investment Manager assesses there to be fundamental ESG-related concerns, (ii) taking into consideration ESG risks and opportunities, which may additionally influence the bonds selected depending

on the outcome of the ESG evaluation, and (iii) favouring investment in issuers with low or reducing carbon intensity, with the Investment Manager aiming for the fund's carbon intensity (as measured by scope 1 & 2 emissions) to be below that of the ICE BoAML Global High Yield Constrained Index. Further information is contained in a methodology statement available on the Artemis website at [www.artemisfunds.com/methodology-statement](http://www.artemisfunds.com/methodology-statement).

The environmental social and governance (ESG) evaluation of individual securities is determined by the Investment Manager using information provided by the companies (for example company sustainability reports) and third-party data focusing on individual factors and metrics that the Investment Manager considers to be relevant.

The Investment Manager shall target an average duration, across all of the bonds held by the fund, between zero and two years in normal market circumstances; however there may be times (for example in periods of high volatility or market disruption) when average duration will be above two years. In these circumstances, the Investment Manager shall endeavour to return the portfolio to an average duration between zero and two years as soon as practicable taking into account the best interests of Shareholders.

The fund may use derivatives and other techniques for investment, hedging and for efficient portfolio management. The fund's derivatives may include, but are not limited to, futures, forward currency contracts, credit default swaps (single name and indices) and interest rate swaps.

In particular, the Investment Manager intends to hedge the fund's base currency against the currencies in which the underlying assets of the fund are denominated. There may be certain currency exposures where it is impractical or not cost effective to apply the portfolio hedge, but the intention is that the fund will operate a target hedge ratio of 100%.

In the event that any bonds held by the fund are subject to a restructuring process, the fund will be permitted to invest in new bonds or equity securities issued as part of the reorganisation process.

The fund may invest up to 10% of its assets in each of the following:

- asset-backed securities and mortgage-backed securities;
- distressed/defaulted bonds.
- more speculative high yield bonds, where they carry a credit rating from Moody's, Standard & Poor's or Fitch, that have been given ratings whereby none are at or above B- (for Standard & Poor's and Fitch) or B3 (for Moody's) not qualifying as distressed/defaulted bonds at the time of purchase; and
- other collective investment schemes.

Subject to the limits set out in the Investment Restrictions, the fund may also hold ancillary liquid assets for treasury purposes.

# ARTEMIS FUNDS (LUX) – SHORT-DATED GLOBAL HIGH YIELD BOND

Subject to the limits set out in the Investment Restrictions, the fund may also invest in bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions.

## INVESTMENT REVIEW

### Performance

The Artemis Funds (Lux) – Short-Dated Global High Yield Bond Fund made 8.0%<sup>1</sup> in the six months to the end of April 2024, compared with gains of 2.7% from its Secured Overnight Financing Rate (SOFR) benchmark.

Despite a strong period for the fund (and bonds in general), it ended April on a more tepid note as markets reappraised the likely path of interest rates in the face of persistently bullish macro data.

The main catalyst was the fourth consecutive monthly core-CPI print of more than 0.4% in the US, which has caused markets to question the Federal Reserve's ability to cut rates over summer.

Other data prints that followed – including a non-farm payroll print of more than 303,000 and the US ISM (Institute of Supply Management) manufacturing PMI's lurch back into expansionary territory for the first time since October 2022 – further tested the resolve of markets keen to price a soft-landing scenario.

Government bond markets experienced a sharp sell-off as assumed rate cuts were pushed back, with the US curve now pricing in 28bps of cuts for the remainder of 2024, compared with the 67bps expected at the end of March. Nevertheless, the fund still made a slight positive return in April.

### Contributors

**Heimstaden, Miller Homes** and **Maison Finco** made the biggest contribution to returns during the six-month period.

Swedish residential landlord Heimstaden has been one of the worst performers in our portfolio over the past year, having been caught up in the European property sector's woes. While contagion was somewhat inevitable as a painful valuation readjustment process took place and rent increases took time to phase in, we remain confident in the attractiveness of fully occupied residential property in the Nordics compared with office and retail, even after the recent rebound.

In a separate part of the property market, UK homebuilders Miller Homes and Maison Finco (Keepmoat) rallied on begrudging acknowledgement from the market that they had been significantly oversold on interest rate concerns.

### Detractors

In terms of detractors, our positions in **Isabel Marant** and **Pfleiderer** held us back.

French luxury clothing brand Isabel Marant has suffered as retailers have cut orders and inventory after a Covid-driven overstocking. The company adjusted its strategy towards 'premiumisation' which has reduced volume in the short term but will drive margin and brand equity in the long run. We remain confident in management and supportive of the strategy.

Cyclical concerns and a normalisation in energy prices saw German high-end manufactured wood producer Pfleiderer underperform the market. However, following the end of the month it reported solid numbers with a constructive outlook and the bonds recovered strongly.

### Activity

We are fortunate that there continues to be new issuance of about five years in the global high-yield market. In more sanguine times, higher-quality businesses tend to issue for longer, seven to 10-year periods, with only the riskiest opting for five years out of necessity. The uncertainty around government bond yields has resulted in more high-quality issuers opting for shorter maturities.

For example, we recently bought bonds from cruise operators **Carnival** and **TUI Cruises**. These offer a high degree of revenue visibility, impressive pricing power and buoyant demand due to a trend for spending on experiences over physical goods. In our opinion, Carnival will likely re-enter investment-grade territory in two to three years given its prodigious cashflow generation and modest capex plans.

We participated in a deal for US homebuilder **The New Home Company** as part of a 'refi' trend – bonds that the market is pricing to remain outstanding for a while, but that companies are more likely to refinance sooner rather than later (and in the process provide a capital gain to investors).

Another example of this was our holding in **CBR Fashion** – the German ladies fashion wholesaler had bonds trading at a price of 94c at the beginning of November last year. That was a yield to worst (the convention in the market) of just over 8% to the bond's maturity in April 2026. An attractive yield, but hardly a table thumper.

However, the bonds were being redeemed at a price of 101.375c, two years ahead of maturity.

<sup>1</sup> Past performance is not a guide to the future.

<sup>1</sup> Source: Artemis/Lipper Limited, class I USD Acc to 30 April 2024. All figures show total returns with dividends and/or income reinvested, net of all charges. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if you invest in a different currency class.

The result was that rather than delivering a rate of return of just over 8%, from the start of November the bonds delivered an annualised internal rate of return of 28%. This is happening across the market, and we have actively been setting up the portfolio to take advantage of these opportunities. In the secondary market, for example, we added positions in **Albertsons** (the US grocery chain) and **Iron Mountain** (the global data-storage business).

On the sales side of the equation, we exited holdings in bonds secured on oil & gas assets in Israeli waters. Prices have recovered since Hamas's attack in October, but the higher risk profile makes it difficult to justify exposure on an ongoing basis.

We reduced our autos exposure by exiting **Adler Pelzer** and cutting our position in auto seating supplier **Adient** as valuations became stretched and the outlook for the sector moderated. We also sold out of German drug manufacturer **Gruenthal** due to competition from generics for its recently acquired drug brands.

## Outlook

When writing these pieces, there is often a self-imposed pressure to be original. However, in terms of our strategy and approach, what we said at the start of the year hasn't changed:

*Markets will be volatile, mainly on the back of changing views around the timing of interest rate cuts. In the milieu, there are individual pockets of value to be uncovered, as well as ongoing pain in parts of the economy most exposed to the vicious regime change in fixed income markets in the past two years. Added geopolitical risk further underlines the need to be selective and active.*

*But zooming out a little, we think it is wise to focus on the fact that interest rates have likely peaked and the debate is now firmly around the timing rather than the possibility of looser monetary policy.*

*This is a fundamentally good backdrop for fixed income and one that we feel this strategy is set up to exploit. Our approach seeks returns from short-dated corporate bonds. We view the risk versus reward trade-off of extreme positioning – in any direction – as very poor given the high degree of uncertainty and increased volatility of the post-QE era. As an alternative, clipping the attractive yields – all but free of interest rate risk – at the front end of core BB/B rated, developed non-distressed credit looks compelling. Alongside this, we will continue to lean into (or against) markets as valuations become more (or less) attractive, but with a clear sense of the core of our approach. Markets will continue to display volatility, but with lower yields, over the course of 2024.*

We will continue to look for opportunities at the front end, and April's volatility, we are pleased to report, has thrown up more attractively priced options for us to generate returns and yield without resorting to extreme beta, credit or duration risk.

**David Ennett and Jack Holmes**  
Fund managers

# ARTEMIS FUNDS (LUX) – SHORT-DATED GLOBAL HIGH YIELD BOND

Schedule of Investments as at 30 April 2024

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing</b>				
<b>Collective Investment Schemes</b>				
<b>Ireland</b>				
Northern Trust Global Funds plc - US Dollar Fund (The)	USD	902,000	902,000	0.96
<b>Total Ireland</b>			<b>902,000</b>	<b>0.96</b>
<b>Total Collective Investment Schemes</b>			<b>902,000</b>	<b>0.96</b>
<b>Convertible Bonds</b>				
<b>Austria</b>				
ams-OSRAM AG 0% 05/03/2025	EUR	600,000	611,027	0.65
<b>Total Austria</b>			<b>611,027</b>	<b>0.65</b>
<b>Total Convertible Bonds</b>			<b>611,027</b>	<b>0.65</b>
<b>Corporate Bonds</b>				
<b>Australia</b>				
Perenti Finance Pty Ltd., 144A 7.5% 26/04/2029	USD	400,000	405,170	0.43
Perenti Finance Pty. Ltd., Reg. S 6.5% 07/10/2025	USD	1,200,000	1,204,860	1.28
<b>Total Australia</b>			<b>1,610,030</b>	<b>1.71</b>
<b>France</b>				
Forvia SE 7.25% 15/06/2026	EUR	494,000	555,428	0.59
IM Group SAS 8% 01/03/2028	EUR	1,400,000	1,136,055	1.21
Loxam SAS, Reg. S 2.875% 15/04/2026	EUR	800,000	837,744	0.89
Paprec Holding SA, Reg. S 3.5% 01/07/2028	EUR	900,000	927,799	0.99
<b>Total France</b>			<b>3,457,026</b>	<b>3.68</b>
<b>Germany</b>				
Cheplapharm Arzneimittel GmbH, 144A 5.5% 15/01/2028	USD	1,100,000	1,035,166	1.10
IHO Verwaltungs GmbH, 144A 6% 15/05/2027	USD	1,300,000	1,277,503	1.36
PCF GmbH, Reg. S, FRN 8.656% 15/04/2026	EUR	1,300,000	986,527	1.05
Standard Profil Automotive GmbH, Reg. S 6.25% 30/04/2026	EUR	350,000	339,838	0.36
TUI Cruises GmbH, Reg. S 6.25% 15/04/2029	EUR	700,000	756,968	0.80
WEPA Hygieneprodukte GmbH, Reg. S 2.875% 15/12/2027	EUR	500,000	499,446	0.53
ZF Finance GmbH 5.75% 03/08/2026	EUR	500,000	550,912	0.59
<b>Total Germany</b>			<b>5,446,360</b>	<b>5.79</b>
<b>Ireland</b>				
Ardagh Metal Packaging Finance USA LLC / Ardagh Metal Packaging Finance plc, Reg. S 2% 01/09/2028	EUR	500,000	469,287	0.50
Flutter Treasury Designated Activity Co, Reg. S 5% 29/04/2029	EUR	200,000	217,631	0.23
<b>Total Ireland</b>			<b>686,918</b>	<b>0.73</b>
<b>Italy</b>				
IMA Industria Macchine Automatiche SpA, Reg. S 3.75% 15/01/2028	EUR	1,000,000	1,007,554	1.07
International Design Group SpA, Reg. S 10% 15/11/2028	EUR	600,000	659,481	0.70
Italmatch Chemicals SpA, Reg. S 10% 06/02/2028	EUR	700,000	789,812	0.84
Itelyum Regeneration SpA, Reg. S 4.625% 01/10/2026	EUR	700,000	730,787	0.78
<b>Total Italy</b>			<b>3,187,634</b>	<b>3.39</b>
<b>Jersey</b>				
Kane Bidco Ltd., Reg. S 6.5% 15/02/2027	GBP	1,200,000	1,452,587	1.54
<b>Total Jersey</b>			<b>1,452,587</b>	<b>1.54</b>
<b>Luxembourg</b>				
Albion Financing 1 SARL, 144A 6.125% 15/10/2026	USD	1,000,000	983,901	1.04
CPI Property Group SA, REIT 2.75% 12/05/2026	EUR	500,000	490,003	0.52
Sani/Ikos Financial Holdings 1 Sarl, Reg. S 5.625% 15/12/2026	EUR	600,000	629,601	0.67
<b>Total Luxembourg</b>			<b>2,103,505</b>	<b>2.23</b>

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

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing (continued)</b>				
<b>Corporate Bonds (continued)</b>				
<b>Netherlands</b>				
Energizer Gamma Acquisition BV, Reg. S 3.5% 30/06/2029	EUR	500,000	479,604	0.51
IPD 3 BV, Reg. S, FRN 8.69% 15/06/2028	EUR	500,000	539,880	0.57
Q-Park Holding I BV, Reg. S 2% 01/03/2027	EUR	1,300,000	1,286,707	1.37
United Group BV, Reg. S 3.125% 15/02/2026	EUR	1,300,000	1,347,849	1.43
<b>Total Netherlands</b>			<b>3,654,040</b>	<b>3.88</b>
<b>Panama</b>				
Carnival Corp., Reg. S 5.75% 15/01/2030	EUR	800,000	865,029	0.92
<b>Total Panama</b>			<b>865,029</b>	<b>0.92</b>
<b>Sweden</b>				
Heimstaden AB, Reg. S 4.25% 09/03/2026	EUR	800,000	578,312	0.61
Heimstaden AB, Reg. S 4.375% 06/03/2027	EUR	300,000	203,128	0.22
Verisure Holding AB, Reg. S 3.25% 15/02/2027	EUR	700,000	721,208	0.77
<b>Total Sweden</b>			<b>1,502,648</b>	<b>1.60</b>
<b>United Kingdom</b>				
BCP V Modular Services Finance II plc, Reg. S 6.125% 30/11/2028	GBP	900,000	1,036,113	1.10
Castle UK Finco plc, Reg. S 7% 15/05/2029	GBP	1,200,000	1,392,228	1.48
Constellation Automotive Financing plc, Reg. S 4.875% 15/07/2027	GBP	600,000	621,517	0.66
Deuce Finco plc, Reg. S 5.5% 15/06/2027	GBP	1,000,000	1,184,900	1.26
Drax Finco plc, 144A 6.625% 01/11/2025	USD	1,300,000	1,300,000	1.38
INEOS Quattro Finance 2 plc, Reg. S 8.5% 15/03/2029	EUR	1,200,000	1,347,565	1.43
Iron Mountain UK plc, REIT, Reg. S 3.875% 15/11/2025	GBP	1,000,000	1,219,291	1.29
Kier Group plc 9% 15/02/2029	GBP	1,200,000	1,539,858	1.63
Maison Finco plc, Reg. S 6% 31/10/2027	GBP	1,300,000	1,512,031	1.61
Ocado Group plc, Reg. S 3.875% 08/10/2026	GBP	800,000	877,400	0.93
Premier Foods Finance plc, Reg. S 3.5% 15/10/2026	GBP	1,000,000	1,199,130	1.27
Synthomer plc, Reg. S 7.375% 02/05/2029	EUR	800,000	865,509	0.92
Thames Water Utilities Finance plc 4% 19/06/2025	GBP	400,000	453,844	0.48
Unique Pub Finance Co plc (The) 5.659% 30/06/2027	GBP	749,287	934,706	0.99
Victoria plc, Reg. S 3.625% 24/08/2026	EUR	1,500,000	1,327,462	1.41
Virgin Money UK plc, Reg. S, FRN 4% 25/09/2026	GBP	1,100,000	1,341,954	1.42
Weir Group plc 6.875% 14/06/2028	GBP	500,000	649,476	0.69
<b>Total United Kingdom</b>			<b>18,802,984</b>	<b>19.95</b>
<b>United States of America</b>				
Catalent Pharma Solutions, Inc., Reg. S 2.375% 01/03/2028	EUR	1,500,000	1,527,305	1.62
Encore Capital Group, Inc., Reg. S 4.25% 01/06/2028	GBP	1,300,000	1,370,152	1.45
Ford Motor Credit Co. LLC 2.748% 14/06/2024	GBP	1,300,000	1,622,302	1.72
Meritage Homes Corp. 6% 01/06/2025	USD	1,000,000	1,002,459	1.06
MPT Operating Partnership LP, REIT 2.5% 24/03/2026	GBP	1,100,000	1,191,235	1.26
Penske Automotive Group, Inc. 3.5% 01/09/2025	USD	1,700,000	1,640,591	1.74
SCIL IV LLC, Reg. S, FRN 8.21% 01/11/2026	EUR	300,000	322,831	0.34
TRI Pointe Group, Inc. / TRI Pointe Homes, Inc. 5.875% 15/06/2024	USD	600,000	600,012	0.64
<b>Total United States of America</b>			<b>9,276,887</b>	<b>9.83</b>
<b>Total Corporate Bonds</b>			<b>52,045,648</b>	<b>55.25</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing</b>			<b>53,558,675</b>	<b>56.86</b>

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

## ARTEMIS FUNDS (LUX) – SHORT-DATED GLOBAL HIGH YIELD BOND

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments dealt in on another regulated market</b>				
<b>Corporate Bonds</b>				
<b>Australia</b>				
Mineral Resources Ltd., 144A 8% 01/11/2027	USD	1,100,000	1,116,501	1.19
<b>Total Australia</b>			<b>1,116,501</b>	<b>1.19</b>
<b>Canada</b>				
1011778 BC ULC, 144A 5.75% 15/04/2025	USD	1,100,000	1,097,760	1.17
GFL Environmental, Inc., 144A 3.75% 01/08/2025	USD	1,700,000	1,657,186	1.76
Masonite International Corp., 144A 5.375% 01/02/2028	USD	600,000	605,269	0.64
<b>Total Canada</b>			<b>3,360,215</b>	<b>3.57</b>
<b>Denmark</b>				
Welltec International ApS, Reg. S 8.25% 15/10/2026	USD	1,558,000	1,594,730	1.69
<b>Total Denmark</b>			<b>1,594,730</b>	<b>1.69</b>
<b>France</b>				
SNF Group SACA, 144A 3.125% 15/03/2027	USD	1,300,000	1,196,227	1.27
<b>Total France</b>			<b>1,196,227</b>	<b>1.27</b>
<b>Ireland</b>				
Ardagh Metal Packaging Finance plc, 144A 3.25% 01/09/2028	USD	1,000,000	870,665	0.92
<b>Total Ireland</b>			<b>870,665</b>	<b>0.92</b>
<b>Jersey</b>				
Adient Global Holdings Ltd., 144A 4.875% 15/08/2026	USD	1,000,000	965,013	1.02
Adient Global Holdings Ltd., 144A 7% 15/04/2028	USD	100,000	101,483	0.11
<b>Total Jersey</b>			<b>1,066,496</b>	<b>1.13</b>
<b>United Kingdom</b>				
Allwyn Entertainment Financing UK plc, 144A 7.875% 30/04/2029	USD	500,000	512,125	0.54
International Game Technology plc, 144A 6.5% 15/02/2025	USD	979,000	979,799	1.04
<b>Total United Kingdom</b>			<b>1,491,924</b>	<b>1.58</b>
<b>United States of America</b>				
Albertsons Cos, Inc./ Safeway, Inc./ New Albertsons LP / Albertsons LLC, 144A 3.25% 15/03/2026	USD	1,200,000	1,141,884	1.21
American Airlines Inc/AAAdvantage Loyalty IP Ltd, 144A 5.5% 20/04/2026	USD	666,645	660,332	0.70
Avis Budget Car Rental LLC / Avis Budget Finance, Inc., 144A 4.75% 01/04/2028	USD	1,500,000	1,329,782	1.41
Brundage-Bone Concrete Pumping Holdings, Inc., 144A 6% 01/02/2026	USD	900,000	889,861	0.95
Cloud Software Group, Inc., 144A 6.5% 31/03/2029	USD	1,300,000	1,237,404	1.31
Consensus Cloud Solutions, Inc., 144A 6% 15/10/2026	USD	1,200,000	1,133,981	1.20
Coty, Inc., 144A 5% 15/04/2026	USD	1,000,000	982,928	1.04
Crocs, Inc., 144A 4.25% 15/03/2029	USD	900,000	809,286	0.86
Energizer Holdings, Inc., 144A 4.375% 31/03/2029	USD	1,000,000	883,238	0.94
Gap, Inc. (The), 144A 3.625% 01/10/2029	USD	1,100,000	933,581	0.99
Gen Digital, Inc., 144A 6.75% 30/09/2027	USD	800,000	805,925	0.86
General Motors Financial Co., Inc., FRN 6.380543% 26/02/2027	USD	1,100,000	1,100,216	1.17
Hilton Domestic Operating Co., Inc., 144A 3.75% 01/05/2029	USD	600,000	539,234	0.57
Legends Hospitality Holding Co. LLC, 144A 5% 01/02/2026	USD	500,000	494,062	0.53
LGI Homes, Inc., 144A 4% 15/07/2029	USD	1,000,000	858,588	0.91
MajorDrive Holdings IV LLC, 144A 6.375% 01/06/2029	USD	1,100,000	1,035,991	1.10
Match Group Holdings II LLC, 144A 5% 15/12/2027	USD	1,400,000	1,330,277	1.41
Medline Borrower LP/Medline Co-Issuer, Inc., 144A 6.25% 01/04/2029	USD	500,000	499,924	0.53
Netflix, Inc., 144A 3.625% 15/06/2025	USD	500,000	489,106	0.52
New Home Co., Inc. (The), 144A 9.25% 01/10/2029	USD	1,000,000	1,001,139	1.06
Owens & Minor Inc., 144A 4.5% 31/03/2029	USD	1,100,000	990,954	1.05

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

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments dealt in on another regulated market (continued)</b>				
<b>Corporate Bonds (continued)</b>				
<b>United States of America (continued)</b>				
PTC, Inc., 144A 3.625% 15/02/2025	USD	1,200,000	1,180,120	1.25
Raising Cane's Restaurants LLC, 144A 9.375% 01/05/2029	USD	600,000	644,726	0.68
Sotheby's, 144A 7.375% 15/10/2027	USD	1,200,000	1,114,556	1.18
Talos Production, Inc., 144A 9% 01/02/2029	USD	700,000	741,325	0.79
TripAdvisor, Inc., 144A 7% 15/07/2025	USD	1,400,000	1,407,847	1.49
Wabash National Corp, 144A 4.5% 15/10/2028	USD	940,000	845,608	0.90
Williams Scotsman International, Inc., 144A 4.625% 15/08/2028	USD	1,000,000	925,009	0.98
<b>Total United States of America</b>			<b>26,006,884</b>	<b>27.59</b>
<b>Total Corporate Bonds</b>			<b>36,703,642</b>	<b>38.94</b>
<b>Total Transferable securities and money market instruments dealt in on another regulated market</b>			<b>36,703,642</b>	<b>38.94</b>
<b>Total Investments</b>			<b>90,262,317</b>	<b>95.80</b>
<b>Cash</b>			<b>1,866,619</b>	<b>1.98</b>
<b>Other assets/(liabilities)</b>			<b>2,089,843</b>	<b>2.22</b>
<b>Total net assets</b>			<b>94,218,779</b>	<b>100.00</b>

## Financial Futures Contracts

Security Description	Number of Contracts	Currency	Gross Exposure USD	Unrealised Gain/(Loss) USD	% of Net Assets
Euro-Bobl, 06/06/2024	(60)	EUR	7,636,749	84,653	0.09
<b>Total Unrealised Gain on Financial Futures Contracts - Assets</b>				<b>84,653</b>	<b>0.09</b>

## Forward Currency Exchange Contracts

Currency Purchased	Amount Purchased	Currency Sold	Amount Sold	Maturity Date	Counterparty	Unrealised Gain/(Loss) USD	% of Net Assets
USD	19,670,098	GBP	(15,532,318)	08/05/2024	Northern Trust	221,543	0.24
USD	23,031,911	EUR	(21,178,852)	08/05/2024	Northern Trust	349,988	0.37
<b>BH GBP Acc</b>							
GBP	1,137	USD	(1,423)	31/05/2024	Northern Trust	2	–
<b>FIH EUR Inc</b>							
EUR	10,005	USD	(10,717)	31/05/2024	Northern Trust	8	–
<b>IH GBP Acc</b>							
GBP	12,252	USD	(15,323)	31/05/2024	Northern Trust	20	–
<b>IH GBP Inc</b>							
GBP	19,557	USD	(24,458)	31/05/2024	Northern Trust	33	–
<b>Total Unrealised Gain on Forward Currency Exchange Contracts - Assets</b>						<b>571,594</b>	<b>0.61</b>
USD	505,793	GBP	(407,123)	08/05/2024	Northern Trust	(3,980)	(0.01)
USD	818,253	EUR	(767,448)	08/05/2024	Northern Trust	(3,661)	–
<b>BH GBP Acc</b>							
GBP	630,736	USD	(790,165)	31/05/2024	Northern Trust	(298)	–
<b>FIH EUR Acc</b>							
EUR	1,121,404	USD	(1,205,973)	31/05/2024	Northern Trust	(3,846)	(0.01)
<b>FIH EUR Inc</b>							
EUR	11,594,788	USD	(12,469,197)	31/05/2024	Northern Trust	(39,771)	(0.04)
<b>FIH GBP Acc</b>							
GBP	1,140,910	USD	(1,429,310)	31/05/2024	Northern Trust	(555)	–

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



## ARTEMIS FUNDS (LUX) – SHORT-DATED GLOBAL HIGH YIELD BOND

Currency Purchased	Amount Purchased	Currency Sold	Amount Sold	Maturity Date	Counterparty	Unrealised Gain/(Loss) USD	% of Net Assets
<b>FIH GBP Inc</b>							
GBP	24,333,457	USD	(30,484,127)	31/05/2024	Northern Trust	(11,482)	(0.01)
<b>IH EUR Acc</b>							
EUR	10,026,892	USD	(10,783,163)	31/05/2024	Northern Trust	(34,496)	(0.04)
<b>IH EUR Inc</b>							
EUR	30,282	USD	(32,566)	31/05/2024	Northern Trust	(104)	–
<b>IH GBP Acc</b>							
GBP	1,709,993	USD	(2,142,221)	31/05/2024	Northern Trust	(807)	–
<b>IH GBP Inc</b>							
GBP	24,291,609	USD	(30,431,702)	31/05/2024	Northern Trust	(11,462)	(0.01)
<b>Total Unrealised Loss on Forward Currency Exchange Contracts - Liabilities</b>						<b>(110,462)</b>	<b>(0.12)</b>
<b>Net Unrealised Gain on Forward Currency Exchange Contracts - Assets</b>						<b>461,132</b>	<b>0.49</b>

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

# ARTEMIS FUNDS (LUX) – SMARTGARP GLOBAL EMERGING MARKETS EQUITY

## INVESTMENT OBJECTIVE AND POLICY

To increase the value of Shareholders' investments through a combination of capital growth and income.

The fund invests principally in equities of companies that are listed, headquartered or that exercise the predominant part of their economic activities in emerging market countries.

A proprietary tool called 'SmartGARP' is used as the foundation of the investment process. It screens the financial characteristics of companies by identifying those that are growing faster than the market but are trading on lower valuations than the market. The Investment Manager selects companies that in aggregate have good 'SmartGARP' characteristics. This tends to mean that the portfolio contains stocks that have lower valuations than the market average, upgrades to profit forecasts, and are under-owned by the investment community, while at the same time benefiting from helpful trends in the wider economy.

Shares in the following types of companies (held either directly or indirectly via derivatives) are automatically excluded:

- Tobacco: companies which derive more than 5% revenue from production, distribution or sale of tobacco
- Weapons: companies:
  - involved in the production of controversial weapons (including cluster munitions, landmines, biological and chemical weapons) or nuclear weapons; or
  - which derive more than 5% revenue from manufacture or sale of civilian firearms or ammunition;
- Coal: companies which derive more than 5% revenue from mining or sale of thermal coal.

The fund promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR. 'SmartGARP' also screens companies globally for Environmental, Social and Governance (ESG) characteristics. Beyond taking into consideration how companies score on the 'SmartGARP' ESG factor generally, the Investment Manager pays particular attention to companies' current and expected carbon footprint, with the fund aiming to have a falling carbon emission intensity over the long term, at least five years. Whilst the exclusions are binding on the selection of investments, the Investment Manager is not constrained by the results of the SmartGARP screening. The Investment Manager exercises discretion as to which securities are included in the portfolio, using both financial and ESG inputs from SmartGARP. Further information is contained in a methodology statement available on the Artemis website at [www.artemisfunds.com/methodology-statement](http://www.artemisfunds.com/methodology-statement).

More information about the environmental or social characteristics for this fund is available in the pre-contractual disclosure for financial products referred to in Article 8 under SFDR which follow the fund's details and which form an integral part of this Prospectus.

The fund will invest in equity securities directly or indirectly through instruments such as, but not limited to, ADRs, GDRs, participatory notes and contracts for difference.

Participatory notes and contracts for difference will be used to access markets where direct access to purchase equities may be difficult. Their use is not intended to create leverage. Investments in participatory notes and contracts for difference shall not exceed 20% of the fund's Net Asset Value.

The fund may invest up to 20% of its Net Asset Value in China A-Shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.

The fund may use derivatives and other techniques for hedging and for efficient portfolio management. The fund's derivatives may include, but are not limited to, futures and forward currency contracts.

Subject to the limits set out in the Investment Restrictions, the fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in the Investment Restrictions, the fund may also invest in bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions.

The fund may invest up to 10% of its Net Asset Value in other collective investment schemes.

## INVESTMENT REVIEW

### Main changes to the fund

- We increased our exposure to some of the larger index constituents, including **Tencent** and **TSMC**. On Tencent, we saw positive analyst sentiment come through and the stock will likely be a beneficiary of higher risk sentiment in emerging market equities. Our investment in TSMC is due to the cyclical recovery we are seeing in the semiconductor sector. Outside of these two stocks, we have been increasing our cyclical exposure within the fund, adding **Star Bulk Carriers** (Greece, transportation), **Kumba Iron Ore** (South Africa, materials), **Sky Hynix** (South Korea, semis) and **Evergreen Marine** (Taiwan, transportation) to name but a few.
- To fund this adjustment of exposure, we reduced our holding in **Novatek** (Taiwan, semis), **PICC** (China, insurance) and some of our bank exposure, namely **TISCO** (Thailand) and **Absa Group** (South Africa).

## ARTEMIS FUNDS (LUX) – SMARTGARP GLOBAL EMERGING MARKETS EQUITY

- Our largest overweights remain in Brazil, Korea and China and the largest underweights are India, Taiwan and Saudi Arabia. At the sector level, industrials, consumer discretionary and energy feature as the largest overweights, with semiconductors, media & entertainment and software & services the largest underweights.

### Explaining the fund's performance

- Over the period the fund returned 17.7%<sup>1</sup> in US dollar terms versus the MSCI Emerging Market Index's return of 15.4%.
- Relative performance was driven by stock selection, with sector allocation contributing marginally. At a regional level it was our holdings in China and Korea that contributed the most, with our Indian exposure detracting. At a sector level, consumer staples proved most beneficial, with utilities least.
- Stocks of note on the contributing side were **Kia** (South Korea, autos), **Coca-Cola Icecek** (Turkey, beverages) and **CNOOC** (China, oil & gas), with the remainder coming from a diverse group of countries and sectors.
- On the detracting side at a stock level, our underweight to **TSMC** (Taiwan, semis) hurt performance, with holdings in **MINISO Group** (China, retail) and **WNS** (India, professional services) also detracting.

### The wider context

This was a strong period of performance for emerging market equity markets in absolute terms, although they still lagged international equity markets. The largest region within the index, China, continued to disappoint investors as successive policy measures targeted at capital markets and the property sector fell below expectations. In contrast, India and Taiwan both produced very attractive returns, bolstered by continued optimism around the path of economic growth (India) and a recovery in the semiconductor cycle (Taiwan). More broadly, the possibility of a soft landing in the US did support equity markets around the world, including in emerging markets.

### Looking ahead

Our value bias remains substantial, with the fund trading on a p/e of 7.5, compared to the benchmark index at 12.1 (a 38% discount). Alongside the favourable valuation metrics, high free cashflow yields and return on capital, as well as low debt to operating profit metrics, give the portfolio a higher-quality profile. This is set within the context of a region that itself is cheap and unloved.

### Raheel Altaf and Peter Saacke

Fund managers

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Past performance is not a guide to the future.

<sup>1</sup> Source: Artemis/Lipper Limited, class I USD Acc to 30 April 2024. All figures show total returns with dividends and/or income reinvested, net of all charges. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if you invest in a different currency class.

# ARTEMIS FUNDS (LUX) – SMARTGARP GLOBAL EMERGING MARKETS EQUITY

Schedule of Investments as at 30 April 2024

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing</b>				
<b>Collective Investment Schemes</b>				
<b>Ireland</b>				
Northern Trust Global Funds plc - US Dollar Fund (The)	USD	790,000	790,000	1.42
<b>Total Ireland</b>			<b>790,000</b>	<b>1.42</b>
<b>Total Collective Investment Schemes</b>			<b>790,000</b>	<b>1.42</b>
<b>Equities</b>				
<b>Brazil</b>				
Banco do Brasil SA	BRL	322,200	1,720,369	3.08
BB Seguridade Participacoes SA	BRL	130,300	813,784	1.46
Cia Energetica de Minas Gerais Preference	BRL	426,920	800,018	1.43
Petroleo Brasileiro SA, ADR	USD	110,744	1,882,094	3.37
Porto Seguro SA	BRL	50,500	294,155	0.53
Usinas Siderurgicas de Minas Gerais S/A Usiminas 'A' Preference	BRL	210,000	328,750	0.59
<b>Total Brazil</b>			<b>5,839,170</b>	<b>10.46</b>
<b>Cayman Islands</b>				
Alibaba Holding Ltd.	HKD	109,000	1,026,097	1.84
Baidu, Inc. 'A'	HKD	8,950	117,501	0.21
China Medical System Holdings Ltd.	HKD	17,081	15,315	0.03
China Hongqiao Group Ltd.	HKD	132,000	182,948	0.33
China Resources Land Ltd.	HKD	76,502	277,009	0.50
Daqo New Energy Corp., ADR	USD	4,700	96,703	0.17
Li Auto, Inc. 'A'	HKD	16,500	218,066	0.39
MINISO Group Holding Ltd., ADR	USD	4,510	104,429	0.19
NetEase, Inc.	HKD	14,800	280,520	0.50
PDD Holdings, Inc., ADR	USD	2,544	322,986	0.58
Tencent Holdings Ltd.	HKD	28,900	1,279,260	2.29
Vipshop Holdings Ltd., ADR	USD	65,495	999,126	1.79
<b>Total Cayman Islands</b>			<b>4,919,960</b>	<b>8.82</b>
<b>China</b>				
Bank of China Ltd. 'H'	HKD	2,303,000	1,038,262	1.86
China Petroleum & Chemical Corp. 'H'	HKD	545,000	328,053	0.59
China Construction Bank Corp. 'H'	HKD	1,691,972	1,100,109	1.97
Gree Electric Appliances, Inc. of Zhuhai 'A'	CNY	121,000	703,136	1.26
Industrial & Commercial Bank of China Ltd. 'H'	HKD	1,525,100	821,108	1.47
Lao Feng Xiang Co. Ltd. 'A'	CNY	76,800	818,078	1.46
PICC Property & Casualty Co. Ltd. 'H'	HKD	436,517	544,854	0.98
Sinopec Engineering Group Co. Ltd. 'H'	HKD	270,500	174,155	0.31
Sinotrans Ltd. 'H'	HKD	2,374,530	1,143,804	2.05
Tongling Nonferrous Metals Group Co. Ltd. 'A'	CNH	372,500	206,770	0.37
<b>Total China</b>			<b>6,878,329</b>	<b>12.32</b>
<b>Colombia</b>				
Bancolombia SA Preference	COP	101,791	850,350	1.52
<b>Total Colombia</b>			<b>850,350</b>	<b>1.52</b>
<b>Hong Kong</b>				
China Mobile Ltd.	HKD	92,500	825,733	1.48
CNOOC Ltd.	HKD	394,000	1,018,790	1.82
<b>Total Hong Kong</b>			<b>1,844,523</b>	<b>3.30</b>

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

## ARTEMIS FUNDS (LUX) – SMARTGARP GLOBAL EMERGING MARKETS EQUITY

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing (continued)</b>				
<b>Equities (continued)</b>				
<b>Hungary</b>				
Richter Gedeon Nyrt	HUF	29,100	744,383	1.33
<b>Total Hungary</b>			<b>744,383</b>	<b>1.33</b>
<b>India</b>				
Dr Reddy's Laboratories Ltd., ADR	USD	8,100	598,388	1.07
Infosys Ltd., ADR	USD	78,793	1,331,208	2.38
Reliance Industries Ltd., GDR	USD	38,280	2,708,310	4.85
<b>Total India</b>			<b>4,637,906</b>	<b>8.30</b>
<b>Indonesia</b>				
Bank Tabungan Negara Persero Tbk PT	IDR	3,877,000	314,142	0.56
Indofood Sukses Makmur Tbk. PT	IDR	552,300	212,717	0.38
Telkom Indonesia Persero Tbk. PT	IDR	1,712,400	333,309	0.60
<b>Total Indonesia</b>			<b>860,168</b>	<b>1.54</b>
<b>Jersey</b>				
WNS Holdings Ltd.	USD	10,827	468,430	0.84
<b>Total Jersey</b>			<b>468,430</b>	<b>0.84</b>
<b>Marshall Islands</b>				
Star Bulk Carriers Corp.	USD	47,391	1,166,056	2.09
<b>Total Marshall Islands</b>			<b>1,166,056</b>	<b>2.09</b>
<b>Mexico</b>				
El Puerto de Liverpool SAB de CV 'C1'	MXN	83,500	669,400	1.20
<b>Total Mexico</b>			<b>669,400</b>	<b>1.20</b>
<b>People's Republic of China</b>				
BAIC Motor Corp. Ltd. 'H'	HKD	616,500	175,647	0.31
China Suntien Green Energy Corp. Ltd. 'H'	HKD	813,000	334,305	0.60
COSCO SHIPPING Holdings Co. Ltd. 'H'	HKD	515,000	667,835	1.20
Jiangxi Copper Co. Ltd. 'H'	HKD	168,000	345,457	0.62
Midea Group Co. Ltd. 'A'	CNY	98,300	945,435	1.69
Shenzhen SC New Energy Technology Corp. 'A'	CNY	38,500	364,741	0.65
Weichai Power Co. Ltd. 'H'	HKD	263,000	541,397	0.97
<b>Total People's Republic of China</b>			<b>3,374,817</b>	<b>6.04</b>
<b>Philippines</b>				
Manila Electric Co.	PHP	41,600	265,363	0.47
<b>Total Philippines</b>			<b>265,363</b>	<b>0.47</b>
<b>Poland</b>				
Powszechna Kasa Oszczednosci Bank Polski SA	PLN	80,314	1,210,538	2.17
<b>Total Poland</b>			<b>1,210,538</b>	<b>2.17</b>
<b>South Africa</b>				
FirstRand Ltd.	ZAR	163,286	569,419	1.02
Kumba Iron Ore Ltd.	ZAR	27,300	678,833	1.22
Truworths International Ltd	ZAR	54,600	219,956	0.39
<b>Total South Africa</b>			<b>1,468,208</b>	<b>2.63</b>
<b>South Korea</b>				
DB Insurance Co. Ltd.	KRW	12,229	859,682	1.54
Hana Financial Group, Inc.	KRW	11,979	508,621	0.91
Hankook Tire & Technology Co. Ltd.	KRW	26,301	1,123,055	2.01
Hyundai Glovis Co. Ltd.	KRW	3,237	425,554	0.76
JB Financial Group Co. Ltd.	KRW	116,342	1,119,739	2.00
KEPCO Plant Service & Engineering Co Ltd.	KRW	13,200	336,260	0.60

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

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing (continued)</b>				
<b>Equities (continued)</b>				
<b>South Korea (continued)</b>				
Kia Corp.	KRW	19,461	1,660,340	2.97
Samsung Electronics Co. Ltd.	KRW	21,621	1,211,910	2.17
SK Hynix, Inc.	KRW	6,440	810,682	1.45
SK Telecom Co. Ltd.	KRW	5,810	215,380	0.39
Soulbrain Co. Ltd.	KRW	800	174,492	0.31
<b>Total South Korea</b>			<b>8,445,715</b>	<b>15.11</b>
<b>Taiwan</b>				
Ennoconn Corp.	TWD	39,000	393,175	0.70
Evergreen Marine Corp. Taiwan Ltd.	TWD	123,000	714,875	1.28
Hon Hai Precision Industry Co. Ltd.	TWD	190,002	911,435	1.63
Radiant Opto-Electronics Corp.	TWD	25,000	152,416	0.27
Synnex Technology International Corp.	TWD	70,249	171,645	0.31
Taiwan Semiconductor Manufacturing Co. Ltd.	TWD	138,000	3,352,563	6.00
Wiwynn Corp.	TWD	17,000	1,234,984	2.21
<b>Total Taiwan</b>			<b>6,931,093</b>	<b>12.40</b>
<b>Thailand</b>				
PTT Exploration & Production PCL	THB	137,500	581,219	1.04
<b>Total Thailand</b>			<b>581,219</b>	<b>1.04</b>
<b>Turkey</b>				
Coca-Cola Icecek A/S	TRY	35,503	797,842	1.43
Turkcell Iletisim Hizmetleri A/S	TRY	158,394	394,591	0.71
<b>Total Turkey</b>			<b>1,192,433</b>	<b>2.14</b>
<b>United Arab Emirates</b>				
Emaar Properties PJSC, REIT	AED	358,731	803,333	1.44
Emirates NBD Bank PJSC	AED	306,454	1,412,163	2.53
<b>Total United Arab Emirates</b>			<b>2,215,496</b>	<b>3.97</b>
<b>Vietnam</b>				
Duc Giang Chemicals JSC	VND	33,000	154,791	0.28
Orient Commercial Joint Stock Bank	VND	431,000	231,854	0.41
<b>Total Vietnam</b>			<b>386,645</b>	<b>0.69</b>
<b>Total Equities</b>			<b>54,950,202</b>	<b>98.38</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing</b>			<b>55,740,202</b>	<b>99.80</b>
<b>Other transferable securities and money market instruments</b>				
<b>Equities</b>				
<b>Cyprus</b>				
Globaltrans Investment plc, Reg. S, GDR*	USD	60,847	–	–
<b>Total Cyprus</b>			–	–
<b>Russia</b>				
Gazprom PJSC, ADR*	USD	94,300	–	–
LUKOIL PJSC, ADR*	USD	8,812	–	–
Novolipetsk Steel PJSC, Reg. S*	USD	5,068	–	–
Rosneft Oil Co. PJSC, Reg. S, GDR*	USD	40,700	–	–

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

## ARTEMIS FUNDS (LUX) – SMARTGARP GLOBAL EMERGING MARKETS EQUITY

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Other transferable securities and money market instruments (continued)</b>				
<b>Equities (continued)</b>				
<b>Russia (continued)</b>				
Sberbank of Russia PJSC*	USD	49,300	–	–
<b>Total Russia</b>			–	–
<b>Total Equities</b>			–	–
<b>Total Other transferable securities and money market instruments</b>			–	–
<b>Total Investments</b>			<b>55,740,202</b>	<b>99.80</b>
<b>Cash</b>			<b>64,490</b>	<b>0.11</b>
<b>Other assets/(liabilities)</b>			<b>49,476</b>	<b>0.09</b>
<b>Total net assets</b>			<b>55,854,168</b>	<b>100.00</b>

\*Security is valued at its fair value under the direction of the Board of Directors.

## ARTEMIS FUNDS (LUX) – UK SELECT

### INVESTMENT OBJECTIVE AND POLICY

The fund aims to grow capital over a five year period.

The fund invests principally (at least 80% of its net assets) in equities of companies that are headquartered or have a significant part of their activities in the United Kingdom.

The fund will not be constrained to any economic sector. It is expected that the portfolio of the fund will be invested in the equities of between 35 and 65 companies.

The fund may also hold up to 20% of its Net Asset Value in other transferable securities and derivatives.

At times the fund may invest in fixed income securities, including high yield bonds and contingent convertible bonds, up to a maximum of 20% of the fund's Net Asset Value. The minimum credit rating for high yield bonds is B (Standard & Poor's or the equivalent from other rating agencies).

The fund makes use of derivatives for investment purposes to take both long and short positions in individual companies. At times, the fund may also use equity index futures and/or options (long or short) in order to vary the level of volatility and/or market exposure in the fund.

The fund's net exposure to companies will typically lie in the range of 85-100% (longs minus shorts) depending on market conditions.

The fund may also use derivatives and other techniques for hedging and for efficient portfolio management. The fund's derivatives may include, but are not limited to, futures, forward, swaps, options currency contracts and contracts for difference.

At times, the fund may invest in ADRs, GDRs and participatory notes. Participatory notes would be used to access markets where direct access to purchase equities may be difficult. Their use is not intended to create leverage. Investments in participatory notes shall not exceed 10% of the fund's Net Asset Value.

Subject to the limits set out in the Investment Restrictions, the fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in the Investment Restrictions, the fund may also invest in bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. Higher levels of investments in bank deposits, money market instruments or money market funds may be held in periods of elevated equity market valuations to reduce risk.

The fund may invest up to 10% of its Net Asset Value in other collective investment schemes, including Real Estate Investment Trusts (REITs).

### INVESTMENT REVIEW

Artemis Funds (Lux) – UK Select launched on 29 April 2024. A concentrated 'best ideas' strategy, the fund aims to grow capital by investing in 35 to 65 UK-listed businesses. A flexible approach to portfolio construction means the fund's largest holdings are those in which the managers have the highest levels of conviction, not those with the largest index weightings.

It will be jointly managed by **Ed Legget and Ambrose Faulks**, managers of the existing UK-domiciled Artemis UK Select strategy.



# ARTEMIS FUNDS (LUX) – UK SELECT

Schedule of Investments as at 30 April 2024

Investment	Currency	Quantity/ Nominal Value	Market Value GBP	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing</b>				
<b>Equities</b>				
<b>Bermuda</b>				
Conduit Holdings Ltd.	GBP	5,075	25,502	1.12
Hiscox Ltd.	GBP	4,768	59,028	2.60
<b>Total Bermuda</b>			<b>84,530</b>	<b>3.72</b>
<b>Gibraltar</b>				
888 Holdings plc	GBP	28,874	24,601	1.08
<b>Total Gibraltar</b>			<b>24,601</b>	<b>1.08</b>
<b>Ireland</b>				
Flutter Entertainment plc	GBP	168	25,280	1.11
Ryanair Holdings plc	EUR	2,752	47,739	2.10
Smurfit Kappa Group plc	GBP	588	20,580	0.91
<b>Total Ireland</b>			<b>93,599</b>	<b>4.12</b>
<b>Isle of Man</b>				
Entain plc	GBP	2,688	21,181	0.93
<b>Total Isle of Man</b>			<b>21,181</b>	<b>0.93</b>
<b>Israel</b>				
Plus500 Ltd.	GBP	832	18,054	0.80
<b>Total Israel</b>			<b>18,054</b>	<b>0.80</b>
<b>Jersey</b>				
Man Group plc	GBP	16,074	41,391	1.82
<b>Total Jersey</b>			<b>41,391</b>	<b>1.82</b>
<b>Spain</b>				
International Consolidated Airlines Group SA	GBP	33,589	58,882	2.59
<b>Total Spain</b>			<b>58,882</b>	<b>2.59</b>
<b>United Kingdom</b>				
3i Group plc	GBP	3,958	114,386	5.04
Anglo American plc	GBP	1,697	44,754	1.97
Ashtead Group plc	GBP	859	51,162	2.25
Barclays plc	GBP	65,861	133,797	5.89
Bodycote plc	GBP	6,141	42,864	1.89
BP plc	GBP	19,234	100,613	4.43
DS Smith plc	GBP	14,514	50,944	2.24
Howden Joinery Group plc	GBP	4,774	42,035	1.85
HSBC Holdings plc	GBP	9,126	63,891	2.81
Intermediate Capital Group plc	GBP	2,584	54,419	2.40
International Personal Finance plc	GBP	16,506	17,496	0.77
JET2 plc	GBP	4,010	57,323	2.52
Legal & General Group plc	GBP	18,182	43,000	1.89
Lloyds Banking Group plc	GBP	95,643	49,887	2.20
M&G plc	GBP	5,626	11,258	0.50
Melrose Industries plc	GBP	12,014	76,902	3.39
Mitchells & Butlers plc	GBP	20,676	49,726	2.19
Morgan Sindall Group	GBP	1,901	43,058	1.90
NatWest Group plc	GBP	42,761	130,165	5.73
Next plc	GBP	383	34,681	1.53
Oxford Instruments plc	GBP	3,642	81,581	3.59
Redrow plc	GBP	3,828	24,700	1.09

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

Investment	Currency	Quantity/ Nominal Value	Market Value GBP	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing (continued)</b>				
<b>Equities (continued)</b>				
<b>United Kingdom (continued)</b>				
Rolls-Royce Holdings plc	GBP	24,823	103,028	4.54
Shell plc	GBP	3,631	104,709	4.61
Standard Chartered plc	GBP	10,698	73,752	3.25
Synthomer plc	GBP	5,238	13,658	0.60
Tesco plc	GBP	17,081	50,474	2.22
Tyman plc	GBP	7,714	29,043	1.28
Vanquis Banking Group plc	GBP	14,034	6,729	0.30
Vistry Group plc	GBP	6,419	76,996	3.39
Weir Group plc (The)	GBP	1,049	21,588	0.95
WH Smith plc	GBP	2,343	26,089	1.15
Whitbread plc	GBP	906	28,684	1.26
Workspace Group plc	GBP	4,340	21,787	0.96
<b>Total United Kingdom</b>			<b>1,875,179</b>	<b>82.58</b>
<b>Total Equities</b>			<b>2,217,417</b>	<b>97.64</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing</b>			<b>2,217,417</b>	<b>97.64</b>
<b>Total Investments</b>			<b>2,217,417</b>	<b>97.64</b>
<b>Cash</b>			<b>235,492</b>	<b>10.36</b>
<b>Other assets/(liabilities)</b>			<b>(181,906)</b>	<b>(8.00)</b>
<b>Total net assets</b>			<b>2,271,003</b>	<b>100.00</b>

## Contracts for Difference

Security Description	Currency	Holdings	Counterparty	Unrealised Gain/(Loss) GBP	% of Net Assets
<b>United Kingdom</b>					
Croda International plc	GBP	(82)	UBS	15	–
Spirax-Sarco Engineering	GBP	(75)	UBS	70	–
<b>Total Unrealised Gain on Contracts for Difference - Assets</b>				<b>85</b>	<b>–</b>
<b>United Kingdom</b>					
Rio Tinto plc	GBP	(153)	UBS	(24)	–
<b>Total Unrealised Loss on Contracts for Difference - Liabilities</b>				<b>(24)</b>	<b>–</b>
<b>Net Unrealised Gain on Contracts for Difference - Assets</b>				<b>61</b>	<b>–</b>

# ARTEMIS FUNDS (LUX) – US EXTENDED ALPHA

## INVESTMENT OBJECTIVE AND POLICY

To increase the value of Shareholders' investments primarily through capital growth.

The fund invests principally in equities and equity-related derivatives of companies that are listed, headquartered or that exercise the predominant part of their economic activities in the USA.

Shares in the following types of companies (held either directly or indirectly via derivatives) are automatically excluded:

- Tobacco: companies which derive more than 5% revenue from production, distribution or sale of tobacco
- Weapons: companies:
  - involved in the production of controversial weapons (including cluster munitions, landmines, biological and chemical weapons); or
  - which derive more than 10% revenue from conventional or nuclear weapons, related components and systems; or
  - which derive more than 10% revenue from manufacture or sale of civilian firearms or ammunition;
- Coal: companies which derive more than 10% revenue from mining or sale of thermal coal.
- Companies that the Investment Manager determines to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption.

The fund promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR. The Investment Manager seeks to decrease the fund's exposure to climate risk and benefit from the opportunities associated with the transition to a net-zero emissions economy through investing in companies which are actively managing their carbon exposure and setting meaningful targets. Further information is contained in a methodology statement available on the Artemis website at [www.artemisfunds.com/methodology-statement](http://www.artemisfunds.com/methodology-statement).

The evaluation of environmental, social and governance factors is determined by the Investment Manager using information provided by the companies (for example company sustainability reports) and third-party data, focusing on scores and metrics which that the Investment Manager considers to be relevant.

The fund makes use of derivatives for investment purposes to take both long and short positions in individual companies. At times, the fund may also use equity index futures and/or options (long or short) in order to vary the level of volatility and/or market exposure in the fund.

Total derivatives (longs and shorts) are likely to represent a significant proportion of the fund's gross exposure to companies, which will typically lie in a range of 130-160% of Net Asset Value but which may potentially be as high as 200%. The Investment Manager uses derivatives to select stocks that may benefit from falling, as well as rising, share prices. However the fund's ability to have a gross exposure to companies of more than 100% of its Net Asset Value means that the fund has the potential both to generate greater returns and to experience greater losses than if the fund was restricted to a gross exposure of 100% of its Net Asset Value.

The fund's net exposure to companies will typically lie in the range of 85-110% (longs minus shorts) depending on market conditions.

At times the fund may invest in China A-Shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect. Investments in China A-shares shall not exceed 10% of the fund's Net Asset Value.

The fund may also use derivatives and other techniques for hedging and for efficient portfolio management.

The fund's derivatives may include, but are not limited to, contracts for difference, futures, options, swaps and forward currency contracts.

A significant proportion of the Net Asset Value of the fund will be held in cash due to the level of derivative use.

Subject to the limits set out in the Investment Restrictions, the fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in the Investment Restrictions, the fund may also invest in bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. In order to allow the fund to be able to manage counterparty risk, the fund may also invest its cash in government securities. These securities will generally be less than 1 year maturity.

The fund may invest up to 10% of its Net Asset Value in other collective investment schemes.

## INVESTMENT REVIEW

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### Main changes of the fund

- Market sentiment shifted significantly at the start of the review period as the prospect of the Federal Reserve easing funding conditions in the face of declining inflation was firmly in view. This change in sentiment prompted a significant rally which ran for five months until the end of March 2024. It required some changes to the fund's positioning as we recycled capital from previous winners to areas that displayed a more attractive risk/reward.
- Following strong share price performance, we trimmed our positions in **Constellation Energy** (nuclear energy), **Meta** (formerly Facebook), **Microsoft** and **TFI International** (trucking) among others. We also trimmed our semiconductor exposure by reducing our positions in **Lam Research** and **Nvidia** although we remain overweight the latter.
- We bought shares in a diverse range of sectors, including financials (**Fiserv**, **Fidelity National Info**), technology (**Micron**, **Western Digital**) and consumer staples (**US Foods**).
- This leaves the fund most overweight financials and utilities, and most underweight technology and real estate. We continue to allocate to cyclical areas as well as companies that can compound earnings and are trading at attractive valuations.
- On the short side, we remain active. We opened positions in hotels, data services, utilities, office furniture and auto retail. We also covered some of our shorts, taking profits.

### Explaining the fund's performance

- The fund returned 26.4%<sup>1</sup> in US dollar terms, vs 21.0% from the S&P 500 TR.
- The fund's outperformance was driven by stock selection, with sector allocation marginally detracting. Holdings in technology proved to be the largest contributors, in particular Nvidia (semis), Western Digital (tech hardware) and Micron (semis). Our underweights to Apple and Tesla also helped performance. The fund's top contributor was the holding in Meta, which continued to benefit from the integration of AI within its advertisement business.
- On the negative side, insurance business Aon suffered after reporting weak Q1 results. We still believe the company has exposure to attractive growth markets. Humana also detracted after reporting weak operating results – we reduced our position following the news.
- The short book held back performance over the six months as markets rallied strongly. It did add to performance in the final month of the period.

### The wider context

- Over the six months, the market's expectations about the likely path of interest rates were volatile. Towards the beginning of the period the market expected six rate cuts from the Federal Reserve in 2024. Fast forward to the end of the review period, and the outlook is very different. The bond market is currently pricing in just one to two cuts this year, with some commentators even discussing hikes. This narrative changed for two main reasons. First, inflation came in hotter than expected with CPI at 3.5%, and second, Middle East tensions escalated, leading to a temporary increase in the oil price. As a result, the 10-year US Treasury yield continued to rise, from 4.2% to 4.6%. We must also mention the remarkable strength of the US economy, which to a certain degree has allowed the Federal Reserve to focus on moving inflation sustainably towards its target.

### Looking ahead

- At the time of writing, the fund has net equity exposure of 95%, consisting of 114% in the long book and 19% in shorts. The main body of the fund from a long perspective continues to be in discounted compounders, which range from food distribution, payments, insurance brokerage and auto insurance, through to health insurance and financial exchanges. We have a range of shorts in lower-growth companies where we find the fundamentals and valuations to be unattractive. On the cyclicals side we have long positions in transport, housing and life sciences where we see depressed fundamentals and attractive valuations. Set against this we have short positions in many later-cycle stocks where we see elevated profit levels and high risk of disappointment.

**Adrian Brass, James Dudgeon and William Warren**  
Fund managers

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Past performance is not a guide to the future.

<sup>1</sup> Source: Artemis/Lipper Limited, class I USD Acc to 30 April 2024. All figures show total returns with dividends and/or income reinvested, net of all charges. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if you invest in a different currency class.

# ARTEMIS FUNDS (LUX) – US EXTENDED ALPHA

Schedule of Investments as at 30 April 2024

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing</b>				
<b>Collective Investment Schemes</b>				
<b>Ireland</b>				
Northern Trust Global Funds plc - US Dollar Fund (The)	USD	12,857,000	12,857,000	2.99
<b>Total Ireland</b>			<b>12,857,000</b>	<b>2.99</b>
<b>Total Collective Investment Schemes</b>			<b>12,857,000</b>	<b>2.99</b>
<b>Equities</b>				
<b>Canada</b>				
TFI International, Inc.	CAD	12,207	1,619,508	0.38
<b>Total Canada</b>			<b>1,619,508</b>	<b>0.38</b>
<b>Ireland</b>				
Aon plc 'A'	USD	36,642	10,474,848	2.44
ICON plc	USD	41,387	12,591,995	2.93
Linde plc	USD	15,281	6,739,074	1.57
<b>Total Ireland</b>			<b>29,805,917</b>	<b>6.94</b>
<b>Israel</b>				
Tower Semiconductor Ltd.	USD	84,559	2,770,153	0.64
<b>Total Israel</b>			<b>2,770,153</b>	<b>0.64</b>
<b>United States of America</b>				
Advanced Micro Devices, Inc.	USD	23,262	3,751,346	0.87
Alphabet, Inc. 'A'	USD	86,865	14,542,938	3.38
Amazon.com, Inc.	USD	135,872	24,672,317	5.74
American Eagle Outfitters, Inc.	USD	143,112	3,526,280	0.82
API Group Corp.	USD	167,235	6,426,005	1.49
Autoliv, Inc.	USD	29,820	3,584,513	0.83
Avantor, Inc.	USD	538,088	13,086,300	3.04
AZEK Co., Inc. (The) 'A'	USD	50,339	2,331,199	0.54
Builders FirstSource, Inc.	USD	37,799	7,073,705	1.64
Burlington Stores, Inc.	USD	43,724	8,010,018	1.86
Clean Harbors, Inc.	USD	26,276	5,080,859	1.18
Coherent Corp.	USD	73,970	4,213,701	0.98
Constellation Energy Corp.	USD	22,073	4,150,276	0.97
Copart, Inc.	USD	89,772	4,980,102	1.16
Corteva, Inc.	USD	100,728	5,533,493	1.29
Dollar General Corp.	USD	21,734	3,039,174	0.71
Eagle Materials, Inc.	USD	11,971	3,081,575	0.72
Elevance Health, Inc.	USD	28,488	15,094,082	3.51
Equifax, Inc.	USD	10,121	2,278,743	0.53
Fidelity National Information Services, Inc	USD	86,508	5,961,266	1.39
Fiserv, Inc.	USD	65,094	9,991,603	2.32
Gartner, Inc.	USD	11,529	4,922,479	1.14
Intercontinental Exchange, Inc.	USD	90,641	11,770,187	2.74
Intuit, Inc.	USD	9,318	5,907,798	1.37
Lam Research Corp.	USD	1,586	1,476,550	0.34
Lamb Weston Holdings, Inc.	USD	53,415	4,432,644	1.03
McKesson Corp.	USD	20,261	10,847,233	2.52
Meta Platforms, Inc. 'A'	USD	36,297	15,744,913	3.66
Micron Technology, Inc.	USD	61,061	7,078,802	1.65
Microsoft Corp.	USD	88,003	35,158,519	8.17

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

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing (continued)</b>				
<b>Equities (continued)</b>				
<b>United States of America (continued)</b>				
NVIDIA Corp.	USD	29,129	25,789,943	6.00
Occidental Petroleum Corp.	USD	112,018	7,566,816	1.76
Performance Food Group Co.	USD	101,319	6,848,658	1.59
PG&E Corp.	USD	845,236	14,483,119	3.37
Progressive Corp. (The)	USD	56,585	11,819,192	2.75
Ralph Lauren Corp. 'A'	USD	15,298	2,551,400	0.59
RH	USD	4,830	1,222,811	0.28
Ross Stores, Inc.	USD	22,820	2,985,883	0.69
Saia, Inc.	USD	10,044	4,079,170	0.95
Tempur Sealy International, Inc.	USD	46,081	2,340,684	0.54
TopBuild Corp.	USD	5,395	2,223,279	0.52
UnitedHealth Group, Inc.	USD	13,703	6,648,079	1.55
US Foods Holding Corp.	USD	140,147	7,128,577	1.66
Vulcan Materials Co.	USD	25,844	6,763,246	1.57
Wells Fargo & Co.	USD	174,606	10,422,232	2.42
Western Digital Corp.	USD	114,095	8,198,867	1.91
WillScot Mobile Mini Holdings Corp.	USD	137,393	5,301,309	1.23
<b>Total United States of America</b>			<b>374,121,885</b>	<b>86.97</b>
<b>Total Equities</b>			<b>408,317,463</b>	<b>94.93</b>
<b>Government Bonds</b>				
<b>United States of America</b>				
United States Treasury Bill 0% 26/12/2024	USD	7,951,000	7,685,839	1.79
<b>Total United States of America</b>			<b>7,685,839</b>	<b>1.79</b>
<b>Total Government Bonds</b>			<b>7,685,839</b>	<b>1.79</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing</b>			<b>428,860,302</b>	<b>99.71</b>
<b>Total Investments</b>			<b>428,860,302</b>	<b>99.71</b>
<b>Cash</b>			<b>2,863,744</b>	<b>0.66</b>
<b>Other assets/(liabilities)</b>			<b>(1,609,356)</b>	<b>(0.37)</b>
<b>Total net assets</b>			<b>430,114,690</b>	<b>100.00</b>

## Option Purchased Contracts

Security Description	Quantity	Currency	Counterparty	Market Value USD	% of Net Assets
Agnico Eagle Mines Ltd, Call, 70.000, 17/05/2024	1,800	USD	J.P. Morgan	45,000	0.01
Cisco Systems Inc, Call, 57.500, 21/06/2024	3,400	USD	J.P. Morgan	30,600	–
S&P 500 Index, Put, 5,050.000, 01/05/2024	55	USD	J.P. Morgan	34,650	0.01
<b>Total Market Value on Option Purchased Contracts - Assets</b>				<b>110,250</b>	<b>0.02</b>

## Option Written Contracts

Security Description	Quantity	Currency	Counterparty	Market Value USD	% of Net Assets
S&P 500 Index, Put, 4,850.000, 01/05/2024	(55)	USD	J.P. Morgan	(688)	–
<b>Total Market Value on Option Purchased Contracts - Liabilities</b>				<b>(688)</b>	<b>–</b>

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

## ARTEMIS FUNDS (LUX) – US EXTENDED ALPHA

### Forward Currency Exchange Contracts

Currency Purchased	Amount Purchased	Currency Sold	Amount Sold	Maturity Date	Counterparty	Unrealised Gain/(Loss) USD	% of Net Assets
<b>AH EUR Acc</b>							
EUR	410,420	USD	(439,533)	31/05/2024	Northern Trust	430	–
<b>BH EUR Acc</b>							
EUR	141,996	USD	(152,068)	31/05/2024	Northern Trust	149	–
<b>IH EUR Acc</b>							
EUR	152,638	USD	(163,465)	31/05/2024	Northern Trust	160	–
<b>IH GBP Acc</b>							
GBP	681	USD	(851)	31/05/2024	Northern Trust	2	–
<b>Total Unrealised Gain on Forward Currency Exchange Contracts - Assets</b>						<b>741</b>	<b>–</b>
<b>AH EUR Acc</b>							
EUR	34,529,757	USD	(37,125,365)	31/05/2024	Northern Trust	(110,021)	(0.03)
<b>BH CHF Acc</b>							
CHF	994,612	USD	(1,094,811)	31/05/2024	Northern Trust	(4,266)	–
<b>BH EUR Acc</b>							
EUR	11,056,219	USD	(11,890,012)	31/05/2024	Northern Trust	(37,923)	(0.01)
<b>IH CHF Acc</b>							
CHF	690,959	USD	(760,568)	31/05/2024	Northern Trust	(2,964)	–
<b>IH EUR Acc</b>							
EUR	11,881,435	USD	(12,777,461)	31/05/2024	Northern Trust	(40,754)	(0.01)
<b>IH GBP Acc</b>							
GBP	53,050	USD	(66,459)	31/05/2024	Northern Trust	(25)	–
<b>Total Unrealised Loss on Forward Currency Exchange Contracts - Liabilities</b>						<b>(195,953)</b>	<b>(0.05)</b>
<b>Net Unrealised Loss on Forward Currency Exchange Contracts - Liabilities</b>						<b>(195,212)</b>	<b>(0.05)</b>

### Contracts for Difference

Security Description	Currency	Holdings	Counterparty	Unrealised Gain/(Loss) USD	% of Net Assets
<b>Canada</b>					
BCE, Inc.	CAD	(13,225)	Morgan Stanley	385	–
Canada Goose Holdings, Inc.	USD	(59,710)	Morgan Stanley	12,837	–
<b>United States</b>					
Abercrombie & Fitch Co. 'A'	USD	(8,446)	Morgan Stanley	5,912	–
Acushnet Holdings Corp.	USD	(13,264)	Morgan Stanley	6,367	–
American Water Works Co., Inc.	USD	(11,757)	Morgan Stanley	4,997	–
Apple Hospitality REIT, Inc.	USD	(79,946)	Morgan Stanley	8,394	–
Apple, Inc.	USD	68,061	Goldman Sachs	63,977	0.02
Artisan Partners Asset Management 'A'	USD	(19,699)	Morgan Stanley	6,993	–
AT&T, Inc.	USD	(80,766)	Goldman Sachs	13,326	0.01
Atlantic Union Bankshares Co.	USD	(27,535)	Morgan Stanley	1,790	–
Bank OZK	USD	(19,465)	J.P. Morgan	8,273	–
Blackrock, Inc.	USD	(1,940)	Morgan Stanley	2,900	–
Cal-Maine Foods, Inc.	USD	(17,977)	Morgan Stanley	39,280	0.01
CarMax, Inc.	USD	(6,278)	Morgan Stanley	9,543	–
CBRE Group, Inc. 'A'	USD	(14,878)	Morgan Stanley	4,166	–
Costco Wholesale Corp.	USD	(2,492)	Morgan Stanley	3,564	–
Credit Acceptance Corp.	USD	(2,524)	Morgan Stanley	13,125	–
Cummins, Inc.	USD	(4,371)	Morgan Stanley	28,783	0.01
CVB Financial Corp.	USD	(55,003)	Morgan Stanley	5,500	–

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

Security Description	Currency	Holdings	Counterparty	Unrealised Gain/(Loss) USD	% of Net Assets
<b>United States (continued)</b>					
CVS Health Corp.	USD	(14,630)	Goldman Sachs	1,902	–
Deere & Co.	USD	(6,155)	Goldman Sachs	45,793	0.01
Digital Realty Trust, Inc.	USD	(9,383)	Morgan Stanley	2,252	–
Dun & Bradstreet Holdings Inc.	USD	(79,658)	Goldman Sachs	6,771	–
Exponent, Inc.	USD	(11,442)	Goldman Sachs	6,522	–
Floor & Decor Holdings, Inc.	USD	(11,336)	Morgan Stanley	17,117	0.01
Flowers Foods, Inc.	USD	(50,000)	Morgan Stanley	500	–
Fortinet, Inc.	USD	(32,975)	Goldman Sachs	15,169	0.01
Fortrea Holdings, Inc.	USD	(22,878)	Goldman Sachs	5,491	–
G-III Apparel Group Ltd.	USD	(32,374)	Morgan Stanley	7,446	–
Hennes & Mauritz AB 'B'	SEK	(56,850)	Morgan Stanley	11,132	–
Henry Schein, Inc.	USD	(11,579)	Goldman Sachs	31,726	0.01
Home Depot, Inc. (The)	USD	(5,123)	J.P. Morgan	16,368	0.01
Illinois Tool Works, Inc.	USD	(6,041)	Goldman Sachs	34,041	0.01
International Business Machines Corp.	USD	(4,888)	Goldman Sachs	8,798	–
Kenvue, Inc.	USD	(45,843)	Morgan Stanley	5,272	–
Kinder Morgan, Inc.	USD	(22,653)	J.P. Morgan	4,644	–
Kohls Corp.	USD	(17,012)	Morgan Stanley	9,612	–
Kroger Co.	USD	(19,236)	Morgan Stanley	3,751	–
Lennar Corp. 'A'	USD	(10,870)	Goldman Sachs	15,925	0.01
Lyondellbasell Industries 'A'	USD	(12,934)	Goldman Sachs	10,800	–
Masco Corp.	USD	(27,583)	Goldman Sachs	15,033	0.01
Mattel, Inc.	USD	(33,311)	Morgan Stanley	3,831	–
Mccormick & Co-Non Vtg Shrs	USD	(11,953)	Morgan Stanley	10,280	–
Millerknoll, Inc.	USD	(19,028)	Goldman Sachs	6,374	–
Mister Car Wash, Inc.	USD	(81,023)	Morgan Stanley	4,861	–
Omnicom Group	USD	(11,099)	Morgan Stanley	6,437	–
Otis Worldwide Corp.	USD	(6,631)	Goldman Sachs	3,282	–
Packaging Corporation of America	USD	(2,547)	Goldman Sachs	6,011	–
Penske Automotive Group, Inc.	USD	(13,250)	J.P. Morgan	46,971	0.01
Pultegroup, Inc.	USD	(15,748)	Morgan Stanley	20,945	0.01
Ryman Hospitality Properties	USD	(8,153)	Morgan Stanley	6,645	–
Service Corp. International	USD	(19,023)	Morgan Stanley	11,509	–
Snap-on, Inc.	USD	(10,087)	Goldman Sachs	4,842	–
Sysco Corp.	USD	(36,369)	Morgan Stanley	85,103	0.02
T. Rowe Price Group, Inc.	USD	(13,896)	Morgan Stanley	7,434	–
Tapestry, Inc.	USD	(21,052)	Morgan Stanley	12,736	–
TJX Cos, Inc. (The)	USD	(17,767)	Morgan Stanley	5,863	–
Topgolf Callaway Brands Corp.	USD	(65,258)	Morgan Stanley	16,641	0.01
TORO Co.	USD	(14,427)	Goldman Sachs	7,430	–
Tractor Supply Company	USD	(5,328)	J.P. Morgan	5,088	–
Union Pacific Corp.	USD	(6,048)	Goldman Sachs	16,904	0.01
Waters Corp.	USD	(3,440)	Goldman Sachs	6,811	–
Whirlpool Corp.	USD	(4,031)	Morgan Stanley	4,495	–
<b>Total Unrealised Gain on Contracts for Difference - Assets</b>				<b>816,670</b>	<b>0.19</b>

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



## ARTEMIS FUNDS (LUX) – US EXTENDED ALPHA

Security Description	Currency	Holdings	Counterparty	Unrealised Gain/(Loss) USD	% of Net Assets
<b>Ireland</b>					
STERIS plc	USD	15,074	Goldman Sachs	(21,933)	(0.01)
<b>Jersey</b>					
Birkenstock Holding plc	USD	(9,643)	Goldman Sachs	(4,629)	–
Ferguson plc	USD	22,405	Goldman Sachs	(15,795)	–
<b>United Kingdom</b>					
Rightmove plc	GBP	(191,676)	Goldman Sachs	(2,640)	–
<b>United States</b>					
AutoZone, Inc.	USD	2,564	Morgan Stanley	(49,203)	(0.01)
Baker Hughes Co.	USD	234,728	J.P. Morgan	(69,245)	(0.02)
Ball Corp.	USD	(13,555)	Goldman Sachs	(3,118)	–
BJ's Wholesale Club Holdings	USD	(11,258)	Morgan Stanley	(6,136)	–
Cognizant Tech Solutions 'A'	USD	(15,876)	Goldman Sachs	(1,349)	–
Columbia Sportswear Co.	USD	(16,266)	Morgan Stanley	(1,871)	–
CSX Corp.	USD	184,798	Goldman Sachs	(72,995)	(0.02)
Deckers Outdoor Corp.	USD	(501)	Morgan Stanley	(1,303)	–
Hilton Worldwide Holdings, Inc.	USD	25,000	Morgan Stanley	(31,625)	(0.01)
Hydro One Ltd.	CAD	(49,401)	Morgan Stanley	(1,257)	–
Lowe's Cos., Inc.	USD	16,768	Morgan Stanley	(32,781)	(0.01)
Mastercard, Inc. 'A'	USD	32,478	Goldman Sachs	(22,897)	–
Moody's Corp.	USD	4,034	J.P. Morgan	(4,498)	–
Telus Corp.	CAD	(56,019)	Morgan Stanley	(1,018)	–
Thermo Fisher Scientific, Inc.	USD	7,759	Goldman Sachs	(25,488)	(0.01)
Transunion	USD	60,545	Goldman Sachs	(10,898)	–
Trex Company, Inc.	USD	(14,098)	Goldman Sachs	(5,357)	–
<b>Total Unrealised Loss on Contracts for Difference - Liabilities</b>				<b>(386,036)</b>	<b>(0.09)</b>
<b>Net Unrealised Gain on Contracts for Difference - Assets</b>				<b>430,634</b>	<b>0.10</b>

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

# ARTEMIS FUNDS (LUX) – US SELECT

## INVESTMENT OBJECTIVE AND POLICY

To increase the value of Shareholders' investments primarily through capital growth.

The fund invests principally in equities of companies that are listed, headquartered or that exercise the predominant part of their economic activities in the USA.

Shares in the following types of companies (held either directly or indirectly via derivatives) are automatically excluded:

- Tobacco: companies which derive more than 5% revenue from tobacco production;
- Weapons: companies:
  - involved in the production of controversial weapons (including cluster munitions, landmines, biological and chemical weapons); or
  - which derive more than 10% revenue from conventional or nuclear weapons, related components and systems; or
  - which derive more than 10% revenue from manufacture or sale of civilian firearms or ammunition;
- Coal: companies which derive more than 5% revenue from mining or sale of thermal coal;
- Companies that the Investment Manager determines to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anticorruption.

The fund promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR. The Investment Manager seeks to decrease the fund's exposure to climate risk and benefit from the opportunities associated with the transition to a net-zero emissions economy through investing in companies which are actively managing their carbon exposure and setting meaningful targets. Further information is contained in a methodology statement available on the Artemis website at [www.artemisfunds.com/methodology-statement](http://www.artemisfunds.com/methodology-statement).

The evaluation of environmental, social and governance factors is determined by the Investment Manager using information provided by the companies (for example company sustainability reports) and third-party data, focusing on scores and metrics which that the Investment Manager considers to be relevant.

More information about the environmental or social characteristics for this fund is available in the pre-contractual disclosure for financial products referred to in Article 8 under SFDR which follow the fund's details and which form an integral part of the Prospectus.

It is expected that the portfolio of the fund will be invested in the equities of between 35 and 65 companies.

The fund may use derivatives and other techniques for hedging and for efficient portfolio management. The fund's derivatives may include, but are not limited to, futures and forward currency contracts.

Subject to the limits set out in the Investments Restrictions, the fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in the Investment Restrictions, the fund may also invest in bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions.

## INVESTMENT REVIEW

### Main changes to the fund

- Towards the end of the first month of the period under review, the market shifted its view on the likely timing and quantity of interest-rate cuts as inflation came in cooler than expected. 'Animal spirits' dominated, resulting in a sustained rally for equities globally but particularly in the US. This change in narrative caused us to alter certain exposures within the portfolio.
- We trimmed our positions in **Meta**, **Constellation Energy** (nuclear energy), and **Eagle Materials** (cement and other building materials) after their strong share-price performance during 2023. Capital from these sales was used to buy positions where we saw more attractive risk/reward pay-offs, namely **Allstate** (insurance), **Western Digital** (tech Hardware), **Micron** (semiconductors) and **Core & Main** (water-related building products). Purchases were also made in areas that would likely benefit from the changing outlook for interest rates, such as **Goldman Sachs** and **Fiserv**.
- This left the portfolio overweight in materials, industrials, and utilities and underweight in consumer staples and energy. We continue to have a broad spread of investment themes and sectors within the portfolio.

# ARTEMIS FUNDS (LUX) – US SELECT

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## Explaining the fund's performance

- The fund returned 29.5%<sup>1</sup> in US dollar terms, while its benchmark, the S&P 500 TR, returned 21.0%.
- The fund's positive relative performance was driven by good stock selection, with sector allocation marginally detracting. At a sector level, it was our technology holdings that proved the most helpful, with our holding in **Nvidia** and underweight to **Apple** being our largest two relative contributors. We also benefited from our infrastructure-related stocks, **Eagle Materials**, **Builders FirstSource** and **Core & Main**.
- On the negative side, our allocations to energy and consumer staples held back performance, although only to a modest degree. At a stock level, **PG&E** (utilities), **Baker Hughes** (energy), and **Humana** (healthcare) underperformed.

## The wider context

It was an extremely strong period of performance for US equities, with the S&P 500 returning 21.0%. The positive sentiment was largely driven by cooler inflation, although it did prove more stubborn than expected. What has confounded expectations has been the strength of the US economy in the face of higher interest rates. We saw jobs growth continue to surprise on the upside, with areas related to AI performing exceptionally well.

## Looking ahead

The remarkable resilience of the US economy this year has (strangely) been generally viewed as a headwind for markets: the prospect of interest rates staying higher dampened some of the exuberance seen in late 2023.

There are several long-term trends that excite us and that are reflected in the fund's holdings. For example, to profit from the significant amount of fiscal expenditure and onshoring taking place in the US, we hold **Vulcan Materials** and **Ferguson**. To benefit from a wave of investment being deployed to build new data centres, we hold **Comfort Systems** and **Micron**. To play the housing shortage dynamic, we are invested in building material suppliers such as **Builders FirstSource**. Finally, some companies – such as **Avantor**, **Western Digital** and **Coherent** – are still in the process of recovering from Covid-era disruptions.

## Cormac Weldon and Chris Kent

Fund managers

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Past performance is not a guide to the future.

<sup>1</sup> Source: Artemis/Lipper Limited, class I USD Acc to 30 April 2024. All figures show total returns with dividends and/or income reinvested, net of all charges. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if you invest in a different currency class.

# ARTEMIS FUNDS (LUX) – US SELECT

Schedule of Investments as at 30 April 2024

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing</b>				
<b>Collective Investment Schemes</b>				
<b>Ireland</b>				
Northern Trust Global Funds plc - US Dollar Fund (The)	USD	668,000	668,000	0.91
<b>Total Ireland</b>			<b>668,000</b>	<b>0.91</b>
<b>Total Collective Investment Schemes</b>			<b>668,000</b>	<b>0.91</b>
<b>Equities</b>				
<b>Ireland</b>				
Aon plc 'A'	USD	633	180,956	0.25
ICON plc	USD	2,235	679,999	0.93
Linde plc	USD	4,015	1,770,655	2.42
STERIS plc	USD	4,461	909,888	1.24
<b>Total Ireland</b>			<b>3,541,498</b>	<b>4.84</b>
<b>Jersey</b>				
Ferguson plc	USD	2,410	516,837	0.71
<b>Total Jersey</b>			<b>516,837</b>	<b>0.71</b>
<b>United States of America</b>				
Advanced Micro Devices, Inc.	USD	4,817	776,814	1.06
Allstate Corp. (The)	USD	13,614	2,303,693	3.15
Alphabet, Inc. 'A'	USD	9,815	1,643,227	2.25
Amazon.com, Inc.	USD	22,765	4,133,783	5.65
API Group Corp.	USD	20,019	769,230	1.05
Apple, Inc.	USD	7,246	1,263,992	1.73
AutoZone, Inc.	USD	236	703,183	0.96
Avantor, Inc.	USD	120,152	2,922,097	3.99
Baker Hughes Co.	USD	14,903	490,681	0.67
Blackstone, Inc.	USD	6,842	820,322	1.12
Builders FirstSource, Inc.	USD	7,588	1,420,018	1.94
Burlington Stores, Inc.	USD	5,428	994,382	1.36
Chipotle Mexican Grill, Inc.	USD	137	439,966	0.60
Clean Harbors, Inc.	USD	4,694	907,655	1.24
Coherent Corp.	USD	14,081	802,124	1.10
Constellation Brands, Inc. 'A'	USD	3,406	872,464	1.19
Constellation Energy Corp.	USD	4,403	827,874	1.13
Copart, Inc.	USD	33,408	1,853,309	2.53
Core & Main, Inc. 'A'	USD	31,738	1,817,635	2.49
Corteva, Inc.	USD	20,284	1,114,302	1.52
CoStar Group, Inc.	USD	9,394	866,550	1.19
Datadog, Inc. 'A'	USD	4,040	521,625	0.71
Eagle Materials, Inc.	USD	2,908	748,577	1.02
Elevance Health, Inc.	USD	2,397	1,270,026	1.74
Eli Lilly & Co.	USD	1,271	1,004,992	1.37
Fiserv, Inc.	USD	8,432	1,294,270	1.77
Gartner, Inc.	USD	2,944	1,256,985	1.72
Goldman Sachs Group, Inc. (The)	USD	3,108	1,326,650	1.81
Hilton Worldwide Holdings, Inc.	USD	6,892	1,384,568	1.89
Intercontinental Exchange, Inc.	USD	5,331	692,257	0.95
Intuit, Inc.	USD	1,184	750,680	1.03
Intuitive Surgical, Inc.	USD	1,954	726,439	0.99
Lam Research Corp.	USD	584	543,698	0.74
Lamb Weston Holdings, Inc.	USD	4,084	338,911	0.46
McKesson Corp.	USD	2,376	1,272,051	1.74
Meta Platforms, Inc. 'A'	USD	3,799	1,647,930	2.25
Micron Technology, Inc.	USD	13,078	1,516,133	2.07
Microsoft Corp.	USD	14,120	5,641,152	7.71
Moody's Corp.	USD	3,306	1,234,808	1.69

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

## ARTEMIS FUNDS (LUX) – US SELECT

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing (continued)</b>				
<b>Equities (continued)</b>				
<b>United States of America (continued)</b>				
Norfolk Southern Corp.	USD	5,446	1,270,334	1.74
NVIDIA Corp.	USD	5,409	4,788,966	6.55
PG&E Corp.	USD	104,633	1,792,886	2.45
Pool Corp.	USD	1,117	409,794	0.56
Saia, Inc.	USD	1,555	631,532	0.86
Snowflake Inc. 'A'	USD	3,415	536,889	0.73
Stryker Corp.	USD	2,604	886,102	1.21
Visa, Inc. 'A'	USD	4,380	1,179,074	1.61
Vulcan Materials Co.	USD	4,786	1,252,472	1.71
Walmart, Inc.	USD	18,450	1,096,299	1.50
Wells Fargo & Co.	USD	14,938	891,649	1.22
Western Digital Corp.	USD	29,514	2,120,876	2.90
Zoetis, Inc. 'A'	USD	1,413	228,475	0.31
<b>Total United States of America</b>			<b>68,000,401</b>	<b>92.93</b>
<b>Total Equities</b>			<b>72,058,736</b>	<b>98.48</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing</b>			<b>72,726,736</b>	<b>99.39</b>
<b>Total Investments</b>			<b>72,726,736</b>	<b>99.39</b>
<b>Cash</b>			<b>629,375</b>	<b>0.86</b>
<b>Other assets/(liabilities)</b>			<b>(185,786)</b>	<b>(0.25)</b>
<b>Total net assets</b>			<b>73,170,325</b>	<b>100.00</b>

### Forward Currency Exchange Contracts

Currency Purchased	Amount Purchased	Currency Sold	Amount Sold	Maturity Date	Counterparty	Unrealised Gain/(Loss) USD	% of Net Assets
<b>AH EUR Acc</b>							
EUR	53,228	USD	(57,004)	31/05/2024	Northern Trust	56	–
<b>IH EUR Acc</b>							
EUR	20,339	USD	(21,781)	31/05/2024	Northern Trust	21	–
<b>Total Unrealised Gain on Forward Currency Exchange Contracts - Assets</b>						<b>77</b>	<b>–</b>
<b>AH EUR Acc</b>							
EUR	3,640,800	USD	(3,915,410)	31/05/2024	Northern Trust	(12,530)	(0.02)
<b>IH EUR Acc</b>							
EUR	1,384,253	USD	(1,488,681)	31/05/2024	Northern Trust	(4,785)	–
<b>Total Unrealised Loss on Forward Currency Exchange Contracts - Liabilities</b>						<b>(17,315)</b>	<b>(0.02)</b>
<b>Net Unrealised Loss on Forward Currency Exchange Contracts - Liabilities</b>						<b>(17,238)</b>	<b>(0.02)</b>

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

# ARTEMIS FUNDS (LUX) – US SMALLER COMPANIES

## INVESTMENT OBJECTIVE AND POLICY

To increase the value of shareholders' investments primarily through capital growth.

The fund invests principally in equities of smaller companies that are listed on a recognised stock exchange in the USA. Typically these are companies with a market capitalisation of less than \$10bn at the time of purchase.

At times the fund may invest in equities of companies of equivalent size that are headquartered or exercise the predominant part of their economic activity in the USA, but which are listed on a regulated stock exchange outside the USA.

Shares in the following types of companies (held either directly or indirectly via derivatives) are automatically excluded:

- Tobacco: companies which derive more than 5% revenue from tobacco production;
- Weapons: companies:
  - involved in the production of controversial weapons (including cluster munitions, landmines, biological and chemical weapons); or
  - which derive more than 10% revenue from conventional or nuclear weapons, related components and systems; or
  - which derive more than 10% revenue from manufacture or sale of civilian firearms or ammunition;
- Coal: companies which derive more than 5% revenue from mining or sale of thermal coal;
- Companies that the Investment Manager determines to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anticorruption.

The fund promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR. The Investment Manager seeks to decrease the fund's exposure to climate risk and benefit from the opportunities associated with the transition to a net-zero emissions economy through investing in companies which are actively managing their carbon exposure and setting meaningful targets. Further information is contained in a methodology statement available on the Artemis website at [www.artemisfunds.com/methodology-statement](http://www.artemisfunds.com/methodology-statement).

The evaluation of environmental, social and governance factors is determined by the Investment Manager using information provided by the companies (for example company sustainability reports) and third-party data, focusing on scores and metrics which that the Investment Manager considers to be relevant.

More information about the environmental or social characteristics for this fund is available in the pre-contractual disclosure for financial products referred to in Article 8 under

SFDR which follow the fund's details and which form an integral part of the Prospectus.

The fund may use derivatives and other techniques for hedging and for efficient portfolio management. The fund's derivatives may include, but are not limited to, futures and forward currency contracts.

Subject to the limits set out in the Investment Restrictions, the fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in the Investment Restrictions, the fund may also invest in bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions.

The fund may invest up to 10% of its Net Asset Value in other collective investment schemes.

## INVESTMENT REVIEW

### Main changes to the fund

- In late 2023, the market shifted its view on the likely timing and quantity of interest-rate cuts as inflation came in cooler than expected. 'Animal spirits' dominated, resulting in a sustained rally for equities globally but particularly in the US. This change in narrative caused us to alter certain exposures within the portfolio.
- We trimmed positions that had already enjoyed strong share-price performance in order to reallocate to areas where we perceived a more attractive risk-reward profile. Examples included **Eagle Materials** (building materials), **elf Beauty** (cosmetics), and **TFI International** (trucking). We reduced our position in **SAIA** (transportation) when it reported weaker results. We reallocated capital from these sales to add to **Western Digital** (tech hardware), **Core & Main** (building materials), **JLL** (real estate) and **Hyatt Hotels**.
- In terms of sectors, these changes left the portfolio most overweight in industrials, followed by utilities and consumer staples. Its largest sector underweights were in financials, real estate and healthcare.

# ARTEMIS FUNDS (LUX) – US SMALLER COMPANIES

## Explaining the fund's performance

- The fund returned 34.8%<sup>1</sup> while its benchmark index, the Russell 2000, returned 16.0%.
- Returns from a diverse range of holdings across the industrials sector proved to be very positive. The best contributors included **TopBuild**, **Builders FirstSource** and **Eagle Materials**. Aside from industrials, positive contributions also came from **elf Beauty**, **Vistra** (electricity) and **Western Digital**.
- On the negative side, there was some weakness in **Lamb Weston** after its earnings fell short of expectations. Our holdings in **NOV** (oil & gas), **WillScot Mobile Mini** (transport) and **Tenable Holdings** (software) also held back performance.

## The wider context

It was an extremely strong period for markets in general as the prospect of interest-rate cuts fuelled investors' appetite for equities. In this environment, the Russell 2000 index, which measures returns from smaller companies, performed broadly in line with the broader US market.

Towards the end of the period, and after successive higher-than-expected inflation readings, the Federal Reserve indicated that interest rates would remain higher for longer. In response, share prices fell slightly.

## Looking ahead

For some time, we have been reiterating the case for investing in smaller companies in the US, citing their valuations, the support from strong domestic demand and the potential for cuts in interest rates to create a more conducive environment. By and large, these supports remain, but it seems that investor sentiment continues to favour larger companies at the moment. In our view, taking a more balanced approach to investing in US equities will be rewarded over time.

## Cormac Weldon and Olivia Micklem

Fund managers

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<sup>1</sup> Past performance is not a guide to the future.

<sup>1</sup> Source: Artemis/Lipper Limited, class I USD Acc to 30 April 2024. All figures show total returns with dividends and/or income reinvested, net of all charges. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if you invest in a different currency class.

# ARTEMIS FUNDS (LUX) – US SMALLER COMPANIES

Schedule of Investments as at 30 April 2024

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing</b>				
<b>Collective Investment Schemes</b>				
<b>Ireland</b>				
Northern Trust Global Funds plc - US Dollar Fund (The)	USD	8,018,000	8,018,000	3.54
<b>Total Ireland</b>			<b>8,018,000</b>	<b>3.54</b>
<b>Total Collective Investment Schemes</b>			<b>8,018,000</b>	<b>3.54</b>
<b>Equities</b>				
<b>Ireland</b>				
nVent Electric plc	USD	62,297	4,708,719	2.08
Seagate Technology Holdings plc	USD	14,897	1,286,132	0.57
Weatherford International plc	USD	29,698	3,797,483	1.68
<b>Total Ireland</b>			<b>9,792,334</b>	<b>4.33</b>
<b>Israel</b>				
Monday.com Ltd.	USD	5,150	1,025,262	0.45
<b>Total Israel</b>			<b>1,025,262</b>	<b>0.45</b>
<b>United States of America</b>				
API Group Corp.	USD	115,049	4,420,758	1.95
Avantor, Inc.	USD	375,003	9,120,073	4.03
Axon Enterprise, Inc.	USD	13,015	4,069,530	1.80
AZEK Co., Inc. (The) 'A'	USD	137,772	6,380,221	2.82
BellRing Brands, Inc.	USD	121,718	6,769,955	2.99
Bloom Energy Corp. 'A'	USD	99,018	1,094,644	0.48
Builders FirstSource, Inc.	USD	47,644	8,916,098	3.94
Burlington Stores, Inc.	USD	30,294	5,549,709	2.45
Calix, Inc.	USD	42,144	1,172,868	0.52
Cava Group, Inc.	USD	55,784	4,107,097	1.81
CBIZ, Inc.	USD	43,764	3,132,408	1.38
Churchill Downs, Inc.	USD	30,335	3,867,561	1.71
Clean Harbors, Inc.	USD	22,868	4,421,871	1.95
Coherent Corp.	USD	110,370	6,287,227	2.78
Comerica, Inc.	USD	51,951	2,660,151	1.17
Comfort Systems USA, Inc.	USD	18,743	5,832,728	2.58
Constellation Energy Corp.	USD	19,804	3,723,647	1.64
Core & Main, Inc. 'A'	USD	181,574	10,398,743	4.59
Coty, Inc. 'A'	USD	314,358	3,616,689	1.60
Dynatrace, Inc.	USD	76,090	3,528,674	1.56
Eagle Materials, Inc.	USD	17,724	4,562,512	2.02
elf Beauty, Inc.	USD	7,082	1,199,443	0.53
Enovis Corp.	USD	77,349	4,289,776	1.89
HashiCorp, Inc. 'A'	USD	111,684	3,630,288	1.60
Hyatt Hotels Corp. 'A'	USD	45,035	6,760,654	2.99
Jefferies Financial Group, Inc.	USD	76,399	3,316,099	1.46
Jones Lang LaSalle, Inc.	USD	37,497	6,859,326	3.03
Kulicke & Soffa Industries, Inc.	USD	71,236	3,365,189	1.49
Lamb Weston Holdings, Inc.	USD	50,377	4,180,535	1.85
Lattice Semiconductor Corp.	USD	15,979	1,229,584	0.54
LPL Financial Holdings, Inc.	USD	14,803	4,008,874	1.77
Medpace Holdings, Inc.	USD	5,559	2,216,373	0.98
Meritage Homes Corp.	USD	28,553	4,779,487	2.11
Natera, Inc.	USD	31,297	2,940,979	1.30
Palomar Holdings, Inc.	USD	44,571	3,600,891	1.59
Pinnacle Financial Partners, Inc.	USD	68,182	5,360,128	2.37
Pool Corp.	USD	7,001	2,568,457	1.13
Ralph Lauren Corp. 'A'	USD	13,332	2,223,511	0.98
Regal Rexnord Corp.	USD	27,569	4,536,617	2.00
Repligen Corp.	USD	22,934	3,833,074	1.69

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



## ARTEMIS FUNDS (LUX) – US SMALLER COMPANIES

Investment	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
<b>Transferable securities and money market instruments admitted to an official exchange listing (continued)</b>				
<b>Equities (continued)</b>				
<b>United States of America (continued)</b>				
Saia, Inc.	USD	9,576	3,889,101	1.72
Shockwave Medical, Inc.	USD	11,795	3,902,848	1.72
Sweetgreen, Inc. 'A'	USD	56,735	1,355,683	0.60
Talen Energy Corp.	USD	184	18,220	0.01
TopBuild Corp.	USD	10,708	4,412,767	1.95
Vistra Corp.	USD	43,573	3,393,247	1.50
Western Digital Corp.	USD	146,824	10,550,773	4.66
Zebra Technologies Corp. 'A'	USD	8,645	2,747,467	1.21
Zions Bancorp NA	USD	54,667	2,258,567	1.00
<b>Total United States of America</b>			<b>207,061,122</b>	<b>91.44</b>
<b>Total Equities</b>			<b>217,878,718</b>	<b>96.22</b>
<b>Total Transferable securities and money market instruments admitted to an official exchange listing</b>			<b>225,896,718</b>	<b>99.76</b>
<b>Total Investments</b>			<b>225,896,718</b>	<b>99.76</b>
<b>Cash</b>			<b>797,350</b>	<b>0.35</b>
<b>Other assets/(liabilities)</b>			<b>(249,965)</b>	<b>(0.11)</b>
<b>Total net assets</b>			<b>226,444,103</b>	<b>100.00</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

## 1. General information

Artemis Funds (Lux) ("the Company") is an open-ended investment company organised as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and qualifies as a *Société d'Investissement à Capital Variable* ("SICAV"). The Company qualifies as an Undertakings for Collective Investment in Transferable Securities ("UCITS") for the purposes of the UCITS Directive and the Company is registered pursuant to Part I of the Law of 17 December 2010 on UCITS, as amended and is subject to the supervision of the *Commission de Surveillance du Secteur Financier* ("CSSF"). The Company operates separate sub-funds ("funds"), each of which is represented by one or more share classes. The funds are distinguished by their specific investment policy or any other specific features.

The Company may issue multiple classes of shares in several funds. A separate pool of assets and liabilities is maintained for each fund and is invested in accordance with the investment objective applicable to the relevant fund. All liabilities attributable to a particular fund are binding solely upon that fund.

As at 30 April 2024 the Company was comprised of the following funds with the following classes in issue:

Share class	Launch date
Artemis Funds (Lux) – Global High Yield Bond BH GBP Acc	16 November 2020
Artemis Funds (Lux) – Global High Yield Bond FBH GBP Acc	13 November 2019
Artemis Funds (Lux) – Global High Yield Bond FI EUR Acc	15 February 2022
Artemis Funds (Lux) – Global High Yield Bond FI USD Acc	10 November 2021
Artemis Funds (Lux) – Global High Yield Bond FIH GBP Inc	2 June 2020
Artemis Funds (Lux) – Global High Yield Bond I USD Acc	13 November 2019
Artemis Funds (Lux) – Global High Yield Bond IH EUR Acc	13 November 2019
Artemis Funds (Lux) – Global High Yield Bond IH EUR Inc	9 October 2023
Artemis Funds (Lux) – Global High Yield Bond IH GBP Acc	13 November 2019
Artemis Funds (Lux) – Global Select FB EUR Acc	9 December 2019
Artemis Funds (Lux) – Global Select FB GBP Acc	25 November 2019
Artemis Funds (Lux) – Global Select FI GBP Acc	12 December 2019
Artemis Funds (Lux) – Global Select FI USD Acc	15 February 2022
Artemis Funds (Lux) – Global Select I EUR Acc	25 November 2019
Artemis Funds (Lux) – Global Select I GBP Acc	19 November 2019
Artemis Funds (Lux) – Global Select I USD Acc	19 November 2019
Artemis Funds (Lux) – Leading Consumer Brands A EUR Acc	1 December 2023
Artemis Funds (Lux) – Leading Consumer Brands FB GBP Acc	1 December 2023
Artemis Funds (Lux) – Leading Consumer Brands FI EUR Acc	1 December 2023
Artemis Funds (Lux) – Leading Consumer Brands FI GBP Acc	1 December 2023
Artemis Funds (Lux) – Leading Consumer Brands FI USD Acc	1 December 2023
Artemis Funds (Lux) – Leading Consumer Brands I EUR Acc	1 December 2023
Artemis Funds (Lux) – Leading Consumer Brands I GBP Acc	1 December 2023
Artemis Funds (Lux) – Leading Consumer Brands I USD Acc	1 December 2023
Artemis Funds (Lux) – Positive Future A EUR Acc	9 August 2021
Artemis Funds (Lux) – Positive Future B USD Acc	30 June 2021
Artemis Funds (Lux) – Positive Future FB EUR Acc	30 June 2021
Artemis Funds (Lux) – Positive Future FI EUR Acc	30 June 2021
Artemis Funds (Lux) – Positive Future FI GBP Acc	30 June 2021
Artemis Funds (Lux) – Positive Future FI USD Acc	30 June 2021
Artemis Funds (Lux) – Positive Future I EUR Acc	30 June 2021
Artemis Funds (Lux) – Positive Future I GBP Acc	30 June 2021
Artemis Funds (Lux) – Positive Future I USD Acc	30 June 2021
Artemis Funds (Lux) – Short-Dated Global High Yield Bond B USD Acc	18 November 2019
Artemis Funds (Lux) – Short-Dated Global High Yield Bond BH GBP Acc	16 November 2020
Artemis Funds (Lux) – Short-Dated Global High Yield Bond FI EUR Acc	15 February 2022
Artemis Funds (Lux) – Short-Dated Global High Yield Bond FI USD Acc	23 July 2019
Artemis Funds (Lux) – Short-Dated Global High Yield Bond FIH EUR Acc	23 July 2019
Artemis Funds (Lux) – Short-Dated Global High Yield Bond FIH EUR Inc	23 July 2019

# NOTES TO THE FINANCIAL STATEMENTS

## 1. General information (continued)

Share class	Launch date
Artemis Funds (Lux) – Short-Dated Global High Yield Bond FIH GBP Acc	20 June 2019
Artemis Funds (Lux) – Short-Dated Global High Yield Bond FIH GBP Inc	20 June 2019
Artemis Funds (Lux) – Short-Dated Global High Yield Bond I USD Acc	20 June 2019
Artemis Funds (Lux) – Short-Dated Global High Yield Bond I USD Inc	22 November 2022
Artemis Funds (Lux) – Short-Dated Global High Yield Bond IH EUR Acc	20 June 2019
Artemis Funds (Lux) – Short-Dated Global High Yield Bond IH EUR Inc	9 October 2023
Artemis Funds (Lux) – Short-Dated Global High Yield Bond IH GBP Acc	20 June 2019
Artemis Funds (Lux) – Short-Dated Global High Yield Bond IH GBP Inc	10 July 2020
Artemis Funds (Lux) – SmartGARP Global Emerging Markets Equity B EUR Acc	9 November 2020
Artemis Funds (Lux) – SmartGARP Global Emerging Markets Equity B USD Acc	15 March 2019
Artemis Funds (Lux) – SmartGARP Global Emerging Markets Equity FI GBP Acc	24 October 2018
Artemis Funds (Lux) – SmartGARP Global Emerging Markets Equity I EUR Acc	5 September 2018
Artemis Funds (Lux) – SmartGARP Global Emerging Markets Equity I GBP Inc	13 July 2022
Artemis Funds (Lux) – SmartGARP Global Emerging Markets Equity I USD Acc	5 September 2018
Artemis Funds (Lux) – UK Select I EUR Acc	29 April 2024
Artemis Funds (Lux) – UK Select I GBP Acc	29 April 2024
Artemis Funds (Lux) – UK Select I USD Acc	29 April 2024
Artemis Funds (Lux) – UK Select I USD Inc	29 April 2024
Artemis Funds (Lux) – UK Select JI EUR Acc	29 April 2024
Artemis Funds (Lux) – UK Select JI GBP Acc	29 April 2024
Artemis Funds (Lux) – UK Select JI USD Acc	29 April 2024
Artemis Funds (Lux) – US Extended Alpha A EUR Acc	6 November 2018
Artemis Funds (Lux) – US Extended Alpha A USD Acc	6 November 2018
Artemis Funds (Lux) – US Extended Alpha AH EUR Acc	6 November 2018
Artemis Funds (Lux) – US Extended Alpha B EUR Acc	7 March 2019
Artemis Funds (Lux) – US Extended Alpha B GBP Acc	20 January 2020
Artemis Funds (Lux) – US Extended Alpha B USD Acc	6 November 2018
Artemis Funds (Lux) – US Extended Alpha BH CHF Acc	7 March 2019
Artemis Funds (Lux) – US Extended Alpha BH EUR Acc	7 March 2019
Artemis Funds (Lux) – US Extended Alpha FI EUR Acc	6 November 2018
Artemis Funds (Lux) – US Extended Alpha I EUR Acc	6 November 2018
Artemis Funds (Lux) – US Extended Alpha I GBP Acc	6 November 2018
Artemis Funds (Lux) – US Extended Alpha I USD Acc	6 November 2018
Artemis Funds (Lux) – US Extended Alpha IH CHF Acc	7 March 2019
Artemis Funds (Lux) – US Extended Alpha IH EUR Acc	6 November 2018
Artemis Funds (Lux) – US Extended Alpha IH GBP Acc	6 November 2018
Artemis Funds (Lux) – US Select A USD Acc	12 November 2018
Artemis Funds (Lux) – US Select AH EUR Acc	12 November 2018
Artemis Funds (Lux) – US Select B EUR Acc	7 March 2019
Artemis Funds (Lux) – US Select B USD Acc	7 March 2019
Artemis Funds (Lux) – US Select FI EUR Acc	12 November 2018
Artemis Funds (Lux) – US Select I EUR Acc	12 November 2018
Artemis Funds (Lux) – US Select I GBP Acc	12 November 2018
Artemis Funds (Lux) – US Select I GBP Inc	12 November 2018
Artemis Funds (Lux) – US Select I USD Acc	12 November 2018
Artemis Funds (Lux) – US Select I USD Inc	9 November 2020
Artemis Funds (Lux) – US Select IH EUR Acc	1 March 2019

## 1. General information (continued)

Share class	Launch date
Artemis Funds (Lux) – US Smaller Companies A USD Acc	6 November 2018
Artemis Funds (Lux) – US Smaller Companies B EUR Acc	7 March 2019
Artemis Funds (Lux) – US Smaller Companies B USD Acc	31 July 2018
Artemis Funds (Lux) – US Smaller Companies FI GBP Inc	11 May 2018
Artemis Funds (Lux) – US Smaller Companies FI USD Acc	7 March 2019
Artemis Funds (Lux) – US Smaller Companies FI USD Inc	11 May 2018
Artemis Funds (Lux) – US Smaller Companies I EUR Acc	11 May 2018
Artemis Funds (Lux) – US Smaller Companies I GBP Acc	14 December 2020
Artemis Funds (Lux) – US Smaller Companies I USD Acc	11 May 2018

## 2. Summary of significant accounting policies

The following is a summary of the significant accounting policies followed by the funds:

### a) Basis of preparation

The financial statements have been prepared in conformity with Luxembourg generally accepted accounting principles applicable to UCITS.

### b) Financial statements

Financial statements are presented for each fund in the base currency of the fund. The combined Statement of Net Assets and combined Statement of Operations and Changes in Net Assets of the Company are presented in Euros (EUR or €), based on the exchange rate ruling at the date of these financial statements. The base currency for each fund is as follows:

Artemis Funds (Lux) – Global High Yield Bond is denominated in US Dollars (USD)  
Artemis Funds (Lux) – Global Select is denominated in USD  
Artemis Funds (Lux) – Leading Consumer Brands is denominated in USD  
Artemis Funds (Lux) – Positive Future is denominated in USD  
Artemis Funds (Lux) – Short-Dated Global High Yield Bond is denominated in USD  
Artemis Funds (Lux) – SmartGARP Global Emerging Markets Equity is denominated in USD  
Artemis Funds (Lux) – UK Select is denominated in Pound Sterling (GBP)  
Artemis Funds (Lux) – US Extended Alpha is denominated in USD  
Artemis Funds (Lux) – US Select is denominated in USD  
Artemis Funds (Lux) – US Smaller Companies is denominated in USD

### c) Currency translation

Assets and liabilities denominated in currencies other than a fund's base currency are translated into that base currency at exchange rates ruling at the date of these financial statements. Transactions occurring during the period in currencies other than the base currency are translated at rates of exchange ruling on the transaction dates. Differences arising on translation are included in the Statement of Operations and Changes in Net Assets.

### d) Valuation of investments

The value of securities and any financial assets listed on any official stock exchange or on a regulated market are generally valued at their latest available price in the relevant market at the time of closure of the market, or any other price deemed appropriate by the Directors.

If a security is not listed on any official stock exchange or any other regulated market, or in the case of securities so traded or admitted the last available price of which does not reflect their fair value, the Directors are required to proceed on the basis of their estimated fair value, which shall be determined with prudence and in good faith.

The last valuation day of the current period 30 April 2024 and the investments have been valued based on the relevant market or traded price attributable to that valuation day. As a result of time variations in certain markets the prices applied to certain investments do not necessarily reflect the closing market prices for the same calendar day as at the relevant valuation day.

### e) Net realised gains and losses on sale of investments

The computation of net realised gains and losses on sales of investments is made on the basis of average cost and is included in the Statement of Operations and Changes in Net Assets.

## NOTES TO THE FINANCIAL STATEMENTS

### 2. Summary of significant accounting policies (continued)

#### **f) Contracts for difference**

Contracts for difference are valued using the local daily price of the underlying listed equity then converted into the currency of the relevant fund.

The unrealised gain/(loss) on contracts for difference is included in the Statement of Net Assets as 'Contracts for difference at fair value'.

Contracts for difference are reset at month end after the Valuation Point. Upon reset or the closing of the contract, the gain or loss is recorded in the Statement of Operations and Changes in Net Assets as 'Net realised gain/(loss) on contracts for difference'.

Dividends on contracts for difference are included in the Statement of Net Assets as 'Dividends receivable on contracts for difference' for long positions and as 'Dividends payable on contracts for difference' for short positions.

Interest calculated on contracts for difference is included in the Statement of Net Assets as 'Interest receivable on contracts for difference' for short positions and as 'Interest payable on contracts for difference' for long positions.

#### **g) Credit default swaps**

A credit default swap allows the transfer of default risk. This allows a fund to effectively buy insurance on a reference obligation it holds (hedging the investment), or buy protection on a reference obligation it does not physically own in the expectation that the credit will decline in quality. Contracts are valued using external independent third party supplied prices. When a contract is closed, the realised gains or losses are recorded under 'Net realised gain/(loss) on swaps contracts in the Statement of Operations and Changes in Net Assets'.

#### **h) Forward currency exchange contracts**

The Company may enter into forward currency exchange contracts to hedge against exposures to currency fluctuations. Forward currency exchange contracts are valued using an independent pricing source. The carrying value of these contracts is the gain or loss that would be realised if the position was closed out on the valuation date, and is included in the Statement of Net Assets as 'Unrealised gain/(loss) on forward currency exchange contracts'.

Upon the closing of the contract, the gain or loss is recorded in the Statement of Operations and Changes in Net Assets as 'Net realised gain/(loss) on forward currency exchange contracts'.

#### **i) Exchange traded futures contracts on securities and indices**

Exchange traded futures contracts are valued at the exchange quoted settlement price.

Initial margin deposits are made upon entering into the contracts and are in cash. During the period the contracts are open, changes in the value of the contracts are recognised as unrealised gains and losses by 'marking-to-market' on a daily basis to reflect the market value of the contracts at the end of each business day's trading. The unrealised gain/(loss) on financial futures contracts is included in the Statement of Net Assets as 'Unrealised gain/(loss) on financial futures contracts'.

Variation margin payments are made or received, depending upon whether losses or gains are incurred. When a contract is closed, the Company records a realised gain or loss equal to the difference between the proceeds from, or cost of, the closing transaction and the initial cost of the contract.

#### **j) Options**

Options are contractual agreements that convey the right, but not the obligation, for the purchaser either to buy or sell a specific amount of a financial instrument at a fixed price, either at a fixed future date or at any time before maturity. Options contracts are valued at the exchange quoted settlement price.

The Company may purchase and sell put and call options through regulated exchanges. Options purchased by the Company provide the Company with the opportunity to purchase (call options) or sell (put options) the underlying asset at an agreed-upon value either on or before the expiration of the option.

The Company is exposed to credit risk on purchased options only to the extent of their fair value.

#### **k) Income**

Dividends are recognised as income on the dates that securities are first quoted as "ex-dividend" to the extent information thereon is reasonably available to the fund. Interest is accrued on a daily basis. Dividend and interest income are disclosed net of irrecoverable withholding tax where applicable.

## 2. Summary of significant accounting policies (continued)

Bonds may be purchased at a discount or at a premium. Such discount or premium is amortised over the life of the bond. Amortisation is recorded as part of interest income included in "Interest income from investments, net of withholding taxes" in the Statement of Operations and Changes in Net Assets.

### l) Expenses

All expenses (other than those relating to the purchase and sale of investments) are charged on an accrual basis.

### m) Dividend distributions payable

Dividend distributions payable by the Company are recorded on the ex-date. Refer to Note 10 for details of dividends declared during the six months ended 30 April 2024.

### n) Net asset value per share

The net asset value per share is calculated by dividing the net assets of the relevant class of shares in a fund included in the Statement of Net Assets by the number of shares of the relevant class in that fund in issue at the period end.

### o) Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in Luxembourg requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### p) Exchange rates

The exchange rates used for the financial statements as at 30 April 2024 are as follows:

EUR per CHF: 0.9807

EUR per GBP: 0.8539

EUR per USD: 1.0693

## 3. Management and performance fees

The Management Company appointed Artemis Investment Management LLP as Investment Manager to provide certain administrative and management services. The Company pays a fee from the assets of each fund (the "Fund management fee").

The Fund management fee is calculated and accrued per fund on a daily basis at each valuation point and paid on a monthly basis in arrears to the Investment Manager. The fee rates per annum charged and applicable to each class of shares during the six months ended 30 April 2024 are as follows:

Fund	30 April 2024	
	Fund management fee (%)	Performance fee (%)
<b>Artemis Funds (Lux) – Global Equity Income</b>		
A EUR Acc	1.65	–
B EUR Acc	0.90	–
B USD Acc	0.90	–
FI GBP Inc	0.65	–
I EUR Acc	0.90	–
I GBP Inc	0.90	–
<b>Artemis Funds (Lux) – Global High Yield Bond</b>		
BH GBP Acc	0.50	–
FBH GBP Acc	0.40	–
FI EUR Acc	0.40	–
FI USD Acc	0.40	–
FIH GBP Inc	0.40	–
I USD Acc	0.50	–
IH EUR Acc	0.50	–
IH EUR Inc	0.50	–
IH GBP Acc	0.50	–

## NOTES TO THE FINANCIAL STATEMENTS

### 3. Management and performance fees (continued)

Fund	30 April 2024	
	Fund management fee (%)	Performance fee (%)
<b>Artemis Funds (Lux) – Global Select</b>		
FB EUR Acc	0.50	–
FB GBP Acc	0.50	–
FI GBP Acc	0.50	–
FI USD Acc	0.50	–
I EUR Acc	0.90	–
I GBP Acc	0.90	–
I USD Acc	0.90	–
<b>Artemis Funds (Lux) – Leading Consumer Brands</b>		
A EUR Acc	1.65	–
FB GBP Acc	0.50	–
FI EUR Acc	0.50	–
FI GBP Acc	0.50	–
FI USD Acc	0.50	–
I EUR Acc	0.90	–
I GBP Acc	0.90	–
I USD Acc	0.90	–
<b>Artemis Funds (Lux) – Positive Future</b>		
A EUR Acc	1.65	–
B USD Acc	0.90	–
FB EUR Acc	0.50	–
FI EUR Acc	0.50	–
FI GBP Acc	0.50	–
FI USD Acc	0.50	–
I EUR Acc	0.90	–
I GBP Acc	0.90	–
I USD Acc	0.90	–
<b>Artemis Funds (Lux) – Short-Dated Global High Yield Bond</b>		
B USD Acc	0.40	–
BH GBP Acc	0.40	–
FI EUR Acc	0.30	–
FI USD Acc	0.30	–
FIH EUR Acc	0.30	–
FIH EUR Inc	0.30	–
FIH GBP Acc	0.30	–
FIH GBP Inc	0.30	–
I USD Acc	0.40	–
I USD Inc	0.40	–
IH EUR Acc	0.40	–
IH EUR Inc	0.40	–
IH GBP Acc	0.40	–
IH GBP Inc	0.40	–
<b>Artemis Funds (Lux) – SmartGARP Global Emerging Markets Equity</b>		
B EUR Acc	0.95	–
B USD Acc	0.95	–
FI GBP Acc	0.80	–
I EUR Acc	0.95	–
I GBP Inc	0.95	–
I USD Acc	0.95	–

### 3. Management and performance fees (continued)

Fund	30 April 2024	
	Fund management fee (%)	Performance fee (%)
<b>Artemis Funds (Lux) – UK Select</b>		
I GBP Acc	0.90	–
I EUR Acc	0.90	–
I USD Acc	0.90	–
I USD Inc	0.90	–
JI EUR Acc	0.80	–
JI GBP Acc	0.80	–
JI USD Acc	0.80	–
<b>Artemis Funds (Lux) – US Extended Alpha</b>		
A EUR Acc	1.65	20.00
A USD Acc	1.65	20.00
AH EUR Acc	1.65	20.00
B EUR Acc	0.90	20.00
B GBP Acc	0.90	20.00
B USD Acc	0.90	20.00
BH CHF Acc	0.90	20.00
BH EUR Acc	0.90	20.00
FI EUR Acc	0.75	20.00
I EUR Acc	0.90	20.00
I GBP Acc	0.90	20.00
I USD Acc	0.90	20.00
IH CHF Acc	0.90	20.00
IH EUR Acc	0.90	20.00
IH GBP Acc	0.90	20.00
<b>Artemis Funds (Lux) – US Select</b>		
A USD Acc	1.65	–
AH EUR Acc	1.65	–
B EUR Acc	0.90	–
B USD Acc	0.90	–
FI EUR Acc	0.75	–
I EUR Acc	0.90	–
I GBP Acc	0.90	–
I GBP Inc	0.90	–
I USD Acc	0.90	–
I USD Inc	0.90	–
IH EUR Acc	0.90	–
<b>Artemis Funds (Lux) – US Smaller Companies</b>		
A USD Acc	1.65	–
B EUR Acc	0.90	–
B USD Acc	0.90	–
FI GBP Inc	0.50	–
FI USD Acc	0.50	–
FI USD Inc	0.50	–
I EUR Acc	0.90	–
I GBP Acc	0.90	–
I USD Acc	0.90	–

The Fund management fee is a fixed percentage of the net asset value of each share class as set out in the Prospectus, less a discount, which is calculated and applied as described below.

It includes (but is not limited to) the following:

- Remuneration of the services of the Directors (including insurance coverage and out of pocket expenses);
- Fees and expenses of the Management Company;
- Fees and expenses of the Investment Manager, inclusive of the costs of investment research provided by third party brokers and research firms;
- Fees and expenses of the Global Distributor;
- Fees and expenses of the Administration Agent, Registrar, Transfer Agent, Domiciliary Agent and Company Secretary;



## NOTES TO THE FINANCIAL STATEMENTS

### 3. Management and performance fees (continued)

- Fees and expenses of the independent auditor;
- Fees and expenses of the Depositary, including custody fees and custody related transaction costs;
- Shareholder registration fees and charges, including those related to anti-money laundering checks and controls and any activities carried out pursuant to Foreign Account Tax Compliance Act ("FATCA") and/or Common Reporting Standard ("CRS");
- Fees and expenses incurred in registering and maintaining the registration of the Company with any governmental agencies, regulatory or tax authority, whether in Luxembourg or any other country;
- Dividend / income distribution fees and charges;
- Costs incurred in connection with any listing of the shares on a stock exchange;
- Set up costs incurred in connection with the launch of the Company, a new fund or any new share class;
- Fees and expenses of any paying agent, authorised representative or other agents performing a similar function;
- Costs incurred in preparing, translating, producing, distributing and modifying the Articles, the Prospectus, the Key Investor Information Documents, financial statements, long form reports, shareholder statements, contract notes or any other documentation required under the Law or by a regulatory authority in any country or territory outside Luxembourg in which Shares are or may lawfully be marketed;
- Costs incurred in convening any general meeting of shareholders;
- Costs incurred in publishing the price of shares and any other fund information in any form of media;
- Fees and expenses of legal, tax and other professional advisers;
- Fees relating to the management and processing of collateral;
- Any VAT or other sales tax included on any of the fees and charges listed above.

In order to pass on economies of scales achieved by those Funds reaching certain levels of assets, a discount will be applied to the Base Fund Management Fee depending on the total Net Asset Value of the relevant Fund (the "Discount"), see the Prospectus for further details.

#### Artemis Funds (Lux) – US Extended Alpha - performance fees

The Investment Manager is entitled to a performance fee ("Performance fee") on each share classes of the fund if certain conditions are met. The Performance fee on each share class is calculated as 20% of any outperformance of the net asset value per share of the relevant class (with income reinvested) against the S&P 500 Index (with income reinvested). Further details are available in the Prospectus.

The performance fee is disclosed in the Statement of Operations and Changes in Net Assets on pages 11 to 14.

### 4. Remuneration of the services of the Directors

The Chairman and Independent Director Henry Kelly receives fees of €35,000 (including taxes) per annum.

View Ocean Ltd. of which Independent Director Hanna Duer is a director receives service fees of €30,000 per annum.

Jérôme Wigny is a partner of the Luxembourg law firm of Elvinger Hoss Prussen, *société anonyme*, which provides legal services to the Company and he receives no additional fee as a Director.

Sheenagh Dougall and Stewart Brown are employed by the Investment Manager and have waived their fees.

In addition, all Directors are entitled to reimbursement by the Company of any expenses directly incurred in the execution of their duties as Directors.

No Director holds any shares in the Company nor has any interest in any transaction which, during the period under review, has been affected by the Company and is unusual in its nature or conditions, or is significant to the business of the Company.

Remuneration of the services of the Directors, insurance coverage and reasonable expenses directly incurred in the execution of their duties as Directors are included under the Fund management fee. Refer to Note 3 for further details.

### 5. Taxe d'abonnement and other operational taxes

Under current law and practice, neither the Company nor any of its funds is subject to corporate income tax in Luxembourg. The only tax to which the Company in Luxembourg is subject is the subscription tax, ("taxe d'abonnement") up to a rate of 0.05% per annum based on the net asset value attributed to each share class at the end of the relevant quarter, calculated and paid quarterly. A reduced tax rate of 0.01% per annum of the net assets will be applicable to share classes offered to institutional investors. Pursuant to Article 175(a) of the Law of 17 December 2010 on UCITS, as amended, the 0.01% and 0.05% rates described above, as appropriate, are not applicable for the portion of the assets of the Company invested in other Luxembourg collective investment undertakings which are already subject to the *taxe d'abonnement*.

## 5. Taxe d'abonnement and other operational taxes (continued)

No stamp duty or other tax is generally payable in Luxembourg on the issue of shares for cash by the Company.

Dividends and interest income received by the Company may be subject to non-recoverable withholding taxes in the countries of origin.

## 6. Transactions with related parties

All transactions with related parties were carried out on an arm's length basis. The Investment Manager and its affiliates, the Directors, Management Company and other related agents of the Company are considered related parties.

## 7. Swing pricing

The funds are single priced and may suffer a reduction in value as a result of the transaction costs incurred in the purchase and sale of their underlying investments and the spread between the buying and selling prices of such investments caused by subscriptions, redemptions and/or switches in and out of the fund. This is known as "dilution". In order to counter this and to protect shareholders' interests, the Company will apply "swing pricing" as part of its daily valuation policy. This will mean that in certain circumstances the Company will make adjustments in the calculations of the net asset values per share, to counter the impact of dealing and other costs on occasions when these are deemed to be significant.

In the usual course of business the application of a dilution adjustment will be applied systematically and on a consistent basis.

The need to make a dilution adjustment will depend upon the net value of subscriptions, switches and redemptions received by a fund for each dealing day. The Company therefore reserves the right to make a dilution adjustment where a fund experiences a net cash movement which exceeds a threshold set by the Directors from time to time of the previous dealing day's total net asset value.

Because the dilution adjustment for each fund will be calculated by reference to the costs of dealing in the underlying investments of that fund, including both the estimated fiscal charges and dealing costs that may be incurred by the fund and the estimated bid/offer spreads of the assets in which the fund invests, which can vary with market conditions, this means that the amount of the dilution adjustment can vary over time but will not exceed 2% of the relevant net asset value. However, under unusual or exceptional market conditions (such as high market volatility, disruption of markets or slowdown of the economy caused by terrorist attack or war [or other hostilities], serious pandemic, or a natural disaster [such as a hurricane or a super typhoon]), the Board of Directors may decide, on a temporary basis, to adjust the net asset value of a fund beyond 2% when such decision is justified by the best interest of the shareholders. Such decision will be published on the following website [www.artemisfunds.com](http://www.artemisfunds.com).

If the net capital activity on a given valuation day leads to a net inflow (outflow) of assets in the relevant fund, the net asset value used to process all subscriptions, redemptions or switches in such a fund is adjusted upwards (downwards) by a swing factor that shall be determined from time to time by the Investment Manager, as delegated by the Board of Directors.

The dilution adjustment is recorded as the Net realised gain/(loss) on sale of investments in the Statement of Operations and Changes in Net Assets.

As at 30 April 2024, the Company's last valuation day of the period, Artemis Funds (Lux) – UK Select and Artemis Funds (Lux) – US Select were swung to offer, in accordance with the swing pricing procedures. No swing pricing was applied on the net asset value per share of the other funds.

<b>Fund</b>	<b>Class currency</b>	<b>Unswung NAV per share</b>	<b>Swung NAV per share</b>
<b>Artemis Funds (Lux) – UK Select</b>			
I EUR Acc	EUR	0.9985	1.0038
I GBP Acc	GBP	0.9994	1.0047
I USD Acc	USD	0.9992	1.0045
I USD Inc	USD	0.9992	1.0045
JI EUR Acc	EUR	0.9985	1.0038
JI GBP Acc	GBP	0.9994	1.0047
JI USD Acc	USD	0.9992	1.0045

## NOTES TO THE FINANCIAL STATEMENTS

### 7. Swing pricing (continued)

Fund	Class currency	Unswung NAV per share	Swung NAV per share
<b>Artemis Funds (Lux) – US Select</b>			
A USD Acc	USD	1.8405	1.8418
AH EUR Acc	EUR	1.6171	1.6183
B EUR Acc	EUR	1.9854	1.9868
B USD Acc	USD	1.8919	1.8932
FI EUR Acc	EUR	2.0385	2.0399
I EUR Acc	EUR	2.0218	2.0233
I GBP Acc	GBP	1.9803	1.9817
I GBP Inc	GBP	1.9073	1.9086
I USD Acc	USD	1.9214	1.9228
I USD Inc	USD	1.3275	1.3285
IH EUR Acc	EUR	1.6418	1.6430

In the six months ended 30 April 2024, swing pricing adjustments were applied to the funds as per the number of instances detailed in the table below:

Fund	Swing price adjustments
Artemis Funds (Lux) – Global Equity Income	1
Artemis Funds (Lux) – Global High Yield Bond	1
Artemis Funds (Lux) – Global Select	5
Artemis Funds (Lux) – Leading Consumer Brands	8
Artemis Funds (Lux) – Positive Future	9
Artemis Funds (Lux) – Short-Dated Global High Yield Bond	8
Artemis Funds (Lux) – SmartGARP Global Emerging Markets Equity	5
Artemis Funds (Lux) – UK Select	1
Artemis Funds (Lux) – US Extended Alpha	5
Artemis Funds (Lux) – US Select	10
Artemis Funds (Lux) – US Smaller Companies	5

### 8. Statement of changes in the portfolio

A listing of the statement of changes in the portfolio during the period is available upon request to any shareholder at the registered office of the Company and at the foreign representatives' office free of charge.

### 9. Transaction costs

For the six months ended 30 April 2024 the funds incurred transaction costs related to purchase or sale of transferable securities as follows:

Fund	Fund currency	30 April 2024 Total transaction costs
Artemis Funds (Lux) – Global Equity Income	USD	11,235
Artemis Funds (Lux) – Global High Yield Bond	USD	–
Artemis Funds (Lux) – Global Select	USD	7,978
Artemis Funds (Lux) – Leading Consumer Brands	USD	16,042
Artemis Funds (Lux) – Positive Future	USD	5,476
Artemis Funds (Lux) – Short-Dated Global High Yield Bond	USD	–
Artemis Funds (Lux) – SmartGARP Global Emerging Markets Equity	USD	43,372
Artemis Funds (Lux) – UK Select	GBP	10,609
Artemis Funds (Lux) – US Extended Alpha	USD	139,478
Artemis Funds (Lux) – US Select	USD	13,490
Artemis Funds (Lux) – US Smaller Companies	USD	51,825

The above transaction costs include brokers' fees, depositary's transaction specific fees, or security transaction taxes, where applicable. These costs are directly linked to the acquisition or sale of investments, to the extent that such costs are shown separately on transaction confirmations.

## 9. Transaction costs (continued)

The transaction costs are included in the Statement of Net Assets as 'Investments in securities at cost' and in the Statement of Operations and Changes in Net Assets in 'Net Change in unrealised appreciation/(depreciation) on Investments for the purchase of securities. For the sale of securities, they are netted from the 'Due to brokers' amount and from the 'Net realised gain/(loss) on sale of investments' in the Statement of Operations and Changes in Net Assets.

## 10. Dividend distributions

The Company paid dividends as follows during the six months ended 30 April 2024:

Fund	Class currency	Ex date	Pay date	Dividend distribution per share in class currency
<b>Artemis Funds (Lux) – Global Equity Income</b>				
FI GBP Inc	GBP	2 November 2023	29 December 2023	0.0205
I GBP Inc	GBP	2 November 2023	29 December 2023	0.0202
<b>Artemis Funds (Lux) – Global High Yield Bond</b>				
FIH GBP Inc	GBP	2 November 2023	29 December 2023	0.0185
IH EUR Inc	EUR	2 November 2023	29 December 2023	0.0047
FIH GBP Inc	GBP	1 February 2024	29 March 2024	0.0185
IH EUR Inc	EUR	1 February 2024	29 March 2024	0.0201
<b>Artemis Funds (Lux) – Short-Dated Global High Yield Bond</b>				
FIH EUR Inc	EUR	2 November 2023	29 December 2023	0.0149
FIH GBP Inc	GBP	2 November 2023	29 December 2023	0.0156
I USD Inc	USD	2 November 2023	29 December 2023	0.0179
IH EUR Inc	EUR	2 November 2023	29 December 2023	0.0041
IH GBP Inc	GBP	2 November 2023	29 December 2023	0.0172
FIH EUR Inc	EUR	1 February 2024	29 March 2024	0.0151
FIH GBP Inc	GBP	1 February 2024	29 March 2024	0.0155
I USD Inc	USD	1 February 2024	29 March 2024	0.0184
IH EUR Inc	EUR	1 February 2024	29 March 2024	0.0180
IH GBP Inc	GBP	1 February 2024	29 March 2024	0.0170
<b>Artemis Funds (Lux) – SmartGARP Global Emerging Markets Equity</b>				
I GBP Inc	GBP	2 November 2023	29 December 2023	0.0559
<b>Artemis Funds (Lux) – US Select</b>				
I GBP Inc	GBP	2 November 2023	29 December 2023	0.0113
I USD Inc	USD	2 November 2023	29 December 2023	0.0076
<b>Artemis Funds (Lux) – US Smaller Companies</b>				
FI GBP Inc	GBP	2 November 2023	29 December 2023	0.0116
FI USD Inc	USD	2 November 2023	29 December 2023	0.0104

## 11. Collateral

As at 30 April 2024, the collateral received or paid which is composed of cash collateral granted to or received from brokers and counterparties for the purpose of transactions in forward currency exchange contracts and contracts for difference is as follows:

Fund	Counterparty	Type of collateral	Currency	Collateral received	Collateral paid
Artemis Funds (Lux) – Global High Yield Bond	Northern Trust	Cash	USD	10,000	–
Artemis Funds (Lux) – Short-Dated Global High Yield Bond	Northern Trust	Cash	USD	–	310,000
Artemis Funds (Lux) – US Extended Alpha	Goldman Sachs	Cash	USD	–	210,000
Artemis Funds (Lux) – US Extended Alpha	J.P. Morgan	Cash	USD	90,000	–
Artemis Funds (Lux) – US Extended Alpha	Morgan Stanley	Cash	USD	1,260,000	–
Artemis Funds (Lux) – US Extended Alpha	Northern Trust	Cash	USD	–	1,150,000
Artemis Funds (Lux) – US Select	Northern Trust	Cash	USD	–	130,000

## 12. Soft commissions

No soft commission was received or paid by the Investment Manager during the period. All transactions carried out on behalf of the funds were conducted on an arm's length basis and were executed on the best terms available.

## NOTES TO THE FINANCIAL STATEMENTS

### 13. Significant events during the period

#### Launched funds

Artemis Funds (Lux) – Leading Consumer Brands was launched on 1 December 2023.

Artemis Funds (Lux) – UK Select was launched on 29 April 2024.

#### Closed funds

Artemis Funds (Lux) – Global Equity Income was closed to investors on 16 April 2024.

As at 30 April 2024, the liquidations of Artemis Funds (Lux) – Global Equity Income and Artemis Funds (Lux) – Pan-European Absolute Return were not completed. There were remaining amounts of cash at bank that will be used to cover outstanding liabilities.

#### Fund currency cash at bank:

Artemis Funds (Lux) – Global Equity Income

USD 10,610

Artemis Funds (Lux) – Pan-European Absolute Return

EUR 9,594

GBP 16,675

The cash accounts will be closed as soon as all invoices are paid and outstanding withholding tax reclaims recovered. In case of remaining cash, the amount will be distributed to shareholders that were still invested at closure.

### 14. Subsequent events

The assets under management of Artemis Funds (Lux) – Positive Future were USD 4.9m as at 31 March 2024. Given the size of the fund, an assessment was undertaken on the ongoing viability of the fund and its future prospects, in terms of increasing size and scale through gaining new investors. Having considered a number of options, the Board concluded that there were no suitable options for maintaining the fund. Therefore, in the best interest of the shareholders of the fund and in accordance with Article 32 of the Articles of Incorporation of the Company and the provisions of the Prospectus, the fund was liquidated on 10 May 2024.

There were no other significant post balance sheet events subsequent to the period end.

## APPENDIX 1 – SECURITIES FINANCING TRANSACTION REGULATION

As at 30 April 2024, the following funds may enter into contracts for difference ("CFD") presenting the same characteristics as total return swaps within the meaning of Regulation (EU/2015/2365) on transparency of securities financing transactions and of reuse (the "SFT Regulation"):

- Artemis Funds (Lux) – Global Select
- Artemis Funds (Lux) – Leading Consumer Brands
- Artemis Funds (Lux) – SmartGARP Global Emerging Markets Equity
- Artemis Funds (Lux) – UK Select
- Artemis Funds (Lux) – US Extended Alpha

The following information is presented with regard to Regulation (EU/2015/2365) on transparency of security financing transactions ("SFT") and of reuse:

### Global Data

Amounts of assets engaged in SFT as at 30 April 2024:

Fund	SFT Type	Currency	Absolute Amount	% of Net Assets
Artemis Funds (Lux) – UK Select	Contracts for difference	GBP	61	–
Artemis Funds (Lux) – US Extended Alpha	Contracts for difference	USD	430,634	0.10

### Concentration Data

#### Artemis Funds (Lux) – UK Select

Counterparty	Counterparty's country of incorporation	Market Value (GBP)	% of Net Assets
UBS	Switzerland	61	–

#### Artemis Funds (Lux) – US Extended Alpha

Counterparty	Counterparty's country of incorporation	Market Value (USD)	% of Net Assets
Goldman Sachs	United States of America	139,828	0.06
J.P. Morgan	United States of America	7,601	–
Morgan Stanley	United States of America	283,205	0.04

### Aggregate Transaction Data

#### Artemis Funds (Lux) - UK Select

Maturity (GBP)	<1 day	1 day - 1 week	1 week - 1 month	1-3 months	3 months - 1 year	> 1 year	Open maturity
Contracts for difference	–	–	–	–	–	61	–

#### Artemis Funds (Lux) – US Extended Alpha

Maturity (USD)	<1 day	1 day - 1 week	1 week - 1 month	1-3 months	3 months - 1 year	> 1 year	Open maturity
Contracts for difference	–	–	–	–	–	430,634	–

### Reuse of Collateral

There is no collateral received by the funds in relation to contracts for difference.

### Safekeeping

There is no collateral received by the funds in relation to contracts for difference.

### Return and Cost Analysis

Returns and costs for contracts for difference are received/borne by Artemis Funds (Lux) – UK Select and Artemis Funds (Lux) – US Extended Alpha. The monetary amounts are disclosed in the Statement of Operations and Changes in Net Assets as 'Net realised gain/(loss) on Contracts for difference' and 'Net change in unrealised appreciation/(depreciation) on Contracts for difference'.

## APPENDIX 2– INFORMATION FOR SWISS INVESTORS

### Total expense ratios

The total expense ratios below have been calculated as at 30 April 2024 in accordance with the guidelines issued by the Asset Management Association Switzerland and are provided for each share class within the funds. The total expense ratio shows the current operating expenses (or Fund Management Fee) of each share class as a percentage of the net assets of that class and are annualised.

Fund	Launch date	Operating expenses (%)	Performance fees (%)	Total expense ratio (%)
<b>Artemis Funds (Lux) – Global High Yield Bond</b>				
BH GBP Acc	16 November 2020	0.55%	–	0.55%
FBH GBP Acc	13 November 2019	0.45%	–	0.45%
FI EUR Acc	15 February 2022	0.41%	–	0.41%
FI USD Acc	10 November 2021	0.40%	–	0.40%
FIH GBP Inc	2 June 2020	0.42%	–	0.42%
I USD Acc	13 November 2019	0.52%	–	0.52%
IH EUR Acc	13 November 2019	0.51%	–	0.51%
IH EUR Inc	9 October 2023	0.51%	–	0.51%
IH GBP Acc	13 November 2019	0.51%	–	0.51%
<b>Artemis Funds (Lux) – Global Select</b>				
FB EUR Acc	9 December 2019	0.55%	–	0.55%
FB GBP Acc	25 November 2019	0.60%	–	0.60%
FI GBP Acc	12 December 2019	0.52%	–	0.52%
FI USD Acc	15 February 2022	0.52%	–	0.52%
I EUR Acc	25 November 2019	0.92%	–	0.92%
I GBP Acc	19 November 2019	0.92%	–	0.92%
I USD Acc	19 November 2019	0.93%	–	0.93%
<b>Artemis Funds (Lux) – Leading Consumer Brands</b>				
A EUR Acc	1 December 2023	1.73%	–	1.73%
FB GBP Acc	1 December 2023	0.57%	–	0.57%
FI EUR Acc	1 December 2023	0.51%	–	0.51%
FI GBP Acc	1 December 2023	0.51%	–	0.51%
FI USD Acc	1 December 2023	0.53%	–	0.53%
I EUR Acc	1 December 2023	0.91%	–	0.91%
I GBP Acc	1 December 2023	0.94%	–	0.94%
I USD Acc	1 December 2023	0.91%	–	0.91%
<b>Artemis Funds (Lux) – Positive Future</b>				
A EUR Acc	9 August 2021	1.71%	–	1.71%
B USD Acc	30 June 2021	0.96%	–	0.96%
FB EUR Acc	30 June 2021	0.56%	–	0.56%
FI EUR Acc	30 June 2021	0.52%	–	0.52%
FI GBP Acc	30 June 2021	0.51%	–	0.51%
FI USD Acc	30 June 2021	0.52%	–	0.52%
I EUR Acc	30 June 2021	0.92%	–	0.92%
I GBP Acc	30 June 2021	0.92%	–	0.92%
I USD Acc	30 June 2021	0.92%	–	0.92%

## Total expense ratios (continued)

Fund	Launch date	Operating expenses (%)	Performance fees (%)	Total expense ratio (%)
<b>Artemis Funds (Lux) – Short-Dated Global High Yield Bond</b>				
B USD Acc	18 November 2019	0.45%	–	0.45%
BH GBP Acc	16 November 2020	0.48%	–	0.48%
FI EUR Acc	15 February 2022	0.31%	–	0.31%
FI USD Acc	23 July 2019	0.31%	–	0.31%
FIH EUR Acc	23 July 2019	0.31%	–	0.31%
FIH EUR Inc	23 July 2019	0.31%	–	0.31%
FIH GBP Acc	20 June 2019	0.31%	–	0.31%
FIH GBP Inc	20 June 2019	0.32%	–	0.32%
I USD Acc	20 June 2019	0.41%	–	0.41%
I USD Inc	22 November 2022	0.41%	–	0.41%
IH EUR Acc	20 June 2019	0.39%	–	0.39%
IH EUR Inc	9 October 2023	0.41%	–	0.41%
IH GBP Acc	20 June 2019	0.41%	–	0.41%
IH GBP Inc	10 July 2020	0.41%	–	0.41%
<b>Artemis Funds (Lux) – SmartGARP Global Emerging Markets Equity</b>				
B EUR Acc	9 November 2020	1.03%	–	1.03%
B USD Acc	15 March 2019	1.04%	–	1.04%
FI GBP Acc	24 October 2018	0.85%	–	0.85%
I EUR Acc	5 September 2018	1.00%	–	1.00%
I GBP Inc	13 July 2022	1.02%	–	1.02%
I USD Acc	5 September 2018	1.00%	–	1.00%
<b>Artemis Funds (Lux) – UK Select</b>				
I EUR Acc	29 April 2024	0.91%	–	0.91%
I GBP Acc	29 April 2024	0.91%	–	0.91%
I USD Acc	29 April 2024	0.91%	–	0.91%
I USD Inc	29 April 2024	0.81%	–	0.81%
JI EUR Acc	29 April 2024	0.81%	–	0.81%
JI GBP Acc	29 April 2024	0.91%	–	0.91%
JI USD Acc	29 April 2024	0.81%	–	0.81%
<b>Artemis Funds (Lux) – US Extended Alpha</b>				
A EUR Acc	6 November 2018	1.71%	–	1.71%
A USD Acc	6 November 2018	1.71%	–	1.71%
AH EUR Acc	6 November 2018	1.71%	–	1.71%
B EUR Acc	7 March 2019	0.96%	–	0.96%
B GBP Acc	20 January 2020	0.95%	–	0.95%
B USD Acc	6 November 2018	0.96%	–	0.96%
BH CHF Acc	7 March 2019	0.96%	–	0.96%
BH EUR Acc	7 March 2019	0.96%	0.05%	1.01%
FI EUR Acc	6 November 2018	0.77%	0.72%	1.49%
I EUR Acc	6 November 2018	0.90%	–	0.90%
I GBP Acc	6 November 2018	0.91%	–	0.91%
I USD Acc	6 November 2018	0.91%	–	0.91%
IH CHF Acc	7 March 2019	0.92%	–	0.92%
IH EUR Acc	6 November 2018	0.92%	0.00%	0.92%
IH GBP Acc	6 November 2018	0.92%	0.04%	0.96%



## APPENDIX 2– INFORMATION FOR SWISS INVESTORS

### Total expense ratios (continued)

Fund	Launch date	Operating expenses (%)	Performance fees (%)	Total expense ratio (%)
<b>Artemis Funds (Lux) – US Select</b>				
A USD Acc	12 November 2018	1.71%	–	1.71%
AH EUR Acc	12 November 2018	1.70%	–	1.70%
B EUR Acc	7 March 2019	0.99%	–	0.99%
B USD Acc	7 March 2019	0.95%	–	0.95%
FI EUR Acc	12 November 2018	0.76%	–	0.76%
I EUR Acc	12 November 2018	0.93%	–	0.93%
I GBP Acc	12 November 2018	0.94%	–	0.94%
I GBP Inc	12 November 2018	0.91%	–	0.91%
I USD Acc	12 November 2018	0.93%	–	0.93%
I USD Inc	12 November 2018	0.92%	–	0.92%
IH EUR Acc	1 March 2019	0.92%	–	0.92%
<b>Artemis Funds (Lux) – US Smaller Companies</b>				
A USD Acc	6 November 2018	1.71%	–	1.71%
B EUR Acc	7 March 2019	0.96%	–	0.96%
B USD Acc	31 July 2018	0.96%	–	0.96%
FI GBP Inc	11 May 2018	0.51%	–	0.51%
FI USD Acc	7 March 2019	0.51%	–	0.51%
FI USD Inc	11 May 2018	0.51%	–	0.51%
I EUR Acc	11 May 2018	0.92%	–	0.92%
I GBP Acc	14 December 2020	0.91%	–	0.91%
I USD Acc	11 May 2018	0.92%	–	0.92%

### Additional information for investors in Switzerland

In Switzerland, the prospectus, Key Information Document, the statutes, the annual and semi-annual report(s) and/or any such documents, which are required for the approval in compliance with the applicable foreign law, may be obtained free of charge from the Swiss Representative and Paying Agent, CACEIS Investor Services Bank S.A., Zurich Branch, Bleicherweg 7, CH-8027 Zurich. In respect of the units distributed in and from Switzerland, the place of performance and jurisdiction is the registered office of the Representative.

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