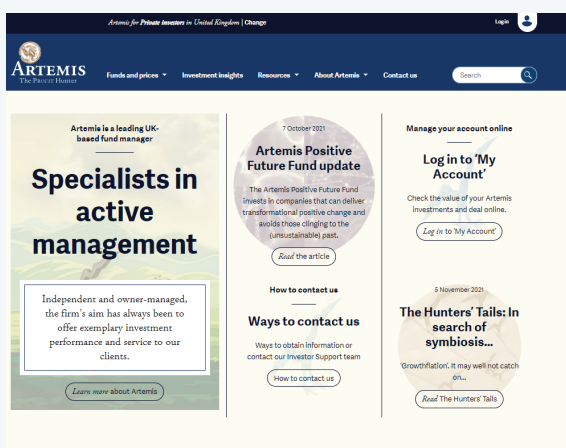


Artemis Monthly Distribution *Fund*

Half-Yearly Report (unaudited)
for the six months ended 30 June 2023

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[artemisfunds.com](https://www.artemisfunds.com)

GENERAL INFORMATION

Company profile

Artemis is a leading UK-based fund manager, offering a range of funds which invest in the UK, Europe, the US and around the world.

As a dedicated, active investment house, we specialise in investment management for both retail and institutional investors across Europe.

Independent and owner-managed, Artemis opened for business in 1997. Its aim was, and still is, exemplary investment performance and client service. All Artemis' staff share these two precepts – and the same flair and enthusiasm for fund management.

The firm now manages some £24.2 billion* across a range of funds, two investment trusts and both pooled and segregated institutional portfolios.

Our managers invest in their own and their colleagues' funds. This has been a basic tenet of the Artemis approach since the firm started. It means that interests of our fund managers are directly aligned with those of our investors.

* Source: Artemis as at 31 July 2023

Fund status

Artemis Monthly Distribution Fund was constituted by a Trust Deed dated 10 February 2012 and is an authorised unit trust scheme under the Financial Services and Markets Act 2000. The fund belongs to the category of UCITS schemes as defined in the Collective Investment Schemes Sourcebook ('COLL') of the Financial Conduct Authority ('FCA').

Buying and selling

Units may be bought and sold by contacting the manager by telephone, at the address on page 5 or via the website artemisfunds.com. Valuation of the fund takes place each dealing day at 12 noon on a forward pricing basis. The current list of non-dealing days impacting the fund is published on our website at www.artemisfunds.com/non-dealing-days. Investors are reminded that past performance is not a guarantee of performance in the future and that the price of units and the revenue from them can fall as well as rise.

OBJECTIVE AND INVESTMENT POLICY

Objective	To generate monthly income, combined with some capital growth over a five year period.	
Investment policy	What the fund invests in	<ul style="list-style-type: none"> • 40% to 80% in bonds (of any credit quality). • 20% to 60% in company shares. • The fund may also invest in near cash, other transferable securities, other funds (up to 10%) managed by Artemis and third party funds, money market instruments, and derivatives.
	Use of derivatives	The fund may use derivatives for efficient portfolio management purposes to: <ul style="list-style-type: none"> • reduce risk • manage the fund efficiently.
	Where the fund invests	<ul style="list-style-type: none"> • Globally
	Industries the fund invests in	<ul style="list-style-type: none"> • Any
	Other limitations specific to this fund	<ul style="list-style-type: none"> • None
Investment strategy	<ul style="list-style-type: none"> • The fund is actively managed. • Bond returns are principally driven in four ways: <ul style="list-style-type: none"> - Investing globally in government bonds, Investment Grade and High Yield bonds - Adjusting the portfolio duration - Allocation between different credit ratings and different economic sectors - Security selection including different levels of seniority • When investing in corporate bonds, the manager seeks to invest in profitable and resilient companies with a robust business model offering an attractive risk-reward profile. • When investing in company shares, the Manager selects companies which exhibit strong levels of free cashflow generation (cash that is left over after a company pays for its operating and capital expenditures which can be returned to investors through dividends and share buybacks) relative to other companies in the market, dividend distribution and dividend growth. 	
Benchmark	<ul style="list-style-type: none"> • IA Mixed Investment 20-60% Shares NR A group of other asset managers' funds that invest in similar asset types as this fund, collated by the Investment Association. It acts as a 'comparator benchmark' against which the fund's performance can be compared. Management of the fund is not restricted by this benchmark. 	

RISK AND REWARD PROFILE



- The fund is in the category shown due to historic volatility (how much and how quickly the value of shares in the fund may have risen and fallen in the past due to movements in markets, currencies and interest rates). It may not be a reliable indication of the future risk profile of the fund.
- The risk category has been calculated using historic data and may not be a reliable indicator of the fund's future risk profile.
- A risk indicator of "1" does not mean that the investment is "risk free".

The risk indicator may not fully take into account the following risks and the following may affect fund performance:

- **Market volatility risk:** The value of the fund and any income from it can fall or rise because of movements in stockmarkets, currencies and interest rates, each of which can move irrationally and be affected unpredictably by diverse factors, including political and economic events.
- **Currency risk:** The fund's assets may be priced in currencies other than the fund base currency. Changes in currency exchange rates can therefore affect the fund's value.
- **Bond liquidity risk:** The fund holds bonds which could prove difficult to sell. As a result, the fund may have to lower the selling price, sell other investments or forego more appealing investment opportunities.
- **Income risk:** The payment of income and its level is not guaranteed.
- **Emerging markets risk:** Compared to more established economies, investments in emerging markets may be subject to greater volatility due to differences in generally accepted accounting principles, less governed standards or from economic or political instability. Under certain market conditions assets may be difficult to sell.
- **Credit risk:** Investments in bonds are affected by interest rates, inflation and credit ratings. It is possible that bond issuers will not pay interest or return the capital. All of these events can reduce the value of bonds held by the fund.
- **Higher-yielding bonds risk:** The fund may invest in higher-yielding bonds, which may increase the risk to capital. Investing in these types of assets (which are also known as sub-investment grade bonds) can produce a higher yield but also brings an increased risk of default, which would affect the capital value of the fund.

- **Charges from capital risk:** Because one of the key objectives of the fund is to provide income, the fund charges are taken from capital. This may constrain capital growth or erode capital.

There was no change to the risk indicator in the six months ended 30 June 2023.

Please refer to the fund's prospectus for full details of these and other risks which are applicable to this fund.

OTHER INFORMATION

Prospectus

Copies of the most recent Prospectus are available free of charge from the manager at the address below.

Tax information reporting

UK tax legislation requires fund managers to provide information to HM Revenue & Customs ('HMRC') on certain investors who purchase units in unit trusts. Accordingly, the fund may have to provide information annually to HMRC on the tax residencies of those unitholders that are tax resident outwith the UK, in those countries that have signed up to the OECD's ('Organisation for Economic Co-operation and Development') Common Reporting Standard for Automatic Exchange of Financial Account Information (the 'Common Reporting Standard'), or the United States (under the Foreign Account Tax Compliance Act, 'FATCA').

All new unitholders that invest in the fund must complete a certification form as part of the application form. Existing unitholders may also be contacted by the Registrar should any extra information be needed to correctly determine their tax residence. Failure to provide this information may result in the account being reported to HMRC.

For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – information for account holders: gov.uk/government/publications/exchange-of-information-account-holders.

Value assessment

Artemis Fund Managers Limited (AFML) has conducted a detailed assessment on whether its funds are providing value to unitholders. AFML must publish publicly on an annual basis, a statement setting out a summary of the outcome of the process and whether or not AFML believes the payments out of the scheme property are justified in the context of the overall value delivered to unitholders. Composite reports on Assessment of Value have been published via the website artemisfunds.com.

Change of Appointed Depositary of the fund

With effect from 6 March 2023, Northern Trust Investor Services Limited has replaced J.P. Morgan Europe Limited as the Depositary of the fund.

Manager

Artemis Fund Managers Limited *
Cassini House
57 St James's Street
London SW1A 1LD

Dealing information:

Artemis Fund Managers Limited
Sunderland SR43 4BH
Telephone: 0800 092 2051
Website: artemisfunds.com

Investment adviser

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

Trustee and Depositary

J.P. Morgan Europe Limited †
(prior to 6 March 2023)
25 Bank Street
Canary Wharf
London E14 5JP

Northern Trust Investor Services Limited †
(from 6 March 2023)
50 Bank Street
Canary Wharf
London E14 5NT

Registrar

SS&C Financial Services International Limited *
(prior to 2 May 2023)
SS&C House
St Nicholas Lane
Basildon
Essex SS15 5FS

Northern Trust UK Global Services SE †
(from 2 May 2023)
50 Bank Street
Canary Wharf
London
E14 5NT

Auditor

Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

*Authorised and regulated by the FCA,
12 Endeavour Square, London E20 1JN.

†Authorised by the Prudential Regulation Authority ('PRA'),
20 Moorgate, London EC2R 6DA and regulated by the PRA and the FCA.

Report of the manager

We hereby approve the Half-Yearly Report of the Artemis Monthly Distribution Fund for the six months ended 30 June 2023 on behalf of Artemis Fund Managers Limited in accordance with the requirements of COLL as issued and amended by the FCA.

M J Murray
Director
Artemis Fund Managers Limited
London
24 August 2023

L E Cairney
Director

INVESTMENT REVIEW

Main changes to the fund

- Within bonds, we reduced exposure to high yield in favour of investment grade and government bonds. Bond yields that have continued to normalise have allowed us to improve the quality of the fixed income sleeve of the portfolio.
- The bonds we bought on the government bond side were predominantly inflation-linked securities (largely in the US). We think these securities offer an attractive combination of a high 'real' yield alongside an attractive inflation hedge.
- We cut bonds issued by financials but increased our financials within equities. Higher interest rates are resulting in earnings and in turn dividend tailwinds across the sector; we therefore added to both banks and insurance companies.

Explaining the fund's performance

- The fund returned -1.2%¹ over the six months, behind the benchmark Mixed Investment 20-60% Shares Average return of +1.2%.
- Within equities, German defence company Rheinmetall was our top contributor. Consensus data suggests that it could materially grow its earnings per share over a multi-year time horizon given higher expected defence spending. Our banks holdings – Banco do Brasil, Mitsubishi UFJ Financial Group (Japan), BBVA and HSBC in particular – also contributed positively given some strong results and positive future guidance.
- Conversely, our holding in US pharmaceutical company AbbVie was the top detractor from returns after a Q1 2023 earnings miss and some concerns around Inflation Reduction Act pricing controls. US food producer Archer Daniels Midland also detracted given falling soft commodity prices.
- Within bonds, our holding in a Credit Suisse bond was marked to zero following the run on deposits at the bank and its takeover by UBS and this was a significant detractor. Unfortunately, we relied too heavily on the bank's healthy capital levels and underestimated the speed and scale of the reduction in confidence amongst depositors.

The wider context

- Rates of inflation that have moderated in recent months have fuelled investors' hopes that central banks globally can execute a soft landing in bringing inflation back under control without causing a significant recession.
- Some high profile banking collapses resulted in the US banking system being underwritten and in an injection of liquidity into the financial system.

- It was a difficult period for the type of high dividend paying equities in which we invest, as despite elevated inflation and interest rates, the market's performance was liquidity driven and led by expensively valued, low yielding mega-cap technology companies.

Looking ahead

- Despite moderating headline figures, inflation continues to spread into stickier areas such as services and wages and we therefore see an environment in which inflation and interest rates remain higher for longer than is currently expected by the market.
- This has resulted in an attractive environment for income investors given the valuations offered by high quality income generating assets. We are therefore optimistic as to the portfolio's ability to generate attractive income and total returns over the medium term.

Past performance is not a guide to the future.

¹ Source: Artemis/Lipper Limited, class I distribution units, in sterling to 30 June 2023. All figures show total returns with dividends/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. This class may have charges or a hedging approach different from those in the IA sector benchmark. Benchmark sector is IA Mixed Investment 20-60%.

INVESTMENT INFORMATION

Ten largest purchases and sales for the six months ended 30 June 2023

Purchases	Cost £'000	Sales	Proceeds £'000
US Treasury Inflation Indexed, 0.75% 15/02/2045	24,278	UK Treasury Gilt 0.13% 10/08/2028	13,705
NN Group	13,610	Phillips 66	10,300
HSBC Holdings	10,921	RWE	10,121
UK Treasury Gilt 4.50% 07/12/2042	10,431	UK Treasury Gilt 4.50% 07/12/2042	10,104
US Treasury Inflation Indexed, 0.25% 15/07/2029	9,408	Weyerhaeuser, REIT	9,622
Swiss Re	8,959	Infineon Technologies	9,221
Archer-Daniels-Midland	8,413	Archer-Daniels-Midland	8,973
US Treasury 0.13% 15/10/2023	7,940	Broadcom	8,564
Sekisui House	7,577	AbbVie	8,343
Broadcom	7,536	Glencore	8,256

Portfolio statement as at 30 June 2023

	Holding/ nominal value	Valuation £'000	% of net assets
Equities 47.99% (47.81%)			
Australia 0.49% (1.21%)			
Glencore	711,121	3,155	0.49
		3,155	0.49
Brazil 2.66% (1.05%)			
Banco do Brasil	1,325,700	10,803	1.69
Petroleo Brasileiro, ADR	547,845	6,207	0.97
		17,010	2.66
Canada 0.00% (0.68%)			
France 3.47% (2.02%)			
BNP Paribas	48,255	2,393	0.37
EssilorLuxottica	40,717	5,998	0.94
Vinci	151,081	13,803	2.16
		22,194	3.47
Germany 2.53% (5.55%)			
Rheinmetall	54,088	11,539	1.80
Siemens	35,516	4,642	0.73
		16,181	2.53
Israel 0.00% (0.94%)			
Italy 3.29% (2.53%)			
Intesa Sanpaolo	2,996,440	6,206	0.97
RAI Way	3,150,098	14,815	2.32
		21,021	3.29
Japan 4.46% (1.82%)			
Canon	315,100	6,519	1.02
Mitsubishi Heavy Industries	42,400	1,554	0.24
Mitsubishi UFJ Financial Group	1,947,200	11,317	1.77
Sekisui House	447,900	7,115	1.12
Sompo Holdings	55,760	1,964	0.31
		28,469	4.46
Mexico 0.00% (0.27%)			
Netherlands 2.15% (0.57%)			
NN Group	469,873	13,714	2.15
		13,714	2.15

	Holding/ nominal value	Valuation £'000	% of net assets
Norway 1.83% (2.43%)			
Elopak	2,752,164	4,581	0.72
Var Energi	3,306,579	7,099	1.11
		11,680	1.83
Russia 0.00% (0.00%)			
Sberbank of Russia, ADR [^]	784,260	–	–
		–	–
Singapore 0.49% (0.00%)			
Oversea-Chinese Banking	440,100	3,150	0.49
		3,150	0.49
South Korea 1.00% (0.00%)			
Samsung Electronics	146,720	6,357	1.00
		6,357	1.00
Spain 2.40% (0.00%)			
Banco Bilbao Vizcaya Argentaria	1,703,438	10,374	1.62
Banco Santander	1,698,165	4,991	0.78
		15,365	2.40
Taiwan 0.00% (1.03%)			
United Arab Emirates 0.34% (0.36%)			
Abu Dhabi Commercial Bank	1,233,340	2,151	0.34
		2,151	0.34
United Kingdom 8.26% (5.26%)			
BAE Systems	1,935,620	17,955	2.81
HSBC Holdings	1,968,800	12,109	1.90
Tesco	3,613,746	8,977	1.40
Unilever	334,168	13,684	2.14
Zegona Communications	71,834	32	0.01
		52,757	8.26
United States of America 14.62% (22.09%)			
AbbVie	101,667	10,711	1.68
Archer-Daniels-Midland	110,790	6,538	1.02
Baker Hughes	212,662	5,273	0.83
Blackstone	64,525	4,735	0.74
Broadcom	11,345	7,737	1.21
Diversified Energy	6,489,833	5,698	0.89
Exxon Mobil	76,066	6,418	1.00
Johnson & Johnson	29,966	3,888	0.61
Kraft Heinz	291,726	8,080	1.26
Swiss Re	167,207	13,257	2.07
Tenaris	954,145	11,214	1.76
Wells Fargo	294,771	9,894	1.55
		93,443	14.62
Equities total		306,647	47.99
Government Bonds 6.39% (5.25%)			
Austria 0.16% (0.17%)			
Austria Government Bond 0.85% 30/06/2120	€3,000,000	1,043	0.16
		1,043	0.16
Sweden 0.11% (0.00%)			
Vattenfall 6.88% 17/08/2083	£700,000	688	0.11
		688	0.11
United Kingdom 0.00% (1.76%)			
United States of America 6.12% (3.32%)			
US Treasury Inflation Indexed, 0.25% 15/07/2029	\$18,000,000	15,374	2.41

	Holding/ nominal value	Valuation £'000	% of net assets
US Treasury Inflation Indexed, 0.75% 15/02/2045	\$28,500,000	23,688	3.71
		39,062	6.12
Government Bonds total		40,793	6.39
Corporate Bonds 45.06% (46.24%)			
Australia 0.43% (0.45%)			
Mineral Resources 8.00% 01/11/2027	\$3,500,000	2,774	0.43
		2,774	0.43
Austria 0.85% (0.70%)			
ams-OSRAM 05/03/2025	€1,600,000	1,058	0.17
ams-OSRAM 7.00% 31/07/2025	\$3,200,000	2,228	0.35
AT&S Austria Technologie & Systemtechnik, FRN 5.00% Perpetual	€2,800,000	2,089	0.33
		5,375	0.85
Belgium 0.13% (0.00%)			
Azelis Finance 5.75% 15/03/2028	€1,000,000	858	0.13
		858	0.13
Canada 0.29% (0.00%)			
Royal Bank of Canada 5.00% 01/02/2033	\$2,400,000	1,850	0.29
		1,850	0.29
Denmark 0.27% (0.00%)			
Danske Bank, FRN 4.63% 13/04/2027	£1,800,000	1,695	0.27
		1,695	0.27
France 1.10% (2.18%)			
Electricite de France 4.75% 12/10/2034	€1,900,000	1,644	0.26
Loxam 2.88% 15/04/2026	€2,500,000	1,985	0.31
SCOR, FRN 5.25% Perpetual	\$3,000,000	1,787	0.28
TotalEnergies, FRN 1.63% Perpetual	€2,250,000	1,603	0.25
		7,019	1.10
Germany 2.34% (2.12%)			
Adler Pelzer 9.50% 01/04/2027	€1,600,000	1,267	0.20
Cheplapharm Arzneimittel 4.38% 15/01/2028	€3,200,000	2,510	0.39
CT Investment 5.50% 15/04/2026	€3,000,000	2,381	0.37
Ctec II 5.25% 15/02/2030	€1,700,000	1,204	0.19
Gruenenthal 3.63% 15/11/2026	€2,500,000	2,015	0.32
Gruenenthal 4.13% 15/05/2028	€2,900,000	2,304	0.36
IHO Verwaltungs 6.00% 15/05/2027	\$3,700,000	2,754	0.43
Standard Profil Automotive 6.25% 30/04/2026	€900,000	532	0.08
		14,967	2.34
Hong Kong 0.52% (0.70%)			
Seaspan 5.50% 01/08/2029	\$5,400,000	3,341	0.52
		3,341	0.52
Israel 1.08% (1.06%)			
Energean Israel Finance 5.38% 30/03/2028	\$4,000,000	2,847	0.45
Teva Pharmaceutical Finance Netherlands II 7.38% 15/09/2029	€2,600,000	2,269	0.35
Teva Pharmaceutical Finance Netherlands III 6.00% 15/04/2024	\$2,304,000	1,810	0.28
		6,926	1.08
Italy 0.76% (0.48%)			
Enel Finance International 7.50% 14/10/2032	\$3,600,000	3,143	0.49
Eni 4.25% 19/05/2033	€2,000,000	1,698	0.27
		4,841	0.76
Japan 0.40% (0.31%)			
Mizuho Financial 5.63% 13/06/2028	£2,700,000	2,566	0.40
		2,566	0.40

	Holding/ nominal value	Valuation £'000	% of net assets
Luxembourg 1.50% (1.53%)			
Albion Financing 1 6.13% 15/10/2026	\$4,500,000	3,356	0.53
Albion Financing 2 8.75% 15/04/2027	\$2,700,000	1,984	0.31
Blackstone Property Partners Europe Holdings 2.00% 20/10/2025	£5,000,000	4,247	0.66
		9,587	1.50
Mexico 0.00% (0.70%)			
Netherlands 0.54% (0.59%)			
ING Groep, FRN 6.25% 20/05/2033	£3,700,000	3,425	0.54
		3,425	0.54
Singapore 0.33% (0.00%)			
Temasek Financial I 3.50% 15/02/2033	€2,500,000	2,125	0.33
		2,125	0.33
Spain 0.72% (0.71%)			
Cellnex Finance 2.00% 15/09/2032	€3,600,000	2,424	0.38
Grupo Antolin-Irausa 3.38% 30/04/2026	€3,000,000	2,175	0.34
		4,599	0.72
Sweden 0.69% (0.42%)			
Heimstaden, FRN 6.75% Perpetual	€2,400,000	865	0.13
Verisure Holdings 7.13% 01/02/2028	€2,000,000	1,719	0.27
Verisure Holdings 3.88% 15/07/2026	€2,300,000	1,850	0.29
		4,434	0.69
Switzerland 1.60% (2.22%)			
Argentum Netherlands for Swiss Re, FRN 5.75% 15/08/2050	\$3,300,000	2,507	0.39
Willow No. 2 Ireland for Zurich Insurance, FRN 4.25% 01/10/2045	\$4,400,000	3,225	0.50
Zurich Finance Ireland Designated Activity, FRN 3.00% 19/04/2051	\$3,100,000	1,911	0.30
Zurich Finance Ireland Designated Activity, FRN 5.13% 23/11/2052	£3,000,000	2,586	0.41
		10,229	1.60
United Kingdom 14.63% (16.20%)			
180 Medical 3.88% 15/10/2029	\$2,800,000	1,940	0.30
AA Bond 6.27% 02/07/2043	£2,000,000	1,912	0.30
AA Bond 7.38% 31/07/2050	£500,000	451	0.07
AA Bond 8.95% 31/07/2050	£1,500,000	1,452	0.23
Allwyn Entertainment Financing UK 7.25% 30/04/2030	€2,100,000	1,827	0.29
Allwyn Entertainment Financing UK 7.88% 30/04/2029	\$400,000	320	0.05
Annington Funding 4.75% 09/08/2033	£1,600,000	1,331	0.21
Arqiva Financing 7.21% 30/06/2045	£1,200,000	1,194	0.19
Aviva, FRN 6.88% Perpetual	£1,600,000	1,326	0.21
BCP V Modular Services Finance II 6.13% 30/11/2028	£5,000,000	4,125	0.65
BP Capital Markets, FRN 4.25% Perpetual	£1,300,000	1,141	0.18
Castle UK Finco 7.00% 15/05/2029	£3,400,000	2,701	0.42
Close Brothers Group 7.75% 14/06/2028	£1,900,000	1,873	0.29
Constellation Automotive Financing 4.88% 15/07/2027	£4,100,000	3,128	0.49
CPUK Finance 4.50% 28/08/2027	£2,350,000	1,997	0.31
Drax Finco 6.63% 01/11/2025	\$5,000,000	3,893	0.61
Energia Group NI FinanceCo 4.75% 15/09/2024	£4,150,000	4,065	0.64
Harbour Energy 5.50% 15/10/2026	\$3,500,000	2,533	0.40
Inchcape 6.50% 09/06/2028	£2,000,000	1,940	0.30
INEOS Quattro Finance 2 2.50% 15/01/2026	€4,400,000	3,370	0.53
Investec Bank, FRN 4.25% 24/07/2028	£347,000	345	0.05
Ithaca Energy North Sea 9.00% 15/07/2026	\$3,100,000	2,275	0.36
Jaguar Land Rover Automotive 5.88% 15/01/2028	\$3,400,000	2,470	0.39
Kane Bidco 5.00% 15/02/2027	€1,200,000	965	0.15
Kane Bidco 6.50% 15/02/2027	£2,300,000	2,058	0.32
Legal & General Group, FRN 5.38% 27/10/2045	£3,000,000	2,844	0.44

	Holding/ nominal value	Valuation £'000	% of net assets
Motion Finco Sarl 7.38% 15/06/2030	€1,700,000	1,448	0.23
National Express Group, FRN 4.25% Perpetual	£3,600,000	3,138	0.49
National Grid 3.50% 16/10/2026	£3,400,000	3,084	0.48
NatWest Group, FRN 7.42% 06/06/2033	£3,800,000	3,676	0.58
NGG Finance, FRN 5.63% 18/06/2073	£1,000,000	950	0.15
NIE Finance 5.88% 01/12/2032	£800,000	787	0.12
Pension Insurance, FRN 7.38% Perpetual	£3,000,000	2,535	0.40
Phoenix Group Holdings 5.87% 13/06/2029	£2,100,000	1,872	0.29
Premier Foods Finance 3.50% 15/10/2026	£4,500,000	3,915	0.61
RAC Bond 5.25% 04/11/2046	£3,800,000	3,016	0.47
Rothsay Life, FRN 6.88% Perpetual	£5,500,000	4,526	0.71
Santander UK Group Holdings, FRN 7.10% 16/11/2027	£3,000,000	2,941	0.46
Sherwood Financing 6.00% 15/11/2026	£2,800,000	2,333	0.36
Tesco Corp. Treasury Services 1.88% 02/11/2028	£3,200,000	2,554	0.40
Victoria 3.63% 24/08/2026	€3,200,000	2,251	0.35
Weir 6.88% 14/06/2028	£1,000,000	984	0.15
		93,486	14.63
United States of America 16.88% (15.87%)			
Adient Global Holdings 7.00% 15/04/2028	\$2,400,000	1,919	0.30
Arches Buyer 4.25% 01/06/2028	\$3,900,000	2,661	0.42
At Home Group 4.88% 15/07/2028	\$3,500,000	1,397	0.22
AT&T 4.30% 18/11/2034	€1,000,000	857	0.13
Ball 4.00% 15/11/2023	\$4,000,000	3,135	0.49
Bank of America, FRN 3.97% 05/03/2029	\$6,900,000	5,092	0.80
Capstone Borrower 8.00% 15/06/2030	\$2,000,000	1,565	0.24
Catalent Pharma Solutions 2.38% 01/03/2028	€4,700,000	3,241	0.51
Compass Group Diversified Holdings 5.25% 15/04/2029	\$3,600,000	2,497	0.39
Consensus Cloud Solutions 6.50% 15/10/2028	\$2,700,000	1,823	0.28
Crocs 4.13% 15/08/2031	\$4,000,000	2,554	0.40
Emerald Debt Merger Sub 6.38% 15/12/2030	€3,000,000	2,565	0.40
Encore Capital Group 5.38% 15/02/2026	£3,000,000	2,621	0.41
Energizer Holdings 4.38% 31/03/2029	\$2,500,000	1,676	0.26
Equitable Financial Life Global Funding 6.38% 02/06/2028	£2,500,000	2,463	0.38
Ford Motor Credit 2.75% 14/06/2024	£5,900,000	5,632	0.88
Fortrea Holdings 7.50% 01/07/2030	\$1,650,000	1,331	0.21
Goodyear Europe 2.75% 15/08/2028	€3,600,000	2,579	0.40
Haleon UK Capital 3.13% 24/03/2025	\$6,000,000	4,532	0.71
International Game Technology 3.50% 15/06/2026	€4,800,000	3,970	0.62
Legends Hospitality 5.00% 01/02/2026	\$2,600,000	1,850	0.29
LKQ 6.25% 15/06/2033	\$3,300,000	2,608	0.41
Match Group Holdings II 3.63% 01/10/2031	\$4,800,000	3,091	0.48
Medline Borrower 3.88% 01/04/2029	\$5,100,000	3,488	0.55
Meritage Homes 5.13% 06/06/2027	\$2,500,000	1,893	0.30
MPT Operating Partnership, REIT 3.69% 05/06/2028	£6,000,000	4,110	0.64
Netflix 6.38% 15/05/2029	\$4,200,000	3,508	0.55
Owens & Minor 6.63% 01/04/2030	\$4,444,000	3,180	0.50
Roller Bearing Co. of America 4.38% 15/10/2029	\$2,800,000	1,970	0.31
SCIL IV 5.38% 01/11/2026	\$4,000,000	2,878	0.45
Sotheby's/Bidfair Holdings 5.88% 01/06/2029	\$2,900,000	1,772	0.28
TripAdvisor 7.00% 15/07/2025	\$4,000,000	3,175	0.50
Utah Acquisition Sub 3.95% 15/06/2026	\$6,000,000	4,509	0.71
Verizon Communications 4.75% 17/02/2034	£2,100,000	1,889	0.29
VICI Properties, REIT 3.50% 15/02/2025	\$7,000,000	5,283	0.83
Warnermedia Holdings 3.64% 15/03/2025	\$6,000,000	4,567	0.71

	Holding/ nominal value	Valuation £'000	% of net assets
ZipRecruiter 5.00% 15/01/2030	\$6,000,000	4,038	0.63
		107,919	16.88
Corporate Bonds total		288,016	45.06
Forward Currency Contracts 0.48% ((0.41%))			
Buy Sterling 63,398,000 Sell Euro 73,472,000 dated 10/07/2023		328	0.05
Buy Sterling 171,591,000 Sell US Dollar 213,596,000 dated 10/07/2023		2,708	0.43
Forward Currency Contracts total		3,036	0.48
Investment assets		638,492	99.92
Net other assets		520	0.08
Net assets attributable to unitholders		639,012	100.00

The comparative percentage figures in brackets are as at 31 December 2022.

^ Unlisted, suspended or delisted security. Russian holdings currently suspended have been valued at nil by the manager.

FINANCIAL STATEMENTS

Statement of total return for the six months ended 30 June 2023

	30 June 2023		30 June 2022	
	£'000	£'000	£'000	£'000
Income				
Net capital losses		(22,968)		(67,137)
Revenue	20,802		19,628	
Expenses	(2,902)		(2,953)	
Interest payable and similar charges	(41)		(11)	
Net revenue before taxation	17,859		16,664	
Taxation	(3,064)		(2,150)	
Net revenue after taxation		14,795		14,514
Total return before distributions		(8,173)		(52,623)
Distributions		(17,332)		(17,094)
Change in net assets attributable to unitholders from investment activities		(25,505)		(69,717)

Statement of change in net assets attributable to unitholders for the six months ended 30 June 2023

	30 June 2023		30 June 2022	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		658,979		700,050
Amounts receivable on issue of units	30,410		25,515	
Amounts payable on cancellation of units	(34,416)		(22,343)	
		(4,006)		3,172
Change in net assets attributable to unitholders from investment activities		(25,505)		(69,717)
Retained distribution on accumulation units		9,544		9,678
Closing net assets attributable to unitholders		639,012		643,183

Balance sheet as at 30 June 2023

	30 June 2023	31 December 2022
	£'000	£'000
Assets		
Fixed assets		
Investments	638,492	654,246
Current assets		
Debtors	8,100	7,295
Cash and cash equivalents	4,043	3,248
Total current assets	12,143	10,543
Total assets	650,635	664,789
Liabilities		
Investment liabilities	–	2,688
Creditors		
Bank overdraft	3,840	–
Distribution payable	3,540	2,228
Other creditors	4,243	894
Total creditors	11,623	3,122
Total liabilities	11,623	5,810
Net assets attributable to unitholders	639,012	658,979

1. Basis of preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2022 as set out therein.

2. Post balance sheet events

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

DISTRIBUTION TABLES

This fund pays monthly dividend distributions. The following table sets out the distribution period.

Monthly distribution periods	Start	End	Ex-dividend date	Pay date
First interim	1 January 2023	31 January 2023	1 February 2023	31 March 2023
Second interim	1 February 2023	28 February 2023	1 March 2023	28 April 2023
Third interim	1 March 2023	31 March 2023	1 April 2023	31 May 2023
Fourth interim	1 April 2023	30 April 2023	1 May 2023	30 June 2023
Fifth interim	1 May 2023	31 May 2023	1 June 2023	31 July 2023
Sixth interim	1 June 2023	30 June 2023	1 July 2023	31 August 2023

Group 1 units are those purchased prior to a distribution period and therefore their net revenue rate is the same as the distribution rate.

Group 2 units are those purchased during a distribution period and therefore their distribution rate is made up of net revenue and equalisation. Equalisation applies only to group 2 units purchased during the period. It is the average amount of revenue included in the purchase price of all group 2 units and is refunded to holders of these units as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

C distribution

Dividend distributions for the period ended 30 June 2023	Group 2		Group 1 & 2 Distribution per unit (p)	Corporate streaming		2022 Distribution per unit (p)
	Net revenue per unit(p)	Equalisation per unit (p)		Franked	Unfranked	
First interim	0.0592	0.0772	0.1364	18.41%	81.59%	0.1566
Second interim	0.1968	0.0500	0.2468	37.95%	62.05%	0.2133
Third interim	0.0712	0.1286	0.1998	41.74%	58.26%	0.3564
Fourth interim	0.1515	0.2074	0.3589	43.10%	56.90%	0.2987
Fifth interim	0.2339	0.2495	0.4834	77.43%	22.57%	0.5107
Sixth interim	0.1338	0.1667	0.3005	44.57%	55.43%	0.2579

C accumulation

Dividend distributions for the period ended 30 June 2023	Group 2		Group 1 & 2 Distribution per unit (p)	Corporate streaming		2022 Distribution per unit (p)
	Net revenue per unit(p)	Equalisation per unit (p)		Franked	Unfranked	
First interim	0.1827	0.0277	0.2104	18.41%	81.59%	0.2303
Second interim	0.2709	0.1105	0.3814	37.95%	62.05%	0.3145
Third interim	0.0373	0.2730	0.3103	41.74%	58.26%	0.5282
Fourth interim	0.2358	0.3230	0.5588	43.10%	56.90%	0.4438
Fifth interim	0.3664	0.3907	0.7571	77.43%	22.57%	0.7624
Sixth interim	0.2112	0.2629	0.4741	44.57%	55.43%	0.3864

I distribution

Dividend distributions for the period ended 30 June 2023	Group 2		Group 1 & 2 Distribution per unit (p)	Corporate streaming		2022 Distribution per unit (p)
	Net revenue per unit(p)	Equalisation per unit (p)		Franked	Unfranked	
First interim	0.0634	0.0787	0.1421	18.41%	81.59%	0.1628
Second interim	0.1406	0.1196	0.2602	37.95%	62.05%	0.2235
Third interim	0.0480	0.1604	0.2084	41.74%	58.26%	0.3753
Fourth interim	0.1597	0.2190	0.3787	43.10%	56.90%	0.3144
Fifth interim	0.2479	0.2643	0.5122	77.43%	22.57%	0.5403
Sixth interim	0.1407	0.1756	0.3163	44.57%	55.43%	0.2709

I accumulation

Dividend distributions for the period ended 30 June 2023	Group 2		Group 1 & 2 Distribution per unit (p)	Corporate streaming		2022 Distribution per unit (p)
	Net revenue per unit(p)	Equalisation per unit (p)		Franked	Unfranked	
First interim	0.0815	0.1364	0.2179	18.41%	81.59%	0.2382
Second interim	0.2454	0.1545	0.3999	37.95%	62.05%	0.3277
Third interim	0.0684	0.2530	0.3214	41.74%	58.26%	0.5520
Fourth interim	0.2472	0.3389	0.5861	43.10%	56.90%	0.4649
Fifth interim	0.3860	0.4114	0.7974	77.43%	22.57%	0.8020
Sixth interim	0.2206	0.2754	0.4960	44.57%	55.43%	0.4052

R distribution

Dividend distributions for the period ended 30 June 2023	Group 2		Group 1 & 2 Distribution per unit (p)	Corporate streaming		2022 Distribution per unit (p)
	Net revenue per unit(p)	Equalisation per unit (p)		Franked	Unfranked	
First interim	0.0751	0.0624	0.1375	18.41%	81.59%	0.1582
Second interim	0.1879	0.0587	0.2466	37.95%	62.05%	0.2144
Third interim	0.0214	0.1799	0.2013	41.74%	58.26%	0.3569
Fourth interim	0.1514	0.2072	0.3586	43.10%	56.90%	0.2989
Fifth interim	0.2337	0.2487	0.4824	77.43%	22.57%	0.5098
Sixth interim	0.1343	0.1667	0.3010	44.57%	55.43%	0.2576

R accumulation

Dividend distributions for the period ended 30 June 2023	Group 2		Group 1 & 2 Distribution per unit (p)	Corporate streaming		2022 Distribution per unit (p)
	Net revenue per unit(p)	Equalisation per unit (p)		Franked	Unfranked	
First interim	0.1059	0.1065	0.2124	18.41%	81.59%	0.2328
Second interim	0.3696	0.0123	0.3819	37.95%	62.05%	0.3168
Third interim	0.1102	0.2027	0.3129	41.74%	58.26%	0.5285
Fourth interim	0.2360	0.3232	0.5592	43.10%	56.90%	0.4446
Fifth interim	0.3662	0.3902	0.7564	77.43%	22.57%	0.7617
Sixth interim	0.2119	0.2634	0.4753	44.57%	55.43%	0.3870

Fund sizes & net asset values

Date	Net asset value of fund (£)	Net asset value per unit (p)	Units in issue
31 December 2020	722,396,310		
C distribution		66.43	5,666,511
C accumulation		94.33	894,523
I distribution		70.33	413,964,999
I accumulation		99.42	418,636,531
R distribution		66.25	5,270,461
R accumulation		94.14	7,375,505
31 December 2021	700,049,437		
C distribution		72.93	6,771,073
C accumulation		107.32	943,180
I distribution		77.56	376,856,971
I accumulation		113.55	345,216,903
R distribution		72.52	5,384,801
R accumulation		106.82	5,541,175
31 December 2022	658,978,832		
C distribution		65.33	7,421,833
C accumulation		100.83	1,180,233
I distribution		69.79	408,856,852
I accumulation		107.09	333,494,799
R distribution		64.77	5,882,460
R accumulation		100.11	6,618,716
30 June 2023	639,012,139		
C distribution		62.70	7,602,078
C accumulation		99.40	1,133,449
I distribution		67.13	413,822,907
I accumulation		105.78	327,523,802
R distribution		62.06	5,021,461
R accumulation		98.57	5,825,359

Ongoing charges

Class	30 June 2023
C distribution	1.31%
C accumulation	1.31%
I distribution	0.86%
I accumulation	0.86%
R distribution	1.61%
R accumulation	1.61%

Ongoing charges shows the annual operating expenses of each unit class as a percentage of the average net assets of that class for the preceding 12 months.

Class I distribution performance

	Since launch*	10 years	5 years	3 years	1 year	6 months
Artemis Monthly Distribution Fund**	122.7	81.0	12.1	16.1	0.7	(1.2)
Artemis Monthly Distribution Fund***	123.3	80.7	12.4	16.1	1.1	(1.1)
Mixed Investment 20-60% Shares Average	60.7	42.6	8.5	6.3	1.2	1.2
Position in sector	2/71	2/84	36/126	7/146	98/162	148/164
Quartile	1	1	2	1	3	4

Past performance is not a guide to the future.

* Source: Lipper Limited, data from 21 May 2012 to 30 June 2023, in sterling. All figures show total returns with dividends/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. This class may be in a currency or have charges or a hedging approach different from those in the IA sector benchmark.

** Value at 12 noon valuation point.

*** Value at close of business.

Class I distribution is disclosed as it is the primary class.

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