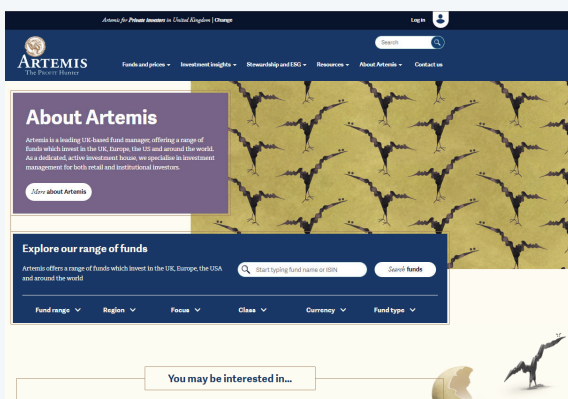


Artemis Investment Funds ICVC

Half-Yearly Report (unaudited)
for the six months ended 31 August 2024

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* These items comprise the authorised corporate director's report for the purposes of the rules contained in the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL').

COMPANY INFORMATION

About Artemis

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 £24.9 billion* across a range of funds, an investment trust 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 30 September 2024

The company

Artemis Investment Funds ICVC ('the company') is an investment company with variable capital incorporated under the Open-Ended Investment Companies Regulations 2001 ('the Regulations') in England and Wales under registered number IC001014 and authorised and regulated by the Financial Conduct Authority ('FCA') with effect from 20 June 2014. The company has been certified by the FCA as complying with the conditions necessary for it to enjoy the rights conferred by the UCITS Directive. The company has an unlimited duration. Shareholders are not liable for the debts of the company. The base currency of the company is Pounds Sterling.

The company has an umbrella structure and currently has nine sub-funds, each with a different investment objective. In the financial statements you will find an investment review for each sub-fund (unless the sub-fund has closed) which includes details of the investment objective.

The company is registered for sale in Luxembourg.

Half-Yearly Report

We are pleased to present the Half-Yearly Report of the company for the six months ended 31 August 2024. As required by the Regulations, information for each of the sub-funds has also been included in these financial statements. On the following pages we present the performance of each of those sub-funds during the period.

Prospectus

Copies of the most recent Prospectus are available free of charge from the authorised corporate director ('ACD') at the address on page 89.

Sub-fund cross holdings

At the period-end none of the shares in any of the sub-funds were held by any other sub-funds of the company.

Significant events

Changes to Artemis Target Return Bond Fund

On 18 March 2024, changes were made to the name, investment objective, policy and strategy, and benchmark of Artemis Target Return Bond Fund. From 18 March 2024, the fund is named Artemis Short-Duration Strategic Bond Fund.

The sub-fund's prospectus has been updated to reflect that the global exposure of the sub-fund will now be calculated using a relative VaR risk management approach, with the Markit iBoxx 1-5 year £ Collateralised & Corporates Index as the reference portfolio. Previously, absolute VaR was the risk management approach applied.

Report of the authorised corporate director

We hereby approve the Half-Yearly Report and Financial Statements of Artemis Investment Funds ICVC for the six months ended 31 August 2024 on behalf of Artemis Fund Managers Limited in accordance with the requirements of Collective Investment Schemes Sourcebook ('COLL') as issued and amended by the FCA.

M J Murray
Director

S Dougall
Director

Artemis Fund Managers Limited
London
31 October 2024

ARTEMIS CORPORATE BOND FUND

OBJECTIVE AND INVESTMENT POLICY

Objective	To generate a return that exceeds the Markit iBoxx £ Collateralized & Corporates Index, after fees, over rolling three-year periods, through a combination of income and capital growth.	
Investment policy	What the sub-fund invests in	<ul style="list-style-type: none"> • At least 80% in investment grade corporate bonds • The sub-fund may also invest in other bonds, cash and near cash, preference shares, convertibles, other transferable securities, other funds (up to 10%) managed by Artemis and third party funds, money market instruments, and derivatives. • At least 80% of the sub-fund will be denominated in or hedged back to sterling.
	Use of derivatives	<p>The sub-fund may use derivatives:</p> <ul style="list-style-type: none"> • to achieve the sub-fund objective • to produce additional income or growth • for efficient portfolio management purposes to reduce risk and manage the sub-fund efficiently.
	Where the sub-fund invests	<ul style="list-style-type: none"> • Sterling corporate bonds • To a lesser extent, global corporate bonds (including emerging markets). In this context, emerging market countries means countries included in the MSCI Emerging Markets Index and those included in the World Bank definition of developing economies or those countries which are, in the manager's opinion, developing countries.
	Industries the sub-fund invests in	<ul style="list-style-type: none"> • Any
	Credit quality of bonds the sub-fund invests in	<ul style="list-style-type: none"> • At least 80% in investment grade corporate bonds, being <ul style="list-style-type: none"> - BBB- or above by Standard & Poor's; or - BBB- or above by Fitch; or - Baa3 or above by Moody's
	Other limitations specific to this sub-fund	<ul style="list-style-type: none"> • None
Investment strategy	<ul style="list-style-type: none"> • The sub-fund is actively managed. • Investment opportunities across the corporate bond and broader fixed income markets are assessed. • Returns of the sub-fund are driven by four pillars: <ul style="list-style-type: none"> - active asset allocation across the credit market - stock selection - sector allocation - duration decisions • The sub-fund seeks bonds with the potential for positive changes to their investment outlook, either through improving corporate health or the market having taken an overly negative view on the issuer's prospects. • The sub-fund also seeks bonds with the potential for upside surprise through corporate restructurings or tax and/or legislative change that may lead to early redemption at a higher price. 	
Benchmarks	<ul style="list-style-type: none"> • Markit iBoxx £ Collateralized & Corporates Index A widely-used indicator of the performance of sterling-denominated corporate investment grade bonds, in which the sub-fund invests. It acts as a 'target benchmark' that the sub-fund aims to outperform. Management of the sub-fund is not restricted by this benchmark. • IA £ Corporate Bond NR A group of other asset managers' funds that invest in similar asset types as the sub-fund, collated by the Investment Association. It acts as a 'comparator benchmark' against which the sub-fund's performance can be compared. Management of the sub-fund is not restricted by this benchmark. 	

RISK AND REWARD PROFILE



- The sub-fund is in the category shown due to historic volatility (how much and how quickly the value of shares in the sub-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 sub-fund.
- The risk category has been calculated using historic data and may not be a reliable indicator of the sub-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 sub-fund performance:

- **Market volatility risk:** The value of the sub-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 sub-fund's assets may be priced in currencies other than the sub-fund base currency. Changes in currency exchange rates can therefore affect the sub-fund's value.
- **Derivatives risk:** The sub-fund may invest in derivatives with the aim of profiting from falling ('shorting') as well as rising prices. Should the asset's value vary in an unexpected way, the sub-fund value will reduce.
- **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 sub-fund.
- **Bond liquidity risk:** The sub-fund holds bonds which could prove difficult to sell. As a result, the sub-fund may have to lower the selling price, sell other investments or forego more appealing investment opportunities.
- **Charges from capital risk:** Where charges are taken wholly or partly out of a sub-fund's capital, distributable income may be increased at the expense of capital, which may constrain or erode capital growth.
- **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.
- **Income risk:** The payment of income and its level is not guaranteed. Please refer to the sub-fund's prospectus for full details of these and other risks which are applicable to this sub-fund.

There was no change to the risk indicator in the six months ended 31 August 2024.

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

ARTEMIS CORPORATE BOND FUND

INVESTMENT REVIEW

Performance

Over a positive – if subdued – six months for bond markets, the fund returned 4.7%¹. It thereby marginally outperformed its two benchmarks, the iBoxx £ Collateralized & Corporate Index (UK midday) and the Investment Association's £ Corporate Bond NR sector² both of which returned 4.4%.

Although the fund's margin of outperformance was modest, we are pleased with the returns it delivered. In a quiet period for the bond market, attempting to deliver a greater margin of outperformance would have meant taking more risk than we would have been comfortable with.

Contributors

In broad terms, our selection of bonds in the financials and real estate sectors proved to be strong contributors to returns. Within that, the single best performing holding was CPI Property Group, an Eastern European real estate company.

Towards the end of 2023, CPI became the target of Muddy Waters, a 'short seller' seeking to profit from a fall in the price of its bonds. It published a series of reports criticising the relationship between CPI Property and its majority shareholder and questioning the valuation of its property portfolio. The company defended itself against those accusations and brought in a law firm to audit them. Some minor nitpicking aside, the audit found that CPI Property had no case to answer. While the price of its bonds had already begun to recover, this independent vindication spurred an additional move higher.

Detractors

Relative to its benchmark index, the fund has a modest level of exposure to the bonds of UK water companies. The bonds it does own, however, came under pressure. In July, Ofwat, the water regulator, released a draft determination in which it said it would allow an increase of just 21% in average water bills over the next five years. Several water companies have publicly said this is insufficient and are lobbying for change. The final determination seems likely to address some of the water companies' concerns. But only time will tell if that additional flexibility will be sufficient to attract much-needed new investment. The fund's exposure to water company

bonds will remain relatively modest until there is a greater level of regulatory clarity.

Changes to the fund

In terms of new issuance, it was a quiet six months for the corporate bond market. The fund, however, was an active participant in what new issuance there was, buying bonds from companies such as: CPI Property Group, Toyota, Centrica, Coventry Building Society, Landsec, Telereal Securitisation, Platform Housing Association, Manchester Airport, Prologis, Pension Insurance Corporation, Rothesay Life, Motability Operations Group, Reckitt Benckiser, Realty Income Corp and East Japan Railway.

We were also active in the secondary market (where investors trade bonds with other investors, rather than buying them directly from issuing companies themselves). Here, we:

- switched out of Barclays' bonds, which had been very strong performers, and into bonds issued by Bank of America, which had been laggards;
- made switches between different bonds from the same issuer. These included CPI Property Group, Motability, Rothesay and a number of UK water companies; and
- reduced our exposure to French bank bonds due to increased political risk. The fund now only has a modest level of exposure to French companies. While the country has recovered from the tumult in early summer, the truce called around the Paris Olympics is over. We suspect France could yet see further politically inspired volatility.

Outlook

The months ahead seem likely to see interest rates in the UK falling below 5% for the first time since the middle of 2023. Our strategy through this period is likely to remain simple. We don't want to miss out on the potential for lower interest rates to underpin a rise in bond prices. Meanwhile, we expect that any volatility we see in the short term will present us with attractive buying opportunities. The fund is positioned accordingly.

Stephen Snowdon and Grace Le
Fund managers

Past performance is not a guide to the future.

¹ Source: Lipper Limited, class I accumulation GBP. 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. This class may have charges or a hedging approach different from those in the IA sector benchmark.

² Markit iBoxx £ Collateralized & Corporates Index (UK Midday) is a widely used indicator of the performance of sterling-denominated corporate investment grade bonds, in which the fund invests. It acts as a 'target benchmark' that the fund aims to outperform. IA £ Corporate Bond NR is a group of asset managers' sub-funds that invest in similar asset types to the sub-fund, collated by the Investment Association. It acts as a 'comparator benchmark' against which the sub-fund's performance can be compared. Management of the sub-fund is not restricted by this benchmark.

INVESTMENT INFORMATION

Ten largest purchases and sales for the six months ended 31 August 2024

Purchases	Cost £'000	Sales	Proceeds £'000
Tesco Property 7.62% 13/07/2039	30,305	Electricite de France 5.50% 17/10/2041	21,721
Prologis Euro Finance 5.63% 04/05/2040	24,418	UK Treasury 4.38% 31/07/2054	21,484
Coventry Building Society 5.88% 12/03/2030	21,988	Vattenfall 6.88% 17/08/2083	20,317
UK Treasury 4.38% 31/07/2054	21,492	UK Treasury 0.88% 31/01/2046	19,836
Telereal Securitisation 5.63% 10/12/2031	21,018	UK Treasury 1.63% 22/10/2054	19,802
SW Finance I 7.00% 16/04/2040	20,997	Barclays, FRN 7.09% 06/11/2029	19,144
Centrica 6.50% 21/05/2055	20,845	BPCE 5.37% 22/10/2031	18,896
KBC Group 6.15% 19/03/2034	20,089	Santander UK Group Holdings, FRN 7.10% 16/11/2027	17,640
Manchester Airport Group Funding 5.75% 30/09/2042	19,899	Pension Insurance 8.00% 13/11/2033	17,292
Pension Insurance 6.88% 15/11/2034	19,790	Centrica 7.00% 19/09/2033	16,918

Portfolio statement as at 31 August 2024

Investment	Holding/ nominal value	Valuation £'000	% of net assets
Government Bonds 1.26% (0.00%)			
United Kingdom 1.26% (0.00%)			
UK Treasury 3.50% 22/10/2025	£20,000,000	19,795	1.26
		19,795	1.26
Government Bonds total			
		19,795	1.26
Corporate Bonds 97.41% (98.52%)			
Belgium 1.29% (0.00%)			
KBC Group 6.15% 19/03/2034	£20,000,000	20,308	1.29
		20,308	1.29
Canada 1.50% (1.96%)			
CPPIB Capital 4.38% 02/03/2026	£3,500,000	3,500	0.22
CPPIB Capital 6.00% 07/06/2025	£20,000,000	20,168	1.28
		23,668	1.50
Czech Republic 0.89% (0.00%)			
CPI Property Group 1.75% 14/01/2030	€15,900,000	10,446	0.66
CPI Property Group 2.75% 22/01/2028	£4,100,000	3,625	0.23
		14,071	0.89
Denmark 1.14% (0.34%)			
Danske Bank, FRN 4.63% 13/04/2027	£18,000,000	17,993	1.14
		17,993	1.14
France 3.75% (6.00%)			
Banque Federative du Credit Mutuel 5.00% 22/10/2029	£12,100,000	12,237	0.78
BNP Paribas 6.00% 18/08/2029	£25,000,000	26,019	1.65
Electricite de France 5.13% 22/09/2050	£10,000,000	8,671	0.55
Electricite de France 5.63% 25/01/2053	£10,000,000	9,225	0.59
Electricite de France 5.88% Perpetual	£3,000,000	2,895	0.18
		59,047	3.75
Germany 3.10% (4.97%)			
Bayer 7.00% 25/09/2083	€18,000,000	16,276	1.03
E.ON International Finance 6.13% 06/07/2039	£20,000,000	21,271	1.35
Vonovia 5.50% 18/01/2036	£11,600,000	11,287	0.72
		48,834	3.10

ARTEMIS CORPORATE BOND FUND

Investment	Holding/ nominal value	Valuation £'000	% of net assets
Corporate Bonds 97.41% (98.52%) (continued)			
Ireland 1.23% (0.37%)			
Freshwater Finance 4.61% 17/10/2036	£22,249,000	19,399	1.23
		19,399	1.23
Japan 0.71% (0.00%)			
East Japan Railway 5.56% 04/09/2054	£11,000,000	11,093	0.71
		11,093	0.71
Luxembourg 1.95% (1.88%)			
Blackstone Property Partners Europe Sarl 4.88% 29/04/2032	£17,000,000	15,715	1.00
Logicor Financing Sarl 2.75% 15/01/2030	£17,500,000	14,987	0.95
		30,702	1.95
Netherlands 1.66% (1.48%)			
Cooperatieve Rabobank UA 5.25% 14/09/2027	£16,000,000	16,027	1.02
Toyota Motor Finance Netherlands 4.75% 22/10/2029	£10,000,000	10,037	0.64
		26,064	1.66
Saudi Arabia 0.64% (0.00%)			
Gaci First Investment 5.63% 11/06/2039	£10,000,000	10,010	0.64
		10,010	0.64
Spain 0.98% (1.18%)			
Abertis Infraestructuras 3.38% 27/11/2026	£16,000,000	15,417	0.98
		15,417	0.98
Sweden 0.00% (1.42%)			
Switzerland 2.73% (2.95%)			
UBS Group, FRN 7.38% 07/09/2033	£20,000,000	22,685	1.44
Zurich Finance Ireland Designated Activity, FRN 5.13% 23/11/2052	£21,000,000	20,340	1.29
		43,025	2.73
United Kingdom 60.77% (62.47%)			
AA Bond 5.50% 31/07/2050	£6,000,000	5,921	0.38
AA Bond 7.38% 31/07/2050	£11,600,000	12,116	0.77
Accent Capital 2.63% 18/07/2049	£14,000,000	8,890	0.56
Anglian Water Osprey Financing 4.00% 08/03/2026	£5,100,000	4,808	0.31
Annington Funding 3.69% 12/07/2034	£28,500,000	24,090	1.53
Arqiva Financing 4.88% 31/12/2032	£13,203,334	12,944	0.82
Arqiva Financing 7.21% 30/06/2045	£7,000,000	7,479	0.47
Aster Treasury 5.41% 20/12/2032	£15,000,000	15,632	0.99
Aviva, FRN 4.00% 03/06/2055	£27,300,000	22,658	1.44
Beyond Housing 2.13% 17/05/2051	£17,000,000	9,441	0.60
Blend Funding 3.46% 21/09/2049	£17,000,000	12,801	0.81
BP Capital Markets, FRN 4.25% Perpetual	£28,000,000	27,065	1.72
Canary Wharf Finance II 6.80% 22/10/2033	£5,754,164	5,820	0.37
Centrica 6.50% 21/05/2055	£20,700,000	21,114	1.34
Coventry Building Society 5.88% 12/03/2030	£22,000,000	22,390	1.42
CPUK Finance 5.88% 28/08/2027	£20,000,000	20,171	1.28
Eastern Power Networks 5.38% 26/02/2042	£24,000,000	23,935	1.52
Electricity North West 8.88% 25/03/2026	£15,000,000	15,919	1.01
Grainger 3.00% 03/07/2030	£12,000,000	10,393	0.66
Greene King Finance 4.06% 15/03/2035	£10,233,629	9,477	0.60
Greene King Finance 5.11% 15/03/2034	£11,938,575	11,656	0.74
Heathrow Funding 6.45% 10/12/2033	£27,500,000	29,583	1.88
HSBC 6.80% 14/09/2031	£17,000,000	18,418	1.17

Investment	Holding/ nominal value	Valuation £'000	% of net assets
Corporate Bonds 97.41% (98.52%) (continued)			
United Kingdom 60.77% (62.47%) (continued)			
Inchcape 6.50% 09/06/2028	£18,200,000	18,831	1.20
International Distribution Services 7.38% 14/09/2030	£12,000,000	12,473	0.79
Investec, FRN 1.88% 16/07/2028	£11,100,000	9,998	0.63
Land Securities Capital Markets 4.88% 15/09/2032	£16,000,000	16,201	1.03
Leeds Building Society 1.38% 06/10/2027	£11,500,000	10,380	0.66
Legal & General Group, FRN 4.50% 01/11/2050	£11,500,000	10,629	0.68
Legal & General Group, FRN 5.50% 27/06/2064	£16,000,000	15,351	0.98
Liberty Living Finance 3.38% 28/11/2029	£7,000,000	6,418	0.41
Lloyds Banking Group, FRN 6.63% 02/06/2033	£29,000,000	29,724	1.89
Logicor 2019-1 UK 1.88% 17/11/2031	£15,000,000	14,055	0.89
M&G, FRN 6.25% 20/10/2068	£6,000,000	5,631	0.36
Manchester Airport Funding 5.75% 30/09/2042	£18,000,000	18,239	1.16
Marston's Issuer, FRN 5.18% 15/07/2032	£16,304,000	15,033	0.95
Martlet Homes 3.00% 09/05/2052	£11,000,000	7,449	0.47
Meadowhall Finance 4.99% 12/07/2037	£10,993,336	10,483	0.67
Mitchells & Butlers Finance 5.57% 15/12/2030	£6,296,885	6,313	0.40
Mobico Group 4.88% 26/09/2031	€12,000,000	10,006	0.64
Motability Operations Group 2.38% 03/07/2039	£25,000,000	17,924	1.14
Motability Operations Group 5.75% 11/09/2048	£5,000,000	5,284	0.34
National Grid Electricity Transmission 5.27% 18/01/2043	£10,000,000	9,585	0.61
Nationwide Building Society, FRN 7.86% Perpetual	£2,500,000	2,451	0.16
NatWest Group, FRN 7.42% 06/06/2033	£19,700,000	20,700	1.31
Northern Powergrid Northeast 3.25% 01/04/2052	£13,000,000	9,082	0.58
Northern Powergrid Yorkshire 5.63% 14/11/2033	£10,500,000	11,006	0.70
Pension Insurance 3.63% 21/10/2032	£7,400,000	6,075	0.39
Pension Insurance 6.88% 15/11/2034	£19,800,000	19,973	1.27
Platform HG Financing 5.34% 10/04/2050	£18,000,000	18,232	1.16
Quadgas Finance 3.38% 17/09/2029	£24,000,000	21,560	1.37
RAC Bond 4.87% 06/05/2046	£20,000,000	19,846	1.26
Reckitt Benckiser Treasury Services 5.00% 20/12/2032	£15,000,000	15,130	0.96
RL Finance Bonds NO 4 4.88% 07/10/2049	£14,000,000	11,584	0.74
Rothsay Life 7.02% 10/12/2034	£16,000,000	16,343	1.04
Rothsay Life, FRN 6.88% Perpetual	£3,100,000	3,001	0.19
Sage 1.63% 25/02/2031	£12,000,000	9,822	0.62
Sovereign Housing Capital 2.38% 04/11/2048	£14,400,000	8,788	0.56
SP Manweb 4.88% 20/09/2027	£15,000,000	15,058	0.96
SW Finance I 7.00% 16/04/2040	£20,000,000	17,153	1.09
Telereal Securitisation 1.37% 10/12/2033	£11,654,840	10,343	0.66
Telereal Securitisation 3.56% 10/12/2031	£15,800,000	14,450	0.92
Telereal Securitisation 5.63% 10/12/2031	£21,000,000	21,243	1.35
Tesco Property Finance 1 7.62% 13/07/2039	£26,529,922	30,176	1.92
TP ICAP Finance 7.88% 17/04/2030	£18,000,000	19,433	1.23
Unique Pub Finance 5.66% 30/06/2027	£6,103,018	6,052	0.38
UNITE 5.63% 25/06/2032	£10,000,000	10,200	0.65
Whitbread Group 3.38% 16/10/2025	£11,000,000	10,754	0.68
Yorkshire Building Society 7.38% 12/09/2027	£5,000,000	5,199	0.33
		956,382	60.77
United States of America 15.07% (13.50%)			
Bank of America 1.67% 02/06/2029	£17,500,000	15,595	0.99
Caterpillar Financial Services 5.72% 17/08/2026	£9,300,000	9,487	0.60

ARTEMIS CORPORATE BOND FUND

Investment	Holding/ nominal value	Valuation £'000	% of net assets
Corporate Bonds 97.41% (98.52%) (continued)			
United States of America 15.07% (13.50%) (continued)			
Citigroup 4.50% 03/03/2031	£13,900,000	13,132	0.83
Citigroup 6.80% 25/06/2038	£15,000,000	17,440	1.11
Dresdner Funding Trust I 8.15% 30/06/2031	\$15,700,000	13,107	0.83
Goldman Sachs Group 6.88% 18/01/2038	£16,000,000	17,654	1.12
HJ Heinz Finance UK 6.25% 18/02/2030	£13,000,000	13,666	0.87
MassMutual Global Funding II 4.63% 05/10/2029	£15,000,000	14,978	0.95
Metropolitan Life Global Funding I 1.63% 12/10/2028	£18,100,000	16,129	1.02
MPT Operating Partnership, REIT 3.69% 05/06/2028	£16,000,000	11,760	0.75
Nestle 5.25% 21/09/2026	£17,000,000	17,233	1.10
New York Life Global Funding 4.35% 16/09/2025	£8,000,000	7,948	0.51
Prologis Euro Finance 5.63% 04/05/2040	£24,500,000	25,267	1.61
Realty Income 5.25% 04/09/2041	£13,750,000	13,352	0.85
Verizon Communications 4.75% 17/02/2034	£8,000,000	7,819	0.50
Wells Fargo 4.88% 29/11/2035	£24,000,000	22,523	1.43
		237,090	15.07
Corporate Bonds total		1,533,103	97.41
Forward Currency Contracts 0.08% (0.01%)			
Buy Sterling 38,471,173, sell Euro 44,730,717 dated 09/09/2024		838	0.05
Buy Sterling 13,709,762, sell US Dollar 17,438,719 dated 09/09/2024		472	0.03
Forward Currency Contracts total		1,310	0.08
Investment assets		1,554,208	98.75
Net other assets		19,596	1.25
Net assets attributable to shareholders		1,573,804	100.00

The comparative percentage figures in brackets are as at 29 February 2024.

FINANCIAL STATEMENTS

Statement of total return for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		20,084		(41,427)
Revenue	43,123		36,823	
Expenses	(2,462)		(2,132)	
Interest payable and similar charges	(5)		(6)	
Net revenue before taxation	40,656		34,685	
Taxation	–		–	
Net revenue after taxation		40,656		34,685
Total return before distributions		60,740		(6,742)
Distributions		(41,299)		(35,318)
Change in net assets attributable to shareholders from investment activities		19,441		(42,060)

Statement of change in net assets attributable to shareholders for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		1,431,786		1,190,110
Amounts receivable on issue of shares	302,041		331,609	
Amounts payable on cancellation of shares	(201,362)		(187,659)	
		100,679		143,950
Dilution adjustment		–		197
Change in net assets attributable to shareholders from investment activities		19,441		(42,060)
Retained distribution on accumulation shares		21,898		15,882
Closing net assets attributable to shareholders		1,573,804		1,308,079

Balance sheet as at 31 August 2024

	31 August 2024	29 February 2024
	£'000	£'000
Assets		
Fixed assets		
Investments	1,554,208	1,410,785
Current assets		
Debtors	53,994	43,891
Cash and cash equivalents	42,765	25,195
Total current assets	96,759	69,086
Total assets	1,650,967	1,479,871
Liabilities		
Investment liabilities	–	22
Creditors		
Bank overdraft	1,250	130
Distribution payable	10,159	9,582
Other creditors	65,754	38,351
Total creditors	77,163	48,063
Total liabilities	77,163	48,085
Net assets attributable to shareholders	1,573,804	1,431,786

ARTEMIS CORPORATE BOND FUND

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK 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 29 February 2024 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 sub-fund pays quarterly interest distributions. The following table sets out the distribution periods.

Quarterly distribution periods	Start	End	Ex-dividend date	Pay date
First interim	1 March 2024	31 May 2024	1 June 2024	31 July 2024
Second interim	1 June 2024	31 August 2024	1 September 2024	31 October 2024

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

Group 2 shares 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 shares purchased during the period. It is the average amount of revenue included in the purchase price of all group 2 shares and is refunded to holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

Corporate shareholders should note that a holding in a fund with more than 60% of its net assets in interest bearing assets may be required to be treated as a creditor loan relationship for corporation tax purposes.

F distribution GBP

Interest distributions for the six months ended 31 August 2024	Group 2		Group 1 & 2 Distribution per share (p)	Corporate streaming		2023 Distribution per share (p)
	Net revenue per share (p)	Equalisation per share (p)		Franked	Unfranked	
First interim	0.6236	0.6531	1.2767	0.00%	100.00%	1.1748
Second interim	0.5744	0.7146	1.2890	0.00%	100.00%	1.2718

F accumulation GBP

Interest distributions for the six months ended 31 August 2024	Group 2		Group 1 & 2 Distribution per share (p)	Corporate streaming		2023 Distribution per share (p)
	Net revenue per share (p)	Equalisation per share (p)		Franked	Unfranked	
First interim	0.7242	0.7266	1.4508	0.00%	100.00%	1.2611
Second interim	0.7626	0.7235	1.4861	0.00%	100.00%	1.3865

I distribution GBP

Interest distributions for the six months ended 31 August 2024	Group 2		Group 1 & 2 Distribution per share (p)	Corporate streaming		2023 Distribution per share (p)
	Net revenue per share (p)	Equalisation per share (p)		Franked	Unfranked	
First interim	0.5873	0.6838	1.2711	0.00%	100.00%	1.1708
Second interim	0.6062	0.6769	1.2831	0.00%	100.00%	1.2672

I accumulation GBP

Interest distributions for the six months ended 31 August 2024	Group 2		Group 1 & 2 Distribution per share (p)	Corporate streaming		2023 Distribution per share (p)
	Net revenue per share (p)	Equalisation per share (p)		Franked	Unfranked	
First interim	0.6584	0.7592	1.4176	0.00%	100.00%	1.2321
Second interim	0.7063	0.7456	1.4519	0.00%	100.00%	1.3567

ARTEMIS CORPORATE BOND FUND

COMPARATIVE TABLES

Fund sizes & net asset values

Date	Net asset value of sub-fund (£)	Net asset value per share (p)	Shares in issue
28 February 2022	765,628,952		
F distribution GBP		102.30	309,874,543
F accumulation GBP		108.69	11,436,624
I distribution GBP		102.07	79,418,735
I accumulation GBP		108.44	327,474,495
28 February 2023	1,190,109,654		
F distribution GBP		88.91	527,621,373
F accumulation GBP		98.19	33,180,151
I distribution GBP		88.62	198,691,622
I accumulation GBP		97.86	523,537,244
29 February 2024	1,431,785,503		
F distribution GBP		90.36	536,009,626
F accumulation GBP		105.53	41,785,476
I distribution GBP		89.97	222,605,198
I accumulation GBP		105.08	669,117,224
31 August 2024	1,573,804,312		
F distribution GBP		91.50	542,186,039
F accumulation GBP		109.92	39,351,254
I distribution GBP		91.06	247,107,025
I accumulation GBP		109.39	739,978,970

Ongoing charges

Class	31 August 2024
F distribution GBP	0.260%
F accumulation GBP	0.260%
I distribution GBP	0.360%
I accumulation GBP	0.360%

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

Class I accumulation performance

	Since launch *	3 years	1 year	6 months
Artemis Corporate Bond Fund **	9.6	(5.5)	12.2	4.7
Artemis Corporate Bond Fund ***	9.4	(5.4)	11.9	3.9
iBoxx £ Collateralized & Corporate Index	(4.5)	(11.8)	10.8	4.4
IA £ Corporate Bond NR	(0.3)	(7.9)	10.8	4.4
Position in sector	3/77	27/79	15/82	23/82
Quartile	1	2	1	2

Past performance is not a guide to the future.

* Source: Lipper Limited, class I accumulation GBP from 30 October 2019 to 31 August 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. This class may 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 accumulation is disclosed as it is the primary share class.

ARTEMIS GLOBAL EQUITY INCOME FUND

NOTE ON MERGER

Artemis Global Equity Income Fund merger

On 10 July 2020, the Artemis Global Equity Income Fund was merged with the Artemis Global Income Fund.

As a result of the relatively low level of assets in the sub-fund, its Authorised Corporate Director, Artemis Fund Managers Limited, proposed that it be merged with the Artemis Global Income Fund.

This sub-fund has the same investment objective, policy and strategy, but a different legal structure: it is a unit trust. Both funds were managed by the same team of fund managers and held a similar portfolio of investments.

The merger was proposed so that investors could remain invested in their chosen investment strategy, benefit from lower costs offered by a larger fund, and avoid having their shares paid out when the Artemis Global Equity Income Fund closed - which could be treated as a 'disposal' of shares for tax purposes and so give rise to capital gains tax on any gains arising.

The merger was approved by shareholder vote at a meeting on 26 June 2020 and became effective on 10 July 2020. Following the merger, shareholders in the Artemis Global Equity Income Fund received units in the Artemis Global Income Fund. The direct costs associated with the merger, including the legal and accounting costs, were paid by Artemis and not by either of the funds involved.

The sub-fund will be wound up when outstanding withholding tax reclaims have been recovered and paid to Artemis Global Income Fund.

OBJECTIVE AND INVESTMENT POLICY *

Objective	To grow both income and capital over a five year period	
Investment policy	What the sub-fund invests in	<ul style="list-style-type: none">• 80% to 100% in company shares.• Up to 20% in in bonds, cash and• near cash, other transferable securities, other funds (10%) managed by Artemis and third party funds, money market instruments, and derivatives.
	Use of derivatives	The sub-fund may use derivatives for efficient portfolio management purposes to: <ul style="list-style-type: none">• reduce risk• manage the sub-fund efficiently.
	Where the sub-fund invests	<ul style="list-style-type: none">• Globally
	Industries the sub-fund invests in	<ul style="list-style-type: none">• Any
	Other limitations specific to this sub-fund	<ul style="list-style-type: none">• None

* up to 10 July 2020

INVESTMENT INFORMATION

Ten largest purchases and sales for the six months ended 31 August 2024

As the sub-fund closed on 10 July 2020, there were no purchase and sales for the six months ended 31 August 2024.

Portfolio statement as at 31 August 2024

As the sub-fund closed on 10 July 2020, there were no investments as at 31 August 2024.

ARTEMIS GLOBAL EQUITY INCOME FUND

FINANCIAL STATEMENTS

Statement of total return for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		-		-
Revenue	-		-	
Expenses	-		-	
Net revenue before taxation	-		-	
Taxation	(31)		(11)	
Net expense after taxation		(31)		(11)
Total return before distributions		(31)		(11)
Distributions		-		(41)
Change in net assets attributable to shareholders from investment activities		(31)		(52)

Statement of change in net assets attributable to shareholders for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		-		-
Withholding tax recoverable		41		101
Change in net assets attributable to shareholders from investment activities		(31)		(52)
Balance payable to Artemis Global Income Fund		(10)		(49)
Closing net assets attributable to shareholders		-		-

Balance sheet as at 31 August 2024

	31 August 2024		29 February 2024	
	£'000	£'000	£'000	£'000
Assets				
Current assets *				
Debtors		10		41
Total current assets		10		41
Total assets		10		41
Liabilities				
Creditors				
Other creditors		10		41
Total creditors		10		41
Total liabilities		10		41
Net assets attributable to shareholders		-		-

* The financial statements have been prepared on a break-up basis.

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK 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 29 February 2024 as set out therein.

2. Post balance sheet events

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

ARTEMIS PAN-EUROPEAN ABSOLUTE RETURN FUND

NOTE ON CLOSURE

Closure of Artemis Pan-European Absolute Return Fund.

Artemis Pan-European Absolute Return Fund closed on 20 May 2020.

At Artemis, we regularly review the range of funds we offer to ensure we are offering appropriate products to our investors. Given the small size of this sub-fund (approximately £7 million as at 31 March 2020), its investment performance and having seen continued redemptions, we reviewed its ongoing viability and future prospects. Having considered a number of options, we concluded that its closure was in the best interests of investors.

The costs associated with the closure of the sub-fund, including the legal and regulatory charges, were met by Artemis, although trading-related transaction costs associated with the disposal of its investments were borne by the sub-fund.

The sub-fund will be wound up when outstanding withholding tax reclaims have been recovered and paid to shareholders.

OBJECTIVE AND INVESTMENT POLICY *

Objective	To achieve a positive return over a rolling three-year period, after fees, notwithstanding changing market conditions. The sub-fund also targets returns in excess of 3 Month LIBOR, after fees, in calculating the performance fee payable to the manager. There is no guarantee that the sub-fund will achieve a positive return over a rolling three-year period or any other time period and your capital is at risk.	
Investment policy	What the sub-fund invests in	<ul style="list-style-type: none"> • At least 80% in shares of European companies, either directly or indirectly through derivatives. • Up to 20% in shares, or derivatives of shares, of companies in other countries, bonds, cash, near cash, other transferable securities, other funds (up to 10%) managed by Artemis and third party funds, and money market instruments.
	Use of derivatives	<p>The sub-fund may use derivatives:</p> <ul style="list-style-type: none"> • for investment purposes to achieve the sub-fund objective, including taking long and short positions • to produce additional income or growth • for efficient portfolio management purposes to reduce risk and manage the sub-fund efficiently • to create leverage
	Industries the sub-fund invests in	<ul style="list-style-type: none"> • Any
	Other limitations specific to this sub-fund	<ul style="list-style-type: none"> • Total derivatives (longs plus shorts) are likely to represent a significant proportion of the sub-fund's gross exposure to companies, which will typically lie in a range of +100% to +200% of net asset value. • Net exposure (longs minus shorts) will typically lie in the range of -10% to +75%. • A significant proportion of net asset value will be held in cash due to the level of derivative use. • To allow the sub-fund to manage counterparty risk, it may also invest its cash in government bonds, generally of less than one year maturity.

* until 20 May 2020

INVESTMENT INFORMATION

Ten largest purchases and sales for the six months ended 31 August 2024

As the sub-fund closed on 20 May 2020, there were no purchase and sales for the six months ended 31 August 2024.

Portfolio statement as at 31 August 2024

As the sub-fund closed on 20 May 2020, there were no investments as at 31 August 2024.

ARTEMIS PAN-EUROPEAN ABSOLUTE RETURN FUND

FINANCIAL STATEMENTS

Statement of total return for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		-		-
Revenue	-		-	
Expenses	-		-	
Net revenue before taxation	-		-	
Taxation	(9)		(7)	
Net revenue after taxation		(9)		(7)
Total return before distributions		(9)		(7)
Distributions		-		-
Change in net assets attributable to shareholders from investment activities		(9)		(7)

Statement of change in net assets attributable to shareholders for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		-		-
Withholding tax recoverable		55		122
Change in net assets attributable to shareholders from investment activities		(9)		(7)
Balance payable to shareholders following sub-fund closure		(46)		(115)
Closing net assets attributable to shareholders		-		-

Balance sheet as at 31 August 2024

	31 August 2024		29 February 2024	
	£'000	£'000	£'000	(Restated)
Assets				
Current assets				
Debtors		46		55
Cash and cash equivalents		62		61 *
Total current assets		108		116
Total assets		108		116
Liabilities				
Creditors				
Other creditors		108		116 *
Total creditors		108		116
Total liabilities		108		116
Net assets attributable to shareholders		-		-

* The 29 February 2024 Cash and cash equivalents balance has been restated to include the cash held by Northern Trust custodian in the overall cash balance. As a consequence, the Other creditors balance has also been restated to reflect amounts due to shareholders following the sub-fund closure. As this sub-fund has closed, this is a reclassification restatement only and there is a net nil impact on the net asset value of the sub-fund. Cash and cash equivalents as at 29 February 2024 has increased by £39,000 and Other creditors as at 29 February 2024 has increased by £39,000.

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK 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 29 February 2024 as set out therein.

2. Post balance sheet events

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

ARTEMIS POSITIVE FUTURE FUND

OBJECTIVE AND INVESTMENT POLICY

Objective	To grow capital over a five year period by investing in companies which meet the manager's criteria for positive environmental and/or social impact.		Investment strategy	<ul style="list-style-type: none"> • The sub-fund is actively managed and will be concentrated, typically investing in 35-45 companies at any time. • A number of companies are removed from the investment universe at the outset of the investment process using the criteria set out in the investment policy above. • A research driven stock selection process is then used to identify innovative companies whose products and services the manager believes are disrupting established industries by offering a positive environmental and/or social impact. • The 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 a company, the manager analyses the impact of: <ul style="list-style-type: none"> - the products and services it provides; - its operational practices and standards; and - its future positive impact or capacity for improvement. • The manager is predominantly driven by a qualitative approach to research and stock selection but also utilise quantitative screening and third-party research, including environmental, social and governance (ESG) screens. • Engagement forms an important part of the manager's investment process. The manager expects that investee companies should set ambitious goals and seek to continuously improve. Engagement allows the manager to identify and monitor the progressive management philosophy they seek at investee companies. If it is the manager's opinion that an investee company no longer meets the required investment criteria or is not making sufficient progress on improving their operational performance, the sub-fund will not make any further investments in the company and will seek to realise its investment in an orderly fashion. • The manager will report, on at least an annual basis, on the environmental and/or social impact of the companies in which the sub-fund invests consistent with the stated strategy using both qualitative and quantitative assessments. The report will also provide details of the manager's stewardship activities.
Investment policy	What the sub-fund invests in	<ul style="list-style-type: none"> • 80% to 100% in company shares • Up to 20% in bonds, cash and 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	<p>The sub-fund may use derivatives for efficient portfolio management purposes to:</p> <ul style="list-style-type: none"> • reduce risk • manage the sub-fund efficiently. 		
	Where the sub-fund invests	<ul style="list-style-type: none"> • Globally 		
	Industries the sub-fund invests in	<ul style="list-style-type: none"> • Any, except for those excluded at the sub-industry level below. 		
	Other limitations specific to this sub-fund	<p>Shares in the following types of company are automatically excluded:</p> <ul style="list-style-type: none"> • Alcohol: companies which derive more than 10% revenue from alcohol; • Tobacco: companies which derive more than 10% 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; and • Fossil fuels: companies which: <ul style="list-style-type: none"> - 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 manager determines to be implicated in severe controversies related to the company's use or management of natural resources; and • Companies that the manager determines to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption. 	Benchmarks	<ul style="list-style-type: none"> • MSCI AC World NR GBP A widely-used indicator of the performance of global stockmarkets, in which the sub-fund invests. It acts as a 'comparator benchmark' against which the sub-fund's performance can be compared. Management of the sub-fund is not restricted by this benchmark. The deviation from the benchmark may be significant and the portfolio of the sub-fund may at times bear little or no resemblance to its benchmark. • IA Global NR A group of asset managers' sub-funds that invest in similar asset types to the sub-fund, collated by the Investment Association. It acts as a 'comparator benchmark' against which the sub-fund's performance can be compared. Management of the sub-fund is not restricted by this benchmark.

RISK AND REWARD PROFILE



- The sub-fund is in the category shown due to historic volatility (how much and how quickly the value of shares in the sub-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 sub-fund.
- The risk category has been calculated using historic data and may not be a reliable indicator of the sub-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 sub-fund performance:

- **Market volatility risk:** The value of the sub-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 sub-fund's assets may be priced in currencies other than the sub-fund base currency. Changes in currency exchange rates can therefore affect the sub-fund's value.
- **Concentration risk:** The sub-fund may have investments concentrated in a limited number of holdings. This can be more risky than holding a wider range of investments.
- **Charges from capital risk:** Where charges are taken wholly or partly out of a sub-fund's capital, distributable income may be increased at the expense of capital, which may constrain or erode capital growth.
- **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.
- **Smaller companies risk:** Investing in small and medium-sized companies can involve more risk than investing in larger, more established companies. Shares in smaller companies may not be as easy to sell, which can cause difficulty in valuing those shares.

- **Specialist investment objective risk:** The sub-fund will only invest in companies which have a positive environmental and/or social impact. It is also prevented from investing in companies which conduct certain types of activities. The universe of potential investments available to the sub-fund will therefore be smaller than if no such restrictions were applied. If a company in which the sub-fund invests no longer meets the criteria for investment and/or is not making sufficient progress on improving its operational performance, the manager will seek to sell the investment. The price which may be obtained for selling an investment in these circumstances might be lower than that which could have been obtained had the sale not been required.

There was no change to the risk indicator in the six months ended 31 August 2024.

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

ARTEMIS POSITIVE FUTURE FUND

INVESTMENT REVIEW

Turnover within the sub-fund's holdings was higher than normal. Following the appointment of a new lead manager in March, the portfolio was progressively repositioned to reflect our new approach to impact investing. That approach places more emphasis on investor contribution – by what we can do as investors to accelerate and precipitate real-world change – and, from a portfolio construction perspective, there is now increased focus on risk-adjusted returns.

As such, we have been ruthless in exiting positions where valuations are unsupportive or where our investment theses have weakened. We believe the result is a more robust and more balanced portfolio – one that should deliver returns with less volatility than in the past.

With respect to sector allocation, we have reduced the sub-fund's holdings in healthcare stocks and have added to its holdings in utilities, materials and financials. On average, the sub-fund now has less invested in smaller companies than it did six months ago and there is a greater focus on investing in companies with 'quality' characteristics such as relatively stable earnings, stronger balance sheets and higher margins. Over the period, we made 24 full sales of positions – with an average beta of 1.3x and estimated price to earnings ratio of 30x, and have 24 new holdings, with an average beta of 0.95x and average estimated price to earnings ratio of 16x.

Performance

The sub-fund returned 1.0% (net of fees) over the period, underperforming both MSCI ACWI, which returned 6.4%, and MSCI ACWI Mid Cap which returned 5.1%*. The most significant detractor from relative returns was stock selection within the healthcare sector, with several names underperforming. As above, over the period, we have reduced the sub-fund's overweight to healthcare. Though the technology sector's performance has been more mixed of late, not holding the likes of NVIDIA continues to inhibit relative performance.

The wider context

The six-month period was volatile for global equities, with varied periods of market leadership. Although technology – particularly semiconductors – rallied strongly over the second quarter, the market rotated sharply in July as the odds of a second Trump presidency increased significantly and some earnings reports from semiconductor companies disappointed. August began with a spike in volatility, with weak US economic data and a surprise interest rate hike from the Bank of Japan resulting in investors unwinding positions in the popular Yen carry trade (whereby investors borrow in yen to buy higher-yielding currencies) and Japanese and US equities selling off sharply.

This volatility receded rapidly, however, thanks to some better employment data in the US, and the VIX index (a key measure of volatility) retreated at its fastest pace in 30 years.

Looking ahead

Equity markets had a tough start to September – historically, the worst month of the year for equities – given yet more weaker US economic data once again stoking fears of recession and ushering in a sell-off. The US economy does look to be slowing, but this could just be normalisation from a period of extremely strong growth. Moreover, more S&P 500 companies than usual beat earnings expectations in the second quarter, with earnings growth broadening out beyond the largest technology companies.

It is reasonable to expect volatility to remain elevated we think, given a US election campaign that remains too close to call, question marks over global economic growth (and in turn the future path of interest rates) and unstable geopolitical relations. Despite the obvious challenges, these competing narratives should result in attractive opportunities for active stock pickers. We continue to focus on resilient businesses with good cash flows – in conjunction with our new impact investment approach – and feel optimistic as to the portfolio's ability to deliver attractive financial and non-financial outcomes for our investors.

Sacha El Khoury
Fund manager

Past performance is not a guide to the future.

* Source: Artemis/Lipper Limited, from 1 March 2024 to 31 August 2024, class I accumulation GBP. All figures show total returns with income reinvested, net of all charges. Performance does not take account of any costs incurred when investors buy or sell the sub-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.

INVESTMENT INFORMATION

Ten largest purchases and sales for the six months ended 31 August 2024

Purchases	Cost £'000	Sales	Proceeds £'000
Synopsys	249	Cochlear	699
Grupo Financiero Banorte	220	Amplifon	500
Graphic Packaging	217	Veeva Systems	477
Prysmian	200	IDEX	471
Sompo Holdings	192	Tetra Tech	442
Enovis	191	Wolters Kluwer	430
Pearson	173	Shimano	422
NXP Semiconductors	170	Dexcom	411
GE Healthcare Technologies	164	Terumo	376
Clean Harbors	159	Halma	373

Portfolio statement as at 31 August 2024

Investment	Holding	Valuation £'000	% of net assets
Equities 98.00% (98.10%)			
Consumer Discretionary 7.92% (8.94%)			
On Holding	2,925	105	1.62
Pearson	15,841	167	2.57
Shoei	10,600	130	2.00
Technogym	13,638	112	1.73
		514	7.92
Energy 0.88% (2.17%)			
First Solar	326	57	0.88
		57	0.88
Financials 8.53% (0.00%)			
Fiserv	1,267	168	2.59
Grupo Financiero Banorte	12,000	63	0.97
NU Holdings	9,982	114	1.76
Sompo Holdings	11,600	208	3.21
		553	8.53
Health Care 16.27% (27.48%)			
Centene	2,035	122	1.88
Enovis	2,550	91	1.40
GE HealthCare Technologies	2,440	158	2.44
Hologic	4,927	304	4.69
ICON	885	217	3.35
Revvity	980	91	1.40
Sandoz Group	2,159	72	1.11
		1,055	16.27
Industrials 32.26% (29.90%)			
Bureau Veritas	3,865	97	1.50
Chroma ATE	17,000	132	2.03
Clean Harbors	987	185	2.85
Core & Main	3,583	132	2.04
Halma	2,769	72	1.11
MSA Safety	1,580	220	3.39
nVent Electric	2,724	142	2.19

ARTEMIS POSITIVE FUTURE FUND

Investment	Holding	Valuation £'000	% of net assets
Equities 98.00% (98.10%) (continued)			
Industrials 32.26% (29.90%) (continued)			
ON Semiconductor	2,290	137	2.11
Oxford Instruments	7,089	162	2.50
Prysmian	3,580	191	2.94
Tetra Tech	1,572	284	4.38
Vertiv	1,103	71	1.09
WillScot Mobile Mini Holdings	1,402	41	0.63
Wolters Kluwer	1,751	227	3.50
		2,093	32.26
Information Technology 20.68% (25.97%)			
Disco	400	90	1.39
Motorola Solutions	1,038	349	5.38
NetApp	1,393	128	1.97
NXP Semiconductors	753	148	2.28
Roper Technologies	435	183	2.82
Synopsys	519	207	3.19
Verisk Analytics	1,146	237	3.65
		1,342	20.68
Materials 9.39% (3.64%)			
Avery Dennison	1,632	276	4.26
Cie de Saint-Gobain	1,926	128	1.97
Graphic Packaging	9,021	205	3.16
		609	9.39
Utilities 2.07% (0.00%)			
SSE	7,075	134	2.07
		134	2.07
Equities total		6,357	98.00
Investment assets		6,357	98.00
Net other assets		130	2.00
Net assets attributable to shareholders		6,487	100.00

The comparative percentage figures in brackets are as at 29 February 2024.

FINANCIAL STATEMENTS

Statement of total return for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		29		(1,564)
Revenue	56		129	
Expenses	(25)		(78)	
Net revenue before taxation	31		51	
Taxation	(5)		(12)	
Net revenue after taxation		26		39
Total return before distributions		55		(1,525)
Distributions		(4)		(2)
Change in net assets attributable to shareholders from investment activities		51		(1,527)

Statement of change in net assets attributable to shareholders for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		12,376		31,473
Amounts receivable on issue of shares	2,283		2,469	
Amounts payable on cancellation of shares	(8,236)		(8,360)	
		(5,953)		(5,891)
Dilution adjustment		13		14
Change in net assets attributable to shareholders from investment activities		51		(1,527)
Closing net assets attributable to shareholders		6,487		24,069

Balance sheet as at 31 August 2024

	31 August 2024	29 February 2024
	£'000	£'000
Assets		
Fixed assets		
Investments	6,357	12,141
Current assets		
Debtors	28	20
Cash and cash equivalents	114	267
Total current assets	142	287
Total assets	6,499	12,428
Liabilities		
Creditors		
Distribution payable	–	16
Other creditors	12	36
Total creditors	12	52
Total liabilities	12	52
Net assets attributable to shareholders	6,487	12,376

ARTEMIS POSITIVE FUTURE FUND

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK 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 29 February 2024 as set out therein.

2. Post balance sheet events

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

COMPARATIVE TABLES

Fund sizes & net asset values

Date	Net asset value of sub-fund (£)	Net asset value per share (p)	Shares in issue
28 February 2022	33,951,411		
F distribution GBP		76.19	6,711,096
F accumulation GBP		76.24	28,603,710
I distribution GBP		75.92	1,385,608
I accumulation GBP		75.97	7,871,642
28 February 2023	31,473,401		
F distribution GBP		68.50	7,122,271
F accumulation GBP		68.80	28,997,640
I distribution GBP		67.98	2,396,374
I accumulation GBP		68.29	7,344,199
29 February 2024	12,376,468		
F distribution GBP		64.47	2,083,981
F accumulation GBP		65.19	8,925,813
I distribution GBP		63.73	1,713,124
I accumulation GBP		64.44	6,397,653
31 August 2024	6,487,019		
F distribution GBP		65.20	83,679
F accumulation GBP		65.93	6,408,865
I distribution GBP		64.33	140,009
I accumulation GBP		65.04	3,254,722

Ongoing charges

Class	31 August 2024
F distribution GBP	0.500%
F accumulation GBP	0.500%
I distribution GBP	0.900%
I accumulation GBP	0.900%

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

Class I accumulation performance

	Since launch *	3 years	1 year	6 months
Artemis Positive Future Fund **	(35.4)	(39.0)	0.1	1.0
Artemis Positive Future Fund ***	(35.0)	(38.6)	0.5	0.7
MSCI AC World NR GBP	35.2	23.9	19.0	6.4
IA Global NR	22.2	11.8	14.6	4.4
Position in sector	241/242	247/248	276/284	242/288
Quartile	4	4	4	4

Past performance is not a guide to the future.

* Source: Artemis/Lipper Limited, class I accumulation GBP to 31 August 2024. All figures show total returns with dividends and/or income reinvested, net of all charges and performance fees. 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.

** Value at 12 noon valuation point.

*** Value at close of business.

Class I accumulation is disclosed as it is the primary share class.

ARTEMIS SHORT-DURATION STRATEGIC BOND FUND (FORMERLY ARTEMIS TARGET RETURN BOND FUND)

OBJECTIVE AND INVESTMENT POLICY

(prior to 18 March 2024)

Objective	To achieve a positive return of at least 2.5% above the Bank of England (BOE) base rate, after fees, on an annualised basis over rolling three-year periods.	
Investment policy	What the sub-fund invests in	<ul style="list-style-type: none"> Bonds in any currency, directly or indirectly using derivatives, including: <ul style="list-style-type: none"> - Government bonds - Corporate bonds - Asset-backed securities - Mortgage-backed securities The sub-fund may also invest in cash and near cash, other transferable securities, other funds (up to 10%) managed by Artemis and third party funds, and money market instruments.
	Use of derivatives	<p>The sub-fund may use derivatives:</p> <ul style="list-style-type: none"> for investment purposes to achieve the sub-fund objective, including taking long and short positions in sovereign bonds, credit spreads (via credit default swaps on single issuers or indices), interest rates or inflation expectations to produce additional income or growth for efficient portfolio management purposes to reduce risk and manage the sub-fund efficiently.
	Where the sub-fund invests	<ul style="list-style-type: none"> Globally No more than 40% net exposure (longs minus shorts) in emerging market debt securities. At least 90% of the sub-fund will be denominated in or hedged back to sterling.
	Industries the sub-fund invests in	<ul style="list-style-type: none"> Any
	Credit quality of bonds the sub-fund invests in	<ul style="list-style-type: none"> Investment grade corporate being: <ul style="list-style-type: none"> - BBB- or above by Standard & Poor's; or - BBB- or above by Fitch; or - Baa3 or above by Moody's No more than 40% net exposure (longs minus shorts) in below investment grade securities. Up to 10% in unrated bonds The sub-fund will not invest in bonds below B3 by Moody's, B- by S&P or B- by Fitch (the Minimum Bond Rating). Where the sub-fund has exposure to an index the Minimum Bond Rating will apply to the average credit rating of bonds making up the index.

Other limitations specific to this sub-fund	<ul style="list-style-type: none"> The sub-fund's portfolio duration will vary between -2 years and +4 years No more than 40% net exposure (longs minus shorts) in aggregate in a combination of emerging market debt securities and below investment grade securities. Up to 5% exposure to any non-government issuer of investment grade securities. Up to 3% exposure to an individual issuer of below investment grade securities or an issuer listed, headquartered or having significant business in emerging markets. In this context, emerging market countries means countries included in the MSCI Emerging Markets Index and those included in the World Bank definition of developing economies or those countries which are, in the manager's opinion, developing countries.
Investment strategy	<ul style="list-style-type: none"> The sub-fund is actively managed. A combination of three strategies is used: <ul style="list-style-type: none"> - Carry strategy: a global portfolio of investment grade corporate and government bonds. This aims to generate predictable returns over the medium term. - Credit strategy: aims to generate returns through the manager's highest-conviction ideas on credit assets which are expected to rise or fall in value over a particular period. These ideas may be implemented through trades which are intended to exploit the relative prospects of two assets or indices, for example by taking a long position in one and a short position in the other. - Rates strategy: aims to exploit expected movements in inflation rates, interest rates globally and the value of global government bonds. The manager seeks to generate returns by using derivatives to take long and short positions in global government bonds, inflation rates or interest rates.
Benchmark	<ul style="list-style-type: none"> Bank of England (BOE) base rate <p>BOE base rate is a measure of the interest rate at which the BOE, the UK's central bank, lends money to other banks. It is used as a way of estimating the amount of interest which could be earned on cash. It acts as a 'target benchmark' that the sub-fund aims to outperform by at least 2.5%, after fees, on an annualised basis over rolling three-year periods. There is no guarantee that the sub-fund will achieve a positive return over a rolling three-year period or any other time period and your capital is at risk.</p>

OBJECTIVE AND INVESTMENT POLICY

(from 18 March 2024)

Objective	To generate a return that exceeds the Markit iBoxx 1-5 year £ Collateralised & Corporates Index, after fees, over rolling three-year periods, through a combination of income and capital growth, by investing in a portfolio of global debt and debt-related securities whilst maintaining an aggregate portfolio duration of below 4 years (duration is a measure of the sensitivity of the prices of bonds to changes in interest rates).	
Investment policy	What the sub-fund invests in	<ul style="list-style-type: none"> At least 80% in debt and debt-related securities, directly or indirectly using derivatives, including: <ul style="list-style-type: none"> - Corporate bonds (investment grade and non-investment grade) - Government bonds, including agency bonds and supranational bonds - Securitisations and collateralised debt, such as asset-backed securities and mortgage-backed securities Other securities, such as floating rate bonds, emerging market debt, convertible bonds (including contingent convertible bonds) and preferred securities would be used where the manager considers these to be attractive or necessary in light of the market conditions. The sub-fund may also invest in cash and near cash, other transferable securities, other funds (up to 10%) managed by Artemis and third party funds, and money market instruments.
	Use of derivatives	<p>The sub-fund may use derivatives such as futures, forwards, swaps and options:</p> <ul style="list-style-type: none"> for investment purposes to achieve the sub-fund objective, including taking long and short positions in sovereign bonds, credit spreads (via credit default swaps on single issuers or indices), interest rates or inflation expectations to produce additional income or growth for efficient portfolio management purposes to reduce risk and manage the sub-fund efficiently.
	Where the sub-fund invests	<ul style="list-style-type: none"> Globally No more than 40% net exposure (longs minus shorts) in emerging market debt securities. At least 90% of the sub-fund will be denominated in or hedged back to sterling.
	Industries the sub-fund invests in	<ul style="list-style-type: none"> Any
	Credit quality of bonds the sub-fund invests in	<ul style="list-style-type: none"> Investment grade corporate being: <ul style="list-style-type: none"> - BBB- or above by Standard & Poor's; or - BBB- or above by Fitch; or - Baa3 or above by Moody's No more than 40% net exposure (longs minus shorts) in below investment grade securities. Up to 10% in unrated bonds

		<ul style="list-style-type: none"> The sub-fund will not purchase bonds rated below B3 by Moody's, B- by S&P or B- by Fitch (the Minimum Bond Rating). Bonds downgraded after initial investment may continue to be held at the manager's discretion. Where the sub-fund has exposure to an index the Minimum Bond Rating will apply to the average credit rating of bonds making up the index.
	Other limitations specific to this sub-fund	<ul style="list-style-type: none"> The sub-fund's portfolio duration will vary between -2 years and +4 years No more than 40% net exposure (longs minus shorts) in aggregate in a combination of emerging market debt securities and below investment grade securities. In this context, emerging market countries means countries included in the MSCI Emerging Markets Index and those included in the World Bank definition of developing economies or those countries which are, in the manager's opinion, developing countries.
Investment strategy		<ul style="list-style-type: none"> The sub-fund is actively managed. A combination of three strategies is used: <ul style="list-style-type: none"> - Credit strategy: aims to generate returns through the manager's highest-conviction ideas on credit assets which are expected to rise or fall in value over a particular period. These ideas may be implemented through trades which are intended to exploit the relative prospects of two assets or indices, for example by taking a long position in one and a short position in the other. - Rates strategy: aims to exploit expected movements in inflation rates, interest rates globally and the value of global government bonds. The manager seeks to generate returns by using derivatives to take long and short positions in global government bonds, inflation rates or interest rates. By strategically allocating between different types of bonds as the economic cycle turns and as market conditions change, the manager aims to preserve capital in difficult times and to profit when conditions improve.
Benchmark		<ul style="list-style-type: none"> Markit iBoxx 1-5 year £ Collateralised & Corporates Index <p>An indicator of the performance of short-dated sterling denominated corporate investment grade bonds, in which the fund invests. It acts as a 'target benchmark' that the fund aims to outperform. Management of the fund is not restricted by this benchmark. While the fund has the flexibility to strategically invest across fixed income sectors, sterling denominated investment grade corporate bonds are likely to be the main asset class in the portfolio, and the manager believes this index is the closest proxy for the long-term asset allocation of the fund.</p>

ARTEMIS SHORT-DURATION STRATEGIC BOND FUND (FORMERLY ARTEMIS TARGET RETURN BOND FUND)

RISK AND REWARD PROFILE



- The sub-fund is in the category shown due to historic volatility (how much and how quickly the value of shares in the sub-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 sub-fund.
- The risk category has been calculated using historic data and may not be a reliable indicator of the sub-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 sub-fund performance:

- **Market volatility risk:** The value of the sub-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 sub-fund's assets may be priced in currencies other than the sub-fund base currency. Changes in currency exchange rates can therefore affect the sub-fund's value.
- **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.
- **Derivatives risk:** The sub-fund may invest extensively in derivatives with the aim of profiting from falling ('shorting') as well as rising prices.
- **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 sub-fund.
- **Higher-yielding bonds risk:** The sub-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 sub-fund.
- **Bond liquidity risk:** The sub-fund holds bonds which could prove difficult to sell. As a result, the sub-fund may have to lower the selling price, sell other investments or forego more appealing investment opportunities.

- **Counterparty risk:** Investments such as derivatives are made using financial contracts with third parties. Those third parties may fail to meet their obligations to the sub-fund due to events beyond the sub-fund's control. The sub-fund's value could fall because of loss of monies owed by the counterparty and/or the cost of replacement financial contracts.
- **Mortgage- or asset-backed securities risk:** Mortgage- or asset-backed securities may not receive in full the amounts owed to them by underlying borrowers.
- **Charges from capital risk:** Where charges are taken wholly or partly out of a sub-fund's capital, distributable income may be increased at the expense of capital, which may constrain or erode capital growth.
- **Leverage risk:** The sub-fund may operate with a significant amount of leverage. Leverage occurs when the economic exposure created by the use of derivatives is greater than the amount invested. A leveraged portfolio may result in large fluctuations in its value and therefore entails a high degree of risk including the risk that losses may be substantial.

There was no change to the risk indicator in the six months ended 31 August 2024.

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

INVESTMENT REVIEW

Changes to the fund

On 18 March, Artemis confirmed that a proposal to change the name of the Artemis Target Return Bond Fund to the Artemis Short-Duration Strategic Bond Fund had been ratified at an EGM (extraordinary general meeting).

This change had no material impact on the way the fund is run. It continues to invest in short-duration bonds across fixed-income sectors with the goal of delivering attractive risk-adjusted returns. (Duration is a measure of how sensitive a bond or bond fund is to changes in interest rates. Shorter-duration bonds are, in theory, less affected by uncertainty about future interest rates, which should make them less volatile.)

It spreads its investments across short-dated government, investment-grade and high-yield bonds, shifting the balance between them as conditions change. Investment-grade bonds are issued by companies with the highest credit ratings – in other words, businesses which agencies such as S&P and Moody's consider to be at relatively low risk of defaulting on their debts. High-yield bonds pay a higher rate of interest to investors as compensation for the higher risks involved.

Along with the fund's name, its benchmark also changed. The fund's target benchmark is now the Markit iBoxx 1-5 year £ Collateralised & Corporates Index.

Performance

The fund generated a positive return of 4.6% over the six-month review period versus a return of 3.4% from its benchmark, the Markit iBoxx 1-5 year £ Collateralised & Corporates Index*.

The bulk of those returns came from the healthy stream of income being produced by its holdings in short-duration corporate bonds. Capital gains over the last six months have been modest.

Contributions to returns

That the fund outperformed its benchmark index was due to a helpful combination of identifying the right bonds (good credit selection) in the short-dated investment-grade corporate bond market and helpful positioning in government bonds.

Among the fund's corporate bonds, the biggest contribution came from Eastern European real estate company CPI Property. The price of its bonds fell in late 2023, when a short seller questioned some aspects of its corporate governance. In August, however, an independent audit gave it a clean bill of health, triggering a powerful rally.

Bayer, meanwhile, benefitted from a favourable court ruling in the US relating to litigation concerning Roundup weedkiller.

In the government bond market, the fund's preference for US Treasury Inflation Protected Securities ('TIPS', the US equivalent of index-linked gilts) over European index-linked government bonds contributed to returns. The fund also profited from a short position – being positioned to profit from a fall in prices – in Japanese government bonds. Bucking the global trend for interest rates to move lower, interest rates have risen in Japan, pushing the price of its bonds lower.

Outlook

Interest rates are falling

With the notable exception of Japan, central banks in most of the world's major economies are indicating they will cut interest rates over the coming months. The market anticipates that UK interest rates will have fallen to approximately 3.5% by the middle of next summer. Falling interest rates are typically good news for bonds.

Moreover, returns from short-dated corporate bonds are more closely linked to near-term changes in interest rates than those from longer-dated bonds, which are more influenced by expectations around average long-term interest rates. So – in theory – cuts in interest rates should provide a particularly supportive backdrop for a fund like this.

Past performance is not a guide to the future.

* Source: Artemis/Lipper Limited, class I accumulation GBP. All figures show total returns with income reinvested, net of all charges. Returns may vary as a result of currency fluctuations if the investor's currency is different to that of the class. Benchmark data prior to 18 March 2024 reflects the Bank of England Base Rate + 2.5% index as opposed to the Markit iBoxx 1-5 years £ Collateralised & Corporates Index. Performance does not take account of any costs incurred when investors buy or sell the fund.

ARTEMIS SHORT-DURATION STRATEGIC BOND FUND (FORMERLY ARTEMIS TARGET RETURN BOND FUND)

Short-duration bonds are in a unique position

Because predicting the direction that interest rates and inflation will take becomes harder the further into the future you look, investors usually demand a premium to own longer-dated bonds. They want to be compensated for uncertainty. So, in a 'normal' environment, the yield an investor receives generally increases as a bond's maturity increases. For example, the yield on a 10-year government bond will be greater than the yield on a two-year government bond. But because the world has just been through the most aggressive cycle of rate hikes in decades, this is not the case today: the yield on a two-year government bond is currently roughly equivalent to the yield on a 10-year government bond. In other words, investors can achieve the same yield without taking on additional risk. This would seem a particularly supportive environment for buying short-duration bonds.

Stephen Snowdon, Liam O'Donnell and Jack Holmes

Fund managers

INVESTMENT INFORMATION

Ten largest purchases and sales for the six months ended 31 August 2024

Purchases	Cost £'000	Sales	Proceeds £'000
UK Gilt 4.375% 31/07/2054	13,072	UK Gilt 4.375% 31/07/2054	13,089
UK Gilt 3.50% 22/10/2025	10,881	UK Gilt 0.50% 31/01/2029	8,843
UK Gilt 0.50% 31/01/2029	8,764	US Treasury Inflation Indexed 2.13% 15/04/2029	7,513
US Treasury Inflation Indexed 2.13% 15/04/2029	7,366	US Treasury Inflation Indexed 0.88% 15/01/2029	5,507
UK Gilt 4.50% 07/06/2028	5,611	Santander UK Group 7.10% 16/11/2027	5,188
UK Gilt 4.13% 29/01/2027	5,504	Santander UK Group 2.92% 08/05/2027	4,849
Telereal Securitisation 6.16% 10/12/2033	5,448	Barclays, FRN 3.75% 22/11/2030	4,797
Santander UK Group 7.10% 16/11/2027	5,165	Canada Gouvernement 4.00% 01/03/2029	4,655
Lloyds Banking Group 6.63% 02/06/2033	5,083	New Zealand Government 2.50% 20/09/2035	4,607
AA Bond 3.25% 31/07/2028	4,852	Vattenfall 6.88% 17/08/2083	4,580

Portfolio statement as at 31 August 2024

Investment	Holding/ nominal value	Valuation £'000	% of net assets
Government Bonds 10.70% (9.35%)			
Canada 0.33% (1.18%)			
CPPIB Capital 4.50% 22/07/2027	£1,000,000	1,006	0.33
		1,006	0.33
New Zealand 1.01% (2.33%)			
New Zealand Government Bond 4.25% 15/05/2036	\$6,700,000	3,134	1.01
		3,134	1.01
Sweden 0.00% (1.81%)			
United Kingdom 7.13% (0.80%)			
UK Gilt 3.50% 22/10/2025	£11,000,000	10,888	3.53
UK Gilt 4.13% 29/01/2027	£5,500,000	5,505	1.78
UK Gilt 4.50% 07/06/2028	£5,500,000	5,610	1.82
		22,003	7.13
United States of America 2.23% (3.23%)			
US Treasury Inflation Indexed 1.00% 15/02/2045	\$4,000,000	3,199	1.04
US Treasury Inflation Indexed 1.09% 15/01/2029	\$4,000,000	3,657	1.19
		6,856	2.23
Government Bonds total		32,999	10.70
Corporate Bonds 85.39% (85.49%)			
Australia 0.56% (0.59%)			
Perenti Finance 6.50% 07/10/2025	\$421,778	320	0.10
Perenti Finance 7.50% 26/04/2029	\$1,800,000	1,412	0.46
		1,732	0.56
Austria 0.42% (0.50%)			
ams-OSRAM 05/03/2025	€1,600,000	1,297	0.42
		1,297	0.42
Belgium 0.99% (0.00%)			
KBC Group 6.15% 19/03/2034	£3,000,000	3,046	0.99
		3,046	0.99
Canada 1.03% (2.13%)			
CPPIB Capital 1.50% 23/06/2028	\$2,000,000	935	0.30

ARTEMIS SHORT-DURATION STRATEGIC BOND FUND (FORMERLY ARTEMIS TARGET RETURN BOND FUND)

Investment	Holding/ nominal value	Valuation £'000	% of net assets
Corporate Bonds 85.39% (85.49%) (continued)			
Canada 1.03% (2.13%) (continued)			
GFL Environmental 3.75% 01/08/2025	\$3,000,000	2,254	0.73
		3,189	1.03
Czech Republic 0.92% (0.91%)			
CPI Property Group 1.75% 14/01/2030	€3,100,000	2,037	0.66
CPI Property Group 2.75% 22/01/2028	£900,000	795	0.26
		2,832	0.92
Denmark 1.23% (0.89%)			
Danske Bank, FRN 4.63% 13/04/2027	£3,800,000	3,799	1.23
		3,799	1.23
Finland 0.81% (0.99%)			
Nordea Bank 6.00% 02/06/2026	£2,500,000	2,514	0.81
		2,514	0.81
France 3.85% (2.53%)			
Afflelou 6.00% 25/07/2029	€700,000	604	0.20
Banque Federative du Credit Mutuel 5.00% 22/10/2029	£1,100,000	1,113	0.36
Electricite de France 5.88% Perpetual	£3,000,000	2,895	0.94
Goldstory 6.75% 01/02/2030	€800,000	684	0.22
Paprec 3.50% 01/07/2028	€2,000,000	1,633	0.53
SNF Group 3.13% 15/03/2027	\$1,450,000	1,028	0.33
Westfield America Management, REIT 2.13% 30/03/2025	£4,000,000	3,923	1.27
		11,880	3.85
Germany 2.26% (3.76%)			
Bayer 6.63% 25/09/2083	€5,000,000	4,390	1.42
CT Investment 6.38% 15/04/2030	€2,000,000	1,720	0.56
Sartorius Finance 4.25% 14/09/2026	€1,000,000	857	0.28
		6,967	2.26
Guernsey, Channel Islands 1.05% (0.00%)			
GTCR W-2 Merger Sub 8.50% 15/01/2031	£3,000,000	3,244	1.05
		3,244	1.05
Israel 0.00% (0.92%)			
Luxembourg 1.55% (1.84%)			
Blackstone Property Partners Europe Holdings 2.00% 20/10/2025	£5,000,000	4,771	1.55
		4,771	1.55
Netherlands 1.95% (1.57%)			
Cooperatieve Rabobank 4.63% 23/05/2029	£125,000	124	0.04
Cooperatieve Rabobank 5.25% 14/09/2027	£3,000,000	3,005	0.97
ING Groep, FRN 5.00% 30/08/2026	£2,000,000	1,998	0.65
Q-Park I 2.00% 01/03/2027	€1,100,000	880	0.29
		6,007	1.95
Slovenia 0.27% (0.33%)			
United Group 3.13% 15/02/2026	€1,000,000	828	0.27
		828	0.27
Spain 1.25% (1.49%)			
Abertis Infraestructuras 3.38% 27/11/2026	£4,000,000	3,854	1.25
		3,854	1.25

Investment	Holding/ nominal value	Valuation £'000	% of net assets
Corporate Bonds 85.39% (85.49%) (continued)			
Sweden 0.67% (0.33%)			
Verisure 3.25% 15/02/2027	€2,500,000	2,057	0.67
		2,057	0.67
Switzerland 1.67% (0.61%)			
UBS Group, FRN 7.00% 30/09/2027	€5,000,000	5,170	1.67
		5,170	1.67
United Kingdom 52.32% (53.97%)			
180 Medical 3.88% 15/10/2029	\$1,500,000	1,066	0.35
AA Bond 3.25% 31/07/2050	£5,500,000	4,920	1.59
Anglian Water Osprey Financing 4.00% 08/03/2026	£900,000	849	0.27
Arqiva Financing 7.21% 30/06/2045	£4,000,000	4,274	1.38
Aviva, FRN 6.13% 14/11/2036	£2,000,000	2,028	0.66
Barclays, FRN 8.41% 14/11/2032	£2,000,000	2,128	0.69
Barclays Bank 5.75% 14/09/2026	£2,500,000	2,523	0.82
BP Capital Markets, FRN 4.25% Perpetual	£5,000,000	4,833	1.57
Castle UK Finco 7.00% 15/05/2029	£1,300,000	1,250	0.40
Centrica 6.50% 21/05/2055	£3,000,000	3,060	0.99
Coventry Building Society 5.88% 12/03/2030	£2,600,000	2,646	0.86
CPUK Finance 5.88% 28/08/2027	£3,000,000	3,026	0.98
Dignity Finance 3.55% 31/12/2034	£3,848,442	3,675	1.19
DWR Cymru Financing 1.63% 31/03/2026	£5,000,000	4,707	1.53
Grainger 3.38% 24/04/2028	£5,000,000	4,656	1.51
HSBC Bank Capital Funding Sterling 1 5.84% Perpetual	£4,000,000	4,185	1.36
HSBC Holdings 5.75% 20/12/2027	£2,500,000	2,540	0.82
IG Group Holdings 3.13% 18/11/2028	£4,000,000	3,535	1.15
Inchcape 6.50% 09/06/2028	£4,000,000	4,139	1.34
INEOS Quattro Finance 2 8.50% 15/03/2029	€1,400,000	1,252	0.41
International Distribution Services 7.38% 14/09/2030	£3,000,000	3,118	1.01
Investec Bank, FRN 1.88% 16/07/2028	£2,800,000	2,522	0.82
Kane Bidco 6.50% 15/02/2027	£2,500,000	2,453	0.79
Kier Group 9.00% 15/02/2029	£2,000,000	2,120	0.69
Land Securities Capital Markets 2.40% 08/02/2031	£3,295,000	2,997	0.97
Legal & General Group, FRN 5.38% 27/10/2045	£4,500,000	4,478	1.45
Lloyds Banking Group 6.63% 02/06/2033	£5,000,000	5,125	1.66
Logicor 2019-1 1.88% 17/11/2031	£2,000,000	1,874	0.61
London & Quadrant Housing Trust 2.63% 28/02/2028	£3,000,000	2,783	0.90
Marston's Issuer, FRN 6.50% 15/10/2027	£2,120,664	2,034	0.66
Meadowhall Finance 4.99% 12/07/2037	£3,532,644	2,910	0.94
Mitchells & Butlers Finance 5.79% 15/12/2033	£4,063,400	3,618	1.17
Mitchells & Butlers Finance 6.01% 15/12/2028	£1,449,222	1,424	0.46
Mitchells & Butlers Finance 6.47% 15/09/2032	£900,000	839	0.27
Mobico Group 4.88% 26/09/2031	€3,000,000	2,501	0.81
National Grid Electricity Transmission 4.00% 08/06/2027	£5,000,000	4,867	1.58
NatWest Group, FRN 3.62% 14/08/2030	£5,000,000	4,925	1.60
Pearson Funding 3.75% 04/06/2030	£5,000,000	4,661	1.51
Places For People Treasury 2.88% 17/08/2026	£2,263,000	2,170	0.70
Premier Foods Finance 3.50% 15/10/2026	£1,500,000	1,457	0.47
Quadgas Finance 3.38% 17/09/2029	£4,000,000	3,593	1.16
RAC Bond 4.87% 06/05/2046	£5,000,000	4,962	1.61
RAY Financing 6.50% 15/07/2031	€1,200,000	1,029	0.33
Rothsay Life, FRN 5.50% 17/09/2029	£4,500,000	4,497	1.46

ARTEMIS SHORT-DURATION STRATEGIC BOND FUND (FORMERLY ARTEMIS TARGET RETURN BOND FUND)

Investment	Holding/ nominal value	Global exposure ^ £'000	Valuation £'000	% of net assets
Corporate Bonds 85.39% (85.49%) (continued)				
United Kingdom 52.32% (53.97%) (continued)				
Schroders 6.35% 18/07/2034	£1,600,000		1,630	0.53
Southern Water Services Finance 1.63% 30/03/2027	£3,000,000		2,494	0.81
Synthomer 7.38% 02/05/2029	£1,600,000		1,422	0.46
Telereal Securitisation 6.16% 10/12/2033	£5,328,377		5,386	1.75
Telereal Securitisation, FRN 7.32% 10/12/2033	£513,000		469	0.15
TP ICAP Finance 2.63% 18/11/2028	£2,600,000		2,274	0.74
TP ICAP Finance 5.25% 29/05/2026	£2,300,000		2,286	0.74
Unique Pub Finance 5.66% 30/06/2027	£1,873,513		1,858	0.60
Unique Pub Finance 6.46% 30/03/2032	£1,200,000		1,238	0.40
Victoria 3.63% 24/08/2026	€1,300,000		967	0.31
Weir Group 6.88% 14/06/2028	£5,000,000		5,240	1.70
Whitbread Group 3.38% 16/10/2025	£2,000,000		1,955	0.63
			161,468	52.32
United States of America 12.59% (12.13%)				
Albertsons 3.25% 15/03/2026	\$1,300,000		953	0.31
Ardagh Metal Packaging Finance 2.00% 01/09/2028	€2,000,000		1,498	0.49
Athene Global Funding 5.15% 28/07/2027	€3,000,000		3,000	0.97
Avis Budget Car Rental 4.75% 01/04/2028	\$1,600,000		1,123	0.36
BellRing Brands 7.00% 15/03/2030	\$2,000,000		1,579	0.51
Carnival 5.75% 15/01/2030	€2,500,000		2,210	0.72
Catalent Pharma Solutions 2.38% 01/03/2028	€2,000,000		1,639	0.53
Caterpillar Financial Services 5.72% 17/08/2026	€3,000,000		3,060	0.99
Central Garden & Pet 5.13% 01/02/2028	\$200,000		150	0.05
Cloud Software Group 6.50% 31/03/2029	\$2,000,000		1,496	0.48
Dream Finders Homes 8.25% 15/08/2028	\$890,000		715	0.23
EMRLD Borrower 6.75% 15/07/2031	\$484,000		379	0.12
Encore Capital Group 4.25% 01/06/2028	£2,000,000		1,787	0.58
Goldman Sachs Group, FRN 1.00% 16/12/2025	£500,000		493	0.16
Herc 6.63% 15/06/2029	\$1,750,000		1,366	0.44
Iron Mountain 3.88% 15/11/2025	£1,900,000		1,867	0.61
Masterbrand 7.00% 15/07/2032	\$2,000,000		1,562	0.51
Medline Borrower 6.25% 01/04/2029	\$502,000		392	0.13
Metropolitan Life Global Funding I 4.13% 02/09/2025	£5,000,000		4,957	1.60
MPT Operating Partnership, REIT 3.69% 05/06/2028	£5,000,000		3,675	1.19
Penske Automotive 3.50% 01/09/2025	\$2,000,000		1,496	0.48
PTC 3.63% 15/02/2025	\$2,000,000		1,505	0.49
Realty Income 5.00% 15/10/2029	£2,000,000		1,988	0.64
			38,890	12.59
Corporate Bonds total			263,545	85.39
Swaps 0.07% (0.02%)				
Credit Default Swap BNP Paribas Buy Deutsche Bank 1.00% 20/06/2029	3,000,000	2,523	68	0.02
Credit Default Swap BNP Paribas Buy Deutsche Bank 1.00% 20/06/2029	(5,000,000)	(4,206)	63	0.02
Credit Default Swap J.P. Morgan Buy Intesa Sanpaolo 1.00% 20/06/2029	5,000,000	4,206	62	0.02

Investment	Holding/ nominal value	Global exposure ^ £'000	Valuation £'000	% of net assets
Swaps 0.07% (0.02%) (continued)				
Credit Default Swap J.P. Morgan Buy Koninklijke 1.00% 20/06/2029	5,000,000	4,206	(124)	(0.04)
Credit Default Swap J.P. Morgan Buy Pearson Funding 1.00% 20/06/2029	5,000,000	4,206	(110)	(0.03)
Inflation Rate Swap J.P. Morgan Pay floating CPTFE Receive fixed 2.17% 1 day 15/02/2034	3,000,000	2,524	33	0.01
Inflation Rate Swap J.P. Morgan Pay floating CPTFE Receive fixed 2.33% 1 day 15/01/2044	1,500,000	1,262	35	0.01
Inflation Rate Swap J.P. Morgan Pay floating CPTFE Receive fixed 2.60% 1 day 15/03/2042	1,500,000	1,262	8	–
Inflation Rate Swap J.P. Morgan Pay floating FPCPX Receive fixed 2.49% 1 day 15/07/2044	2,000,000	1,682	50	0.02
Inflation Rate Swap J.P. Morgan Pay floating FPCPX Receive fixed 2.71% 1 day 15/08/2042	1,250,000	1,051	59	0.02
Interest Rate Swap J.P. Morgan Pay fixed 2.08% Receive floating EURIBOR 6 months 02/08/2053	(5,500,000)	(4,626)	(1)	–
Interest Rate Swap J.P. Morgan Pay fixed 2.10% Receive floating EURIBOR 6 months 16/02/2054	(4,900,000)	(4,122)	(21)	(0.01)
Interest Rate Swap J.P. Morgan Pay fixed 3.21% Receive floating SOFR 1 day 10/08/2056	4,500,000	3,416	27	0.01
Interest Rate Swap J.P. Morgan Pay fixed 3.42% Receive floating SOFR 1 day 04/09/2034	10,500,000	7,971	4	–
Interest Rate Swap J.P. Morgan Pay fixed 3.89% Receive floating CORRA 1 day 27/10/2053	3,000,000	1,690	(80)	(0.03)
Interest Rate Swap J.P. Morgan Pay fixed 3.90% Receive floating CORRA 1 day 27/10/2053	3,000,000	1,690	(257)	(0.08)
Interest Rate Swap J.P. Morgan Pay fixed 4.41% Receive floating NDBB 3 months 11/07/2034	(6,000,000)	(2,851)	(95)	(0.03)
Interest Rate Swap J.P. Morgan Pay floating BBSW Receive fixed 3.87% 3 months 09/08/2029	(35,000,000)	(18,067)	(43)	(0.01)
Interest Rate Swap J.P. Morgan Pay floating BBSW Receive fixed 3.87% 3 months 09/08/2029	35,000,000	18,067	62	0.02
Interest Rate Swap J.P. Morgan Pay floating BBSW Receive fixed 4.47% 6 months 09/08/2034	16,000,000	8,259	5	–
Interest Rate Swap J.P. Morgan Pay floating BBSW Receive fixed 4.61% 6 months 22/03/2034	14,000,000	7,227	57	0.02
Interest Rate Swap J.P. Morgan Pay floating EURIBOR Receive fixed 2.72% 6 months 01/03/2034	8,600,000	7,234	52	0.02
Interest Rate Swap J.P. Morgan Pay floating EURIBOR Receive fixed 2.88% 6 months 31/07/2033	11,000,000	9,253	144	0.05
Interest Rate Swap J.P. Morgan Pay floating EURIBOR Receive fixed 3.05% 6 months 22/11/2033	8,100,000	6,813	149	0.05
Interest Rate Swap J.P. Morgan Pay floating SOFR Receive fixed 3.22% 1 day 10/08/2031	18,300,000	13,892	5	–
Interest Rate Swap J.P. Morgan Pay floating SONIA Receive fixed 3.55% 1 day 29/07/2028	20,000,000	20,000	13	–
Interest Rate Swap J.P. Morgan Pay floating SONIA Receive fixed 3.61% 1 day 27/07/2028	28,000,000	28,000	46	0.01
Swaps total		122,562	211	0.07

ARTEMIS SHORT-DURATION STRATEGIC BOND FUND (FORMERLY ARTEMIS TARGET RETURN BOND FUND)

Investment	Holding/ nominal value	Global exposure ^ £'000	Valuation £'000	% of net assets
Futures 0.03% (0.00%)				
CBT 5 Year T-Note 31/12/2024	137	11,396	(31)	(0.01)
CBT Ultra T-Bonds 19/12/2024	(19)	(1,922)	29	0.01
CBT Ultra T-Note 31/12/2024	(87)	(7,788)	61	0.02
CME 3 Month SOFR 17/03/2026	(245)	(45,039)	23	0.01
Euro-Bund 10/09/2024	51	5,753	(13)	(0.01)
Euro-Buxl 30 Year Bond 10/09/2024	(39)	(4,432)	81	0.03
Euro-Oat 10/09/2024	(58)	(6,158)	11	–
ICE 3 Month SONIA Index 16/06/2026	250	60,253	(67)	(0.02)
ICE 3 Month SONIA Index 17/06/2025	(250)	(59,916)	36	0.01
Long Gilt 27/12/2024	28	2,773	(9)	–
ME 10 Year CDN Bond 18/12/2024	120	8,346	(68)	(0.02)
OSE 10 Year T-Bond JGB 12/09/2024	(9)	(6,806)	25	0.01
SFE 10 Year T-Bond 16/09/2024	(200)	(12,035)	37	0.01
US 2 Year T-Note 31/12/2024	203	31,999	(30)	(0.01)
Futures total		(23,576)	85	0.03
Forward Currency Contracts 0.55% (0.11%)				
Buy Sterling 918,604, sell Australian Dollar 1,827,168 dated 09/09/2024			(25)	(0.01)
Buy Sterling 30,937,495, sell Euro 35,975,915 dated 09/09/2024			670	0.21
Buy Sterling 3,114,207, sell New Zealand Dollar 6,693,551 dated 09/09/2024			(66)	(0.02)
Buy Sterling 27,023,634, sell US Dollar 34,153,940 dated 09/09/2024			1,129	0.37
Forward Currency Contracts total			1,708	0.55
Investment assets (including investment liabilities)			298,548	96.74
Net other assets			10,062	3.26
Net assets attributable to shareholders			308,610	100.00

The comparative percentage figures in brackets are as at 29 February 2024.

^ Global exposure has been calculated in line with the guidelines issued by the European Securities and Markets Authority ('ESMA') and represents the market value of an equivalent position in the underlying investment of each derivative contract. For all other asset types the percentage of net assets has been calculated based on the valuation of each holding.

Debt security credit analysis

	31 August 2024		29 February 2024	
	Valuation £'000	% of net assets	Valuation £'000	% of net assets
Investment grade securities	214,493	69.50	180,448	71.24
Below investment grade securities	80,754	26.17	58,963	23.28
Unrated securities	1,297	0.42	1,253	0.49
Debt securities total	296,544	96.09	240,664	95.01

* Source of credit ratings: Artemis Investment Management LLP.

FINANCIAL STATEMENTS

Statement of total return for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		5,760		(3,989)
Revenue	8,538		6,729	
Expenses	(540)		(469)	
Interest payable and similar charges	(482)		(227)	
Net revenue before taxation	7,516		6,033	
Taxation	–		–	
Net revenue after taxation		7,516		6,033
Total return before distributions		13,276		2,044
Distributions		(7,575)		(6,100)
Change in net assets attributable to shareholders from investment activities		5,701		(4,056)

Statement of change in net assets attributable to shareholders for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		253,308		257,608
Amounts receivable on issue of shares	98,011		67,149	
Amounts payable on cancellation of shares	(54,780)		(60,352)	
		43,231		6,797
Dilution adjustment		83		129
Change in net assets attributable to shareholders from investment activities		5,701		(4,056)
Retained distribution on accumulation shares		6,287		4,391
Closing net assets attributable to shareholders		308,610		264,869

Balance sheet as at 31 August 2024

	31 August 2024	29 February 2024
	£'000	£'000
Assets		
Fixed assets		
Investments	299,588	241,891
Current assets		
Debtors	10,526	25,217
Cash and cash equivalents	8,594	3,730
Total current assets	19,120	28,947
Total assets	318,708	270,838
Liabilities		
Investment liabilities	1,040	1,440
Creditors		
Bank overdraft	791	306
Distribution payable	794	681
Other creditors	7,473	15,103
Total creditors	9,058	16,090
Total liabilities	10,098	17,530
Net assets attributable to shareholders	308,610	253,308

ARTEMIS SHORT-DURATION STRATEGIC BOND FUND (FORMERLY ARTEMIS TARGET RETURN BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK 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 29 February 2024 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 sub-fund pays quarterly interest distributions. The following table sets out the distribution periods.

Quarterly distribution periods	Start	End	Ex-dividend date	Pay date
First interim	1 March 2024	31 May 2024	1 June 2024	31 July 2024
Second interim	1 June 2024	31 August 2024	1 September 2024	31 October 2024

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

Group 2 shares 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 shares purchased during the period. It is the average amount of revenue included in the purchase price of all group 2 shares and is refunded to holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

F distribution GBP

Interest distributions for the six months ended 31 August 2024	Group 2		Group 1 & 2 Distribution per share (p)	Corporate streaming		2023 Distribution per share (p)
	Net revenue per share (p)	Equalisation per share (p)		Franked	Unfranked	
First interim	0.8914	0.4311	1.3225	0.00%	100.00%	1.0538
Second interim	0.6188	0.7524	1.3712	0.00%	100.00%	1.2590

F accumulation GBP

Interest distributions for the six months ended 31 August 2024	Group 2		Group 1 & 2 Distribution per share (p)	Corporate streaming		2023 Distribution per share (p)
	Net revenue per share (p)	Equalisation per share (p)		Franked	Unfranked	
First interim	0.7575	0.7275	1.4850	0.00%	100.00%	1.1169
Second interim	0.7484	0.8131	1.5615	0.00%	100.00%	1.3595

I distribution GBP

Interest distributions for the six months ended 31 August 2024	Group 2		Group 1 & 2 Distribution per share (p)	Corporate streaming		2023 Distribution per share (p)
	Net revenue per share (p)	Equalisation per share (p)		Franked	Unfranked	
First interim	0.5624	0.7543	1.3167	0.00%	100.00%	1.0494
Second interim	0.7920	0.5729	1.3649	0.00%	100.00%	1.2545

I accumulation GBP

Interest distributions for the six months ended 31 August 2024	Group 2		Group 1 & 2 Distribution per share (p)	Corporate streaming		2023 Distribution per share (p)
	Net revenue per share (p)	Equalisation per share (p)		Franked	Unfranked	
First interim	0.7925	0.6568	1.4493	0.00%	100.00%	1.0865
Second interim	0.7703	0.7541	1.5244	0.00%	100.00%	1.3274

ARTEMIS SHORT-DURATION STRATEGIC BOND FUND (FORMERLY ARTEMIS TARGET RETURN BOND FUND)

COMPARATIVE TABLES

Fund sizes & net asset values

Date	Net asset value of sub-fund (£)	Net asset value per share (p)	Shares in issue
28 February 2022	259,068,299		
F distribution GBP		101.92	42,170,045
F accumulation GBP		107.70	78,257,661
I distribution GBP		101.70	18,220,705
I accumulation GBP		107.46	105,405,705
28 February 2023	257,608,294		
F distribution GBP		97.12	39,389,579
F accumulation GBP		106.86	63,090,233
I distribution GBP		96.80	29,000,511
I accumulation GBP		106.52	116,277,382
29 February 2024	253,308,307		
F distribution GBP		99.30	24,060,814
F accumulation GBP		114.80	44,083,902
I distribution GBP		98.87	28,616,743
I accumulation GBP		114.32	131,657,523
31 August 2024	308,609,515		
F distribution GBP		101.32	25,627,908
F accumulation GBP		120.29	39,326,003
I distribution GBP		100.84	32,405,362
I accumulation GBP		119.73	169,272,622

Ongoing charges

Class	31 August 2024
F distribution GBP	0.290%
F accumulation GBP	0.290%
I distribution GBP	0.390%
I accumulation GBP	0.390%

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

Class I accumulation performance

	Since launch *	3 years	1 year	6 months
Artemis Short-Duration Strategic Bond Fund **	19.9	9.3	11.0	4.6
Artemis Short-Duration Strategic Bond Fund ***	19.9	9.3	10.9	4.4
Markit iBoxx 1-5 year £ Collateralised & Corporates Index ****	23.4	17.8	7.3	3.4

Past performance is not a guide to the future.

* Source: Artemis/Lipper Limited, class I accumulation GBP from 3 December 2019 to 31 August 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.

** Value at 12 noon valuation point.

*** Value at close of business.

**** From 18 March 2024 the benchmark changed to Markit iBoxx 1-5 year £ Collateralised & Corporates Index. Returns up to this date reflect those of the Bank of England Base Rate +2.5%.

Class I accumulation is disclosed as it is the primary share class.

ARTEMIS SMARTGARP GLOBAL EMERGING MARKETS EQUITY FUND

OBJECTIVE AND INVESTMENT POLICY

Objective	To grow capital over a five year period.	
Investment policy	What the sub-fund invests in	<ul style="list-style-type: none"> • 80% to 100% in company shares. • Up to 20% in bonds, cash and 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	<p>The sub-fund may use derivatives for efficient portfolio management purposes to:</p> <ul style="list-style-type: none"> • reduce risk • manage the sub-fund efficiently.
	Where the sub-fund invests	<ul style="list-style-type: none"> • Emerging market countries, including companies in other countries that are headquartered or have a significant part of their activities in emerging market countries. In this context, emerging market countries means countries included in the MSCI Emerging Markets Index and those included in the World Bank definition of developing economies or those countries which are, in the manager's opinion, developing countries.
	Industries the sub-fund invests in	<ul style="list-style-type: none"> • Any
	Other limitations specific to this sub-fund	<ul style="list-style-type: none"> • None
Investment strategy	<ul style="list-style-type: none"> • The sub-fund is actively managed. • 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 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. 	
Benchmarks	<ul style="list-style-type: none"> • MSCI EM (Emerging Markets) NR A widely-used indicator of the performance of emerging markets stockmarkets, in which the sub-fund invests. It acts as a 'comparator benchmark' against which the sub-fund's performance can be compared. Management of the sub-fund is not restricted by this benchmark. • IA Global Emerging Markets NR A group of asset managers' sub-funds that invest in similar asset types to the sub-fund, collated by the Investment Association. It acts as a 'comparator benchmark' against which the sub-fund's performance can be compared. Management of the sub-fund is not restricted by this benchmark. 	

RISK AND REWARD PROFILE



- The sub-fund is in the category shown due to historic volatility (how much and how quickly the value of shares in the sub-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 sub-fund.
- The risk category has been calculated using historic data and may not be a reliable indicator of the sub-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 sub-fund performance:

- **Market volatility risk:** The value of the sub-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 sub-fund's assets may be priced in currencies other than the sub-fund base currency. Changes in currency exchange rates can therefore affect the sub-fund's value.
- **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.
- **China risk:** The sub-fund can invest in China A-shares (shares traded on Chinese stock exchanges in Renminbi). There is a risk that the sub-fund may suffer difficulties or delays in enforcing its rights in these shares, including title and assurance of ownership.
- **Charges from capital risk:** Where charges are taken wholly or partly out of a sub-fund's capital, distributable income may be increased at the expense of capital, which may constrain or erode capital growth.

The risk indicator changed from 6 to 5 in the six months ended 31 August 2024.

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

INVESTMENT REVIEW

Global equities benefited from growing optimism about the prospect of benign inflation, declining interest rates, and reduced likelihood of recession. However, towards the end of the period, a weaker-than-expected US jobs report reignited concerns about economic slowdown. Alongside this fear, Japan announced its first interest rate hike in years which prompted an unwind of the well known Yen carry trade (whereby investors borrowed yen at very low rates to buy higher-yielding currencies) that so many global investors had used. The impact of this deleveraging is yet to be fully realised.

Within emerging markets, the main focus was on China's lacklustre growth (versus its own history), which in our view has pushed investor positioning to extreme levels as investors shun China in favour other areas of the EM region such as India.

There was significant dispersion in performance within emerging markets. Taiwan, India, and Turkey outperformed, while the two largest markets, China and South Korea, lagged. From a sector perspective, technology and consumer services led, whereas consumer staples and materials underperformed.

Sub-fund performance

During the period, the sub-fund returned 3.2% in sterling terms, compared to 5.6% for the MSCI EM (Emerging Markets) NR GBP Index. This leaves the year-to-date performance at 9.7%, against the index's 6.3%*. Our exposure to Asia, particularly our overweight position in China, weighed on performance. Interestingly, despite being underweight in India which outperformed, stock selection within the country proved additive to performance.

At the stock level, the top detractors were Vipshop (China, retail), Kia (Korea, autos), Banco do Brasil (Brazil, banks), and our underweight position in Taiwan Semiconductor, which performed well. On the positive side, our Indian holdings added value, with Indus Towers (telecom), Amara Raja (electrical equipment), and Bharat Electronics (aerospace) among the top contributors. Outside India, CNOOC (China, oil & gas) and Gedeon Richter (Hungary, pharmaceuticals) were also strong performers.

Activity

During the period, we made several adjustments to the portfolio. Our largest purchase was Tencent, based on its attractive valuation relative to its history, coupled with improving profit forecasts. We also added Gedeon, a defensive Hungarian pharmaceutical, along with Cosco

Shipping (China, transport) and Midea Group to capture cyclical recovery and rising consumer demand in China. To fund these purchases, we sold Novatek Microelectronics (Taiwan, semiconductors), PICC Property (China, insurance), and Coca-Cola Icecek (Turkey, beverages) due to deteriorating fundamentals.

Positioning

Our largest overweights remain in Brazil, Korea, the UAE, and China, while we are underweight in India, Taiwan and Saudi Arabia. At the sector level, industrials, financials and energy are the largest overweights, while technology, media & entertainment and consumer staples are the largest underweights.

The sub-fund maintains a substantial value bias, trading at a price-to-earnings ratio of 7.1, compared to the benchmark's 11.8 (a 40% discount). Alongside favourable valuation metrics, high free cash flow yields, return on capital and low debt-to-operating profit ratios provide a quality tilt to the portfolio. It remains well-diversified, with high active share and positioning that stands out compared to the index and peers.

Outlook

The period ended on a weaker note due to softening growth data, concerns over the US and Chinese economies, and the rapid unwinding of the Yen carry trade. Despite this, optimism about the Fed's rate-cutting cycle sparked a market rebound in August, leading to increased volatility. This uncertainty may intensify in the coming months as the US election takes centre stage, offering little in the way of immediate catalysts for a recovery in emerging markets. However, with valuations at depressed levels and low investor positioning in EM assets, we believe that embracing short-term discomfort could prove rewarding.

Our investment process is built to navigate volatile markets, with diversification at the core of our risk management. However, sudden spikes in volatility can create headwinds, especially for trend-following strategies. In these conditions, we believe it is essential to stay disciplined, looking for selective opportunities amid indiscriminate selling rather than making big changes to the portfolio. This approach has historically generated strong risk-adjusted returns for our emerging market strategy, and we remain confident it will continue to deliver in the future.

Raheel Altaf
Fund manager

Past performance is not a guide to the future.

* Source: Artemis/Lipper Limited, class I accumulation GBP. All figures show total returns with dividends and/or income reinvested, net of all charges. Our benchmark is MSCI EM (Emerging Markets) NR. Performance does not take account of any costs incurred when investors buy or sell the sub-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.

ARTEMIS SMARTGARP GLOBAL EMERGING MARKETS EQUITY FUND

INVESTMENT INFORMATION

Ten largest purchases and sales for the six months ended 31 August 2024

Purchases	Cost £'000	Sales	Proceeds £'000
Alibaba Group Holding	19,605	PICC Property & Casualty 'H'	14,650
Tencent Holdings	18,221	Novatek Microelectronics	14,457
Richter Gedeon	17,575	Alibaba Group Holding	11,763
COSCO SHIPPING Holdings	15,238	Coca-Cola Icecek	10,164
SK Hynix	12,980	Vipshop Holdings, ADR	6,755
Midea Group	11,997	Shenzhen New Energy Technology	5,858
Hon Hai Precision Industry	11,770	Lao Feng Xiang 'A'	4,987
Jiangxi Copper 'H'	11,168	NetEase	4,925
Nedbank	10,961	Kumba Iron Ore	4,765
Gree Electric Appliances of Zhuhai 'A'	10,513	MINISO Group Holding, ADR	4,550

Portfolio statement as at 31 August 2024

Investment	Holding	Valuation £'000	% of net assets
Equities 100.13% (99.84%)			
Brazil 9.34% (11.02%)			
Banco do Brasil	6,286,000	24,026	2.60
BB Seguridade Participacoes	2,229,200	10,976	1.19
Cia Energetica de Minas Gerais Preference	12,070,400	18,909	2.05
Petroleo Brasileiro, ADR	2,241,157	26,125	2.83
Porto Seguro	1,350,500	6,141	0.67
		86,177	9.34
China 28.59% (29.72%)			
Alibaba Group Holding	3,017,900	23,746	2.57
BAIC Motor	10,193,000	1,832	0.20
Bank of China 'H'	40,066,500	13,752	1.49
China Construction Bank 'H'	31,029,927	16,613	1.80
China Hongqiao Group	7,251,000	7,533	0.82
China Mobile	1,583,500	11,727	1.27
China Petroleum & Chemical 'H'	4,907,000	2,520	0.27
China Resources Land	1,243,698	2,670	0.29
China Suntien Green Energy 'H'	13,994,000	4,496	0.49
CNOOC	9,300,000	19,485	2.11
COSCO SHIPPING Holdings	15,457,000	16,101	1.75
Eastern Air Logistics	4,199,835	7,171	0.78
Geely Automobile	11,132,000	9,516	1.03
Gree Electric Appliances of Zhuhai 'A'	3,811,245	16,205	1.76
Industrial & Commercial Bank of China 'H'	27,626,400	12,015	1.30
Jiangxi Copper 'H'	6,909,000	8,831	0.96
Lao Feng Xiang 'A'	821,897	4,564	0.49
Midea Group	300,000	2,080	0.23
Midea Group 'A'	2,251,000	15,622	1.69
PDD Holdings, ADR	43,464	3,155	0.34
Sinopec Engineering Group 'H'	5,006,000	2,602	0.28
Sinotrans 'H'	46,855,346	16,153	1.75
Tencent Holdings	804,400	29,813	3.23
Tongling Nonferrous Metals Group	12,076,949	4,001	0.43
Tongling Nonferrous Metals Group 'A'	2,690,500	891	0.10

Investment	Holding	Valuation £'000	% of net assets
Equities 100.13% (99.84%) (continued)			
China 28.59% (29.72%) (continued)			
Vipshop Holdings, ADR	483,105	4,638	0.50
Weichai Power	5,202,000	6,050	0.66
		263,782	28.59
Colombia 1.27% (1.11%)			
Bancolombia Preference	1,890,012	11,732	1.27
		11,732	1.27
Greece 1.80% (1.62%)			
Star Bulk Carriers	1,017,911	16,566	1.80
		16,566	1.80
Hungary 2.33% (0.29%)			
Richter Gedeon	943,000	21,533	2.33
		21,533	2.33
India 11.51% (10.49%)			
Amara Raja Energy & Mobility	1,182,184	16,277	1.76
Bharat Electronics	4,885,000	13,241	1.44
Dr Reddy's Laboratories	141,453	8,948	0.97
Eicher Motors	195,127	8,769	0.95
Indus Towers	5,222,080	21,554	2.34
Manappuram Finance	2,244,000	4,375	0.47
NMDC	6,230,000	12,556	1.36
NTPC	975,000	3,682	0.40
Power Grid of India	4,751,093	14,535	1.58
Redington	1,215,200	2,218	0.24
		106,155	11.51
Indonesia 1.90% (1.40%)			
Bank Tabungan Negara Persero	66,530,000	4,592	0.50
Indofood Sukses Makmur	9,495,800	3,184	0.34
Perusahaan Gas Negara	70,700,000	5,330	0.58
Telkom Indonesia Persero	29,400,000	4,419	0.48
		17,525	1.90
Mexico 0.83% (1.13%)			
El Puerto de Liverpool 'C1'	1,701,619	7,630	0.83
		7,630	0.83
Panama 0.00% (0.47%)			
Philippines 0.78% (0.58%)			
Manila Electric	1,256,000	7,186	0.78
		7,186	0.78
Poland 2.37% (2.11%)			
Powszechna Kasa Oszczednosci Bank Polski	1,682,774	19,176	2.08
Powszechny Zaklad Ubezpieczen	291,000	2,692	0.29
		21,868	2.37
Russia 0.00% (0.00%)			
Gazprom, ADR ^	963,000	–	–
GlobalTrans Investment, GDR ^	603,316	–	–
LUKOIL, ADR ^	90,473	–	–

ARTEMIS SMARTGARP GLOBAL EMERGING MARKETS EQUITY FUND

Investment	Holding	Valuation £'000	% of net assets
Equities 100.13% (99.84%) (continued)			
Russia 0.00% (0.00%) (continued)			
Novolipetsk Steel, ADR ^	52,449	–	–
Rosneft Oil, GDR ^	425,000	–	–
Sberbank of Russia, GDR ^	492,000	–	–
		–	–
South Africa 3.57% (2.84%)			
FirstRand	3,788,000	14,011	1.52
Kumba Iron Ore	154,916	2,353	0.25
Nedbank	960,000	12,229	1.33
Truworths International	1,010,000	4,376	0.47
		32,969	3.57
South Korea 16.71% (15.57%)			
DB Insurance	277,723	18,349	1.99
Doosan Bobcat	124,000	2,809	0.30
Hana Financial Group	275,035	9,693	1.05
Hankook Tire & Technology	595,800	14,712	1.59
Hyundai Glovis	208,626	13,295	1.44
JB Financial Group	2,615,231	21,084	2.29
KEPCO Plant Service & Engineering	267,500	6,329	0.69
Kia	445,288	26,894	2.92
Samsung Electronics	425,862	18,006	1.95
SK Hynix	132,110	13,104	1.42
SK Telecom	260,244	8,153	0.88
Soulbrain	12,800	1,727	0.19
		154,155	16.71
Taiwan 12.54% (12.54%)			
Ennoconn	346,000	2,434	0.26
Evergreen Marine Taiwan	2,588,000	11,532	1.25
Genius Electronic Optical	383,000	5,134	0.56
Hon Hai Precision Industry	4,352,898	19,055	2.07
Radiant Opto-Electronics	472,000	2,210	0.24
Synnex Technology International	1,089,751	1,864	0.20
Taiwan Semiconductor Manufacturing	2,619,000	58,856	6.38
Wiwynn	323,000	14,605	1.58
		115,690	12.54
Thailand 0.59% (1.36%)			
PTT Exploration & Production	1,721,000	5,445	0.59
		5,445	0.59
Turkey 0.94% (3.15%)			
Coca-Cola Icecek	2,074,304	2,810	0.30
Turkcell Iletisim Hizmetleri	2,719,411	5,910	0.64
		8,720	0.94
United Arab Emirates 4.72% (3.56%)			
Emaar Properties	8,532,785	14,885	1.61
Emirates NBD Bank	7,038,000	28,658	3.11
		43,543	4.72

Investment	Holding	Valuation £'000	% of net assets
Equities 100.13% (99.84%) (continued)			
Vietnam 0.34% (0.88%)			
Duc Giang Chemicals	229,200	795	0.09
Orient Commercial Joint Stock Bank	6,355,200	2,308	0.25
		3,103	0.34
Investment assets		923,779	100.13
Net other liabilities		(1,228)	(0.13)
Net assets attributable to shareholders		922,551	100.00

The comparative percentage figures in brackets are as at 29 February 2024.

^Unlisted, suspended or delisted security. Depositary receipts with underlying exposure to Russian assets have been valued at nil. The manager continues to monitor and assess the valuation as information becomes available.

ARTEMIS SMARTGARP GLOBAL EMERGING MARKETS EQUITY FUND

FINANCIAL STATEMENTS

Statement of total return for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital (losses)/gains		(211)		3,882
Revenue	29,078		15,938	
Expenses	(3,671)		(1,978)	
Interest payable and similar charges	(38)		(24)	
Net revenue before taxation	25,369		13,936	
Taxation	(7,193)		(1,549)	
Net revenue after taxation		18,176		12,387
Total return before distributions		17,965		16,269
Distributions		2,927		168
Change in net assets attributable to shareholders from investment activities		20,892		16,437

Statement of change in net assets attributable to shareholders for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		662,404		361,267
Amounts receivable on issue of shares	344,023		114,175	
Amounts payable on cancellation of shares	(104,930)		(52,346)	
		239,093		61,829
Dilution adjustment		162		115
Change in net assets attributable to shareholders from investment activities		20,892		16,437
Closing net assets attributable to shareholders		922,551		439,648

Balance sheet as at 31 August 2024

	31 August 2024	29 February 2024
	£'000	£'000
Assets		
Fixed assets		
Investments	923,779	661,333
Current assets		
Debtors	11,548	10,553
Cash and cash equivalents	19,626	4,985
Total current assets	31,174	15,538
Total assets	954,953	676,871
Liabilities		
Creditors		
Bank overdraft	243	243
Distribution payable	–	5,636
Other creditors	32,159	8,588
Total creditors	32,402	14,467
Total liabilities	32,402	14,467
Net assets attributable to shareholders	922,551	662,404

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK 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 29 February 2024 as set out therein.

2. Post balance sheet events

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

ARTEMIS SMARTGARP GLOBAL EMERGING MARKETS EQUITY FUND

COMPARATIVE TABLES

Fund sizes & net asset values

Date	Net asset value of sub-fund (£)	Net asset value per share (p)	Shares in issue
28 February 2022	322,038,411		
I distribution GBP		125.42	31,409,082
I accumulation GBP		161.31	175,215,910
28 February 2023	361,267,113		
E distribution GBP*		99.51	103,165
E accumulation GBP*		102.07	20,155,888
I distribution GBP		118.42	41,101,911
I accumulation GBP		164.28	177,689,480
29 February 2024	662,404,299		
E distribution GBP		111.61	41,359,898
E accumulation GBP		119.48	73,396,217
I distribution GBP		132.77	60,998,494
I accumulation GBP		192.03	233,063,503
31 August 2024	922,551,027		
E distribution GBP		115.12	42,750,072
E accumulation GBP		123.23	80,251,128
I distribution GBP		136.83	118,365,208
I accumulation GBP		197.90	309,480,127
QI distribution GBP**		100.14	5,000

* Launched on 15 August 2022.

**Launched on 29 August 2024.

Ongoing charges

Class	31 August 2024
E distribution GBP	0.750%
E accumulation GBP	0.750%
I distribution GBP	0.900%
I accumulation GBP	0.900%
QI distribution GBP	0.900%

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

Class I accumulation performance

	Since launch *	5 years	3 years	1 year	6 months
Artemis SmartGARP Global Emerging Markets Equity Fund**	98.4	40.7	15.0	16.6	3.2
Artemis SmartGARP Global Emerging Markets Equity Fund***	98.6	40.2	14.9	17.2	3.4
MSCI EM (Emerging Markets) NR GBP	54.3	17.1	(4.6)	10.9	5.6
IA Global Emerging Markets NR	58.7	17.2	(5.9)	8.8	3.7
Position in sector	2/44	5/56	5/62	6/68	41/68
Quartile	1	1	1	1	3

Past performance is not a guide to the future.

* Source: Lipper Limited, class I accumulation GBP from 8 April 2015 to 31 August 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. This class may 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 accumulation is disclosed as it is the primary share class.

ARTEMIS US EXTENDED ALPHA FUND

OBJECTIVE AND INVESTMENT POLICY

Objective	To grow capital over a five year period. There is no guarantee that the sub-fund will achieve a positive return over a five year period or any other time period and your capital is at risk.	
Investment policy	What the sub-fund invests in	<ul style="list-style-type: none"> • At least 80% in shares of US companies, either directly or indirectly through derivatives. • Up to 20% in shares, or derivatives of shares, of companies in other countries, bonds, cash, near cash, other transferable securities, other funds (up to 10%) managed by Artemis and third party funds, and money market instruments.
	Use of derivatives	<p>The sub-fund may use derivatives:</p> <ul style="list-style-type: none"> • for investment purposes to achieve the sub-fund objective, including taking long and short positions • to produce additional income or growth • for efficient portfolio management purposes to reduce risk and manage the sub-fund efficiently • to create leverage.
	Industries the sub-fund invests in	<ul style="list-style-type: none"> • Any
	Other limitations specific to this sub-fund	<ul style="list-style-type: none"> • Total derivatives (longs plus shorts) are likely to represent a significant proportion of the sub-fund's gross exposure to companies, which will typically lie in a range of +100% to +200% of net asset value. • Net exposure (longs minus shorts) to companies will typically lie in the range of +85% to +110% depending on market conditions. • A significant proportion of the sub-fund will be held in cash due to the level of derivative use. • To allow the sub-fund to manage counterparty risk, it may also invest its cash in government bonds, generally of less than one year maturity.
Investment strategy	<ul style="list-style-type: none"> • The sub-fund is actively managed. • The manager uses multiple sources of information, both to generate ideas and to assist in validating and testing candidate companies for investment. This is complemented by techniques such as data mining (examining large databases of information) and financial analysis. • External research is also used in order to tap into knowledge already available and to look for different views. • The manager carries out a significant amount of analysis of wider economic trends is carried out in order to understand cyclical and long-term trends and the outlook. • The manager derives alpha by seeking to exploit market inefficiencies by buying shares in companies believed to be undervalued and by shorting shares believed to be over-valued. 	
Benchmarks	<ul style="list-style-type: none"> • S&P 500 TR A widely-used indicator of the performance of 500 large publicly-traded US companies, some of which the sub-fund invests in. It acts as a 'comparator benchmark' against which the sub-fund's performance can be compared. Management of the sub-fund is not restricted by this benchmark. • IA North America NR A group of other asset managers' funds that invest in similar asset types as this sub-fund, collated by the Investment Association. It acts as a 'comparator benchmark' against which the sub-fund's performance can be compared. Management of the sub-fund is not restricted by this benchmark. 	

RISK AND REWARD PROFILE



- The sub-fund is in the category shown due to historic volatility (how much and how quickly the value of shares in the sub-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 sub-fund.
- The risk category has been calculated using historic data and may not be a reliable indicator of the sub-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 sub-fund performance:

- **Market volatility risk:** The value of the sub-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.
- **Leverage risk:** The sub-fund may operate with a significant amount of leverage. Leverage occurs when the economic exposure created by the use of derivatives is greater than the amount invested. A leveraged portfolio may result in large fluctuations in its value and therefore entails a high degree of risk including the risk that losses may be substantial.
- **Currency risk:** The sub-fund's assets may be priced in currencies other than the sub-fund base currency. Changes in currency exchange rates can therefore affect the sub-fund's value.
- **Derivatives risk:** The sub-fund may invest in derivatives with the aim of profiting from falling ('shorting') as well as rising prices. Should the asset's value vary in an unexpected way, the sub-fund value will reduce.
- **Cash risk:** The sub-fund may hold a large amount of cash. If it does so when markets are rising, the sub-fund's returns could be less than if the cash was fully invested in other types of assets.

There was no change to the risk indicator in the six months ended 31 August 2024.

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

ARTEMIS US EXTENDED ALPHA FUND

INVESTMENT REVIEW

Equity markets were volatile during the six months under review as investors' expectations for inflation and economic growth influenced their views on the likely path of interest rates. At the start of the period, markets were supported by a robust economic growth outlook and declining inflation, despite a reduction in expectations for the number of rate cuts. As time went on, investors shifted their attention away from inflation, which appeared to be tracking toward the Federal Reserve's 2% target. The new focus was employment figures, which were showing signs of strain because of higher interest rates. While rate cuts had previously been viewed positively, they were now seen as potentially being used to support a weaker economy. At present, although the probability of a recession has increased, we still believe a 'soft landing' is the most likely scenario.

Volatility peaked at the end of July and the beginning of August, with the VIX index (a key measure of volatility) reaching its highest levels since Covid. This was partly in reaction to economic data but also increasing investor scepticism surrounding the AI investment craze that has been driving markets for over a year. NVIDIA - a key player in AI - saw swings in its share price worth hundreds of billions of dollars as forecasts for future earnings fluctuated. Despite this, the company continued to exceed expectations.

US politics also contributed to the volatility. An attempted assassination of Trump, Biden's decision to step out of the presidential race, and Kamala Harris' rise as the Democratic Nominee all played roles in this turbulence.

Performance

Over this period, the sub-fund underperformed the index, returning 4.2% in sterling terms versus 7.4% for the S&P 500. Year-to-date performance is in line with the benchmark, at 15.9%*.

Looking more closely at the factors driving relative returns, our holdings in the industrial and consumer staples sectors were the biggest detractors. WillScot Holdings, SAIA, and Builders FirstSource were our top three underperformers. WillScot, a provider of shipping container offices and related items, was held back by weaker demand and risk of economic slowdown. We have since sold the position and reallocated to more attractive areas. SAIA, a less-than-truckload trucking company, and Builders FirstSource, a building materials supplier, both struggled due to poor weather and weaker demand from end markets. We do however remain confident in these two companies and, in the case of Builders, have added on weakness. Within consumer staples, Dollar General and Performance Food Group suffered from weakness in lower-income consumers. Dollar General faced competitive

pressure from Walmart and Amazon, both offering lower-priced daily essentials, a key category for the company. We sold the position.

On the positive side, weakness was partially offset by our holdings in the technology and consumer discretionary sectors. Micron and NVIDIA added value as demand for high-bandwidth memory and advanced graphic processing units (GPUs), their areas of expertise, remained strong. NVIDIA's results were particularly impressive. In its most recent earnings report, the company announced that datacenter revenue had increased by 155% year-on-year, reaching a \$100 billion revenue run rate. While there were some challenges due to packaging issues related to NVIDIA's highly anticipated Blackwell chips, demand for their Hopper chips was strong enough to cover the shortfall. In consumer discretionary, Burlington Stores, an off-price retailer similar to TK Maxx in the UK, was our top overall contributor, benefitting from better sales and strong margin performance. Additionally, a diverse set of names performed well, including Progressive (insurance), TransUnion (professional services), Baker Hughes (energy), and Jefferies (capital markets).

Short Book

We continue to see good opportunities to take short positions. We divide these into three broad categories: 'overpriced darlings', 'value traps', and companies with cyclical risk. These serve as a balance to our two long categories: discounted compounders and cyclical opportunities. Over the period, our shorts in the machinery and textiles, apparel, and luxury goods sectors contributed meaningfully to performance.

Transactions

We reduced our holding in McKesson (pharmaceuticals) early in the period after strong performance. We also sold TFI International, Autoliv, and Ross Stores as their risk-reward profiles became less favourable.

We reinvested the proceeds into Apple, thereby reducing our underweight position. Our negative view on iPhone demand moderated with the integration of AI into the new iPhone 16. Additionally, we added UnitedHealth Group (healthcare), CMS Energy (utilities), and Corteva (materials).

Past performance is not a guide to the future.

* Source: Artemis/Lipper Limited, class I accumulation GBP. 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 sub-fund. Returns may vary as a result of currency fluctuations if you invest in a different currency class. Our benchmark is the S&P 500 TR GBP Index.

Outlook

We continue to focus on maintaining a balanced portfolio. On the downside, there is the potential for labour market easing, high valuations, continued deterioration in consumer credit, weak manufacturing surveys, and a stagnant housing market. On the upside, inflation continues to fall, the Federal Reserve's rate cutting cycle is about to begin, and corporate earnings growth is expected to accelerate. At the end of the period the sub-fund stood at 111% long, 17% short, with a net exposure of 94%.

We find numerous attractive opportunities in sectors ranging from life sciences to payments, as well as within the AI theme. There is also no shortage of companies with idiosyncratic opportunities. On the short side, the book remains a mix of cyclical companies at peak profitability, 'value traps' where we believe profitability will continue to disappoint, and 'expensive darlings' trading at egregiously high valuations.

Adrian Brass, James Dudgeon and William Warren

Fund managers

ARTEMIS US EXTENDED ALPHA FUND

INVESTMENT INFORMATION

Ten largest purchases and sales for the six months ended 31 August 2024

Purchases	Cost £'000	Sales	Proceeds £'000
US Treasury 0.00% 26/12/2024	7,768	Micron Technology	3,747
UnitedHealth Group	3,681	US Treasury 0.00% 26/12/2024	3,686
Corteva	3,549	McKesson	3,606
Occidental Petroleum	3,375	TFI International	3,078
CMS Energy	3,184	NVIDIA	3,053
API Group	2,631	Meta Platforms 'A'	3,014
Advanced Micro Devices	2,472	Ross Stores	2,705
Restaurant Brands International	2,368	Autoliv	2,704
Flutter Entertainment	2,242	WillScot Mobile Mini Holding	2,702
Intel	2,148	Amazon.com	2,692

Portfolio statement as at 31 August 2024

Investment	Holding	Valuation £'000	% of net assets
Equities 92.82% (96.31%)			
Communication Services 6.62% (7.25%)			
Alphabet 'A'	48,376	6,037	3.08
Meta Platforms 'A'	15,598	6,224	3.18
Pinterest	28,977	711	0.36
		12,972	6.62
Consumer Discretionary 9.98% (13.56%)			
Amazon.com	63,470	8,669	4.43
Burlington Stores	15,615	3,198	1.63
Carnival	37,125	470	0.24
Flutter Entertainment	14,797	2,397	1.22
Restaurant Brands International	42,779	2,264	1.16
Starbucks	9,311	669	0.34
Tempur Sealy International	25,176	1,007	0.51
TopBuild	2,952	889	0.45
		19,563	9.98
Consumer Staples 4.53% (5.37%)			
Constellation Brands	10,683	1,951	1.00
Dollar General	11,496	728	0.37
Performance Food Group	25,990	1,477	0.75
US Foods	104,589	4,720	2.41
		8,876	4.53
Energy 1.12% (0.96%)			
Occidental Petroleum	50,487	2,188	1.12
		2,188	1.12
Financials 12.49% (13.08%)			
Aon	19,047	4,968	2.54
Fiserv	30,963	4,115	2.10
Intercontinental Exchange	40,054	4,924	2.51
Jefferies Financial	44,122	2,019	1.03
Progressive	25,710	4,922	2.51
Wells Fargo	79,393	3,525	1.80
		24,473	12.49

Investment	Holding	Valuation £'000	% of net assets
Equities 92.82% (96.31%) (continued)			
Health Care 13.25% (12.40%)			
Avantor	225,570	4,444	2.27
Elevance Health	15,860	6,706	3.42
Eli Lilly	2,717	1,984	1.01
ICON	22,783	5,594	2.86
McKesson	5,339	2,274	1.16
Revvity	10,815	1,008	0.51
UnitedHealth Group	8,823	3,950	2.02
		25,960	13.25
Industrials 7.93% (10.75%)			
API Group	123,552	3,353	1.71
Builders FirstSource	12,402	1,655	0.85
Clean Harbors	12,302	2,305	1.18
Copart	49,891	2,012	1.03
Core & Main	27,792	1,022	0.52
Equifax	5,719	1,340	0.68
GE Vernova	9,158	1,409	0.72
Saia	3,408	978	0.50
WillScot Mobile Mini Holding	49,408	1,455	0.74
		15,529	7.93
Information Technology 21.73% (22.10%)			
Advanced Micro Devices	21,159	2,416	1.23
Coherent	14,510	873	0.45
Gartner	8,527	3,195	1.63
Intuit	4,053	1,949	1.00
Lam Research	3,078	1,943	0.99
Micron Technology	26,306	1,953	1.00
Microsoft	46,223	14,727	7.52
NVIDIA	135,801	12,516	6.39
Western Digital	59,036	2,972	1.52
		42,544	21.73
Materials 7.01% (4.04%)			
Corteva	68,698	2,997	1.53
Eagle Materials	4,563	899	0.46
International Paper	49,417	1,823	0.93
Linde	9,205	3,345	1.71
Newmont	56,572	2,297	1.17
Teck Resources	21,633	792	0.40
Vulcan Materials	8,445	1,580	0.81
		13,733	7.01
Technology 2.53% (1.94%)			
Fidelity National Information Services	55,812	3,506	1.79
Tower Semiconductor	43,007	1,455	0.74
		4,961	2.53
Utilities 5.63% (4.86%)			
CMS Energy	62,410	3,213	1.64
Constellation Energy	10,271	1,542	0.79
PG&E	419,631	6,273	3.20
		11,028	5.63
Equities total		181,827	92.82

ARTEMIS US EXTENDED ALPHA FUND

Investment	Holding/ nominal value	Global exposure ^ £'000	Valuation £'000	% of net assets
Government Bonds 4.97% (2.98%)				
US Treasury 0.00% 26/12/2024	\$13,024,000		9,735	4.97
			9,735	4.97
Government Bonds total			9,735	4.97
Contracts for Difference 0.21% (0.01%)				
Communication Services 0.00% (0.00%)				
Omnicom	(6,223)	(466)	1	-
Rightmove	(103,473)	(576)	(6)	-
Telus	(29,679)	(361)	1	-
		(1,403)	(4)	-
Consumer Discretionary 0.03% (0.01%)				
American Eagle Outfitters	(18,811)	(297)	13	0.01
AutoZone	1,065	2,590	6	-
Ball	(11,489)	(544)	10	-
Birkenstock Holding	(6,725)	(260)	50	0.02
Callaway Golf	(21,667)	(165)	9	-
Carmax	(7,144)	(463)	(3)	-
Columbia Sportswear	(8,930)	(546)	1	-
Costco	(915)	(616)	1	-
Darden Restaurant	(4,158)	(495)	-	-
Deckers Outdoor	(291)	(208)	2	-
Draftkings	(9,157)	(236)	3	-
G-III Apparel Group	(17,737)	(354)	(7)	-
Hennes & Mauritz	(31,543)	(383)	(5)	-
Hilton Worldwide Holdings	11,793	1,948	5	-
Home Depo	(2,151)	(599)	9	-
Lennar	(4,990)	(684)	3	-
Lowe's	12,062	2,260	(19)	(0.01)
O'Reilly Automotive	(954)	(825)	-	-
Packaging Corp of America	(2,744)	(430)	(3)	-
Penske Automotive Group	(5,389)	(694)	(6)	-
Pulte Homes	(6,838)	(675)	5	-
Service	(8,566)	(509)	-	-
Tapestry	(6,549)	(201)	1	-
TJX	(11,111)	(990)	16	0.01
Tractor Supply	(3,075)	(639)	(1)	-
Williams-sonoma	(4,094)	(413)	7	-
Yeti Holdings	(6,205)	(190)	(4)	-
Yum Brands	(7,792)	(800)	2	-
		(5,418)	95	0.03
Consumer Staples (0.01%) (0.00%)				
Cal-Maine Foods	(4,081)	(222)	(1)	-
Flowers Foods	(10,600)	(184)	1	-
Kroger	(4,521)	(180)	3	-
Mccormick	(3,100)	(186)	2	-
Monster Beverage	(6,983)	(249)	-	-
Sysco	(20,470)	(1,205)	(13)	(0.01)
		(2,226)	(8)	(0.01)

Investment	Holding/ nominal value	Global exposure ^ £'000	Valuation £'000	% of net assets
Contracts for Difference 0.21% (0.01%) (continued)				
Energy 0.00% (0.00%)				
Devon Energy	(10,540)	(360)	(3)	–
		(360)	(3)	–
Financials 0.00% (0.00%)				
Artisan Partners Asset Management	(13,834)	(434)	2	–
Bank OZK	(6,093)	(200)	–	–
Blackrock	(1,000)	(680)	(5)	–
Capital One Financial	(3,464)	(382)	(3)	–
Credit Acceptance	(764)	(274)	1	–
Jack Henry & Associates	(6,077)	(793)	8	–
T. Rowe Price	(5,278)	(421)	10	–
Union First Market Bankshares	(8,895)	(268)	(2)	–
		(3,452)	11	–
Health Care (0.01%) (0.00%)				
Bruker	(5,564)	(285)	(13)	(0.01)
CVS Health	(7,891)	(341)	2	–
Fortrea Holdings	(12,153)	(214)	(5)	–
Henry Schein	(6,977)	(375)	(2)	–
Thermo Fisher Scientific	4,382	2,035	(5)	–
Waters	(2,663)	(697)	(7)	–
		123	(30)	(0.01)
Industrials 0.03% (0.00%)				
Baker Hughes	95,898	2,568	23	0.01
Caterpillar	(2,135)	(570)	(6)	–
CSX	67,381	1,736	11	–
Cummins	(2,604)	(612)	(7)	–
CVB Financial	(23,474)	(327)	1	–
Deere	(2,106)	(610)	(6)	–
Esab	(4,966)	(389)	(1)	–
Exponent	(3,632)	(296)	(4)	–
Kennametal	(15,269)	(299)	(1)	–
Masco	(9,409)	(563)	–	–
Snap-on	(3,772)	(805)	(3)	–
Southwest Airlines	(22,080)	(482)	(1)	–
Timken	(5,838)	(371)	(4)	–
Transunion	56,418	4,112	31	0.02
Trex	(7,409)	(358)	2	–
W.W. Grainger	(513)	(377)	–	–
		2,357	35	0.03
Information Technology 0.17% (0.00%)				
Apple	73,887	12,891	187	0.09
Enphase Energy	(4,166)	(384)	7	–
F5	(1,931)	(296)	(5)	–
Infosys	(33,276)	(586)	(5)	–
International Business Machines	(3,283)	(496)	(1)	–
Mastercard 'A'	13,649	4,982	93	0.05
Pure Storage	(8,229)	(314)	59	0.03
		15,797	335	0.17

ARTEMIS US EXTENDED ALPHA FUND

Investment	Holding/ nominal value	Global exposure ^ £'000	Valuation £'000	% of net assets
Contracts for Difference 0.21% (0.01%) (continued)				
Materials 0.00% (0.00%)				
Amcor	(67,346)	(578)	(3)	–
Lyondellbasell Industries	(5,113)	(381)	(2)	–
RPM International	(4,601)	(401)	(4)	–
		(1,360)	(9)	–
Real Estate 0.00% (0.00%)				
Apple Hospitality	(40,981)	(446)	(2)	–
Ryman Hospitalities Properties	(4,846)	(380)	(1)	–
		(826)	(3)	–
Technology 0.00% (0.00%)				
Cognizant Technology Solutions	(8,366)	(490)	(2)	–
		(490)	(2)	–
Telecommunications 0.00% (0.00%)				
BCE	(7,871)	(209)	1	–
		(209)	1	–
Contracts for Difference total			418	0.21
Options 0.02% (0.08%)				
Estee Lauder, Call, 110, 20/9/2024	230	17	1	–
NIKE, Call, 90, 18/10/2024	250	19	31	0.02
S&P 500 Index, Put, 5,000, 30/08/2024	(22)	(2)	–	–
S&P 500 Index, Put, 5,250, 30/08/2024	22	2	–	–
Options total			32	0.02
Forward Currency Contracts (0.03%) ((0.02%))				
I accumulation GBP (NAV hedged) (0.03%) ((0.02%))				
Buy Sterling 12,378,604, sell US Dollar 16,381,675 dated 30/09/2024			(54)	(0.03)
Forward Currency Contracts total			(54)	(0.03)
Investment assets (including investment liabilities)			191,958	97.99
Net other assets			3,931	2.01
Net assets attributable to shareholders			195,889	100.00

The comparative percentage figures in brackets are as at 29 February 2024.

^ Global exposure has been calculated in line with the guidelines issued by the European Securities and Markets Authority ('ESMA') and represents the market value of an equivalent position in the underlying investment of each derivative contract. For all other asset types the percentage of net assets has been calculated based on the valuation of each holding.

FINANCIAL STATEMENTS

Statement of total return for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		9,026		21,003
Revenue	1,876		2,222	
Expenses	(883)		(1,004)	
Interest payable and similar charges	(1,435)		(1,484)	
Net expense before taxation	(442)		(266)	
Taxation	(73)		(136)	
Net expense after taxation		(515)		(402)
Total return before distributions		8,511		20,601
Distributions		–		(3)
Change in net assets attributable to shareholders from investment activities		8,511		20,598

Statement of change in net assets attributable to shareholders for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		195,861		244,998
Amounts receivable on issue of shares	24,473		9,922	
Amounts payable on cancellation of shares	(32,956)		(62,254)	
		(8,483)		(52,332)
Dilution adjustment		–		54
Change in net assets attributable to shareholders from investment activities		8,511		20,598
Closing net assets attributable to shareholders		195,889		213,318

Balance sheet as at 31 August 2024

	31 August 2024	29 February 2024
	£'000	£'000
Assets		
Fixed assets		
Investments	192,183	194,695
Current assets		
Debtors	4,118	4,584
Cash and cash equivalents	4,850	2,487
Total current assets	8,968	7,071
Total assets	201,151	201,766
Liabilities		
Investment liabilities	225	84
Creditors		
Bank overdraft	1,594	445
Other creditors	3,443	5,376
Total creditors	5,037	5,821
Total liabilities	5,262	5,905
Net assets attributable to shareholders	195,889	195,861

ARTEMIS US EXTENDED ALPHA FUND

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK 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 29 February 2024 as set out therein.

2. Post balance sheet events

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

COMPARATIVE TABLES

Fund sizes & net asset values

Date	Net asset value of sub-fund (£)	Net asset value per share (p)	Shares in issue
28 February 2022	383,822,111		
I accumulation GBP		323.39	113,202,329
I accumulation GBP (NAV hedged)		214.94	8,254,658
28 February 2023	244,998,059		
I accumulation GBP		325.50	71,845,047
I accumulation GBP (NAV hedged)		190.71	5,841,611
29 February 2024	195,861,339		
I accumulation GBP		421.35	43,641,225
I accumulation GBP (NAV hedged)		256.48	4,669,870
31 August 2024	195,888,876		
I accumulation GBP		438.93	41,794,261
I accumulation GBP (NAV hedged)		277.42	4,485,359

Ongoing charges

Class	31 August 2024
I accumulation GBP	0.900%
I accumulation GBP (NAV Hedged)	0.900%

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

Class I accumulation performance

	Since launch *	5 years	3 years	1 year	6 months
Artemis US Extended Alpha Fund **	334.9	77.6	33.2	21.4	4.2
Artemis US Extended Alpha Fund ***	337.5	79.9	34.2	22.5	3.9
S&P 500 TR	318.6	93.9	37.0	22.6	7.4
IA North America NR	245.7	73.8	24.2	18.6	5.0
Position in sector	5/61	39/80	23/86	25/93	61/93
Quartile	1	2	2	2	3

Past performance is not a guide to the future.

* Source: Lipper Limited, class I accumulation GBP from 19 September 2014 to 31 August 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. This class may 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 accumulation is disclosed as it is the primary share class.

ARTEMIS US EXTENDED ALPHA FUND

Securities Financing Transactions Regulation (“SFTR”)

The European Regulation (EU/2015/2365) on reporting and transparency of Securities Financing Transactions Regulation (“SFTR”), which aims to improve the transparency and monitoring of the financial system, became effective on 13 January 2016. The SFTR applies to the Artemis US Extended Alpha Fund (the “sub-fund”) as a UK UCITS scheme and requires the manager to comply with a series of obligations. In particular, the manager is required to provide investors with information on the use of Securities Financing Transactions (“SFTs”) and Total Return Swaps (“TRS”) by the sub-fund in all interim and annual reports for the sub-fund.

Global Data

	31 August 2024 £'000	% of net assets
Assets		
Contracts for difference	589	0.30
Liabilities		
Contracts for difference	(171)	(0.09)

Concentration of Data

Collateral issuer for CFD counterparty as at 31 August 2024:

Collateral issuer	31 August 2024 £'000	% of net assets
Goldman Sachs	(1,040)	(0.53)
J.P. Morgan	228	0.12
Morgan Stanley	(197)	(0.10)

CFD Counterparty

	31 August 2024 £'000	% of net assets
Assets		
Goldman Sachs	457	0.24
J.P. Morgan	47	0.02
Morgan Stanley	85	0.04
Liabilities		
Goldman Sachs	(81)	(0.04)
J.P. Morgan	(14)	(0.01)
Morgan Stanley	(76)	(0.04)

Aggregate Data

By Type of Collateral

	31 August 2024 £'000	% of net assets
Cash	(1,366)	(0.70)

By Maturity

	31 August 2024 £'000	% of net assets
Assets		
1 day	-	-
2 days to 7 days	-	-
8 days to 30 days	-	-
31 days to 90 days	-	-
91 days to 365 days	-	-
More than 365 days	589	0.30
	589	0.30

	31 August 2024 £'000	% of net assets
Liabilities		
1 day	-	-
2 days to 7 days	-	-
8 days to 30 days	-	-
31 days to 90 days	-	-
91 days to 365 days	-	-
More than 365 days	(171)	(0.09)
	(171)	(0.09)

By Currency

	31 August 2024 £'000	% of net assets
Assets		
Canadian Dollar	2	-
Sterling	-	-
Swedish Krona	-	-
US Dollar	587	0.30

	31 August 2024 £'000	% of net assets
Liabilities		
Canadian Dollar	-	-
Sterling	(6)	-
Swedish Krona	(5)	-
US Dollar	(160)	(0.09)

By Country of Counterparty

	31 August 2024 £'000	% of net assets
Assets		
United States	589	0.30

	31 August 2024 £'000	% of net assets
Liabilities		
United States	(171)	(0.09)

Re-use of Collateral

Any collateral received by the sub-fund is not re-used.

Safekeeping of Collateral Information

Collateral held/(pledged) by the sub-fund as at 31 August 2024:

Custodian	31 August 2024 £'000	% of net assets
Goldman Sachs	(1,040)	(0.53)
J.P. Morgan	228	0.12
Morgan Stanley	(197)	(0.10)
Northern Trust	(357)	(0.19)

Return and Cost Analysis

Return/costs from investing in contracts for difference are disclosed in the Statement of Total Return within the net capital gains.

ARTEMIS US SELECT FUND

OBJECTIVE AND INVESTMENT POLICY

Objective	To grow capital over a five year period.	
Investment policy	What the sub-fund invests in	<ul style="list-style-type: none"> • 80% to 100% in company shares. • Up to 20% in bonds, cash and near cash, other transferable securities, other funds (up to 10%) managed by Artemis and third party funds and money market instruments.
	Use of derivatives	<p>The sub-fund may use derivatives for efficient portfolio management purposes to:</p> <ul style="list-style-type: none"> • reduce risk • manage the sub-fund efficiently.
	Where the sub-fund invests	United States of America, including companies in other countries that are headquartered or have a significant part of their activities in the USA.
	Industries the sub-fund invests in	<ul style="list-style-type: none"> • Any
	Other limitations specific to this sub-fund	<ul style="list-style-type: none"> • None
Investment strategy	<ul style="list-style-type: none"> • The sub-fund is actively managed. • The manager uses multiple sources of information, both to generate ideas and to assist in validating and testing candidate companies for investment. This is complemented by techniques such as data mining (examining large databases of information) and financial analysis. • External research is also used in order to tap into knowledge already available and to look for different views. • The manager carries out a significant amount of analysis of wider economic trends to understand cyclical and long-term trends and the outlook. 	
Benchmarks	<ul style="list-style-type: none"> • S&P 500 TR A widely-used indicator of the performance of 500 large publicly-traded US companies, some of which the sub-fund invests in. It acts as a 'comparator benchmark' against which the sub-fund's performance can be compared. Management of the sub-fund is not restricted by this benchmark. • IA North America NR A group of other asset managers' funds that invest in similar asset types as this sub-fund, collated by the Investment Association. It acts as a 'comparator benchmark' against which the sub-fund's performance can be compared. Management of the sub-fund is not restricted by this benchmark. 	

RISK AND REWARD PROFILE



- The sub-fund is in the category shown due to historic volatility (how much and how quickly the value of shares in the sub-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 sub-fund.
- The risk category has been calculated using historic data and may not be a reliable indicator of the sub-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 sub-fund performance:

- **Market volatility risk:** The value of the sub-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 sub-fund's assets may be priced in currencies other than the sub-fund base currency. Changes in currency exchange rates can therefore affect the sub-fund's value.
- **Concentration risk:** The sub-fund may have investments concentrated in a limited number of holdings. This can be more risky than holding a wider range of investments.

There was no change to the risk indicator in the six months ended 31 August 2024.

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

INVESTMENT REVIEW

Over the six-month period, US equity markets were largely focused on the Federal Reserve's battle against inflation, with investors looking out for any signs of stress resulting from higher interest rates. This was particularly evident during the summer months. In July, consumer price index (CPI) inflation came in lower than anticipated, paving the way for potential rate cuts at the next Federal Open Market Committee (FOMC) meeting in September. This led to a sharp rise in the Russell 2000 index (a key measure of US smaller companies) over a five-day period, driven by optimism about the benefits these more domestically focused companies might gain from a more favourable interest-rate environment. However, this rally was almost entirely reversed in the first week of August when weaker jobs data indicated that the economy was under more stress than previously thought. Markets then stabilised over the remainder of August as pessimism subsided, leaving the S&P 500 up by 7.4% in sterling terms over the six months.

In the run-up to the presidential election in November, political news also affected share prices. An attempted assassination of Trump, Biden's decision to step out of the presidential race, and Kamala Harris becoming the Democratic nominee added to the volatility in the markets.

Performance

Over the period, the sub-fund underperformed the index, returning 3.6% versus the S&P 500's return of 7.4%*. This leaves the sub-fund's year to date performance at 15.4% versus 15.9% for the index.

On the negative side, our holdings in industrials and communication services were the main detractor. In industrials, SAIA and Builders FirstSource struggled, while in communication services our underweight position in Alphabet held back performance. SAIA and Builders FirstSource are both companies facing short-term challenges but in which we have long-term confidence. SAIA, a 'less-than-truckload' trucking company, is benefiting from an expanding geographical footprint and greater density of terminals within that footprint. We believe it is gradually positioning itself as near 'best in class' in the sector. However, poor weather in the US has disrupted expected volume improvements, and this weighed on the share price. Builders FirstSource, following a strong run, saw its share price decline because of weakness in new housing starts and remodelling activity. Despite this, we have been increasing our position, as we remain confident in the long-term trends in the housing market as well as the potential boost from declining interest rates.

On the positive side, NVIDIA was the sub-fund's top contributor to performance. We have had an overweight position in the chip producer since its blowout Q1 '23 earnings report. While there were delays to NVIDIA's new Blackwell chip and jitters around the quantum of AI spending, the company still beat earnings forecasts in both quarters, driving the share price up 44% over the six-month period. While we have confidence in the opportunity that lies before NVIDIA, we have been adjusting the size of our position as we expect volatility in forecasts to continue for the next few quarters. Aside from NVIDIA, we had broad contributions from a number of holdings across a range of sectors, such as Goldman Sachs (banking), Burlington Stores (retail), Clean Harbors (commercial services), and Moody's (capital markets), to name but a few.

Transactions

We made a number of changes to the sub-fund, our decisions driven as always by our assessment of the risk-reward framework for each stock. We shifted our semiconductor exposure, reducing NVIDIA, Micron and AMD, and rotating into Broadcom, which we see as an attractive company with accelerating earnings. With the proceeds from these sales, we also bought Goldman Sachs, increased our Meta position, and added to stocks that had shown some weakness but where we believed in the long-term opportunity, such as Vistra and Constellation Energy.

Outlook

After a volatile couple of months, the market's main focus is on whether the Federal Reserve's next move will be to cut rates because the economy is strong or to cut rates to avoid a recession. Our base case is that we are not due a recession, albeit the probability of one has marginally increased. The stocks we hold are not overly biased to one outcome. They either have exposure to themes that we believe will be longstanding or are good idiosyncratic opportunities.

It would also be remiss of us not to mention the upcoming election, which is fast approaching. Odds look balanced, although it is worth noting that due to the way the Electoral College is constituted, Harris must comfortably beat Trump in the popular vote in order to win. There are pros and cons to each from an investor's perspective. Trump looks to be a positive for smaller companies due to his focus on deregulation. Harris meanwhile would continue Biden's policies, and so represents stability.

Cormac Weldon and Chris Kent
Fund managers

Past performance is not a guide to the future.

* Source: Artemis/Lipper Limited, class I accumulation GBP. 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 sub-fund. Returns may vary as a result of currency fluctuations if you invest in a different currency class. Benchmark is S&P 500 TR GBP Index.

ARTEMIS US SELECT FUND

INVESTMENT INFORMATION

Ten largest purchases and sales for the six months ended 31 August 2024

Purchases	Cost £'000	Sales	Proceeds £'000
Apple	56,185	NVIDIA	62,272
Alphabet 'A'	54,549	Meta Platforms 'A'	49,852
Elevance Health	38,336	Advanced Micro Devices	44,334
Micron Technology	37,386	Amazon.com	41,717
Builders FirstSource	35,258	Western Digital	39,880
Broadcom	35,208	Micron Technology	34,116
NVIDIA	30,073	Alphabet 'C'	29,239
Intuitive Surgical	29,382	Core & Main	26,503
Stryker	27,950	Visa	25,615
Goldman Sachs Group	27,743	Builders FirstSource	24,602

Portfolio statement as at 31 August 2024

Investment	Holding	Valuation £'000	% of net assets
Equities 99.08% (97.80%)			
Communication Services 6.03% (7.74%)			
Alphabet 'A'	271,313	33,859	2.21
Meta Platforms 'A'	146,588	58,491	3.82
		92,350	6.03
Consumer Discretionary 8.39% (12.29%)			
Amazon.com	481,794	65,802	4.30
Burlington Stores	122,240	25,031	1.63
Flutter Entertainment	96,221	15,585	1.02
Hilton Worldwide	131,700	22,049	1.44
		128,467	8.39
Consumer Staples 2.79% (3.25%)			
Constellation Brands	84,452	15,422	1.01
Walmart	464,787	27,244	1.78
		42,666	2.79
Energy 0.00% (0.59%)			
Financials 12.85% (10.75%)			
Allstate	316,953	45,500	2.97
Fiserv	287,390	38,191	2.49
Goldman Sachs Group	142,511	55,330	3.61
Intercontinental Exchange	124,086	15,255	0.99
Moody's	73,730	27,371	1.79
Wells Fargo	346,089	15,365	1.00
		197,012	12.85
Health Care 14.72% (10.00%)			
Avantor	2,161,545	42,585	2.78
Elevance Health	89,817	37,975	2.48
Eli Lilly	40,104	29,289	1.91
ICON	56,765	13,938	0.91
Intuitive Surgical	88,983	33,392	2.18
McKesson	61,234	26,081	1.70
Stryker	100,868	27,639	1.80

Investment	Holding	Valuation £'000	% of net assets
Equities 99.08% (97.80%) (continued)			
Health Care 14.72% (10.00%) (continued)			
Zoetis	104,982	14,675	0.96
		225,574	14.72
Industrials 9.60% (12.30%)			
APi Group	423,766	11,500	0.75
Builders FirstSource	269,949	36,026	2.35
Clean Harbors	107,499	20,143	1.32
Copart	726,470	29,300	1.91
Core & Main	509,144	18,729	1.22
HubSpot	22,804	8,688	0.57
Norfolk Southern	69,245	13,484	0.88
Saia	32,160	9,230	0.60
		147,100	9.60
Information Technology 28.87% (29.84%)			
Advanced Micro Devices	68,686	7,844	0.51
Apple	569,994	99,591	6.50
Broadcom	291,214	36,584	2.39
Coherent	174,319	10,486	0.69
Gartner	74,992	28,100	1.84
Intuit	27,176	13,066	0.85
Lam Research	14,894	9,401	0.61
Micron Technology	46,967	3,487	0.23
Microsoft	352,720	112,383	7.34
NVIDIA	1,133,696	104,485	6.82
Western Digital	330,287	16,629	1.09
		442,056	28.87
Materials 8.22% (6.01%)			
Corteva	519,914	22,681	1.48
Eagle Materials	79,645	15,689	1.02
International Paper	431,307	15,915	1.04
Linde	124,702	45,309	2.96
Vulcan Materials	140,680	26,319	1.72
		125,913	8.22
Real Estate 1.82% (0.60%)			
CoStar	317,264	18,660	1.22
Jones Lang LaSalle	47,291	9,151	0.60
		27,811	1.82
Utilities 5.79% (4.43%)			
Constellation Energy	206,280	30,979	2.02
PG&E	2,543,528	38,022	2.48
Vistra	301,593	19,684	1.29
		88,685	5.79
Equities total		1,517,634	99.08

ARTEMIS US SELECT FUND

Investment	Valuation £'000	% of net assets
Forward Currency Contracts (0.01%) (0.00%)		
Accumulation GBP (NAV Hedged) (0.01%) (0.00%)		
Buy Sterling 18,610,843, sell US Dollar 24,627,668 dated 30/09/2024	(82)	(0.01)
Forward Currency Contracts total	(82)	(0.01)
Investment assets (including investment liabilities)	1,517,552	99.07
Net other assets	14,172	0.93
Net assets attributable to shareholders	1,531,724	100.00

The comparative percentage figures in brackets are as at 29 February 2024.

FINANCIAL STATEMENTS

Statement of total return for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		59,105		175,875
Revenue	4,410		7,744	
Expenses	(6,636)		(6,875)	
Interest payable and similar charges	(7)		(13)	
Net (expense)/revenue before taxation	(2,233)		856	
Taxation	(552)		(936)	
Net expense after taxation		(2,785)		(80)
Total return before distributions		56,320		175,795
Distributions		2		(149)
Change in net assets attributable to shareholders from investment activities		56,322		175,646

Statement of change in net assets attributable to shareholders for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		1,528,934		1,804,198
Amounts receivable on issue of shares	213,495		82,096	
Amounts payable on cancellation of shares	(267,052)		(591,995)	
		(53,557)		(509,899)
Dilution adjustment		25		126
Change in net assets attributable to shareholders from investment activities		56,322		175,646
Closing net assets attributable to shareholders		1,531,724		1,470,071

Balance sheet as at 31 August 2024

	31 August 2024	29 February 2024
	£'000	£'000
Assets		
Fixed assets		
Investments	1,517,634	1,495,236
Current assets		
Debtors	25,253	8,694
Cash and cash equivalents	15,324	36,232
Total current assets	40,577	44,926
Total assets	1,558,211	1,540,162
Liabilities		
Investment liabilities	82	58
Creditors		
Bank overdraft	463	4
Other creditors	25,942	11,166
Total creditors	26,405	11,170
Total liabilities	26,487	11,228
Net assets attributable to shareholders	1,531,724	1,528,934

ARTEMIS US SELECT FUND

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK 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 29 February 2024 as set out therein.

2. Post balance sheet events

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

COMPARATIVE TABLES

Fund sizes & net asset values

Date	Net asset value of sub-fund (£)	Net asset value per share (p)	Shares in issue
28 February 2022	2,373,146,655		
I distribution GBP		261.23	255,009,434
I accumulation GBP		295.82	566,981,068
I accumulation GBP (NAV Hedged)		209.51	14,208,534
28 February 2023	1,804,197,596		
I distribution GBP		252.10	183,117,109
I accumulation GBP		286.00	460,761,125
I accumulation GBP (NAV Hedged)		178.48	13,901,782
29 February 2024	1,528,934,444		
I distribution GBP		341.28	76,741,727
I accumulation GBP		387.16	322,138,225
I accumulation GBP (NAV Hedged)		250.92	7,903,223
31 August 2024	1,531,724,297		
I distribution GBP		353.53	57,352,427
I accumulation GBP		401.06	326,694,580
I accumulation GBP (NAV Hedged)		269.88	6,935,809

Ongoing charges

Class	31 August 2024
I distribution GBP	0.860%
I accumulation GBP	0.860%
I accumulation GBP (NAV Hedged)	0.860%

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

Class I accumulation GBP performance

	Since launch *	5 years	3 years	1 year	6 months
Artemis US Select Fund **	297.1	64.9	24.8	23.8	3.6
Artemis US Select Fund ***	299.9	67.3	25.8	24.7	3.2
S&P 500 TR	318.6	93.9	37.0	22.6	7.4
IA North America NR	245.7	73.8	24.2	18.6	5.0
Position in sector	10/61	56/80	53/86	13/93	70/93
Quartile	1	3	3	1	3

Past performance is not a guide to the future.

* Source: Artemis/Lipper Limited, class I accumulation GBP from 19 September 2014 to 31 August 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. This class may 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 accumulation GBP is disclosed as it is the primary share class.

ARTEMIS US SMALLER COMPANIES FUND

OBJECTIVE AND INVESTMENT POLICY

Objective	To grow capital over a five year period.	
Investment policy	What the sub-fund invests in	<ul style="list-style-type: none"> 80% to 100% in shares of smaller companies which, when first acquired, have a market value of less than USD 10 billion. Up to 20% in bonds, cash and near cash, other transferable securities, other funds (up to 10%) managed by Artemis and third party funds, and money market instruments.
	Use of derivatives	<p>The sub-fund may use derivatives for efficient portfolio management purposes to:</p> <ul style="list-style-type: none"> reduce risk manage the sub-fund efficiently.
	Where the sub-fund invests	<ul style="list-style-type: none"> United States of America, including companies in other countries that are headquartered or have a significant part of their activities in the USA.
	Industries the sub-fund invests in	<ul style="list-style-type: none"> Any
	Other limitations specific to this sub-fund	<ul style="list-style-type: none"> None
Investment strategy	<ul style="list-style-type: none"> The sub-fund is actively managed. The manager uses multiple sources of information, both to generate ideas and to assist in validating and testing candidate companies for investment. This is complemented by techniques such as data mining (examining large databases of information) and financial analysis. External research is also used in order to tap into knowledge already available and to look for different views. The manager carries out a significant amount of analysis of wider economic trends to understand cyclical and long-term trends and the outlook. 	
Benchmarks	<ul style="list-style-type: none"> Russell 2000 TR A widely-used indicator of the performance of US smaller companies, in which the sub-fund invests in. It acts as a 'comparator benchmark' against which the sub-fund's performance can be compared. Management of the sub-fund is not restricted by this benchmark. IA North American Smaller Companies NR A group of other asset managers' funds that invest in similar asset types as this sub-fund, collated by the Investment Association. It acts as a 'comparator benchmark' against which the sub-fund's performance can be compared. Management of the sub-fund is not restricted by this benchmark. 	

RISK AND REWARD PROFILE



- The sub-fund is in the category shown due to historic volatility (how much and how quickly the value of shares in the sub-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 sub-fund.
- The risk category has been calculated using historic data and may not be a reliable indicator of the sub-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 sub-fund performance:

- Market volatility risk:** The value of the sub-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 sub-fund's assets may be priced in currencies other than the sub-fund base currency. Changes in currency exchange rates can therefore affect the sub-fund's value.
- Smaller companies risk:** Investing in small and medium-sized companies can involve more risk than investing in larger, more established companies. Shares in smaller companies may not be as easy to sell, which can cause difficulty in valuing those shares.

There was no change to the risk indicator in the six months ended 31 August 2024.

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

INVESTMENT REVIEW

Over the six-month period, US equity markets were largely focused on the Federal Reserve's battle against inflation, with investors looking out for any signs of stress resulting from higher interest rates. This was particularly evident during the summer months. In July, consumer price index (CPI) inflation came in lower than anticipated, paving the way for potential rate cuts at the next Federal Open Market Committee (FOMC) meeting in September. This led to a sharp rise in the Russell 2000 index over a five-day period, driven by optimism about the benefits smaller companies might gain from a more favourable interest-rate environment. However, this rally was almost entirely reversed in the first week of August when weaker jobs data indicated that the economy was under more stress than previously thought. Markets then stabilised over the remainder of August as pessimism subsided, leaving the Russell 2000 index up by 4.6% in sterling terms over the six months.

In the run-up to the presidential election in November, political news also affected share prices. An attempted assassination of Trump, Biden's decision to step out of the presidential race, and Kamala Harris becoming the Democratic nominee added to the volatility in the markets.

Performance

In this environment, the sub-fund underperformed the index, returning 1.7% (in sterling terms) versus the Russell 2000 index's 4.6%¹. Year-to-date, the sub-fund's return stands at 9.9% compared to 7.1% for the index. In terms of sectors, our holdings in industrials made the biggest negative returns. The two largest detractors were SAIA and Builders FirstSource. Both are companies that are facing short-term challenges but in which we have long-term confidence. SAIA, a 'less-than-truckload' trucking company, is benefiting from an expanding geographical footprint and greater density of terminals within that footprint. We believe it is gradually positioning itself as near 'best in class' in the sector. However, poor weather in the US has disrupted expected volume improvements, and this weighed on the share price. Builders FirstSource, following a strong run, saw its share price decline because of weakness in new housing starts and remodelling activity. Despite this, we have been increasing our position, as we remain confident in the long-term trends in the housing market as well as the potential boost from declining interest rates.

On the positive side, our holdings in the utilities and consumer discretionary sectors made good contributions. Vistra, an independent power producer, benefited from rising energy demand from data centers. In the consumer discretionary sector, CAVA, a Mediterranean restaurant chain, also added to performance. Despite tough conditions

in the restaurant industry, with low traffic and inflation pressuring revenue, CAVA's attractive unit growth and consistent execution allowed it to exceed expectations for both earnings and revenue.

Transactions

We made some changes to the portfolio over the period. We increased our holdings in financials by buying shares in Jefferies and Jones Lang LaSalle, with the expectation that as interest rates begin to decline, there will be an uptick in deal activity across capital markets and real estate. Both companies should benefit from this trend. We added to our range of non-traditional industrial shares by buying APi Group and Korn Ferry. APi Group provides fire safety services to businesses, while Korn Ferry is a management consulting firm specialising in executive search. Both purchases demonstrate the diversity of companies available in the industrials sector.

To fund these purchases, we reduced our exposure to construction and materials by selling TopBuild, Comfort Systems, and Azek, all of which had performed well. In addition, we sold out of French fries producer Lamb Weston because of problems with their inventory management system and weakening demand for their products.

Outlook

After a volatile couple of months, the market remains focused on whether the next Federal Reserve decision will be to cut rates because the economy is strong or to cut rates to avoid a recession. Our base case is that we are not due a recession, albeit the probability of one has marginally increased. Our holdings within the sub-fund are not overly biased to one outcome. They either have exposure to themes that we believe will be longstanding or are good idiosyncratic opportunities.

It would also be remiss of us not to mention the upcoming election, which is fast approaching. Odds look balanced, although it is worth noting that due to the way the Electoral College is constituted, Harris must comfortably beat Trump in the popular vote in order to win. There are pros and cons to each from an investor's perspective. Trump looks to be a positive for smaller companies due to his focus on deregulation. Harris meanwhile would continue Biden's policies, and so represents stability.

Cormac Weldon and Olivia Micklem
Fund managers

Past performance is not a guide to the future.

¹ Artemis/Lipper Limited, class I accumulation GBP to 31 August 2024. Our benchmark is the Russell 2000 Index NR. 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 sub-fund. Returns may vary as a result of currency fluctuations if you invest in a different currency class.

ARTEMIS US SMALLER COMPANIES FUND

INVESTMENT INFORMATION

Ten largest purchases and sales for the six months ended 31 August 2024

Purchases	Cost £'000	Sales	Proceeds £'000
APi Group	37,549	Lamb Weston Holdings	30,556
Jefferies Financial	32,544	nVent Electric	29,911
Jones Lang LaSalle	28,822	Builders FirstSource	26,873
Regal Rexnord	24,002	Cava Group	21,488
Palomar	21,742	Coherent	19,651
Builders FirstSource	20,520	Eagle Materials	19,569
TransUnion	17,404	TopBuild	18,804
Korn Ferry	17,155	Comfort Systems USA	18,741
Zions Bancorp	16,659	TFI International	18,112
Globus Medical	16,604	Shockwave Medical	15,768

Portfolio statement as at 31 August 2024

Investment	Holding	Valuation £'000	% of net assets
Equities 99.56% (99.87%)			
Consumer Discretionary 15.17% (16.30%)			
AZEK	361,216	11,782	1.35
Burlington Stores	154,945	31,729	3.64
Cava Group	47,513	4,164	0.48
Churchill Downs	271,114	28,751	3.30
Hyatt Hotels	188,914	21,922	2.51
Meritage Homes	112,726	17,031	1.95
Ralph Lauren	66,249	8,662	0.99
SharkNinja	113,001	8,247	0.95
		132,288	15.17
Consumer Staples 4.26% (10.29%)			
BellRing Brands	567,029	24,177	2.77
Coty 'A'	593,575	4,250	0.49
elf Beauty	75,959	8,712	1.00
		37,139	4.26
Energy 1.87% (1.45%)			
Weatherford International	203,364	16,293	1.87
		16,293	1.87
Financials 22.44% (7.58%)			
Affirm	204,747	6,858	0.79
Jefferies Financial	846,289	38,732	4.45
Kinsale Capital	49,777	18,622	2.14
LPL Financial	123,420	21,084	2.42
Palomar	307,941	23,269	2.67
Pinnacle Financial Partners	394,178	30,021	3.44
Shift4 Payments	208,312	13,207	1.51
TransUnion	235,552	17,418	2.00
Zions Bancorp	696,850	26,399	3.02
		195,610	22.44
Health Care 10.54% (10.05%)			
Avantor	1,076,403	21,206	2.43
Enovis	372,912	13,248	1.52

Investment	Holding	Valuation £'000	% of net assets
Equities 99.56% (99.87%) (continued)			
Health Care 10.54% (10.05%) (continued)			
Globus Medical	300,074	16,629	1.91
Medpace	40,480	10,973	1.26
Natera	203,252	18,330	2.10
Repligen	99,906	11,516	1.32
		91,902	10.54
Industrials 26.39% (30.28%)			
APi Group	1,106,123	30,018	3.44
Axon Enterprise	75,675	21,055	2.41
Bloom Energy	459,750	4,201	0.48
Builders FirstSource	163,098	21,766	2.50
CBIZ	249,482	14,005	1.61
Clean Harbors	156,676	29,358	3.37
Comfort Systems USA	36,999	10,032	1.15
Core & Main	708,214	26,052	2.99
Indie Semiconductor	278,279	877	0.10
Korn Ferry	321,088	17,872	2.05
MKS Instruments	112,157	10,299	1.18
nVent Electric	172,713	8,993	1.03
Regal Rexnord	79,960	10,269	1.18
Saia	67,557	19,388	2.22
TopBuild	19,715	5,934	0.68
		230,119	26.39
Information Technology 5.42% (9.52%)			
Coherent	161,061	9,688	1.11
Dynatrace	222,287	8,595	0.99
Lattice Semiconductor	74,385	2,713	0.31
Western Digital	521,117	26,237	3.01
		47,233	5.42
Materials 2.03% (3.71%)			
Eagle Materials	89,821	17,693	2.03
		17,693	2.03
Real Estate 3.90% (0.00%)			
Jones Lang LaSalle	174,681	34,014	3.90
		34,014	3.90
Technology 4.18% (6.45%)			
HashiCorp	333,005	8,590	0.99
Kulicke & Soffa Industries	229,285	7,708	0.88
Monday.com	23,010	4,688	0.54
Seagate Technology	69,301	5,273	0.60
Zebra Technologies	38,634	10,196	1.17
		36,455	4.18
Utilities 3.36% (4.24%)			
Constellation Energy	56,399	8,470	0.97
Vistra	319,851	20,875	2.39
		29,345	3.36
Equities total		868,091	99.56

ARTEMIS US SMALLER COMPANIES FUND

Investment	Valuation £'000	% of net assets
Forward Currency Contracts (0.01%) (0.00%)		
Accumulation GBP (NAV Hedged) (0.01%) (0.00%)		
Buy Sterling 10,701,368, sell US Dollar 14,161,713 dated 30/09/2024	(47)	(0.01)
Forward Currency Contracts total	(47)	(0.01)
Investment assets (Including investment liabilities)	868,044	99.55
Net other assets	3,935	0.45
Net assets attributable to shareholders	871,979	100.00

The comparative percentage figures in brackets are as at 29 February 2024.

FINANCIAL STATEMENTS

Statement of total return for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		14,181		(30,062)
Revenue	2,759		2,768	
Expenses	(3,751)		(3,925)	
Interest payable and similar charges	(10)		(3)	
Net expense before taxation	(1,002)		(1,160)	
Taxation	(249)		(111)	
Net expense after taxation		(1,251)		(1,271)
Total return before distributions		12,930		(31,333)
Distributions		10		(3)
Change in net assets attributable to shareholders from investment activities		12,940		(31,336)

Statement of change in net assets attributable to shareholders for the six months ended 31 August 2024

	31 August 2024		31 August 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		831,587		1,036,893
Amounts receivable on issue of shares	317,518		64,077	
Amounts payable on cancellation of shares	(290,340)		(210,890)	
		27,178		(146,813)
Dilution adjustment		274		74
Change in net assets attributable to shareholders from investment activities		12,940		(31,336)
Closing net assets attributable to shareholders		871,979		858,818

Balance sheet as at 31 August 2024

	31 August 2024	29 February 2024
	£'000	£'000
Assets		
Fixed assets		
Investments	868,091	830,499
Current assets		
Debtors	8,291	49,864
Cash and cash equivalents	10,316	149
Total current assets	18,607	50,013
Total assets	886,698	880,512
Liabilities		
Investment liabilities	47	15
Creditors		
Bank overdraft	251	23,591
Other creditors	14,421	25,319
Total creditors	14,672	48,910
Total liabilities	14,719	48,925
Net assets attributable to shareholders	871,979	831,587

ARTEMIS US SMALLER COMPANIES FUND

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK 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 29 February 2024 as set out therein.

2. Post balance sheet events

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

COMPARATIVE TABLES

Fund sizes & net asset values

Date	Net asset value of sub-fund (£)	Net asset value per share (p)	Shares in issue
28 February 2022	1,290,927,265		
I accumulation GBP		334.59	381,898,648
I accumulation GBP (NAV Hedged)		144.73	9,085,171
28 February 2023	1,036,892,887		
I accumulation GBP		317.51	324,730,253
I accumulation GBP (NAV Hedged)		120.49	4,844,173
29 February 2024	831,587,269		
I accumulation GBP		365.83	225,920,260
I accumulation GBP (NAV Hedged)		144.10	3,535,648
31 August 2024	871,979,100		
E accumulation GBP*		100.82	73,848,918
I accumulation GBP		370.58	212,277,401
I accumulation GBP (NAV Hedged)		151.47	7,168,912

* Launched on 30 April 2024.

Ongoing charges

Class	31 August 2024
E accumulation GBP	0.750%
I accumulation GBP	0.870%
I accumulation GBP (NAV Hedged)	0.870%

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

Class I accumulation GBP performance

	Since launch*	5 years	3 years	1 year	6 months
Artemis US Smaller Companies**	267.1	43.3	(0.5)	18.0	1.7
Artemis US Smaller Companies***	267.9	45.3	0.3	18.0	0.9
Russell 2000 TR	178.8	47.1	6.6	14.2	4.6
IA North American Smaller Companies NR	207.9	51.5	5.6	12.9	3.5
Position in sector	1/7	7/10	8/10	2/10	7/10
Quartile	1	3	3	1	3

Past performance is not a guide to the future.

* Source: Lipper Limited, class I accumulation GBP from 27 October 2014 to 31 August 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. This class may 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 accumulation GBP is disclosed as it is the primary share class.

GENERAL INFORMATION

Investment in the company

Investments in Artemis Investment Funds ICVC are intended to be medium to long term investments and should not be considered a short term investment.

Investors are reminded that past performance is not a guarantee of performance in the future and that the price of shares and the income from them can fall as well as rise. Please refer to the Key Investor Information Document and Prospectus (which are available from the ACD on request) for a full description of the risks involved when investing in the sub-funds.

Shares may be bought and sold by contacting the ACD by telephone, at the address on page 89 or via the website artemisfunds.com in the UK. Valuation of the sub-funds takes place each dealing day at 12 noon on a forward pricing basis. The current list of non-dealing days impacting the sub-funds is published on our website at www.artemisfunds.com/non-dealing-days.

The information contained within this document should not be construed as a recommendation to purchase or sell stocks.

Publication of prices

The most recent prices are published on the ACD's website artemisfunds.com, which is the primary method of price publication.

For further details and where to find such prices please contact the ACD. Shares are not quoted on any recognised investment exchange.

Tax information reporting

UK tax legislation requires fund managers to provide information to HM Revenue & Customs ('HMRC') on certain investors who purchase shares or units in collective investment schemes. Accordingly, the fund may have to provide information annually to HMRC on the tax residencies of those shareholders that are tax resident out with 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 investors that invest in the fund must complete a certification form as part of the application form. Existing shareholders 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/public.

Value assessment

Artemis Fund Managers Limited (AFML) has conducted a detailed assessment on whether its funds are providing value to shareholders in response to newly introduced regulations. 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 shareholders. Composite reports on Assessment of Value have been published via the website artemisfunds.com.

Taskforce for Climate-Related Financial Disclosures ("TCFD")

In accordance with the FCA's requirements under the Environmental, Social and Governance Sourcebook, Artemis is required to publish disclosures consistent with the Taskforce on Climate-Related Financial Disclosures ("TCFD") for the period 1 January 2023 to 31 December 2023. The entity-level TCFD report contains information about how Artemis manages climate-related risks and opportunities in investment portfolios and across its business operations and the product-level TCFD report contains certain climate related metrics required to be published for sub-funds of the Company. These TCFD reports, which were published on 30 June 2024, can be found here: www.artemisfunds.com/tcf.

GENERAL INFORMATION

Registered Office

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Authorised corporate director (the "ACD")

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Directors of the authorised corporate director

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S Dougall
M J Murray
A A Laing
C E C Finn
G O Jones
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* Authorised and regulated by the Financial Conduct Authority.

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

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