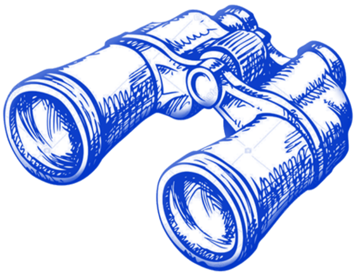

Artemis Investment Funds ICVC

Annual Report and Financial Statements

for the year ended 28 February 2025

Contents

* 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 £27.9 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 31 March 2025

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. Each sub-fund is treated as a segregated portfolio of assets, and those assets can only be used to meet the liabilities of that sub-fund. Shareholders are not liable for the debts of the company or any other sub-fund. The base currency of the company is Sterling.

The company has an umbrella structure and currently has eight 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 closed during the period) which includes details of the investment objective.

The company is registered for sale in Luxembourg.

Annual report and financial statements

We are pleased to present the annual report and financial statements of the company for the year ended 28 February 2025. 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.

Annual general meetings

The company has dispensed with the need to hold annual general meetings.

Prospectus

Copies of the most recent Prospectus are available free of charge from the authorised corporate director ('ACD') at the address on page 159.

Sub-fund cross holdings

At the year-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:

(i) changed the name of the sub-fund to 'Artemis Short-Duration Strategic Bond Fund';

(ii) changed the sub-fund's investment objective from:

"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."

To:

"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)."

(iii) changed the target benchmark from 'Bank of England base rate' to 'Markit iBoxx 1-5 year £ Collateralised & Corporates Index;

(iv) changed the sub-fund's investment policy and strategy wording to align with other Artemis fixed income funds, specifically:

- amend the wording on the Fund holding B- rated bonds to clarify that the restriction applies to the purchase of B- rated bonds. Bonds that are downgraded below this credit rating after purchase would not have to be compulsorily sold; and

- delete the restrictions on exposures to non-government issuers of investment grade securities, individual issuers of below investment grade securities or emerging market issuers.

Otherwise, the sub-fund's limits/restrictions remain unchanged.

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.

Change to Artemis US Select Fund and Artemis US Smaller Companies Fund

On 31 October 2024, the comparator benchmarks of Artemis US Select Fund and Artemis US Smaller Companies Fund changed from S&P 500 Total Return Index and Russell 2000 Total Return Index to S&P 500 Net Return (net of 15% withholding tax) Index and Russell 2000 Net Return (net of 15% withholding tax) Index, respectively.

Changes to Artemis Positive Future Fund

On 1 February 2025, changes were made to the investment policy, strategy and benchmark of Artemis Positive Future Fund:

(1) Amendments to the sub-fund's investment strategy

The sub-fund's current investment strategy was amended to reflect:

(i) the Fund Manager's holistic assessment of positive impact;

(ii) the removal of emphasis on identifying companies disrupting established industry incumbents through innovation; and

(iii) a broader emphasis on Artemis's investor impact, i.e. value that can be derived from active, constructive engagement with companies.

(2) Amendments to the sub-fund's exclusions

- The sub-fund's tobacco exclusion was changed to prevent investment in tobacco producers only, not any tobacco-related business activities.
- The sub-fund's animal testing, genetic modification, biodiversity and nuclear-power screens were removed

(3) Change of comparator benchmark

The sub-fund's comparator benchmark changed from MSCI ACWI Index to MSCI ACWI Mid Cap Index.

Remuneration

As the Artemis Investments Fund ICVC (the "company") is a UK UCITS scheme, Artemis Fund Managers Limited ("AFML") as manager is required to make these disclosures. Artemis operates its remuneration policies and practices at a group level which includes both Artemis Investment Management LLP and its subsidiary AFML. Details of the group remuneration policies are available on Artemis' website artemisfunds.com. Remuneration levels are set to attract, retain and motivate talented partners and staff and align the long term interests of partners and staff with those of our clients.

The remuneration policies which apply to all partners and staff across the group are overseen by the Remuneration Committee. The members of the Remuneration Committee are all non-executive officers. The Remuneration Committee is responsible for setting and overseeing the implementation of Artemis' remuneration policy, including approving the remuneration of partners and other senior staff. The Remuneration Committee will regularly review the remuneration policy to ensure it remains appropriate. The Remuneration Committee considers inputs from Artemis' Risk and Compliance function when reviewing remuneration issues, including any risk adjustments or controls considered necessary.

The Artemis remuneration period runs from 1 January to 31 December. Certain partners and staff are classified as 'Identified Staff' as their professional activities have a material impact on the risk profile of the firm. The payment of some of their variable remuneration (which may include profit share for partners) is deferred. Further, Artemis has the ability to reduce all or part of deferred variable remuneration that has been previously allocated to identified staff both (a) before the end of the vesting period and (b) within two years following the payment of any elements of variable remuneration.

No staff are employed by AFML directly. Staff are employed and paid by other entities of Artemis. Artemis has apportioned the total amount of remuneration paid to all 209 Artemis partners and staff in respect of AFML's duties performed for the UCITS schemes based on the number of funds. It has estimated that the total amount of remuneration paid in respect of duties for the sub-funds for the year ended 31 December 2024 is £8,158,799 of which £3,422,240 is fixed remuneration and £4,736,559 is variable remuneration.

The aggregate amount of remuneration paid to UCITS Remuneration Code and Identified Staff that is attributable to duties for the sub-funds for the year ended 31 December 2024 is £3,346,707. Code and Identified Staff are those senior individuals whose managerial responsibilities or professional activities could influence, and have a material impact on, the overall risk profile of each regulated entity and the funds it manages.

For the purposes of the UCITS Remuneration Code, the AFML Code staff are the members of Artemis' Management and Executive Committees, certain fund managers and others in specified roles. This includes certain individuals who are partners in Artemis Investment Management LLP.

Company information

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 outwith the UK, in those countries that have signed up to the OECD's ('Organisation for Economic Co-operation and Development') Common Reporting Standard for Automatic Exchange of Financial Account Information (the 'Common Reporting Standard'), or the United States (under the Foreign Account Tax Compliance Act, 'FATCA').

All new 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/publications/exchange-of information-account-holders.

Value assessment

Artemis Fund Managers Limited (AFML) has conducted a detailed assessment on whether its funds are providing value to shareholders. 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/tcfd.

Statement of the Depositary's responsibilities in respect of the scheme and report of the Depositary to the Shareholders of the Artemis Investment Funds ICVC ('the Company') for the year ended 28 February 2025.

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked in cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Corporate Director ("the ACD"), which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we considered necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that, in all material respects the Company, acting through the ACD:

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the regulations and the Scheme documents of the Company; and

(ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

Northern Trust Investor Services Limited
London
7 May 2025

Statement of the ACD's responsibilities

COLL requires the ACD to prepare financial statements for each accounting period which give a true and fair view of the financial affairs of the company at the year end and of the net revenue or expense and net gains or losses on the schemeproperty of the company for the period then ended.

In preparing the financial statements the ACD is required to:

(i) follow applicable accounting standards;

(ii) make judgements and estimates that are reasonable and prudent;

(iii) select suitable accounting policies and then apply them consistently;

(iv) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation for the foreseeable future. For reasons stated in Note 1(a) to the financial statements, the financial statements of Artemis Pan-European Absolute Return Fund have been prepared on a break-up basis.

(v) comply with the Instrument of Incorporation and the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May 2014 ('SORP'). The ACD is required to keep proper accounting records and to manage the company in accordance with the Regulations, the Instrument of Incorporation and prospectus.

The ACD is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the authorised corporate director

We hereby approve the Annual Report of Artemis Investment Funds ICVC for the year ended 28 February 2025 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
7 May 2025

Independent auditor's report to the shareholders of Artemis Investment Funds ICVC

Opinion

We have audited the financial statements of Artemis Investment Funds ICVC ("the Company") comprising each of its sub-funds for the year ended 28 February 2025, which comprise the Statement of Total Return, the Statement of Changes in Net Assets Attributable to Shareholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of each of the sub-funds, which include a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Company comprising each of its sub-funds as at 28 February 2025 and of the net revenue or expenses and the net capital gains or losses of the Company comprising each of its sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the FRC) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Financial Statements of Artemis Pan-European Absolute Return Fund prepared on break up basis

We draw attention to Note 1(a) of the financial statements of Artemis Pan-European Absolute Return Fund which explains that the sub-fund is closed and in the process of being terminated. The Authorised Corporate Director ('the ACD') therefore does not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements for this sub-fund only, has been prepared on a break-up basis as described in Note 1(a). Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

The financial statements for Artemis Pan-European Absolute Return Fund has been prepared on a break-up basis as disclosed in Note 1(a).

In auditing the financial statements for the remaining sub-funds, we have concluded that the ACD's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the remaining sub-funds' ability to continue as a going concern for a period of twelve months from the date the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the ACD with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the remaining sub-funds' ability to continue as a going concern.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The ACD is responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority (the "FCA")

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the FCA and the Instrument of Incorporation; and
- there is nothing to indicate that adequate accounting records have not been kept or that the financial statements are not in agreement with those records; and
- the information given in the ACD's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter in relation to which the Collective Investment Schemes Sourcebook of the FCA requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of the ACD

As explained more fully in the ACD's responsibilities statement set out on page 8, the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the ACD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the ACD is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the ACD either intends to wind up or terminate the sub-fund or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are United Kingdom Generally Accepted Accounting Practice (UK GAAP), Investment Management Association's Statement of Recommended Practice (IMA SORP), the FCA Collective Investment Schemes Sourcebook, the OEIC Regulations, the Company's Instrument of Incorporation and the Prospectus.
- We understood how the Company is complying with those frameworks through discussions with the ACD and the Company's administrator and a review of the Company's documented policies and procedures.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution. We identified a fraud risk in relation to incomplete or inaccurate revenue recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution. In response to our fraud risk, we tested the appropriateness of management's classification of a sample of special dividends as either a capital or revenue return.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the ACD with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Company.
- Due to the regulated nature of the Company, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities which included the use of specialists where appropriate to identify non-compliance with the applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's Shareholders, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the FCA. Our audit work has been undertaken so that we might state to the Company's Shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Statutory Auditor
Edinburgh
7 May 2025

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**	• 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	The sub-fund may use derivatives: • 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	• 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	• Any
	Credit quality of bonds the sub-fund invests in	• At least 80% in investment grade corporate bonds, being - 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	• None
Investment strategy	• 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: - 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	• **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.

There was no change to the risk indicator in the year ended 28 February 2025.

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

The sub-fund made 6.8% over the year to 28 February, beating its iBoxx £ Collateralized & Corporate Index (UK Midday) benchmark by 0.9%[1]. It has now outperformed this measure by 14.8% since launch. In another unpredictable year for government bond markets, we are pleased with this outperformance.

Overview

Markets struggled to absorb the frenetic news cycle over the course of the year. Comparing the start to the end, the front end rallied, the belly was relatively unchanged, while the long end sold off. But this curve steepening doesn't paint the full picture.

Markets had to digest rate cuts from major central banks, and of course, the election and return of President Donald Trump. The magnitude of his political comeback and victory meant he started his second term empowered, prepared and more unpredictable than ever. We also witnessed the Labour Party win a landslide victory in the UK, announcing a raft of spending, borrowing and tax increases. In Europe, French political turmoil was followed by the German election where the Christian Democratic Union won the most seats, but the right-wing AfD made historic gains in what appears to have been a general trend across the continent.

The macroeconomic data this year has been equally temperamental. Services inflation was sticky, growth was stronger than expected, and the labour market and consumption remained relatively robust. Gilts proved to be the weakest of major government bonds as markets reacted badly to the decisions taken by the new chancellor. Two-year US and German curves rallied around 60bps and 85bps on rate cuts of 100bps and 125bps; however, gilts – which saw rate cuts of 75bps – ended up only 13bps better off.

Most of the action took place in 10-year and 30-year bonds. Ten-year bunds and Treasuries sold off in April, rallied in September, gave up their gains into January, then recovered to end the year flat. Longer-dated government bonds followed a similar path, but finished the year wider overall. Gilts underperformed throughout, with yields on 10-year and 30-year notes finishing more than 20 and 50bps wider respectively.

Credit

Sterling investment grade credit had a less volatile year than government bonds. Spreads fluctuated throughout the period, but most of this movement was in a far tighter range than the swings in the underlying gilt curve. The fact that gilts underperformed US and European government bonds during the year has done nothing but make UK credit more attractive on a cross-currency basis. This has made it more expensive for issuers, which shifted supply to European and US markets. Coupled with corporate deleveraging, this led to a decline in net sterling issuance compared with the pre-Covid era, enhancing the technical pressure on UK investment grade debt.

Activity

We ran a curve-steepening position for much of the year, while remaining close to neutral on duration. Like many fixed income investors, we expected rate cuts to arrive faster than they did. Inflation has remained stubborn across developed economies, where labour and growth proved resilient. As Trump shakes up the international order and the rest of the world scrambles to keep up, we refuse to get drawn into making major macro calls. But volatility creates opportunity, and our active strategy works well in this environment.

For example, our underweight in UK water companies and French credit worked well as fears over **Thames Water** fed into the wider sector, while France's budget deficit affected the nation's corporates. Our overweights in real estate and financials, meanwhile, served us well as yields in these sectors compressed versus the market.

And as much as we aim to pick winners, avoiding certain names has also contributed to relative performance.

Outlook

We would never have predicted the diplomatic turmoil in the White House of the past few weeks. We had conditioned ourselves to Trump saying unconventional things but ultimately behaving in a more conventional manner. That was wrong. What we know for sure is Europe will now need to pay for its own security. That means more government bonds. It probably also means more growth.

The markets have reacted to this already; that's easy. But have the markets really comprehended what it means for the eurozone project? Germany, the anchor tenant of the euro, with its robust fiscal framework acting as the stabilising force, has now cast off decades of fiscal responsibility. German bonds had their worst day since 1990, so the market gets that it is a massive change. But is it more systemic than that?

Closer to home, our prime minister has recently had his best couple of weeks in office. Our defence spending is already close to the 2.5% target, with the shortfall bridged by slashing overseas aid.

Past performance is not a guide to the future.
[1] Artemis/Lipper Limited, class I accumulation, in sterling. 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.

The UK is now looking like a safe haven again. My first chief investment officer's favourite saying was "better lucky than clever, and better clever than hard working". Not by design, but UK assets are looking OK.

Stephen Snowden and Grace Le
Fund managers

Artemis Corporate Bond Fund

Investment information

Ten largest purchases and sales for the year ended 28 February 2025

Purchases	Cost £'000	Sales	Proceeds £'000
Tesco Property Finance 1 7.62% 13/07/2039	30,304	Barclays, FRN 7.09% 06/11/2029	34,649
Nationwide Building Society 5.53% 13/01/2033	28,942	Vonovia 5.50% 18/01/2036	34,639
Centrica, FRN 6.50% 21/05/2055	27,351	Metropolitan Life Global Funding I 1.63% 12/10/2028	28,412
HSBC Holdings 5.29% 16/09/2032	27,053	BNP Paribas 6.00% 18/08/2029	28,170
Cooperatieve Rabobank UA 5.25% 14/09/2027	25,088	Annington Funding 3.94% 12/07/2047	27,647
Annington Funding 3.94% 12/07/2047	24,651	Banque Federative du Credit Mutuel 5.00% 22/10/2029	24,262
Prologis 5.63% 04/05/2040	24,418	Bank of America 1.67% 02/06/2029	24,260
Bank of America 1.67% 02/06/2029	24,091	Annington Funding 3.69% 12/07/2034	23,624
Whitbread Group 3.00% 31/05/2031	23,225	Coventry Building Society 5.88% 12/03/2030	23,379
Coventry Building Society 5.88% 12/03/2030	22,997	UK Gilt 4.13% 22/07/2029	22,051

Portfolio statement as at 28 February 2025

Investment	Holding/ nominal value	Valuation £'000	% of net assets
Government Bonds 0.64% (0.00%)			
Germany 0.64% (0.00%)			
Bayerische Landesbank 5.25% 28/11/2029	£10,000,000	10,100	0.64
Government Bonds total		**10,100**	**0.64**
Corporate Bonds 97.63% (98.52%)			
Belgium 1.30% (0.00%)			
KBC Group 6.15% 19/03/2034	£20,000,000	20,473	1.30
		20,473	**1.30**
Canada 0.76% (1.96%)			
CPPIB Capital 6.00% 07/06/2025	£12,000,000	12,043	0.76
		12,043	**0.76**
Czech Republic 1.00% (0.00%)			
CPI Property Group 1.75% 14/01/2030	€13,300,000	9,441	0.60
CPI Property Group 6.00% 27/01/2032	€7,500,000	6,369	0.40
		15,810	**1.00**
Denmark 1.39% (0.34%)			
Carlsberg Breweries 5.50% 28/02/2039	£9,000,000	8,962	0.57
Danske Bank, FRN 4.63% 13/04/2027	£13,000,000	13,001	0.82
		21,963	**1.39**
Finland 0.56% (0.00%)			
Nordea Bank 4.50% 12/10/2029	£9,000,000	8,926	0.56
		8,926	**0.56**
France 1.50% (6.00%)			
Credit Agricole 5.50% 31/07/2032	£7,500,000	7,567	0.48
Electricite de France 5.13% 22/09/2050	£13,000,000	10,816	0.69
Electricite de France 5.63% 25/01/2053	£6,000,000	5,255	0.33
		23,638	**1.50**
Germany 1.61% (4.97%)			
E.ON International Finance 6.13% 06/07/2039	£25,000,000	25,522	1.61
		25,522	**1.61**

Investment	Holding/ nominal value	Valuation £'000	% of net assets
Corporate Bonds 97.63% (98.52%) (continued)			
Ireland 0.00% (0.37%)			
Italy 1.14% (0.00%)			
Snam 5.75% 26/11/2036	£18,000,000	18,089	1.14
		18,089	**1.14**
Luxembourg 0.98% (1.88%)			
Logicor Financing 2.75% 15/01/2030	£17,500,000	15,442	0.98
		15,442	**0.98**
Netherlands 1.59% (1.48%)			
Cooperatieve Rabobank 5.25% 14/09/2027	£25,000,000	25,077	1.59
		25,077	**1.59**
Saudi Arabia 0.92% (0.00%)			
Gaci First Investment 5.63% 11/06/2039	£15,000,000	14,598	0.92
		14,598	**0.92**
Spain 3.04% (1.18%)			
Abertis Infraestructuras 3.38% 27/11/2026	£16,000,000	15,593	0.99
Banco Santander 5.63% 27/01/2031	£17,500,000	17,741	1.12
Iberdrola Finanzas 5.25% 31/10/2036	£15,000,000	14,757	0.93
		48,091	**3.04**
Sweden 0.00% (1.42%)			
Switzerland 3.08% (2.95%)			
UBS Group, FRN 7.38% 07/09/2033	£20,000,000	22,545	1.43
Zurich Finance Ireland Designated Activity, FRN 5.13% 23/11/2052	£27,000,000	26,175	1.65
		48,720	**3.08**
United Kingdom 58.97% (62.47%)			
AA Bond 3.25% 31/07/2050	£4,001,000	3,665	0.23
AA Bond 5.50% 31/07/2050	£3,000,000	3,005	0.19
AA Bond 7.38% 31/07/2029	£13,999,000	14,635	0.93
Accent Capital 2.63% 18/07/2049	£10,000,000	5,909	0.37
Anglian Water Osprey Financing 4.00% 08/03/2026	£5,100,000	4,942	0.31
Arqiva Financing 4.88% 31/12/2032	£15,093,332	14,871	0.94
Arqiva Financing 7.21% 30/06/2045	£8,100,000	8,598	0.54
Aster Treasury 5.41% 20/12/2032	£15,000,000	15,253	0.97
Aviva, FRN 4.00% 03/06/2055	£29,400,000	24,624	1.56
Barclays 5.75% 31/07/2032	£15,800,000	15,967	1.01
Beyond Housing 2.13% 17/05/2051	£17,000,000	8,753	0.55
BP Capital Markets, FRN 4.25% Perpetual	£19,200,000	18,718	1.18
Canary Wharf Finance II 6.80% 22/10/2033	£8,731,954	8,968	0.57
Centrica, FRN 6.50% 21/05/2055	£22,000,000	22,459	1.42
CPUK Finance 5.88% 28/08/2027	£18,000,000	18,218	1.15
CPUK Finance 5.94% 28/02/2047	£12,300,000	12,595	0.80
Eastern Power Networks 5.38% 26/02/2042	£20,000,000	19,042	1.20
Electricity North West 8.88% 25/03/2026	£15,000,000	15,632	0.99
Great Portland Estates 5.38% 25/09/2031	£12,800,000	12,667	0.80
Greene King Finance 4.06% 15/03/2035	£12,787,204	11,991	0.76
Greene King Finance 5.11% 15/03/2034	£14,073,449	13,820	0.87
Hammerson 5.88% 08/10/2036	£16,000,000	15,527	0.98
Heathrow Funding 6.45% 10/12/2033	£28,000,000	29,813	1.89
HSBC Holdings 5.29% 16/09/2032	£24,000,000	23,932	1.51
Inchcape 6.50% 09/06/2028	£18,200,000	18,696	1.18

Investment	Holding/ nominal value	Valuation £'000	% of net assets
Corporate Bonds 97.63% (98.52%) (continued)			
United Kingdom 58.97% (62.47%) (continued)			
International Distribution Services 7.38% 14/09/2030	£12,000,000	12,483	0.79
J Sainsbury 5.13% 29/06/2030	£9,000,000	9,049	0.57
Land Securities Capital Markets 4.63% 23/09/2034	£20,000,000	19,152	1.21
Legal & General Group, FRN 4.50% 01/11/2050	£7,500,000	7,151	0.45
Legal & General Group, FRN 5.50% 27/06/2064	£16,000,000	15,492	0.98
Lloyds Banking Group, FRN 6.63% 02/06/2033	£14,100,000	14,543	0.92
Logicor 2019-1 UK 1.88% 17/11/2031	£15,000,000	14,324	0.91
M&G, FRN 6.25% 20/10/2068	£10,000,000	9,243	0.59
Manchester Airport Funding 5.75% 30/09/2042	£15,000,000	14,652	0.93
Marston's Issuer, FRN 5.18% 15/07/2032	£20,543,000	19,483	1.23
Martlet Homes 3.00% 09/05/2052	£9,000,000	5,505	0.35
Meadowhall Finance 4.99% 12/07/2037	£10,412,515	10,036	0.64
Mitchells & Butlers Finance 5.57% 15/12/2030	£9,853,536	9,964	0.63
Mitchells & Butlers Finance 6.01% 15/12/2028	£10,881,785	10,914	0.69
Mobico Group 4.88% 26/09/2031	€12,000,000	10,027	0.63
Motability Operations Group 6.25% 22/01/2045	£21,000,000	21,678	1.37
National Gas Transmission 5.50% 04/02/2034	£6,700,000	6,708	0.42
Nationwide Building Society 5.53% 13/01/2033	£29,000,000	29,242	1.85
Nationwide Building Society, FRN 7.86% Perpetual	£2,500,000	2,548	0.16
NatWest Group, FRN 7.42% 06/06/2033	£16,000,000	16,858	1.07
Northern Powergrid Northeast 3.25% 01/04/2052	£10,000,000	6,498	0.41
Northern Powergrid Yorkshire 5.63% 14/11/2033	£10,500,000	10,760	0.68
Pearson Funding 5.38% 12/09/2034	£20,300,000	19,995	1.27
Pension Insurance 3.63% 21/10/2032	£5,800,000	4,900	0.31
Pension Insurance 6.88% 15/11/2034	£21,000,000	21,451	1.36
Phoenix Group 7.75% 06/12/2053	£10,000,000	10,632	0.67
Places For People Treasury 5.38% 05/03/2032	£17,500,000	17,394	1.10
Quadgas Finance 3.38% 17/09/2029	£24,000,000	21,819	1.38
RAC Bond 4.87% 06/05/2046	£20,000,000	19,969	1.26
Rothesay Life 7.02% 10/12/2034	£21,000,000	21,861	1.38
Sage 1.63% 25/02/2031	£12,000,000	9,887	0.63
SP Transmission 2.00% 13/11/2031	£7,000,000	5,850	0.37
Telereal Securitisation 1.37% 10/12/2033	£10,512,764	9,399	0.59
Telereal Securitisation 3.56% 10/12/2031	£15,800,000	14,371	0.91
Telereal Securitisation 5.63% 10/12/2031	£21,000,000	20,887	1.32
Tesco Property Finance 1 7.62% 13/07/2039	£26,044,720	29,196	1.85
TP ICAP Finance 7.88% 17/04/2030	£18,700,000	20,068	1.27
UNITE 5.63% 25/06/2032	£16,000,000	16,147	1.02
Whitbread Group 3.00% 31/05/2031	£27,000,000	23,531	1.49
Whitbread Group 5.50% 31/05/2032	£6,500,000	6,478	0.41
		932,445	**58.97**
United States of America 19.79% (13.50%)			
Athene Global Funding 5.15% 01/11/2029	£18,300,000	18,373	1.16
BP Capital Markets 5.07% 12/09/2036	£10,000,000	9,643	0.61
Caterpillar Financial Services 4.62% 28/02/2028	£13,200,000	13,198	0.83
Caterpillar Financial Services 5.72% 17/08/2026	£9,300,000	9,443	0.60
Citigroup 4.50% 03/03/2031	£13,900,000	13,274	0.84
Citigroup 6.80% 25/06/2038	£13,000,000	14,588	0.92
Comcast 5.25% 26/09/2040	£15,000,000	14,320	0.91
Dresdner Funding Trust I 8.15% 30/06/2031	$8,500,000	7,428	0.47

Investment	Holding/ nominal value	Valuation £'000	% of net assets
Corporate Bonds 97.63% (98.52%) (continued)			
United States of America 19.79% (13.50%) (continued)			
Goldman Sachs Group 6.88% 18/01/2038	£20,000,000	21,478	1.36
Haleon UK Capital 4.63% 18/09/2033	£18,000,000	17,267	1.09
HJ Heinz Finance UK 6.25% 18/02/2030	£10,000,000	10,418	0.66
Johnson & Johnson 3.70% 26/02/2055	€10,300,000	8,571	0.54
MassMutual Global Funding II 4.63% 05/10/2029	£15,000,000	14,946	0.95
McDonald's 4.13% 11/06/2054	£11,400,000	8,634	0.55
Morgan Stanley 5.21% 24/10/2035	£21,100,000	20,665	1.31
Nestle 5.25% 21/09/2026	£9,000,000	9,109	0.58
New York Life Global Funding 4.35% 16/09/2025	£8,000,000	7,984	0.50
New York Life Global Funding 4.88% 30/04/2031	£12,600,000	12,673	0.80
Prologis 5.63% 04/05/2040	£24,000,000	23,627	1.49
Realty Income 5.25% 04/09/2041	£20,000,000	18,588	1.18
Verizon Communications 4.75% 17/02/2034	£11,000,000	10,484	0.66
Walmart 5.63% 27/03/2034	£5,000,000	5,286	0.33
Wells Fargo 4.88% 29/11/2035	£24,700,000	22,940	1.45
		312,937	**19.79**
Corporate Bonds total		**1,543,774**	**97.63**
Forward Currency Contracts 0.03% (0.01%)			
Buy Sterling 35,011,461, sell Euro 41,942,238 dated 10/03/2025		372	0.02
Buy Sterling 7,565,519, sell US Dollar 9,395,133 dated 10/03/2025		106	0.01
Forward Currency Contracts total		**478**	**0.03**
Investment assets		**1,554,352**	**98.30**
Net other assets		**26,952**	**1.70**
Net assets attributable to shareholders		**1,581,304**	**100.00**

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

Artemis Corporate Bond Fund

Financial statements

Statement of total return for the year ended 28 February 2025

	Note	28 February 2025 £'000	28 February 2025 £'000	29 February 2024 £'000	29 February 2024 £'000
Income					
Net capital gains	3		**10,892**		21,469
Revenue	5	**86,700**		75,633	
Expenses	6	**(5,069)**		(4,349)	
Interest payable and similar charges	7	**(11)**		(9)	
Net revenue before taxation		**81,620**		71,275	
Taxation	8	**–**		–	
Net revenue after taxation			**81,620**		71,275
Total return before distributions			**92,512**		92,744
Distributions	9		**(82,287)**		(72,526)
Change in net assets attributable to shareholders from investment activities			**10,225**		20,218

Statement of change in net assets attributable to shareholders for the year ended 28 February 2025

	28 February 2025 £'000	28 February 2025 £'000	29 February 2024 £'000	29 February 2024 £'000
Opening net assets attributable to shareholders		**1,431,786**		1,190,110
Amounts receivable on issue of shares	**588,444**		656,253	
Amounts payable on cancellation of shares	**(492,743)**		(469,237)	
		95,701		187,016
Dilution adjustment		**80**		296
Change in net assets attributable to shareholders from investment activities		**10,225**		20,218
Retained distribution on accumulation shares		**43,512**		34,146
Closing net assets attributable to shareholders		**1,581,304**		1,431,786

Balance sheet as at 28 February 2025

	Note	28 February 2025 £'000	29 February 2024 £'000
Assets			
Fixed assets			
Investments	10	**1,554,352**	1,410,785
Current assets			
Debtors	11	**45,264**	43,891
Cash and cash equivalents	12	**40,877**	25,195
Total current assets		**86,141**	69,086
Total assets		**1,640,493**	1,479,871
Liabilities			
Investment liabilities	10	**–**	22
Creditors			
Bank overdraft	13	**460**	130
Distribution payable		**10,231**	9,582
Other creditors	14	**48,498**	38,351
Total creditors		**59,189**	48,063
Total liabilities		**59,189**	48,085
Net assets attributable to shareholders		**1,581,304**	1,431,786

Notes to the financial statements

1. Accounting policies

(a) Basis of accounting. The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, in accordance with FRS 102 and the Statement of Recommended Practice ("SORP") issued by the Investment Management Association in May 2014 and amended in June 2017 and the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL'). The financial statements have been prepared on a going concern basis. The ACD believes that the sub-fund has adequate resources to continue in operational existence for the foreseeable future. No material events have been identified that may cast significant doubt about the sub-fund's ability to continue as a going concern for a period of twelve months from the date the financial statements are authorised for issue.

(b) Valuation of investments. All investments, including any derivatives, have been valued at 12 noon on the last working day of the accounting period. The last valuation point in the period has been used for the purposes of preparing the report and financial statements and in the ACD's opinion there have been no material movements in the sub-fund between the last valuation point and close of business on the balance sheet date. Where a sub-fund invests in markets that are closed for trading at the sub-fund's valuation point, the ACD will allow for the net asset value to be adjusted (based on movements of index futures or other suitable proxies in markets closed at the sub-fund valuation point, since the last market close), to reflect more accurately the fair value of the sub-fund's investments. Listed investments are valued at fair value which is generally deemed to be the bid price excluding any element of accrued interest. Unquoted investments are valued at fair value which is determined by the ACD, with reference to the valuation guidelines issued by the International Private Equity and Venture Capital Valuation Guidelines Board. Open forward currency contracts are shown in the portfolio statement at market value and the net gains are reflected within forward currency contracts under net capital gains.

(c) Foreign exchange rates. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at 12 noon on the last working day of the accounting period. Revenue and expenditure transactions are translated at the rates of exchange ruling on the dates of the transactions. Exchange differences on such transactions follow the same treatment as the principal amounts.

(d) Revenue. Interest from debt securities is recognised on an effective interest rate basis inclusive of any expected changes to future cash flows. Interest from debt securities bought or sold is excluded from the capital cost of such securities, and accounted for as part of revenue. Bank interest and interest on margin accounts held with brokers is recognised as revenue on an accruals basis. Returns on derivative instruments are recognised as either revenue or capital depending on the nature and circumstances of each particular case. Net gains are reflected within derivative contracts under net capital gains in the notes to the financial statements.

(e) Expenses. All expenses (other than those relating to the purchase and sale of investments) are initially charged against revenue on an accruals basis. Portfolio transaction costs are incurred by sub-funds when buying and selling investments. These costs vary depending on the types of investment and are made up of direct and indirect portfolio transaction costs. Direct portfolio transaction costs include Broker execution commission and taxes. Indirect portfolio transaction costs relate to the 'Dealing spread', which is the difference between the purchase and sale prices of the sub-fund's investments. Some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid.

(f) Taxation. Corporation tax is charged at a rate of 20% on the excess taxable revenue of the sub-fund. In general, the tax accounting treatment follows that of the principal amount. Deferred tax is provided for all timing differences that have originated but not reversed at the balance sheet date other than those recorded as permanent differences. Deferred tax is provided for at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money. A deferred tax asset is only recognised to the extent that it is more likely than not that the asset will be recovered.

(g) Dilution adjustment. The sub-fund is priced on a single swinging price basis. The ACD has the discretion to charge a dilution adjustment as part of its daily valuation policy. This will mean that in certain circumstances the sub-fund will make adjustments to counter the impact of dealing and other costs on occasions when these are deemed to be significant. In the usual course of business the application of a dilution adjustment will be applied systematically and on a consistent basis.

2. Distribution Policy

The distribution policy of the sub-fund is to distribute/accumulate all available revenue, after deduction of expenses and taxation properly chargeable against revenue. The sub-fund satisfied the qualifying investments test of Statutory Instrument 2006/964 Authorised Investment Funds (Tax) Regulations 2006 Regulation 19 throughout each distribution period and where applicable will pay an interest distribution. The ACD and the depositary have agreed, for the distribution classes only, that 100% of the annual management charge is to be transferred to capital for the purpose of calculating the distribution, as permitted by COLL. The distribution currently payable reflects this treatment. The ACD may from time to time, smooth the distribution payments during the accounting period with the balance of revenue (if any) being paid in respect of the final distribution. Gains and losses on investments and derivatives whether realised or unrealised, if taken to capital are not available for distribution. With the exception of the ACD's annual management charge, which is directly attributable to each share class, all income and expenses are apportioned to each share class pro-rata to the value of the net assets of the relevant share class on the day that the income or expense is recognised. All available net revenue accounted for in accordance with the above policies is distributed to holders of income shares or retained and reinvested for holders of accumulation shares. Should expenses and taxation together exceed revenue, there will be no distribution and the shortfall will be met from capital. Distributions which have remained unclaimed by shareholders for six years are credited to the capital property of the sub-fund. Income equalisation applies to the sub-fund. Equalisation applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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.

3. Net capital gains

	28 February 2025 £'000	29 February 2024 £'000
Non-derivative securities	**9,357**	20,545
Forward currency contracts	**1,283**	1,350
Derivative contracts	**137**	–
Currency gains/(losses)	**115**	(426)
Net capital gains	**10,892**	21,469

4. Direct transaction costs

There were no commissions or taxes paid in relation to transactions on the portfolio during the current year or previous year.

Dealing spread

As at the balance sheet date, the estimated portfolio dealing spread was 0.29% (2024: 0.57%). This spread represents the difference between the bid and offer prices of each underlying investment expressed as a percentage of the value determined by reference to its offer price.

5. Revenue

	28 February 2025 £'000	29 February 2024 £'000
Interest on debt securities	**85,562**	74,292
Bank interest	**1,138**	1,341
Total revenue	**86,700**	75,633

6. Expenses

	28 February 2025 £'000	29 February 2024 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	**3,457**	2,769
Administration fees	**1,612**	1,580
Total expenses	**5,069**	4,349

All expenditure stated above is inclusive of irrecoverable VAT where applicable.
The audit fee (excluding VAT) accrued during the year was £10,450 (2024: £10,150). This fee is paid by the ACD via the administration fee.

7. Interest payable and similar charges

	28 February 2025 £'000	29 February 2024 £'000
Interest payable	**11**	9
Total interest payable and similar charges	**11**	9

8. Taxation

	28 February 2025 £'000	29 February 2024 £'000
a) Analysis of the tax charge for the year		
Corporation tax	**–**	–
Total taxation (note 8b)	**–**	–
b) Factors affecting the tax charge for the year		
Net revenue before taxation	**81,620**	71,275
Corporation tax of 20% (2024: 20%)	**16,324**	14,255
Effects of:		
Tax deductible interest distributions	**(16,324)**	(14,255)
Tax charge for the year (note 8a)	**–**	–

c) Provision for deferred tax

No provision for deferred tax has been made in the current or prior accounting year.

d) Factors that may affect future tax charges

The sub-fund has not recognised a deferred tax asset (2024: £nil).

9. Distributions

	28 February 2025 £'000	29 February 2024 £'000
Interim gross interest distribution - May 2024	**20,486**	17,236
Interim gross interest distribution - August 2024	**21,488**	18,835
Interim gross interest distribution - November 2024	**19,953**	18,042
Final gross interest distribution - February 2025	**20,969**	19,444
	82,896	73,557
Add: amounts deducted on cancellation of shares	**3,520**	3,504
Deduct: amounts added on issue of shares	**(4,129)**	(4,535)
Distributions	**82,287**	72,526
Movement between net revenue and distributions		
Net revenue after taxation	**81,620**	71,275
Annual management charge paid from capital	**1,443**	1,251
Undistributed revenue brought forward	**1**	–
Undistributed revenue carried forward	**(2)**	–
Revenue paid on conversion of shares	**(775)**	–
	82,287	72,526

The distributions take account of amounts added on the issue of shares and amounts deducted on the cancellation of shares. Details of the distributions per share are set out in the distribution tables on pages 29 and 30.

10. Fair value hierarchy

All investments are designated at fair value through profit or loss on initial recognition. The following table provides an analysis of these investments based on the fair value hierarchy in accordance with FRS 102 which reflects the reliability and significance of the information used to measure their fair value.

The disclosure is split into the following categories:

Level 1 – Investments with unadjusted quoted prices in an active market;
Level 2 – Investments whose fair value is based on inputs other than quoted prices that are either directly or indirectly observable;
Level 3 – Investments whose fair value is based on inputs that are unobservable (i.e. for which market data is unavailable).

	28 February 2025		29 February 2024	
	Assets £'000	**Liabilities £'000**	Assets £'000	Liabilities £'000
Level 1	**10,100**	**–**	–	–
Level 2	**1,544,252**	**–**	1,410,785	22
Total	**1,554,352**	**–**	1,410,785	22

11. Debtors

	28 February 2025 £'000	29 February 2024 £'000
Accrued revenue	**25,762**	26,023
Sales awaiting settlement	**12,492**	9,874
Amounts receivable for issue of shares	**7,010**	7,994
Total debtors	**45,264**	43,891

12. Cash and cash equivalents

	28 February 2025 £'000	29 February 2024 £'000
Amounts held in liquidity funds	**40,775**	25,094
Cash and bank balances	**101**	101
Amounts held at brokers	**1**	–
Total cash and cash equivalents	**40,877**	25,195

13. Bank overdraft

	28 February 2025 £'000	29 February 2024 £'000
Collateral pledged with brokers	**460**	130
Total bank overdraft	**460**	130

14. Other creditors

	28 February 2025 £'000	29 February 2024 £'000
Purchases awaiting settlement	**43,866**	33,068
Amounts payable for cancellation of shares	**4,218**	4,901
Accrued annual management charge	**293**	243
Accrued administration fee payable to the ACD	**121**	137
Accrued other expenses	**–**	2
Total other creditors	**48,498**	38,351

15. Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

16. Reconciliation of share movements

	Shares in issue at 29 February 2024	Shares issued	Shares cancelled	Shares converted	**Shares in issue at 28 February 2025**
E distribution GBP	–	46,768,287	(8,548,598)	355,219,298	**393,438,987**
E accumulation GBP	–	851,097	(34,568)	51,476	**868,005**
F distribution GBP	536,009,626	118,008,341	(145,575,148)	(352,827,026)	**155,615,793**
F accumulation GBP	41,785,476	10,061,278	(13,803,706)	(247,538)	**37,795,510**
I distribution GBP	222,605,198	106,875,488	(56,381,356)	(37,175,716)	**235,923,614**
I accumulation GBP	669,117,224	302,960,368	(264,181,482)	71,770	**707,967,880**

17. Risk disclosures

In pursuing its investment objective, the sub-fund may hold a number of financial instruments. These financial instruments comprise bonds, derivatives, cash balances and liquid resources, which include debtors and creditors that arise directly from the sub-funds' operations. The sub-fund only executes derivative contracts where both the derivative instrument and the counterparty have been approved by the ACD.

The ACD has a risk management policy. The processes detailed within are designed to monitor and measure at any time the risk of the sub-fund's positions and their contribution to the overall risk profile of the sub-fund. In addition, our Investment Committee and Risk and Compliance Committee meet monthly and quarterly respectively, and as required to evaluate risk across each of our funds. These policies have been consistent for both the current and prior period to which these financial statements relate.

In the normal course of business, the sub-fund's activities expose it to various types of risk which are associated with the financial instruments and markets in which it invests. These financial risks: market risk (comprising currency risk, interest rate risk, and other market price risk), credit and counterparty risk and liquidity risk and the approach to the management of these risks, are set out below and remain unchanged from the previous accounting year. For a detailed explanation of these and further risks involved in investing in the sub-fund, reference should be made to the Prospectus.

(a) Market risk

Market risk, which includes interest rate risk, currency risk, other price risk and leverage risk arises mainly from uncertainty about future values of financial instruments in the sub-fund's investment portfolio. The sub-fund, in order to meet its investment objective and policy, invests predominantly in bonds and maintains an appropriate spread of investments in accordance with COLL and the Prospectus to seek to reduce the risks arising from factors specific to a particular company or sector. The ACD's investment strategy is to select investments for their fundamental value. Stock selection is therefore based on disciplined accounting, market and sector analysis, with the emphasis on long-term investments. There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-fund disclosed in the balance sheet.

(i) Interest rate risk

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. Bond yields (and as a consequence bond prices) are determined by market perception as to the appropriate level of yields given the economic background. Key determinants include economic growth prospects, inflation, governments' fiscal positions, short-term interest rates and international market comparisons. As part of the continuing review of the portfolio, the ACD monitors and reviews these factors.

The following table details the interest rate risk profile of the sub-fund:

Currency	Floating rate† financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
28 February 2025				
Sterling	**399,938**	**1,152,977**	**44,904**	**1,597,819**
Euro	**–**	**34,408**	**267**	**34,675**
US Dollar	**–**	**7,428**	**93**	**7,521**
29 February 2024				
Sterling	369,647	1,018,975	43,339	1,431,961
Euro	21,850	10,150	462	32,462
US Dollar	–	15,220	229	15,449

† Includes cash and bank balances.

The forward currency contracts for Euro, Sterling and US Dollar are not included within this table. These can be found in the portfolio statement on page 16.

As at 28 February 2025, if there is a parallel shift in government bond yields with an increase of 1%, the sub-fund could expect to see an approximate 6.0% fall in the prices of the underlying bonds it holds (2024: 6.3%). A 1% fall in government bond yields would have an equal and opposite impact. This calculation has been prepared on a modified duration basis. Modified duration follows the concept that interest rates and fixed rate bond prices move in opposite directions. The calculation has been used to serve as an indication of the possible impact to the sub-fund from changes to government bond yields. This concept relies on a large number of assumptions, in particular, that all bonds are equally sensitive to government bond yields. In practice, this is not the case as many bonds with higher credit risk have lower correlation with government bond yields and in some cases even negative correlation. The sub-fund contains a high and varying proportion of bonds with sometimes a high degree of credit risk. Furthermore, this makes the assumption of a parallel shift in yields. In practice, when interest rates change, longer dated government bond yields do not usually move in parallel with short-term interest rates. It is not unusual to see a negative correlation to short-term interest rate movements. The calculation also includes the impact of any futures positions.

(ii) Currency risk

A portion of the net assets of the sub-fund are denominated in currencies other than sterling, and therefore the balance sheet and total return can be affected by currency movements. Therefore, the ACD may decide that a proportion of the investments that are not priced in sterling, may be covered by forward currency contracts, so that the sub-fund's exposure to currency risk is reduced. The gain on forward currency contracts for the year was £1,283,000 (2024: £1,350,000).

Revenue received in foreign currencies is converted into sterling on or near the date of receipt.

The exposure to each currency is shown in the tables below.

Currency	Investments £'000	Net other assets/ (liabilities) £'000	Forward currency contracts £'000	Total £'000
28 February 2025				
Sterling	**1,512,038**	**26,592**	**42,576**	**1,581,206**
US Dollar	**7,428**	**93**	**(7,459)**	**62**
Euro	**34,408**	**267**	**(34,639)**	**36**
29 February 2024				
Sterling	1,363,427	(4,762)	48,396	1,407,061
US Dollar	15,220	229	(15,487)	(38)
Euro	32,000	462	(32,793)	(331)

A five percent increase in the value of the sub-fund's foreign currency exposure would have the effect of decreasing the return and net assets by £4,900 (2024: £18,000). A five percent decrease would have an equal and opposite effect.

(iii) Other price risk

Other price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices (other than those relating to interest rate risk, currency risk and credit and counterparty risk), whether caused by factors specific to an investment or wider issues affecting the market generally. The portfolio is invested in securities domiciled in a number of countries and will be exposed to market movements in the relevant country arising from changes in the local economy and government decisions. As part of the continuing review of the portfolio, the ACD monitors and reviews these factors. A five percent increase in the value of the sub-fund's portfolio would have the effect of increasing the return and net assets by £79,065,000 (2024: £71,589,000). A five percent decrease would have an equal and opposite effect.

Returns from bonds are fixed at the time of purchase, the fixed coupon payments are known, as are the final redemption proceeds. This means that if a bond is held until its redemption date, the total return achieved is unaltered from its purchase date. However, over the life of a bond, the yield (and hence market price) at any given time will depend on the market environment at that time. Therefore, a bond sold before its redemption date may have a different price to its purchase level and a gain or loss may be realised.

Bond investments are exposed to credit rating risk which reflects the ability of a bond issuer to meet its obligations (i.e. pay interest on a bond and return the capital on the redemption date). Generally, the higher the credit rating of the bond issuer, the rate at which they can borrow money may be lower than a bond issuer with a lower credit rating reflecting the potentially higher risk. Additionally, the credit rating of a bond is likely to impact upon the market price of a bond with a higher credit rating reflecting the greater expectation that the bond will be redeemed by the issuer on the maturity date at the nominal amount. An element of the market price of a bond will reflect this.

(iv) Leverage risk

Leverage is defined as any method by which the sub-fund can increase its exposure by borrowing cash or securities or from leverage that is embedded in derivative positions. The ACD is required to calculate and monitor the level of leverage of the sub-fund, expressed as a percentage of the exposure of the sub-fund and its net asset value under the 'sum of the notionals' and 'commitment' method.

The sub-fund can use cash borrowing (subject to restrictions as set out in its Prospectus and COLL) and financial derivatives as sources of leverage. A result of 100% indicates that no leverage has been used.

As at 28 February 2025 and 29 February 2024 leverage ratios of the sub-fund were:

	28 February 2025 %	29 February 2024 %
Sum of the notionals	**101.9**	106.2
Commitment	**100.0**	100.0

(b) Credit and counterparty risk

Credit and counterparty risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment it has entered into with the sub-fund, resulting in a financial loss. From time to time, the sub-fund may be subject to short-term credit risk with counterparties pending settlement of investment transactions. The ACD has a pre-approved list of counterparties it uses for investment transactions, which is reviewed on a regular basis. The largest counterparty risk is with Northern Trust Investor Services Limited, the sub-fund's custodian and banker, who holds the sub-fund's investments and maintains the bank accounts. Bankruptcy or insolvency of Northern Trust Investor Services Limited may cause the sub-fund's rights with respect to securities and cash held by the custodian to be delayed or limited. The sub-fund is also exposed to counterparty risk through holding specific financial instruments.

The ACD is permitted to use one or more separate counterparties for derivative transactions. The sub-fund may enter into transactions in over-the-counter ('OTC') markets that expose it to the credit of its counterparties and their ability to satisfy the terms of such contracts. Where the sub-fund enters into derivative contracts, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of bankruptcy or insolvency of a counterparty, the sub-fund could experience delays in liquidating the position and may incur significant losses. There may be a risk that a counterparty will be unable to meet its obligations with regard to the return of the collateral and may not meet other payments due to the sub-fund. To minimise such risk the ACD will assess the creditworthiness of any counterparty that it engages. On a daily basis the ACD assesses the level of assets with each counterparty to ensure that the exposure is within the defined limits in accordance with the requirement stipulated in COLL and the Prospectus. In order to diversify counterparty risk the sub-fund holds cash with a number of other counterparties other than Northern Trust.

The derivatives are disclosed in the portfolio statement, Northern Trust is the counterparty for forward currency contracts. Aside from the custodian, the derivative counterparties and brokers where trades are pending settlement, there were no significant concentrations of credit and counterparty risk as at 28 February 2025 or 29 February 2024.

Debt Security credit analysis

At the reporting date, the credit analysis of the sub-fund's debt securities was as follows:

	28 February 2025 £'000	29 February 2024 £'000
Investment grade securities	**1,465,205**	1,348,904
Below investment grade securities	**88,669**	51,738
Unrated securities	**–**	10,004
Total of debt securities	**1,553,874**	1,410,646

Source of credit ratings: Artemis Investment Management LLP.

Counterparty and collateral exposure

The type of derivatives held at the balance sheet date was forward currency contracts. Details of the individual contracts are disclosed separately in the portfolio statement and the total position by counterparty and the collateral pledged, at the balance sheet date, were as follows:

Currency	Forward currency contracts £'000	Total gross exposure £'000	Net collateral (pledged)/held £'000
28 February 2025			
Northern Trust	**478**	**478**	**(460)**
29 February 2024			
Northern Trust	116	116	(130)

Only cash collateral is pledged or held by the sub-fund. The balance includes cash held at brokers.

(c) Liquidity risk

Liquidity risk is the risk that through market liquidity conditions, requests for redemptions from investors cannot be met in an orderly and appropriate manner. Artemis adopts a policy of mitigation and control to manage liquidity risks. Mitigation occurs through maintaining prudent levels of liquidity in each sub-fund and a well-diversified investor base. As a result, redemption requests can be satisfied in all but exceptional circumstances.

Artemis has a dedicated liquidity risk management policy which is owned by the independent investment risk team which reports to the Chief Risk Officer. Its purpose is to ensure the portfolio manager acts in the client's best interest with regards to this liquidity risk.

Through the use of 3rd party modeling and assumptions, the investment risk team conduct regular monitoring and analyses of the liquidity profile of the sub-funds and investor base. This includes but is not limited to what percentage of the sub-fund can be liquidated within certain redemption horizons, whether the largest investors in the sub-fund can redeem without affecting the fair treatment of remaining investors, liquidity stress testing and other analysis deemed to cover a risk specific to the strategy considered.

There was no significant concentration of liquidity risk as at 28 February 2025 or 29 February 2024.

18. Related party transactions

The ACD is deemed to be a related party. All transactions and balances associated with the ACD are disclosed within the statement of total return, statement of change in net assets attributable to shareholders and the balance sheet on page 20 and notes 6, 9, 11 and 14 on pages 22 to 24 including all issues and cancellations where the ACD acted as principal. The balance due from the ACD as at 28 February 2025 in respect of these transactions was £2,378,000 (2024: £2,713,000).

19. Share classes

The annual management charges on each share class is as follows:

E distribution GBP	0.200%
E accumulation GBP	0.200%
F distribution GBP	0.250%
F accumulation GBP	0.250%
I distribution GBP	0.250%
I accumulation GBP	0.250%

The net asset value per share and the number of shares in each class are given in the comparative table on pages 31 and 32. The distributions per share class are given in the distribution tables on pages 29 and 30. All classes have the same rights on winding up.

20. Post balance sheet event

There were no significant post balance sheet events subsequent to the year 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
Third interim	1 September 2024	30 November 2024	1 December 2024	31 January 2025
Final	1 December 2024	28 February 2025	1 March 2025	30 April 2025

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.

E distribution GBP *

Interest distributions for the period ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Interest per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2024 Distribution per share (p)
Third interim	0.0942	0.6026	0.6968	0.00%	100.00%	-
Final	0.4142	0.9531	1.3673	0.00%	100.00%	-

* Launched on 14 October 2024.

E accumulation GBP *

Interest distributions for the period ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Interest per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2024 Distribution per share (p)
Third interim	0.1536	0.5173	0.6709	0.00%	100.00%	-
Final	0.6006	0.7266	1.3272	0.00%	100.00%	-

* Launched on 14 October 2024.

F distribution GBP

Interest distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Interest per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2023 - 2024 Distribution per share (p)
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
Third interim	0.4363	0.8102	1.2465	0.00%	100.00%	1.2532
Final	0.5908	0.6521	1.2429	0.00%	100.00%	1.2647

F accumulation GBP

Interest distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Interest per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2023 - 2024 Distribution per share (p)
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
Third interim	0.6932	0.7534	1.4466	0.00%	100.00%	1.3863
Final	0.6028	0.8423	1.4451	0.00%	100.00%	1.4173

I distribution GBP

Interest distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Interest per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2023 - 2024 Distribution per share (p)
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
Third interim	0.5509	0.6895	1.2404	0.00%	100.00%	1.2483
Final	0.5474	0.6893	1.2367	0.00%	100.00%	1.2594

I accumulation GBP

Interest distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Interest per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2023 - 2024 Distribution per share (p)
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
Third interim	0.7137	0.7080	1.4217	0.00%	100.00%	1.3563
Final	0.7124	0.7256	1.4380	0.00%	100.00%	1.3853

Comparative tables

	E distribution GBP **	E accumulation GBP **
	2025	2025
Change in net assets per share (p)		
Opening net asset value per share	**100.00**	**100.00**
Return before operating charges *	2.14	2.15
Operating charges	(0.11)	(0.11)
Return after operating charges *	**2.03**	**2.04**
Distributions	(2.06)	(2.00)
Retained distributions on accumulation shares	–	2.00
Closing net asset value per share	**99.97**	**102.04**
* after direct transaction costs of	–	–
Performance		
Return after charges	2.03%	2.04%
Other information		
Closing net asset value (£'000)	393,315	886
Closing number of shares	393,438,987	868,005
Operating charges	0.30%	0.30%
Prices		
Highest share price (p)	101.73	102.44
Lowest share price (p)	98.25	98.90

	F distribution GBP			F accumulation GBP		
	2025	2024	2023	2025	2024	2023
Change in net assets per share (p)						
Opening net asset value per share	**90.36**	**88.91**	**102.30**	**105.53**	**98.19**	**108.69**
Return before operating charges *	5.83	6.65	(9.57)	6.94	7.61	(10.22)
Operating charges	(0.27)	(0.24)	(0.26)	(0.32)	(0.27)	(0.28)
Return after operating charges *	**5.56**	**6.41**	**(9.83)**	**6.62**	**7.34**	**(10.50)**
Distributions	(5.06)	(4.96)	(3.56)	(5.83)	(5.45)	(3.69)
Retained distributions on accumulation shares	–	–	–	5.83	5.45	3.69
Closing net asset value per share	**90.86**	**90.36**	**88.91**	**112.15**	**105.53**	**98.19**
* after direct transaction costs of	–	0.02	–	–	0.02	–
Performance						
Return after charges	6.15%	7.21%	(9.61)%	6.27%	7.48%	(9.66)%
Other information						
Closing net asset value (£'000)	141,387	484,323	469,099	42,387	44,096	32,579
Closing number of shares	155,615,793	536,009,626	527,621,373	37,795,510	41,785,476	33,180,151
Operating charges	0.29%	0.27%	0.27%	0.29%	0.27%	0.27%
Prices						
Highest share price (p)	93.06	93.31	103.98	112.59	107.47	110.32
Lowest share price (p)	89.30	84.66	81.42	105.45	94.75	87.95

* Direct transaction costs are stated after deducting the amounts collected in relation to estimated dealing costs added to the issue of shares and subtracted from the cancellation of shares.
** Launched on 14 October 2024.

High and low price disclosures are based on quoted share prices. Therefore, opening and closing NAV prices may fall outside the high/low price threshold.

Artemis Corporate Bond Fund

	I distribution GBP			I accumulation GBP		
	2025	2024	2023	2025	2024	2023
Change in net assets per share (p)						
Opening net asset value per share	**89.97**	**88.62**	**102.07**	**105.08**	**97.86**	**108.44**
Return before operating charges *	5.79	6.63	(9.55)	6.89	7.59	(10.20)
Operating charges	(0.32)	(0.33)	(0.35)	(0.38)	(0.37)	(0.38)
Return after operating charges *	**5.47**	**6.30**	**(9.90)**	**6.51**	**7.22**	**(10.58)**
Distributions	(5.03)	(4.95)	(3.55)	(5.73)	(5.33)	(3.57)
Retained distributions on accumulation shares	–	–	–	5.73	5.33	3.57
Closing net asset value per share	**90.41**	**89.97**	**88.62**	**111.59**	**105.08**	**97.86**
* after direct transaction costs of	–	0.02	–	–	0.02	–
Performance						
Return after charges	6.08%	7.11%	(9.70)%	6.20%	7.38%	(9.76)%
Other information						
Closing net asset value (£'000)	213,292	200,280	176,077	790,037	703,087	512,355
Closing number of shares	235,923,614	222,605,198	198,691,622	707,967,880	669,117,224	523,537,244
Operating charges	0.35%	0.37%	0.37%	0.35%	0.37%	0.37%
Prices						
Highest share price (p)	92.62	92.93	103.74	112.03	107.03	110.07
Lowest share price (p)	88.85	84.35	81.18	104.98	94.41	87.69

* Direct transaction costs are stated after deducting the amounts collected in relation to estimated dealing costs added to the issue of shares and subtracted from the cancellation of shares.

High and low price disclosures are based on quoted share prices. Therefore, opening and closing NAV prices may fall outside the high/low price threshold.

Ongoing charges

Class	28 February 2025
E distribution GBP *	0.300%
E accumulation GBP *	0.300%
F distribution GBP	0.290%
F accumulation GBP	0.290%
I distribution GBP	0.350%
I accumulation GBP	0.350%

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.
* Ongoing charges shows the estimated annual operating expenses as a percentage of the average net assets of that class since launch.

Class I accumulation performance

	Since launch *	5 years	3 years	1 year	6 months
Artemis Corporate Bond Fund **	11.8	8.4	2.9	6.8	2.0
Artemis Corporate Bond Fund ***	11.8	8.5	2.6	6.1	2.2
iBoxx £ Collateralized & Corporate Index	(3.0)	(5.9)	(2.6)	5.9	1.5
IA £ Corporate Bond NR	1.4	(1.2)	0.3	6.2	1.8
Position in sector	3/71	8/71	27/75	22/76	34/76
Quartile	1	1	2	2	2

Past performance is not a guide to the future.

* Source: Lipper Limited, class I accumulation GBP from 30 October 2019 to 28 February 2025. 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 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**	• 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	The sub-fund may use derivatives: • 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	• Any
	Other limitations specific to this sub-fund	• 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 year ended 28 February 2025

As the sub-fund closed on 20 May 2020, there were no purchase and sales for the year ended 28 February 2025.

Portfolio statement as at 28 February 2025

As the sub-fund closed on 20 May 2020, there were no investments as at 28 February 2025.

Artemis Pan-European Absolute Return Fund

Financial statements

Statement of total return for the year ended 28 February 2025

	Note	28 February 2025 £'000	28 February 2025 £'000	29 February 2024 £'000	29 February 2024 £'000
Income					
Net capital gains	3		**–**		–
Revenue	5	**1**		–	
Expenses	6	**–**		–	
Net revenue before taxation		**1**		–	
Taxation	7	**(10)**		(6)	
Net revenue after taxation			**(9)**		(6)
Total return before distributions			**(9)**		(6)
Distributions	8		**–**		–
Change in net assets attributable to shareholders from investment activities			**(9)**		(6)

Statement of change in net assets attributable to shareholders for the year ended 28 February 2025

	28 February 2025 £'000	29 February 2024 £'000 (Restated)
Opening net assets attributable to shareholders	**–**	–
Withholding tax recoverable	**116**	122 *
Change in net assets attributable to shareholders from investment activities	**(9)**	(6)
Balance payable to shareholders following sub-fund closure	**(107)**	(116) *
Closing net assets attributable to shareholders	**–**	–

Balance sheet as at 28 February 2025

	Note	28 February 2025 £'000	29 February 2024 £'000 (Restated)
Assets			
Current assets			
Debtors	9	**45**	55
Cash and cash equivalents	10	**62**	61 *
Total current assets		**107**	116
Total assets		**107**	116
Liabilities			
Creditors			
Other creditors	11	**107**	116 *
Total creditors		**107**	116
Total liabilities		**107**	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 from £22,000 to £61,000 and Other creditors as at 29 February 2024 has increased by £39,000 from £77,000 to £116,000.

Notes to the financial statements

1. Accounting policies

(a) Basis of accounting. The financial statements have been prepared using the historical cost basis, as modified by the revaluation of investments, in accordance with FRS 102, the SORP and the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL'). The financial statements have been prepared on a break-up basis for Artemis Pan-European Absolute Return Fund as this sub-fund is closed and in the process of being terminated, as disclosed on the page 34 . Under this basis, assets are recorded at their recoverable value and liabilities are recorded at their expected settlement value. Any additional costs in respect of the termination of the sub-fund will be borne by the ACD.

(b) Foreign exchange rates. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at 12 noon on the last working day of the accounting period. Revenue and expenditure transactions are translated at the rates of exchange ruling on the dates of the transactions. Exchange differences on such transactions follow the same treatment as the principal amounts.

(c) Derivatives. Where appropriate, certain permitted transactions such as derivatives or forward currency contracts are used for investment purposes and efficient portfolio management.

(d) Revenue. Interest from debt securities is recognised on a time apportioned basis inclusive of any expected changes to future cash flows. Dividends receivable from equity and non-equity shares, including Real Estate Investment Trusts, are credited to revenue, net of attributable tax credits, when the security is quoted ex-dividend. Dividends received as shares (scrip/ stock dividends), to the extent that the value of such dividends is equal to the cash dividends, are treated as revenue. Dividends on unquoted stocks are credited to revenue when the right to receive payment is established. Special dividends are reviewed on a case by case basis when determining if the dividend is to be treated as revenue or capital. It is likely that where a special dividend results in a significant reduction in the capital value of a holding, then the dividend will generally be treated as capital, otherwise this will be recognised as revenue. The dividend equivalent values on contracts for difference are recognised when the underlying security is quoted ex-dividend. For long contracts a compensatory payment is credited to revenue whereas for short contracts a compensatory payment is debited from revenue. Bank interest is recognised on an accruals basis.

(e) Expenses. All expenses (other than those relating to the purchase and sale of investments) are initially charged against revenue on an accruals basis.

(f) Taxation. Corporation tax is charged at a rate of 20% on the excess taxable revenue of the sub-fund. In general, the tax accounting treatment follows that of the principal amount. Deferred tax is provided for all timing differences that have originated but not reversed at the balance sheet date other than those recorded as permanent differences. Deferred tax is provided for at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

(g) Dilution adjustment. The sub-fund is priced on a single price basis and may suffer a reduction in value as a result of the transaction costs incurred in the purchase and sale of its underlying investments and the spread between the buying and selling prices of such investments caused by subscriptions and redemptions in and out of the sub-fund. This is known as "dilution". Under certain circumstances dilution may have a material adverse effect on the existing/continuing shareholders' interest in the sub-fund. In order to counter this and to protect shareholders' interests, the ACD will apply "swing pricing" as part of its daily valuation policy. This will mean that in certain circumstances the sub-fund will make adjustments to counter the impact of dealing and other costs on occasions when these are deemed to be significant. In the usual course of business a dilution adjustment will be applied systematically and on a consistent basis.

2. Distribution policy

The distribution policy of the sub-fund is to distribute all available revenue, after deduction of expenses properly chargeable against revenue and taxation. Gains and losses on non-derivative investments and currencies, whether realised or unrealised, are taken to capital and are not available for distribution. With the exception of the ACD's annual management charge, which is directly attributable to each share class, all income and expenses are apportioned to each share class pro-rata to the value of the net assets of the relevant share class on the day that the income or expense is recognised. For accumulation shares this revenue is not distributed but automatically reinvested in the sub-fund and is reflected in the value of these shares. Distributions which have remained unclaimed by shareholders for six years are credited to the capital property of the sub-fund.

3. Net capital gains

	28 February 2025 £'000	29 February 2024 £'000
Capital gains	–	–
Total gains	**–**	–

4. Direct transaction costs

There were no commissions or taxes paid in relation to transactions on the portfolio during the current year or previous year.

Dealing spread

As at the balance sheet date the average portfolio dealing spread was nil% (2024: nil%). This spread represents the difference between the bid and offer prices of each underlying investment expressed as a percentage of the value determined by reference to its offer price.

5. Revenue

	28 February 2025 £'000	29 February 2024 £'000
Bank interest	1	–
Total revenue	**1**	–

6. Expenses

	28 February 2025 £'000	29 February 2024 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	–	–
Total expenses	**–**	–

All expenditure stated above is inclusive of irrecoverable VAT where applicable.

The audit fee (excluding VAT) accrued during the year was £1,800 (2024: £1,800). This fee is paid by the ACD.

7. Taxation

	28 February 2025 £'000	29 February 2024 £'000
a) Analysis of the tax charge for the year		
Irrecoverable overseas tax	10	6
Total taxation (note 7b)	**10**	6
b) Factors affecting the tax charge for the year		
Net revenue before taxation	–	–
Corporation tax of 20% (2024: 20%)	–	–
Effects of:		
Irrecoverable overseas tax	10	6
Tax charge for the year (note 7a)	**10**	6

c) Provision for deferred tax

No provision for deferred tax has been made in the current or prior accounting year.

d) Factors that may affect future tax charges

The sub-fund has not recognised a deferred tax asset of £1,341,000 (2024: £1,341,000) arising as a result of having unutilised management expenses of £6,705,000 (2024: £6,705,000) and non-trade loan relationship deficits of £5,377,000 (2024: £5,377,000). It is unlikely that the sub-fund will obtain relief for these in the future so no deferred tax asset has been recognised.

8. Distributions

	28 February 2025 £'000	29 February 2024 £'000
Distributions	**–**	–
Movement between net revenue and distributions		
Deficit transferred to capital	**–**	–
Net expense after taxation	**–**	–
	–	–

The distribution takes account of amounts added on the issue of shares and amounts deducted on the cancellation of shares.

9. Debtors

	28 February 2025 £'000	29 February 2024 £'000
Overseas withholding tax recoverable	**45**	55
Total debtors	**45**	55

10. Cash and cash equivalents

	28 February 2025 £'000	29 February 2024 £'000
Cash and bank balances	**62**	61 *
Total cash and cash equivalents	**62**	61

* The 29 February 2024 Cash and bank balances 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 from £22,000 to £61,000 and Other creditors as at 29 February 2024 has increased by £39,000 from £77,000 to £116,000.

11. Other creditors

	28 February 2025 £'000	29 February 2024 £'000
Balance payable to shareholders following sub-fund closure **	**107**	116 ***
Total other creditors	**107**	116

** The amount payable to shareholders includes an accrued balance for withholding tax reclaimable which has been translated into sterling at the year end exchange rate. The ACD will pay out these amounts to shareholders when they have been received from the tax authorities.
*** The 29 February 2024 Cash and bank balances 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 from £22,000 to £61,000 and Other creditors as at 29 February 2024 has increased by £39,000 from £77,000 to £116,000.

12. Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

13. Risk disclosures

The ACD has a risk management policy. The processes detailed within are designed to monitor and measure at any time the risk of the sub-fund's positions and their contribution to the overall risk profile of the sub-fund. In addition, our Investment Committee and Risk and Compliance Committee meet monthly and quarterly respectively, and as required to evaluate risk across each of our funds. These policies have been consistent for both the current and prior period to which these financial statements relate.

(a) Market risk

As the sub-fund closed on 20 May 2020, there were no investments as at 28 February 2025 and 29 February 2024.

(i) Interest rate risk

As the sub-fund closed on 20 May 2020, there were no investments as at 28 February 2025 and 29 February 2024.

(ii) Currency risk

As the sub-fund closed on 20 May 2020, there were no investments as at 28 February 2025. A portion of the net assets of the sub-fund are denominated in currencies other than sterling, and therefore the balance sheet and total return can be affected by currency movements. The gain on forward currency contracts for the year was £nil (2024: £nil). Revenue received in foreign currencies is converted into sterling on or near the date of receipt.

(iii) Other price risk

As the sub-fund closed on 20 May 2020, there are no investments held at the year end, the sub-fund's exposure to other price risk is considered to be insignificant.

(b) Credit and counterparty risk

As the sub-fund closed on 20 May 2020, there were no significant concentrations of credit and counterparty risk as at 28 February 2025 or 29 February 2024.

Counterparty and collateral exposure

As the sub-fund closed on 20 May 2020, there were no investments at 28 February 2025. At the balance sheet date, no collateral was held or pledged by the sub-fund or on behalf of the counterparties:

(c) Liquidity risk

As the sub-fund closed on 20 May 2020, there was no significant concentration of liquidity risk as at 28 February 2025 or 29 February 2024.

14. Related party transactions

As the sub-fund closed on 20 May 2020, there were no investments as at 28 February 2025. At the balance sheet date, no related party transactions in respect of the above.

15. Post balance sheet event

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

Artemis Positive Future Fund

Objective and investment policy

(prior to 1 February 2025)

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 policy	**What the sub-fund invests in**	• 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	The sub-fund may use derivatives for efficient portfolio management purposes to: • reduce risk • manage the sub-fund efficiently.
	Where the sub-fund invests	• Globally
	Industries the sub-fund invests in	• Any, except for those excluded at the sub-industry level below.
	Other limitations specific to this sub-fund	Shares in the following types of company are automatically excluded: • 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: - 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.

Investment strategy	• 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: - 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.
Benchmarks	• **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.

Objective and investment policy

(from 1 February 2025)

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 policy	**What the sub-fund invests in**	• 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	The sub-fund may use derivatives for efficient portfolio management purposes to: • reduce risk • manage the sub-fund efficiently.
	Where the sub-fund invests	• Globally
	Industries the sub-fund invests in	• Any, except for those excluded at the sub-industry level below.
	Other limitations specific to this sub-fund	Shares in the following types of company are automatically excluded: • Alcohol: companies which derive more than 5% revenue from alcohol; • Tobacco: companies which derive more than 5% revenue from tobacco production; • Weapons: companies which produce or sell civilian firearms and/or manufacture or sell armaments, nuclear weapons or associated strategic products; • Gambling: companies which derive more than 5% of revenue from gambling; • Adult entertainment: companies which own an adult entertainment company or produce adult entertainment and; • Fossil fuels: companies which: - own oil and gas reserves; or - engage in conventional or unconventional oil and gas production and processing; or - own thermal coal reserves, mine thermal coal or derive more than 10% revenue from thermal coal-based electricity generation. • 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.

Investment strategy	• 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 companies whose conduct, products and services the manager believes can make a positive environmental and/or social impact. • The manager believes that companies which have a combination of positive impact, favourable competitive positioning, and improving operational quality are more likely to deliver significant economic returns for their shareholders. • 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: - 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 will engage with investee companies on material ESG issues, primarily through constructive dialogue, and will expect to see a positive development in the topics engaged upon over time. 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.
Benchmarks	• **MSCI AC World Mid Cap NR GBP** A widely-used indicator of the performance of mid cap 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.

Artemis Positive Future Fund

Risk and reward profile

Potentially lower rewards — Potentially higher rewards

Lower risk — Higher risk

1 2 3 4 5 **6** 7

- 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.
- **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 year ended 28 February 2025.

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

Team and investment strategy changes

Sacha El Khoury and team took over management of the portfolio in March 2024. Turnover has been elevated since then, with 37 full exits and 39 new positions. These new stocks generally offer more reasonable valuations, as well as better free cashflow and quality characteristics, as part of our efforts to improve the financial credentials of the portfolio while still delivering on our prescribed non-financial outcomes.

The portfolio has also become more diversified, with the manager increasing the number of sectors it has exposure to from five to eight since she joined. In addition, its pre-existing bias to smaller growth companies has been reined in, beta has been reduced, quality and cashflow metrics have improved (as above) and average market capitalisation has increased.

Nevertheless, the portfolio's benchmark was changed from MSCI ACWI to the more comparable MSCI ACWI Mid Cap index in February 2025. Despite the above adjustments to the investment process, we still believe the new index to be a more reasonable comparator and representation of the portfolio's investment universe.

Performance

The Artemis Positive Future Fund returned -1.4% over the period, underperforming its benchmark (as of 1 February 2025, the benchmark changed to MSCI ACWI Mid Cap NR. Returns up to 1 February 2025 reflect those of MSCI ACWI NR) which returned +15.0%[1]. The majority of this underperformance was driven by stock selection.

Contributors

E-commerce platform and payments provider Fiserv beat estimates in each quarterly announcement over the period. SME payments processor Clover (part of the Fiserv group) continues to gain market share and we believe there is plenty more room to run here given Fiserv's extensive distribution network. The stock is what we would describe as a 'quality compounder' and management has a track record of value-accretive capital allocation (in an industry where this has been patchy). As such, the company warrants its place as a core holding.

Japanese insurer Sompo rallied in line with Japanese financials, with positive interest rates ushering in the potential for a step-change in profitability. In light of this, as well as strong execution, profits nearly doubled year-over-year in Sompo's 2024 financial year results, dividends per share increased and gains from the sale of 'strategic shareholdings' (50% of which are being returned to investors in the form of buybacks) beat forecasts.

Sompo has been a strong performer over the period but still trades on a compelling discount to Japanese industry peer Tokio Marine.

Security and safety technology company Motorola Solutions (MSI) extended its long-term track record of beating and raising profit guidance several times over the period. MSI's execution has been consistently excellent and it has leveraged its dominant position in land mobile radio to build a world-class security franchise. A significant proportion of MSI's sales are derived from US state and local government, which is very well underpinned, versus a relatively small single-digit percentage from the federal government. Even though US President Donald Trump has signalled his intent to significantly reduce federal spending, we would imagine security infrastructure is likely to remain a priority. MSI remains one of our largest positions, though we have taken some profits after a strong run.

Detractors

Medical technology company Hologic's losses outpaced the global healthcare sector's, with the shares now trading around June 2024 levels. While the company reported strong results for its 2024 financial year, one-off effects dampened the outlook, including a hurricane-driven shortage of intravenous fluids that led to the postponement of some surgical procedures until 2025. It is disappointing, after a long period of post pandemic normalisation, to have to wait one or two more quarters to finally see the quality of the business shine through.

Hologic is a much better-positioned business today than it was going into the pandemic and, with a much stronger balance sheet (almost net cash), it has a formidable war chest to deploy.

It also has an impressive installed base in its diagnostics business, a dominant position in its imaging business and is addressing a huge unmet need for women globally, which creates secular growth tailwinds.

We are happy to continue to hold the stock through short-term turbulence, and take solace in the attractive valuation that compensates us in the meantime. The stock's P/E (price/earnings) multiple is at the bottom end of its 10-year range.

Past performance is not a guide to the future.

[1] Source: Artemis/Lipper Limited, class I accumulation, in sterling. 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.

Semi software and service provider Synopsys was weak. The shares have suffered from a volatile period of performance for a number of reasons including its pending acquisition of Ansys which is expected to close in the first half of 2025 and is likely to be somewhat disruptive.

Synopsys' strong competitive position in EDA (electronic design & automation) and an effective oligopoly, with only one other player of its scale, should support robust pricing power and in turn healthy long-term cashflow generation and margin progression as demand for its software continues to grow. Unlike the broader semiconductor market, which can be cyclical in nature, Synopsys' success is tied to technology innovation cycles, which are accelerating at pace thanks to artificial intelligence (AI).

Pharmaceutical clinical research provider ICON continued to underperform, with third-quarter earnings significantly missing consensus expectations and full-year guidance lowered. While we had hoped earlier this year for a revival in the biotech funding environment, we have known for some months that this remains patchy and had reduced our position throughout the year to reflect the risks. With the cycle elongating, we remained patient yet vigilant with the remaining tenets of the investment case.

The third-quarter earnings revealed that, unfortunately, not only were there no near-term signs of the biotech funding cycle turning, but headwinds were starting to materialise among its core large pharmaceutical clients. Despite the underperformance of the shares to date, we exited the remainder of our position as this constituted a clear break in our investment thesis.

Outlook

Portfolio turnover is normalising from elevated levels. Our longer-term expectation for turnover is in the region of 20 to 30% per annum, in line with our long-term investment horizon.

The outlook for financial markets is as uncertain as it has been for some time. Cracks appearing in US exceptionalism (nobody would have thought that the actual Trump trade up to today was to buy Treasuries and sell the S&P 500) with the Nasdaq in correction territory, simmering geopolitical tensions and question marks over the future course of inflation and interest rates all over the world are making predictions difficult.

However, it looks to us that the prevailing macroeconomic environment lends itself to more volatility, more dispersion in share prices and ultimately to more favourable conditions for active investing. For example, global stock markets – led by the US and the technology sector – remain highly concentrated versus history. And, despite some obvious medium-term challenges to our impact themes, many remain corporate priorities across our portfolio. Taken together, these factors suggest we have the opportunity to produce compelling financial and non-financial outcomes for our investors over the coming years.

Sacha El Khoury
Fund manager

Investment Information

Ten largest purchases and sales for the year ended 28 February 2025

Purchases	Cost £'000	Sales	Proceeds £'000
Synopsys	253	Cochlear	699
Enovis	245	Tetra Tech	607
Graphic Packaging	232	Amplifon	500
Grupo Financiero Banorte	220	Avery Dennison	498
Prysmian	202	Veeva Systems	477
GE Healthcare Technologies	199	IDEX	471
Sompo Holdings	192	Wolters Kluwer	468
NU Holdings	189	Motorola Solutions	459
Pearson	186	Halma	443
NetApp	185	ICON	429

Portfolio statement as at 28 February 2025

Investment	Holding	Valuation £'000	% of net assets
Equities 97.87% (98.10%)			
Consumer Discretionary 8.25% (8.94%)			
On Holding	3,252	121	2.08
Pearson	15,628	212	3.64
Technogym	15,499	147	2.53
		480	**8.25**
Energy 0.88% (2.17%)			
First Solar	456	51	0.88
		51	**0.88**
Financials 18.93% (0.00%)			
AIA	13,400	81	1.39
Beazley	14,750	129	2.21
Block	1,472	75	1.29
Fiserv	1,183	218	3.74
NU Holdings	11,026	99	1.70
Palomar	1,105	108	1.85
Sompo Holdings	10,900	254	4.36
Standard Chartered	11,013	139	2.39
		1,103	**18.93**
Health Care 14.19% (27.48%)			
Enovis	4,097	124	2.13
GE HealthCare Technologies	2,788	198	3.40
Hologic	2,211	111	1.91
Revvity	1,555	136	2.34
Sandoz Group	3,757	130	2.23
Zoetis	968	127	2.18
		826	**14.19**
Industrials 22.93% (29.90%)			
Bureau Veritas	4,635	112	1.93
Chroma ATE	9,000	74	1.27
Core & Main	3,525	143	2.46
nVent Electric	3,252	155	2.66
Oxford Instruments	6,927	132	2.27

Artemis Positive Future Fund

Investment	Holding	Valuation £'000	% of net assets
Equities 97.87% (98.10%) (continued)			
Industrials 22.93% (29.90%) (continued)			
Prysmian	2,474	116	1.99
Tetra Tech	3,614	85	1.46
Vertiv	981	72	1.24
Wolters Kluwer	1,454	175	3.00
WSP Global	1,136	159	2.73
Xylem	1,098	112	1.92
		1,335	**22.93**
Information Technology 19.59% (25.97%)			
Disco	200	40	0.69
Globant	361	42	0.72
Motorola Solutions	669	228	3.92
NetApp	1,921	180	3.09
ON Semiconductor	2,152	81	1.39
Roper Technologies	395	179	3.07
Synopsys	390	141	2.42
Verisk Analytics	1,085	250	4.29
		1,141	**19.59**
Materials 8.16% (3.64%)			
Cie de Saint-Gobain	2,121	169	2.90
Graphic Packaging	5,374	112	1.92
Smurfit WestRock	3,389	139	2.39
Vulcan Materials	284	55	0.95
		475	**8.16**
Real Estate 2.64% (0.00%)			
Ventas	2,829	154	2.64
		154	**2.64**
Utilities 2.30% (0.00%)			
SSE	8,824	134	2.30
		134	**2.30**
Equities total		**5,699**	**97.87**
Investment assets		**5,699**	**97.87**
Net other assets		**124**	**2.13**
Net assets attributable to shareholders		**5,823**	**100.00**

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

Financial statements

Statement of total return for the year ended 28 February 2025

	Note	28 February 2025 £'000	28 February 2025 £'000	29 February 2024 £'000	29 February 2024 £'000
Income					
Net capital losses	3		**(127)**		(2,187)
Revenue	5	**77**		196	
Expenses	6	**(44)**		(125)	
Interest payable and similar charges	7	**–**		(1)	
Net revenue before taxation		**33**		70	
Taxation	8	**(8)**		(18)	
Net revenue after taxation			**25**		52
Total return before distributions			**(102)**		(2,135)
Distributions	9		**(26)**		(70)
Change in net assets attributable to shareholders from investment activities			**(128)**		(2,205)

Statement of change in net assets attributable to shareholders for the year ended 28 February 2025

	28 February 2025 £'000	28 February 2025 £'000	29 February 2024 £'000	29 February 2024 £'000
Opening net assets attributable to shareholders		**12,376**		31,473
Amounts receivable on issue of shares	**2,529**		3,480	
Amounts payable on cancellation of shares	**(8,987)**		(20,422)	
		(6,458)		(16,942)
Dilution adjustment		**13**		(32)
Change in net assets attributable to shareholders from investment activities		**(128)**		(2,205)
Retained distribution on accumulation shares		**20**		18
Closing net assets attributable to shareholders		**5,823**		12,376

Balance sheet as at 28 February 2025

	Note	28 February 2025 £'000	29 February 2024 £'000
Assets			
Fixed assets			
Investments	10	**5,699**	12,141
Current assets			
Debtors	11	**58**	20
Cash and cash equivalents	12	**88**	267
Total current assets		**146**	287
Total assets		**5,845**	12,428
Liabilities			
Creditors			
Distribution payable		**1**	16
Other creditors	13	**21**	36
Total creditors		**22**	52
Total liabilities		**22**	52
Net assets attributable to shareholders		**5,823**	12,376

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

(a) Basis of accounting. The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, in accordance with FRS 102 and the Statement of Recommended Practice ("SORP") issued by the Investment Management Association in May 2014 and amended in June 2017 and the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL'). The financial statements have been prepared on a going concern basis. The ACD believes that the sub-fund has adequate resources to continue in operational existence for the foreseeable future. No material events have been identified that may cast significant doubt about the sub-fund's ability to continue as a going concern for a period of twelve months from the date the financial statements are authorised for issue.

(b) Valuation of investments. All investments, including any derivatives, have been valued at 12 noon on the last working day of the accounting period. The last valuation point in the period has been used for the purposes of preparing the report and financial statements and in the ACD's opinion there have been no material movements in the sub-fund between the last valuation point and close of business on the balance sheet date. Where a sub-fund invests in markets that are closed for trading at the sub-fund's valuation point, the ACD will allow for the net asset value to be adjusted (based on movements of index futures or other suitable proxies in markets closed at the sub-fund valuation point, since the last market close), to reflect more accurately the fair value of the sub-fund's investments. Listed investments are valued at fair value which is generally deemed to be the bid price. Unquoted investments are valued at fair value which is determined by the ACD, with reference to the valuation guidelines issued by the International Private Equity and Venture Capital Valuation Guidelines Board. Open forward currency contracts are shown in the portfolio statement at market value and the net (losses)/gains are reflected within forward currency contracts under net capital losses.

(c) Foreign exchange rates. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at 12 noon on the last working day of the accounting period. Revenue and expenditure transactions are translated at the rates of exchange ruling on the dates of the transactions. Exchange differences on such transactions follow the same treatment as the principal amounts.

(d) Revenue. Dividends receivable from equity and non-equity shares, including Real Estate Investment Trusts ("REITs"), are credited to revenue, net of attributable tax credits, when the security is quoted ex-dividend. Dividends received as shares (scrip/stock dividends), to the extent that the value of such dividends is equal to the cash dividends, are treated as revenue. Dividends on unquoted stocks are credited to revenue when the right to receive payment is established. Dividends are recognised gross of any overseas tax. Overseas tax is included as part of the tax charge. A provision is made for any overseas tax not considered recoverable at the balance sheet date, whether due to uncertainty as to receipt either due to circumstances or recovery experience in specific jurisdictions, or due to the significant time lag since the receipt of the dividend. Special dividends are reviewed on a case by case basis when determining if a dividend is to be treated as revenue or capital. It is likely that where a special dividend results in a significant reduction in the capital value of a holding, then the dividend will generally be treated as capital, otherwise this will be recognised as revenue. Bank interest and interest on margin accounts held with brokers is recognised as revenue on an accruals basis.

(e) Expenses. All expenses (other than those relating to the purchase and sale of investments) are initially charged against revenue on an accruals basis. Portfolio transaction costs are incurred by sub-funds when buying and selling investments. These costs vary depending on the types of investment and are made up of direct and indirect portfolio transaction costs. Direct portfolio transaction costs include Broker execution commission and taxes. Indirect portfolio transaction costs relate to the 'Dealing spread', which is the difference between the purchase and sale prices of the sub-fund's investments. Some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid.

(f) Taxation. Corporation tax is charged at a rate of 20% on the excess taxable revenue of the sub-fund. In general, the tax accounting treatment follows that of the principal amount. Deferred tax is provided for all timing differences that have originated but not reversed at the balance sheet date other than those recorded as permanent differences. Deferred tax is provided for at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money. A deferred tax asset is only recognised to the extent that it is more likely than not that the asset will be recovered.

(g) Dilution adjustment. The sub-fund is priced on a single swinging price basis. The ACD has the discretion to charge a dilution adjustment as part of its daily valuation policy. This will mean that in certain circumstances the sub-fund will make adjustments to counter the impact of dealing and other costs on occasions when these are deemed to be significant. In the usual course of business the application of a dilution adjustment will be applied systematically and on a consistent basis.

2. Distribution policy

The distribution policy of the sub-fund is to distribute/accumulate all available revenue, after deduction of expenses and taxation properly chargeable against revenue.
The sub-fund did not satisfy the qualifying investments test of Statutory Instrument 2006/964 Authorised Investment Funds (Tax) Regulations 2006 Regulation 19 and where applicable will pay a dividend distribution. Gains and losses on investments and derivatives whether realised or unrealised, if taken to capital are not available for distribution. With the exception of the ACD's annual management charge, which is directly attributable to each share class, all income and expenses are apportioned

to each share class pro-rata to the value of the net assets of the relevant share class on the day that the income or expense is recognised. All available net revenue accounted for in accordance with the above policies is distributed to holders of income shares or retained and reinvested for holders of accumulation shares. Should expenses and taxation together exceed revenue, there will be no distribution and the shortfall will be met from capital. Distributions which have remained unclaimed by shareholders for six years are credited to the capital property of the sub-fund. Income equalisation applies to the sub-fund. Equalisation applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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.

3. Net capital losses

	28 February 2025 £'000	29 February 2024 £'000
Currency gains/(losses)	**24**	(63)
Forward currency contracts	**(22)**	32
Non-derivative securities	**(129)**	(2,156)
Net capital losses	**(127)**	(2,187)

4. Direct transaction costs

For purchases and sales of equities, broker commissions, transfer taxes and stamp duty are paid by the sub-fund on each transaction and are summarised below.

Year ended 28 February 2025

	Principal £'000	Commissions £'000	Taxes £'000	Total after costs £'000	Commission as a percentage of principal %	Taxes as a percentage of principal %
Purchases						
Equities	7,451	6	–	7,457	0.08	–
Sales						
Equities	13,771	3	–	13,768	0.02	–
Total		**9**	**–**			
Percentage of sub-fund average net assets		**0.13%**	**0.00%**			

Year ended 29 February 2024

	Principal £'000	Commissions £'000	Taxes £'000	Total after costs £'000	Commission as a percentage of principal %	Taxes as a percentage of principal %
Purchases						
Equities	16,280	16	–	16,296	0.10	–
Sales						
Equities	31,070	7	–	31,063	0.02	–
Total		**23**	**–**			
Percentage of sub-fund average net assets		**0.11%**	**0.00%**			

During the year, the sub-fund incurred £nil (2024: £nil) in capital transaction charges.

Dealing spread

As at the balance sheet date, the estimated portfolio dealing spread was 0.12% (2024: 0.09%). This spread represents the difference between the bid and offer prices of each underlying investment expressed as a percentage of the value determined by reference to its offer price.

5. Revenue

	28 February 2025 £'000	29 February 2024 £'000
Overseas dividends	**61**	137
Bank interest	**9**	39
UK dividends	**7**	20
Total revenue	**77**	196

6. Expenses

	28 February 2025 £'000	29 February 2024 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	**34**	95
Administration fees	**10**	30
Total expenses	**44**	125

All expenditure stated above is inclusive of irrecoverable VAT where applicable.

The audit fee (excluding VAT) accrued during the year was £9,730 (2024: £9,450). This fee is paid by the ACD via the administration fee.

7. Interest payable and similar charges

	28 February 2025 £'000	29 February 2024 £'000
Interest payable	**–**	1
Total interest payable and similar charges	**–**	1

8. Taxation

	28 February 2025 £'000	29 February 2024 £'000
a) Analysis of the tax charge for the year		
Irrecoverable overseas tax	**8**	18
Total taxation (note 8b)	**8**	18
b) Factors affecting the tax charge for the year		
Net revenue before taxation	**33**	70
Corporation tax of 20% (2024: 20%)	**7**	14
Effects of:		
Irrecoverable overseas tax	**8**	18
Unutilised management expenses	**7**	18
Non-taxable UK dividends	**(2)**	(4)
Non-taxable overseas dividends	**(12)**	(28)
Tax charge for the year (note 8a)	**8**	18

c) Provision for deferred tax

No provision for deferred tax has been made in the current or prior accounting year.

d) Factors that may affect future tax charges

The sub-fund has not recognised a deferred tax asset of £87,000 (2024: £80,000) arising as a result of having unutilised management expenses of £433,000 (2024: £399,000). It is unlikely that the sub-fund will obtain relief for those in the future so no deferred tax asset has been recognised.

9. Distributions

	28 February 2025 £'000	29 February 2024 £'000
Final dividend distribution	**21**	34
Add: amounts deducted on cancellation of shares	**8**	43
Deduct: amounts added on issue of shares	**(3)**	(7)
Distributions	**26**	70
Movement between net revenue and distributions		
Net revenue after taxation	**25**	52
Annual management charge paid from capital	**1**	15
Deficit transferred to capital	**–**	3
	26	70

The distributions take account of amounts added on the issue of shares and amounts deducted on the cancellation of shares. Details of the distributions per share are set out in the distribution tables on page 56.

10. Fair value hierarchy

All investments are designated at fair value through profit or loss on initial recognition. The following table provides an analysis of these investments based on the fair value hierarchy in accordance with FRS 102 which reflects the reliability and significance of the information used to measure their fair value.

The disclosure is split into the following categories:

Level 1 – Investments with unadjusted quoted prices in an active market;
Level 2 – Investments whose fair value is based on inputs other than quoted prices that are either directly or indirectly observable;
Level 3 – Investments whose fair value is based on inputs that are unobservable (i.e. for which market data is unavailable).

	28 February 2025 Assets £'000	29 February 2024 Assets £'000
Level 1	**5,699**	12,141
Total	**5,699**	12,141

11. Debtors

	28 February 2025 £'000	29 February 2024 £'000
Amounts receivable for issue of shares	**54**	15
Accrued revenue	**2**	3
Overseas withholding tax recoverable	**2**	2
Total debtors	**58**	20

12. Cash and cash equivalents

	28 February 2025 £'000	29 February 2024 £'000
Amounts held in liquidity funds	**78**	166
Cash and bank balances	**10**	101
Total cash and cash equivalents	**88**	267

13. Other creditors

	28 February 2025 £'000	29 February 2024 £'000
Amounts payable for cancellation of shares	**18**	29
Accrued annual management charge	**2**	5
Accrued administration fee payable to the ACD	**1**	2
Total other creditors	**21**	36

14. Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

15. Reconciliation of share movements

	Shares in issue at 29 February 2024	Shares issued	Shares cancelled	Shares converted	**Shares in issue at 28 February 2025**
F distribution GBP	2,083,981	2,614	(2,012,155)	–	**74,440**
F accumulation GBP	8,925,813	2,861,227	(5,653,885)	(59,456)	**6,073,699**
I distribution GBP	1,713,124	56,598	(1,642,806)	–	**126,916**
I accumulation GBP	6,397,653	921,563	(4,533,906)	60,220	**2,845,530**

16. Risk disclosures

In pursuing its investment objective, the sub-fund may hold a number of financial instruments. These financial instruments comprise equities, derivatives, cash balances and liquid resources, which include debtors and creditors that arise directly from the sub-funds' operations. The sub-fund only executes derivative contracts where both the derivative instrument and the counterparty have been approved by the ACD.

The ACD has a risk management policy. The processes detailed within are designed to monitor and measure at any time the risk of the sub-fund's positions and their contribution to the overall risk profile of the sub-fund. In addition, our Investment Committee and Risk and Compliance Committee meet monthly and quarterly respectively, and as required to evaluate risk across each of our funds. These policies have been consistent for both the current and prior period to which these financial statements relate.

In the normal course of business, the sub-fund's activities expose it to various types of risk which are associated with the financial instruments and markets in which it invests. These financial risks: market risk (comprising currency risk, interest rate risk, and other market price risk), credit and counterparty risk and liquidity risk and the approach to the management of these risks, are set out below and remain unchanged from the previous accounting year. For a detailed explanation of these and further risks involved in investing in the sub-fund, reference should be made to the Prospectus.

(a) Market risk

Market risk, which includes interest rate risk, currency risk, other price risk and leverage risk arises mainly from uncertainty about future values of financial instruments in the sub-fund's portfolio statement. The sub-fund, in order to meet its investment objective and policy, invests predominantly in equities and maintains an appropriate spread of investments in accordance with COLL and the Prospectus to seek to reduce the risks arising from factors specific to a particular company or sector. The ACD's investment strategy is to select investments for their fundamental value. Stock selection is therefore based on disciplined accounting, market and sector analysis, with the emphasis on long-term investments. There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-fund as disclosed in the balance sheet.

(i) Interest rate risk

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. As the majority of the sub-fund's financial assets are non-interest bearing, the sub-fund is only subject to limited exposure to fair value interest rate risk due to fluctuations in levels of market interest rates and therefore no sensitivity analysis has been presented.

(ii) Currency risk

A portion of the net assets of the sub-fund are denominated in currencies other than sterling, and therefore the balance sheet and total return can be affected by currency movements. Therefore, the ACD may decide that a proportion of the investments that are not priced in sterling, may be covered by forward currency contracts, so that the sub-fund's exposure to currency risk is reduced. The loss on forward currency contracts for the year was £22,000 (2024: £32,000 gain on forward currency contracts).

The exposure to each currency is shown in the table below.

Currency	Investments £'000	Net other assets/ (liabilities) £'000	Forward currency contracts £'000	Total £'000
28 February 2025				
US Dollar	**3,496**	**1**	**–**	**3,497**
Sterling	**746**	**119**	**–**	**865**
Euro	**719**	**2**	**–**	**721**
Japanese Yen	**294**	**–**	**–**	**294**
Canadian Dollar	**159**	**–**	**–**	**159**
Swiss Franc	**130**	**–**	**–**	**130**
Hong Kong Dollar	**81**	**–**	**–**	**81**
Taiwan Dollar	**74**	**–**	**–**	**74**
Norwegian Krone	**–**	**1**	**–**	**1**
29 February 2024				
US Dollar	8,274	1	–	8,275
Euro	1,394	1	–	1,395
Japanese Yen	1,029	2	–	1,031
Sterling	607	230	–	837
Australian Dollar	674	–	–	674
Taiwan Dollar	163	–	–	163
Norwegian Krone	–	1	–	1

A five percent increase in the value of the sub-fund's foreign currency exposure would have the effect of increasing the return and net assets by £248,000 (2024: £577,000). A five percent decrease would have an equal and opposite effect.

(iii) Other price risk

Other price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices (other than those relating to interest rate risk, currency risk and credit and counterparty risk), whether caused by factors specific to an investment or wider issues affecting the market generally. The value of equities is dependent on a number of factors, arising from the performance of the company itself and matters arising in the wider market (for example the state of the underlying economy and current government policy). As part of the continuing review of the portfolio, the ACD monitors and reviews these factors. A five percent increase in the value of the sub-fund's portfolio would have the effect of increasing the return and net assets by £285,000 (2024: £607,000). A five percent decrease would have an equal and opposite effect.

(iv) Leverage risk

Leverage is defined as any method by which the sub-fund can increase its exposure by borrowing cash or securities or from leverage that is embedded in derivative positions. The ACD is required to calculate and monitor the level of leverage of the sub-fund, expressed as a percentage of the exposure of the sub-fund and its net asset value under the 'sum of the notionals' and 'commitment' method.

The sub-fund can use cash borrowing and financial derivatives (subject to restrictions as set out in its Prospectus and COLL) as sources of leverage. A result of 100% indicates that no leverage has been used.

As at 28 February 2025 and 29 February 2024 the leverage ratios of the sub-fund were:

	28 February 2025 %	29 February 2024 %
Sum of the notionals	**100.0**	107.6
Commitment	**100.0**	105.7

(b) Credit and counterparty risk

Credit and counterparty risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment it has entered into with the sub-fund, resulting in a financial loss. From time to time, the sub-fund may be subject to short-term credit risk with counterparties pending settlement of investment transactions. The ACD has a pre-approved list of counterparties it uses for investment transactions, which is reviewed on a regular basis. The largest counterparty risk is with Northern Trust Investor Services Limited, the sub-fund's custodian and banker, who holds the sub-fund's investments and maintains the bank accounts. Bankruptcy or insolvency of Northern Trust Investor Services Limited may cause the sub-fund's rights with respect to securities and cash held by the custodian to be delayed or limited. The depositary receives and reviews a semi-annual report on the internal controls in place at Northern Trust Investor Services Limited. The sub-fund is also exposed to counterparty risk through holding specific financial instruments.

The ACD is permitted to use one or more separate counterparties for derivative transactions. The sub-fund may enter into transactions in over-the-counter ('OTC') markets that expose it to the credit of its counterparties and their ability to satisfy the terms of such contracts. Where the sub-fund enters into derivative contracts, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of bankruptcy or insolvency of a counterparty, the sub-fund could experience delays in liquidating the position and may incur significant losses. There may be a risk that a counterparty will be unable to meet its obligations with regard to the return of the collateral and may not meet other payments due to the sub-fund. To minimise such risk the ACD will assess the creditworthiness of any counterparty that it engages. On a daily basis the ACD assesses the level of assets with each counterparty to ensure that the exposure is within the defined limits in accordance with the requirement stipulated in COLL and the Prospectus.

(c) Liquidity risk

Liquidity risk is the risk that through market liquidity conditions, requests for redemptions from investors cannot be met in an orderly and appropriate manner. Artemis adopts a policy of mitigation and control to manage liquidity risks. Mitigation occurs through maintaining prudent levels of liquidity in each sub-fund and a well-diversified investor base. As a result, redemption requests can be satisfied in all but exceptional circumstances.

Artemis has a dedicated liquidity risk management policy which is owned by the independent investment risk team which reports to the Chief Risk Officer. Its purpose is to ensure the portfolio manager acts in the client's best interest with regards to this liquidity risk.

Through the use of 3rd party modeling and assumptions, the investment risk team conduct regular monitoring and analyses of the liquidity profile of the sub-funds and investor base. This includes but is not limited to what percentage of the sub-fund can be liquidated within certain redemption horizons, whether the largest investors in the sub-fund can redeem without affecting the fair treatment of remaining investors, liquidity stress testing and other analysis deemed to cover a risk specific to the strategy considered.

There was no significant concentration of liquidity risk as at 28 February 2025 or 29 February 2024.

18. Related party transactions

The ACD is deemed to be a related party. All transactions and balances associated with the ACD are disclosed within the statement of total return, statement of change in net assets attributable to shareholders and the balance sheet on page 48 and notes 6, 8, 10 and 12 on pages 51 and 52 including all issues and cancellations where the ACD acted as principal. The balance due to the ACD as at 28 February 2025 in respect of these transactions was £33,000 (2024: £21,000 due from the ACD).

19. Share classes

The annual management charge on each share class is as follows:

F distribution GBP	0.350%
F accumulation GBP	0.350%
I distribution GBP	0.750%
I accumulation GBP	0.750%

The net asset value per share and the number of shares in each class are given in the comparative table on page 57.
The distributions per share class are given in the distribution tables on page 56. All classes have the same rights on winding up.

20. Post balance sheet event

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

Distribution tables

This sub-fund pays annual dividend distributions. The following table sets out the distribution period.

Annual distribution period	Start	End	Ex-dividend date	Pay date
Final	1 March 2024	28 February 2025	1 March 2025	30 April 2025

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

Dividend distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2024 Distribution per share (p)
Final	0.0849	0.4456	0.5305	100.00%	0.00%	0.4285

F accumulation GBP

Dividend distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2024 Distribution per share (p)
Final	0.2351	0.0716	0.3067	100.00%	0.00%	0.2009

I distribution GBP

Dividend distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2024 Distribution per share (p)
Final	0.2353	0.2890	0.5243	100.00%	0.00%	0.4226

I accumulation GBP

Dividend distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2024 Distribution per share (p)
Final	0.0000	0.0383	0.0383	100.00%	0.00%	0.0000

Artemis Positive Future Fund

Comparative tables

	F distribution GBP			F accumulation GBP		
	2025	2024	2023	2025	2024	2023
Change in net assets per share (p)						
Opening net asset value per share	**64.47**	**68.50**	**76.19**	**65.19**	**68.80**	**76.24**
Return before operating charges *	(0.66)	(3.28)	(7.08)	(0.68)	(3.28)	(7.09)
Operating charges	(0.32)	(0.32)	(0.35)	(0.32)	(0.33)	(0.35)
Return after operating charges *	**(0.98)**	**(3.60)**	**(7.43)**	**(1.00)**	**(3.61)**	**(7.44)**
Distributions	(0.53)	(0.43)	(0.26)	(0.31)	(0.20)	(0.02)
Retained distributions on accumulation shares	–	–	–	0.31	0.20	0.02
Closing net asset value per share	**62.96**	**64.47**	**68.50**	**64.19**	**65.19**	**68.80**
* after direct transaction costs of	(0.04)	(0.03)	(0.03)	(0.04)	(0.03)	(0.03)
Performance						
Return after charges	(1.52)%	(5.26)%	(9.75)%	(1.53)%	(5.25)%	(9.76)%
Other information						
Closing net asset value (£'000)	47	1,344	4,878	3,899	5,819	19,951
Closing number of shares	74,440	2,083,981	7,122,271	6,073,699	8,925,813	28,997,640
Operating charges	0.49%	0.50%	0.50%	0.49%	0.50%	0.50%
Direct transaction costs	0.06%	0.05%	0.05%	0.06%	0.05%	0.05%
Prices						
Highest share price (p)	68.69	70.41	84.71	69.45	70.72	84.76
Lowest share price (p)	62.21	56.72	59.60	62.90	56.97	59.64

	I distribution GBP			I accumulation GBP		
	2025	2024	2023	2025	2024	2023
Change in net assets per share (p)						
Opening net asset value per share	**63.73**	**67.98**	**75.92**	**64.44**	**68.29**	**75.97**
Return before operating charges *	(0.65)	(3.25)	(7.06)	(0.66)	(3.27)	(7.06)
Operating charges	(0.57)	(0.58)	(0.62)	(0.58)	(0.58)	(0.62)
Return after operating charges *	**(1.22)**	**(3.83)**	**(7.68)**	**(1.24)**	**(3.85)**	**(7.68)**
Distributions	(0.52)	(0.42)	(0.26)	(0.04)	–	–
Retained distributions on accumulation shares	–	–	–	0.04	–	–
Closing net asset value per share	**61.99**	**63.73**	**67.98**	**63.20**	**64.44**	**68.29**
* after direct transaction costs of	(0.04)	(0.03)	(0.03)	(0.04)	(0.03)	(0.03)
Performance						
Return after charges	(1.91)%	(5.63)%	(10.12)%	(1.92)%	(5.64)%	(10.11)%
Other information						
Closing net asset value (£'000)	79	1,092	1,629	1,798	4,123	5,015
Closing number of shares	126,916	1,713,124	2,396,374	2,845,530	6,397,653	7,344,199
Operating charges	0.89%	0.90%	0.90%	0.89%	0.90%	0.90%
Direct transaction costs	0.06%	0.05%	0.05%	0.06%	0.05%	0.05%
Prices						
Highest share price (p)	67.66	69.88	84.38	68.41	70.18	84.43
Lowest share price (p)	61.42	56.15	59.32	62.10	56.39	59.36

* Direct transaction costs are stated after deducting the amounts collected in relation to estimated dealing costs added to the issue of shares and subtracted from the cancellation of shares.

High and low price disclosures are based on quoted share prices. Therefore, opening and closing NAV prices may fall outside the high/low price threshold.

Ongoing charges

Class	28 February 2025
F distribution GBP	0.490%
F accumulation GBP	0.490%
I distribution GBP	0.890%
I accumulation GBP	0.890%

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 **	(36.9)	(17.1)	(1.4)	(2.4)
Artemis Positive Future Fund ***	(36.9)	(18.9)	(1.7)	(2.4)
MSCI ACWI Mid Cap NR ****	46.1	37.8	15.0	8.1
IA Global NR	28.4	25.8	9.7	5.1
Position in sector	234/236	249/252	268/283	269/287
Quartile	4	4	4	4

Past performance is not a guide to the future.

* Source: Artemis/Lipper Limited, class I accumulation GBP to 28 February 2025. 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.
**** Prior to 1 February 2025, sub-fund performance was measured against the MSCI ACWI NR. From 1 February 2025 onwards, it is measured against the MSCI ACWI Mid Cap NR Index.

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**	• Bonds in any currency, directly or indirectly using derivatives, including: - 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	The sub-fund may use derivatives: • 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	• 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	• Any
	Credit quality of bonds the sub-fund invests in	• Investment grade corporate being: - 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	• 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	• The sub-fund is actively managed. • A combination of three strategies is used: - 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	• **Bank of England (BOE) base rate** 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.	

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**	• At least 80% in debt and debt-related securities, directly or indirectly using derivatives, including: - 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	The sub-fund may use derivatives such as futures, forwards, swaps and options: • 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	• 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	• Any
	Credit quality of bonds the sub-fund invests in	• Investment grade corporate being: - 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 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	• 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	• The sub-fund is actively managed. • A combination of three strategies is used: - 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	• **Markit iBoxx 1-5 year £ Collateralised & Corporates Index** 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.	

Artemis Short-Duration Strategic Bond Fund (formerly Artemis Target Return Bond Fund)

Risk and reward profile

Potentially lower rewards — Potentially higher rewards

Lower risk — Higher risk

1 2 **3** 4 5 6 7

- 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.
- **Income risk**: The payment of income and its level is not guaranteed.
- **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 year ended 28 February 2025.

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

We changed the sub-fund's benchmark, investment objective and name

On 18 March 2024, 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).

Artemis believes the sub-fund's new name more clearly represents the managers' strategy: to invest in short-duration bonds across fixed-income sectors with the goal of delivering attractive risk-adjusted returns. We believe this sub-fund offers a compelling alternative to short-dated investment-grade corporate bond funds, the current go-to solution for many risk-averse investors.

Along with the sub-fund's name, its investment objective and benchmark also changed. The sub-fund's comparator benchmark is now the Markit iBoxx 1-5 year £ Collateralised & Corporates index.

The sub-fund's new objective, meanwhile, is "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 four years."

The sub-fund has always been run with a lower duration (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.

Performance

The sub-fund made 8.1% over the past year, compared with 6.4% from its benchmark (as of 18 March 2024, the benchmark changed to the Markit iBoxx 1-5 year £ Collateralised & Corporates index; returns up to 18 March 2024 reflect those of the Bank of England Base Rate[1]).

Views on the economic cycle gyrated significantly over the period. To start with, inflation in the US surged at the beginning of 2024, causing an aggressive repricing of the cutting cycle which had built up in markets following the Federal Open Markets Committee 'pivot' in December 2023.

Having started 2024 expecting broad economic weakness and a continued softening in inflation, investors were presented with worrying signs of an acceleration. Cuts were quickly priced out of the curve and yields surged by April. From here, bonds rallied aggressively, with the yield on 10-year Treasuries falling 100bps by September before moving higher as markets began to price a Donald Trump victory in the US election. Significant moves like this were seen across most markets during the period, with bouts of aggressive curve steepening and flattening as sentiment swayed from one extreme to another – from a return to pre-pandemic interest rate policy to a higher-for-longer environment.

Policy changes by major central banks varied wildly – the Bank of Canada cut rates by 200bps, while the Reserve Bank of Australia lowered policy rates by only 25bps. The Bank of England lowered rates by 75bps, taking the policy rate from 5.25% to 4.5% as, despite weaker growth, inflation remained stubbornly sticky and real wages continued to climb, resulting in a more cautious approach.

Probably the most significant event for global bond markets was the return of Trump to the White House. The magnitude of his political comeback and victory meant he started his second term empowered, prepared and more unpredictable than ever. We also witnessed the Labour Party win a landslide victory in the UK, announcing a raft of spending, borrowing and tax increases. In Europe, French political turmoil was followed by the German election where the Christian Democratic Union won the most seats, but the right-wing AfD made historic gains in what appears to have been a general trend across the continent.

Despite the various political and inflationary challenges over the past 12 months and the significant headwinds to bonds in the form of surging supply, higher inflation and a shift towards quantitative tightening across all major central banks, our focus on shorter-maturity bonds allowed the sub-fund to deliver strong returns over the period.

Contributors

Credit made the strongest contribution to returns. Property and related sectors dominated the list of top performers, boosted by falling interest rates, with Czech landlord **CPI**, the **Medical Properties Trust** REIT and shopping centre landlord **Meadowhall** all doing well.

However, the single best position was pub and restaurant operator **Mitchells & Butlers**, which announced a strong set of half-year results.

Past performance is not a guide to the future.

[1] Artemis/Lipper Limited, class I accumulation, in sterling. All figures show total returns with dividends and/or income reinvested, net of all charges. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if you invest in a different currency class.

The rates (government bond side) also made a positive contribution. Key here were cross-market positions in US real yields versus Europe and our preference to hold an underweight-duration position in Japanese rates versus dollar-bloc ones.

We believed the Bank of Japan was behind the curve and would have to step away begrudgingly from a decade of near-zero interest rate policy and start reducing the size of bond purchases. As this came to pass, it exerted upward pressure on its yield curve while other central banks, having raised rates far more aggressively and contained the inflation problem, gradually lowered rates, supporting yields.

Detractors

The largest detractor on the credit side was a position in **Thames Water**. In July, Ofwat made its initial determination on the allowable returns for investors in water companies. We had hoped for a degree of pragmatism from the regulator. That pragmatism has yet to materialise. Relative to Ofgem, the gas and electricity regulator, Ofwat's proposals allow for a lower return on equity and model a lower cost of debt. This led to a series of negative moves by the rating agencies. Water company credit spreads widened, pushing their real-world funding costs higher. This made it less likely that equity investors will commit further capital.

Having fallen in response to Ofwat's draft determination, Thames Water's bonds bounced in mid-September. At that juncture, we sold our position. The pricing had begun to imply the market was taking an optimistic view as to the severity of the haircuts that may eventually be imposed on bondholders. The bonds have fallen again since we sold.

On the rates side, our long-duration positions in US rates in Q1 2024 hurt sub-fund performance during the April surge in bond yields, while a cross-market long UK versus European rates hurt performance towards the end of 2024. Overall, however the rates strategies continued to deliver positive alpha for the sub-fund over the course of the period.

Activity

Sub-fund duration was kept relatively close to the benchmark's 2.6-year figure during the period, though we tactically traded around what felt like extreme market moves.

We had been short 10-year Japanese bonds for most of the year but rotated out of this position and into short 10- and 30-year bunds towards the end of the period. This preceded a decision by the German government to allow defence spending exceeding 1% of GDP to be excluded from deficit calculations that go into its 'debt brake formula'. Some economists now think this could rise to at least 3% of GDP as early as next year. Following the fiscal policy shift, there is effectively no line in the sand for 10-year bunds, though 3% feels like a reasonable level to aim for in 2025.

We remain tactical amidst elevated market volatility. We retain a bias for a steeper curve globally, retain some inflation protection, and while we've tactically reduced our Japanese short-duration position in favour of a short in Germany, we expect Japanese rates to rise as the central bank finally catches up to inflationary pressures. As a result, we are looking for another opportunity to reset the short position in Japanese government bonds.

On the credit side, the sub-fund participated in new issues in, among others, insurer **Athene,** vehicle leaser **Motability**, windscreen replacement company **Belron**, energy metering provider **Techem**, cruise operator **Carnival**, miner **Perenti** and asset manager **Schroders**.

We added to several positions towards the higher-quality end of the high-yield market, due to a combination of attractive yields, low duration risk, relatively low default risk and the potential for bonds to be redeemed early, giving us a useful capital uplift.

Additions here included data storage company **Iron Mountain**, gaming technology provider IGT, global cosmetics company Coty and concert ticketer **Live Nation**.

Another purchase was **Telereal**, which is essentially the BT Openreach business. While the bonds exhibit a similar risk profile to those of BT, their yield is meaningfully higher due, we believe, to the lower name recognition.

In terms of sales, the sub-fund took profits from a number of strong performers, including **Coventry Building Society**, **Bank of America**, **Caterpillar**, **EDF** and **Skipton Building Society**.

We sold French bank bonds in Q3. The fragility of the coalition pieced together by then prime minister Michel Barnier did not appear conducive to fixing the country's perennial budget deficit problems and although France's government bonds had weakened, its corporate bonds had not. We felt this sangfroid wouldn't last forever.

Outlook

The outlook is becoming more uncertain. The US economy is off to a sluggish start this year and the new president and senior cabinet seem to be adopting less of a growth-friendly approach in the near term. This has caused significant harm to business confidence and consumer expectations.

A genuinely weaker period of consumption may simply be a payback after an extraordinary Q4, but for now, against a backdrop of heightened geopolitical tensions and trade wars, markets are erring on the side of caution, pricing in more than three rate cuts from the Federal Open Markets Committee this year even though the existing dot plot forecasts just two. Terminal rate expectations for the US have also dropped sharply – from 4.2% in mid-January to 3.5% today.

The market isn't close to pricing in the worst-case scenario for a more significant trade shock (tipping the global economy into recession) although we must admit we've travelled a long way in a relatively short space of time on what amounts to (mostly) survey data.

We remain long US duration but reduced our position as Treasuries have rallied. It is not our view that the US economy enters a recession in 2025, and the recent episode is more a crisis of confidence rather than genuine economic weakness. However, there is the possibility that the hard data starts to go the same way as soft data, so we are watching this closely.

Stephen Snowden, Liam O’Donnell and Jack Holmes
Fund managers

Artemis Short-Duration Strategic Bond Fund (formerly Artemis Target Return Bond Fund)

Investment information

Ten largest purchases and sales for the year ended 28 February 2025

Purchases	Cost £'000	Sales	Proceeds £'000
UK Gilt 4.13% 22/07/2029	31,385	UK Gilt 4.13% 22/07/2029	27,343
UK Gilt 4.38% 31/07/2054	25,025	UK Gilt 4.38% 31/07/2054	24,940
UK Gilt 3.75% 07/03/2027	24,190	US Treasury Inflation Indexed 1.88% 15/07/2034	20,964
UK Gilt 4.50% 07/06/2028	21,396	UK Gilt 4.13% 29/01/2027	19,964
US Treasury Inflation Indexed 1.88% 15/07/2034	20,681	UK Gilt 4.50% 07/06/2028	18,250
UK Gilt 4.13% 29/01/2027	19,962	UK Gilt 3.50% 22/10/2025	17,841
UK Gilt 3.50% 22/10/2025	17,817	UK Gilt 3.75% 07/03/2027	17,810
New Zealand Government 2.50% 20/09/2035	13,413	US Treasury Inflation Indexed 1.07% 15/01/2029	11,510
US Treasury Note 4.38% 15/12/2026	11,257	US Treasury Note 4.38% 15/12/2026	11,142
Australia Government Bond 3.25% 21/04/2029	10,135	Australia Government Bond 3.25% 21/04/2029	9,944

Portfolio statement as at 28 February 2025

Investment	Holding/ nominal value	Valuation £'000	% of net assets
Government Bonds 8.63% (9.35%)			
Canada 0.00% (1.18%)			
Germany 2.11% (0.00%)			
Bayerische Landesbank 5.25% 28/11/2029	£7,000,000	7,070	1.50
Deutsche Bundesrepublik Inflation Linked Bond 0.12% 15/04/2033	€3,000,000	2,904	0.61
		9,974	**2.11**
New Zealand 2.40% (2.33%)			
New Zealand Government Bond 3.00% 20/04/2029	NZD5,000,000	2,152	0.46
New Zealand Government Inflation Linked Bond 3.29% 20/09/2035	NZD16,000,000	9,173	1.94
		11,325	**2.40**
Sweden 0.00% (1.81%)			
United Kingdom 3.29% (0.80%)			
UK Gilt 3.75% 07/03/2027	£6,500,000	6,447	1.37
UK Gilt 4.13% 22/07/2029	£4,000,000	3,992	0.85
UK Gilt 4.50% 07/06/2028	£5,000,000	5,053	1.07
		15,492	**3.29**
United States of America 0.83% (3.23%)			
US Treasury Inflation Indexed 0.15% 15/02/2051	$7,000,000	3,900	0.83
		3,900	**0.83**
Government Bonds total		**40,691**	**8.63**
Corporate Bonds 86.10% (85.49%)			
Australia 0.39% (0.59%)			
Perenti Finance 6.50% 07/10/2025	AUD213,854	170	0.04
Perenti Finance 7.50% 26/04/2029	AUD2,000,000	1,650	0.35
		1,820	**0.39**
Austria 0.28% (0.50%)			
ams-OSRAM 05/03/2025	€1,600,000	1,317	0.28
		1,317	**0.28**
Belgium 1.23% (0.00%)			
Azelis Finance 4.75% 25/09/2029	€2,000,000	1,711	0.36

Investment	Holding/ nominal value	Valuation £'000	% of net assets
Corporate Bonds 86.10% (85.49%) (continued)			
Belgium 1.23% (0.00%) (continued)			
KBC Group, FRN 6.15% 19/03/2034	£4,000,000	4,095	0.87
		5,806	**1.23**
Canada 0.53% (2.13%)			
CPPIB Capital 1.50% 23/06/2028	$2,000,000	903	0.19
GFL Environmental 3.75% 01/08/2025	$2,000,000	1,580	0.34
		2,483	**0.53**
Czech Republic 1.20% (0.91%)			
CPI Property Group 1.75% 14/01/2030	€8,000,000	5,678	1.20
		5,678	**1.20**
Denmark 0.66% (0.89%)			
Danske Bank, FRN 4.63% 13/04/2027	£3,100,000	3,100	0.66
		3,100	**0.66**
Finland 0.53% (0.99%)			
Nordea Bank, FRN 6.00% 02/06/2026	£2,500,000	2,508	0.53
		2,508	**0.53**
France 4.27% (2.53%)			
Afflelou 6.00% 25/07/2029	€700,000	605	0.13
BPCE 5.25% 22/10/2030	£2,700,000	2,699	0.57
Forvia 5.13% 15/06/2029	€2,000,000	1,679	0.35
Orange 5.25% 05/12/2025	£2,500,000	2,510	0.53
OVH Groupe SAS 4.75% 05/02/2031	€1,400,000	1,171	0.25
Paprec 3.50% 01/07/2028	€2,000,000	1,637	0.35
SNF Group 3.13% 15/03/2027	$2,600,000	1,970	0.42
TotalEnergies Capital International 1.66% 22/07/2026	£3,000,000	2,889	0.61
Westfield America Management, REIT 2.13% 30/03/2025	£5,000,000	4,991	1.06
		20,151	**4.27**
Germany 3.36% (3.76%)			
BMW International Investment 5.00% 24/01/2028	£3,500,000	3,523	0.75
CT Investment 6.38% 15/04/2030	€1,500,000	1,290	0.27
Deutsche Bank, FRN 5.00% 26/02/2029	£3,500,000	3,489	0.74
IHO Verwaltungs 8.75% 15/05/2028	€2,000,000	1,741	0.37
Mercedes-Benz International Finance 5.13% 17/01/2028	£3,200,000	3,231	0.69
Sartorius Finance 4.25% 14/09/2026	€1,000,000	843	0.18
Techem Verwaltungsgesellschaft 675 mbH 5.38% 15/07/2029	€2,000,000	1,706	0.36
		15,823	**3.36**
Israel 0.00% (0.92%)			
Luxembourg 1.25% (1.84%)			
Blackstone Property Partners Europe Holdings 2.00% 20/10/2025	£6,000,000	5,875	1.25
		5,875	**1.25**
Netherlands 2.38% (1.57%)			
Cooperatieve Rabobank 5.25% 14/09/2027	£5,000,000	5,015	1.06
GTCR W-2 Merger Sub 8.50% 15/01/2031	£3,000,000	3,215	0.68
ING Groep, FRN 4.88% 02/10/2029	£3,000,000	2,994	0.64
		11,224	**2.38**
Poland 0.43% (0.00%)			
InPost 2.25% 15/07/2027	€2,500,000	2,015	0.43
		2,015	**0.43**

Artemis Short-Duration Strategic Bond Fund (formerly Artemis Target Return Bond Fund)

Investment	Holding/ nominal value	Valuation £'000	% of net assets
Corporate Bonds 86.10% (85.49%) (continued)			
Slovenia 0.00% (0.33%)			
Spain 2.01% (1.49%)			
Abertis Infraestructuras 3.38% 27/11/2026	£4,500,000	4,385	0.93
Banco Santander, FRN 5.63% 27/01/2031	£5,000,000	5,069	1.08
		9,454	**2.01**
Supranational 1.48% (0.00%)			
Central American Bank for Economic Integration 4.63% 14/02/2028	£7,000,000	6,990	1.48
		6,990	**1.48**
Sweden 2.41% (0.33%)			
Asmodee Group 5.75% 15/12/2029	€1,760,000	1,526	0.32
Heimstaden 8.38% 29/01/2030	€3,000,000	2,533	0.54
Swedbank 4.88% 11/10/2030	£2,500,000	2,488	0.53
Verisure 3.25% 15/02/2027	€2,500,000	2,046	0.43
Volvo Treasury 4.63% 14/02/2028	£2,800,000	2,791	0.59
		11,384	**2.41**
Switzerland 1.53% (0.61%)			
UBS Group, FRN 7.00% 30/09/2027	£7,000,000	7,208	1.53
		7,208	**1.53**
United Kingdom 43.56% (53.97%)			
180 Medical 3.88% 15/10/2029	$2,000,000	1,473	0.31
AA Bond 3.25% 31/07/2050	£5,500,000	5,038	1.07
Anglian Water Osprey Financing 4.00% 08/03/2026	£900,000	872	0.18
Anglian Water Services Financing 1.63% 10/08/2025	£1,800,000	1,775	0.38
Arqiva Financing 7.21% 30/06/2045	£4,400,000	4,670	0.99
Aviva, FRN 5.13% 04/06/2050	£8,000,000	7,816	1.66
Barclays, FRN 5.75% 31/07/2032	£2,000,000	2,021	0.43
Barclays Bank 5.75% 14/09/2026	£2,500,000	2,528	0.54
Belron UK Finance 4.63% 15/10/2029	€500,000	423	0.09
Belron UK Finance 5.75% 15/10/2029	$2,800,000	2,212	0.47
BP Capital Markets, FRN 4.25% Perpetual	£5,000,000	4,874	1.03
Centrica, FRN 6.50% 21/05/2055	£5,000,000	5,104	1.08
Coventry Building Society, FRN 5.88% 12/03/2030	£2,600,000	2,658	0.56
CPUK Finance 5.88% 28/08/2027	£5,000,000	5,061	1.07
Dignity Finance 3.55% 31/12/2034	£3,695,616	3,220	0.68
DWR Cymru Financing 1.63% 31/03/2026	£5,000,000	4,825	1.02
Electricity North West 8.88% 25/03/2026	£3,000,000	3,126	0.66
Grainger 3.38% 24/04/2028	£5,000,000	4,751	1.01
Greene King Finance 5.32% 15/09/2031	£242,810	242	0.05
HSBC Bank Capital Funding Sterling 1, FRN 5.84% Perpetual	£4,000,000	4,186	0.89
HSBC Holdings 5.75% 20/12/2027	£4,500,000	4,581	0.97
IG Group Holdings 3.13% 18/11/2028	£4,000,000	3,634	0.77
Inchcape 6.50% 09/06/2028	£4,000,000	4,109	0.87
INEOS Quattro Finance 2 8.50% 15/03/2029	€1,500,000	1,319	0.28
International Distribution Services 7.38% 14/09/2030	£3,000,000	3,121	0.66
J Sainsbury 5.13% 29/06/2030	£5,000,000	5,027	1.07
Kier Group 9.00% 15/02/2029	£2,000,000	2,128	0.45
Land Securities Capital Markets 2.40% 08/02/2031	£3,295,000	3,015	0.64
Legal & General Group 5.13% 14/11/2048	£2,000,000	1,987	0.42
Legal & General Group, FRN 5.38% 27/10/2045	£6,000,000	6,004	1.27
Lloyds Banking Group, FRN 6.63% 02/06/2033	£4,200,000	4,332	0.92

Investment	Holding/ nominal value	Valuation £'000	% of net assets
Corporate Bonds 86.10% (85.49%) (continued)			
United Kingdom 43.56% (53.97%) (continued)			
Logicor 2019-1 1.88% 17/11/2031	£5,000,000	4,775	1.01
London & Quadrant Housing Trust 2.63% 28/02/2028	£6,000,000	5,618	1.19
Marston's Issuer, FRN 5.18% 15/07/2032	£3,000,000	2,845	0.60
Marston's Issuer, FRN 6.02% 15/10/2027	£2,794,706	2,717	0.58
Meadowhall Finance 4.99% 12/07/2037	£3,749,395	3,227	0.68
Miller Homes Finco 7.00% 15/05/2029	£1,300,000	1,271	0.27
Mitchells & Butlers Finance 6.01% 15/12/2028	£5,578,400	5,595	1.19
Mitchells & Butlers Finance 6.47% 15/09/2032	£900,000	894	0.19
Mobico Group 4.88% 26/09/2031	€5,000,000	4,178	0.89
Motability Operations Group 5.63% 29/11/2030	£7,000,000	7,235	1.53
NatWest Group, FRN 3.62% 14/08/2030	£5,000,000	4,980	1.06
Pearson Funding 3.75% 04/06/2030	£5,000,000	4,723	1.00
Phoenix Group 5.63% 28/04/2031	£5,000,000	4,897	1.04
Phoenix Group Holdings 6.63% 18/12/2025	£1,000,000	1,009	0.21
Places For People Treasury 2.88% 17/08/2026	£2,651,000	2,582	0.55
Premier Foods Finance 3.50% 15/10/2026	£1,500,000	1,484	0.31
Quadgas Finance 3.38% 17/09/2029	£4,000,000	3,637	0.77
RAC Bond 4.87% 06/05/2046	£5,000,000	4,992	1.06
RSA Insurance Group, FRN 5.13% 10/10/2045	£598,000	597	0.13
Schroders, FRN 6.35% 18/07/2034	£3,000,000	3,052	0.65
Synthomer 7.38% 02/05/2029	€1,600,000	1,387	0.29
Telereal Securitisation 6.16% 10/12/2033	£5,120,274	5,186	1.10
Telereal Securitisation, FRN 6.83% 10/12/2033	£495,000	461	0.10
TP ICAP Finance 2.63% 18/11/2028	£3,000,000	2,684	0.57
TP ICAP Finance 5.25% 29/05/2026	£1,700,000	1,705	0.36
TP ICAP Finance 5.25% 29/05/2026	£2,300,000	2,306	0.49
Unique Pub Finance 6.46% 30/03/2032	£1,200,000	1,253	0.27
Unite Group 3.50% 15/10/2028	£3,000,000	2,860	0.61
Weir Group 6.88% 14/06/2028	£5,000,000	5,219	1.11
Whitbread Group 3.38% 16/10/2025	£6,000,000	5,933	1.26
		205,434	**43.56**
United States of America 18.60% (12.13%)			
Albertsons 3.25% 15/03/2026	$3,000,000	2,336	0.50
Ardagh Metal Packaging Finance 2.00% 01/09/2028	€2,000,000	1,525	0.32
Athene Global Funding 5.15% 28/07/2027	£4,000,000	4,021	0.85
Athene Global Funding 5.15% 01/11/2029	£7,600,000	7,630	1.62
Avis Budget Car Rental 4.75% 01/04/2028	$300,000	224	0.05
Avis Budget Finance 7.00% 28/02/2029	€1,300,000	1,103	0.23
Avis Budget Finance 7.25% 31/07/2030	€2,000,000	1,695	0.36
Bank of America, FRN 1.67% 02/06/2029	£5,000,000	4,526	0.96
BellRing Brands 7.00% 15/03/2030	$2,000,000	1,646	0.35
Capstone Borrower 8.00% 15/06/2030	$2,000,000	1,663	0.35
Carnival 5.75% 15/01/2030	€2,500,000	2,224	0.47
Carnival 6.13% 15/02/2033	$3,000,000	2,393	0.51
Caterpillar Financial Services 4.62% 28/02/2028	£3,300,000	3,299	0.70
Caterpillar Financial Services 5.72% 17/08/2026	£4,000,000	4,062	0.86
Clarios Global 6.75% 15/02/2030	$2,000,000	1,621	0.34
Cloud Software Group 6.50% 31/03/2029	$2,000,000	1,561	0.33
Crocs 4.25% 15/03/2029	$2,000,000	1,487	0.32

Investment	Holding/ nominal value	Global exposure ^ £'000	Valuation £'000	% of net assets
Corporate Bonds 86.10% (85.50%) (continued)				
United States of America 18.60% (12.13%) (continued)				
Dream Finders Homes 8.25% 15/08/2028	$2,000,000		1,660	0.35
EMRLD Borrower 6.63% 15/12/2030	$1,500,000		1,206	0.26
Encore Capital Group 4.25% 01/06/2028	£2,000,000		1,885	0.40
Energizer 4.38% 31/03/2029	$3,000,000		2,233	0.47
GFL Environmental 4.75% 15/06/2029	$2,000,000		1,527	0.32
Goldman Sachs Group 4.25% 29/01/2026	£4,000,000		3,985	0.84
HFC Prestige International 6.63% 15/07/2030	$3,000,000		2,441	0.52
IGT Lottery 4.25% 15/03/2030	€3,000,000		2,530	0.54
Iron Mountain 3.88% 15/11/2025	£4,000,000		3,955	0.84
Johnson & Johnson 2.70% 26/02/2029	€2,500,000		2,078	0.44
Live Nation Entertainment 4.75% 15/10/2027	$2,000,000		1,550	0.33
Masterbrand 7.00% 15/07/2032	$2,000,000		1,616	0.34
Metropolitan Life Global Funding I 4.13% 02/09/2025	£5,000,000		4,985	1.06
New York Life Global Funding 4.95% 07/12/2029	£6,000,000		6,081	1.29
Penske Automotive 3.50% 01/09/2025	$2,000,000		1,573	0.33
Quikrete 6.38% 01/03/2032	$2,000,000		1,610	0.34
Shift4 Payments 4.63% 01/11/2026	$3,000,000		2,346	0.50
Victoria's Secret 4.63% 15/07/2029	$2,000,000		1,449	0.31
			87,726	**18.60**
Corporate Bonds total			**405,996**	**86.10**
Swaps 0.11% ((0.02)%)				
Credit Default Swaps BNP Paribas Buy Intesa Sanpaolo 1.00% 20/12/2029	€5,000,000	4,128	(6)	–
Credit Default Swaps JP Morgan Buy Deutsche Bank AG 1.00% 20/12/2029	€(5,000,000)	(4,128)	82	0.02
Credit Default Swaps JP Morgan Buy Deutsche Bank 1.00% 20/12/2029	€3,000,000	2,477	37	0.01
Credit Default Swaps JP Morgan Buy Deutsche Telekom 1.00% 20/12/2029	€(10,000,000)	(8,256)	258	0.05
Credit Default Swaps JP Morgan Buy Generali 1.00% 20/12/2029	€(6,000,000)	(4,954)	25	–
Credit Default Swaps JP Morgan Buy Koninklijke 1.00% 20/12/2029	€10,000,000	8,256	(239)	(0.05)
Inflation Index Swaps JP Morgan Pay floating CPTFE 1 day Receive fixed 1.99% 10/15/2034	€7,700,000	6,357	42	0.01
Inflation Index Swaps JP Morgan Pay floating CPTFE 1 day Receive fixed 2.03% 1/15/2035	€5,000,000	4,128	27	0.01
Interest Rate Swaps JP Morgan Pay fixed 2.35% Receive floating ESTR 1 day 07/02/2035	€23,800,000	19,650	51	0.01
Interest Rate Swaps JP Morgan Pay fixed 2.35% Receive floating ESTR 1 day 12/02/2035	€12,000,000	9,907	24	0.01
Interest Rate Swaps JP Morgan Pay fixed 2.46% Receive floating ESTR 1 day 27/02/2035	€(13,000,000)	(10,733)	(22)	–
Interest Rate Swaps JP Morgan Pay fixed 2.97% Receive floating CORRA 1 day 16/12/2054	CAD(4,500,000)	(2,476)	(47)	(0.01)
Interest Rate Swaps JP Morgan Pay fixed 2.99% Receive floating CORRA 1 day 07/02/2035	CAD18,300,000	10,068	7	–
Interest Rate Swaps JP Morgan Pay fixed 3.14% Receive floating CORRA 1 day 06/12/2034	CAD(28,500,000)	(15,680)	(97)	(0.02)

Investment	Holding/ nominal value	Global exposure ^ £'000	Valuation £'000	% of net assets
Swaps 0.11% ((0.02)%) (continued)				
Interest Rate Swaps JP Morgan Pay fixed 3.67% Receive floating SOFR 1 day 18/12/2056	$5,100,000	4,049	16	–
Interest Rate Swaps JP Morgan Pay fixed 3.87% Receive floating SOFR 1 day 26/02/2057	$(4,800,000)	(3,811)	(115)	(0.02)
Interest Rate Swaps JP Morgan Pay fixed 3.93% Receive floating SOFR 1 day 08/02/2057	$(5,000,000)	(3,970)	(158)	(0.03)
Interest Rate Swaps JP Morgan Pay floating BBSW 6 months Receive fixed 4.62% 05/12/2034	AUD34,300,000	16,934	1	–
Interest Rate Swaps JP Morgan Pay floating BBSW 6 months Receive fixed 4.81% 12/02/2035	AUD22,000,000	10,862	71	0.01
Interest Rate Swaps JP Morgan Pay floating BBSW 6 months Receive fixed 4.91% 10/01/2035	AUD11,000,000	5,431	57	0.01
Interest Rate Swaps JP Morgan Pay floating NDBB 3 months Receive fixed 3.94% 25/02/2029	NZD56,000,000	24,913	78	0.02
Interest Rate Swaps JP Morgan Pay floating NDBB 3 months Receive fixed 4.44% 20/12/2034	NZD(30,000,000)	(13,346)	(30)	(0.01)
Interest Rate Swaps JP Morgan Pay floating SOFR 1 day Receive fixed 3.80% 18/12/2031	$20,100,000	15,958	56	0.01
Interest Rate Swaps JP Morgan Pay floating SOFR 1 day Receive fixed 3.95% 26/02/2032	$18,500,000	14,688	143	0.03
Interest Rate Swaps JP Morgan Pay floating SOFR 1 day Receive fixed 4.08% 08/02/2032	$19,000,000	15,085	229	0.05
Interest Rate Swaps JP Morgan Pay floating SONIA 1 day Receive fixed 4.03% 07/02/2035	£(23,100,000)	(23,100)	(87)	(0.02)
Interest Rate Swaps JP Morgan Pay floating SONIA 1 day Receive fixed 4.05% 12/02/2035	£(12,000,000)	(12,000)	(37)	(0.01)
Interest Rate Swaps JP Morgan Pay floating SONIA 1 day Receive fixed 4.09% 14/02/2035	£(12,000,000)	(12,000)	(19)	–
Interest Rate Swaps JP Morgan Pay floating SONIA 1 day Receive fixed 4.16% 27/02/2035	£13,000,000	13,000	10	–
Interest Rate Swaps JP Morgan Pay floating SONIA 1 day Receive fixed 4.19% 26/02/2035	£13,000,000	13,000	27	0.01
Interest Rate Swaps JP Morgan Pay floating STBOR 3 months Receive fixed 2.50% 22/02/2029	kr332,000,000	24,512	52	0.01
Interest Rate Swaps JP Morgan Pay floating STBOR 3 months Receive fixed 2.51% 25/02/2029	kr332,000,000	24,512	56	0.01
Swaps total		**133,461**	**491**	**0.11**
Futures (0.07)% (0.00%)				
CBT Ultra 10 Year 18/06/2025	(235)	(21,267)	(115)	(0.02)
CBT US 2 Year Note 30/06/2025	300	49,236	103	0.02
CME 3 Month SOFR 17/03/2026	360	68,524	88	0.02
CME 3 Month SOFR 17/03/2026	(360)	(68,850)	(267)	(0.06)
Euro-Bobl 06/03/2025	227	22,089	59	0.01
Euro-Bund 06/03/2025	52	–	–	–
Euro-Buxl 30 Year Bond 06/03/2025	(74)	(7,908)	(67)	(0.01)
ICE 3 Month SONIA 16/03/2026	360	86,576	54	0.01
ICE 3 Month SONIA 17/03/2026	(360)	(86,513)	(21)	(0.01)
Long Gilt 26/06/2025	(155)	(14,463)	(144)	(0.03)
Futures total		**(27,424)**	**(310)**	**(0.07)**

Artemis Short-Duration Strategic Bond Fund (formerly Artemis Target Return Bond Fund)

Investment	Valuation £'000	% of net assets
Forward Currency Contracts 0.33% (0.11%)		
Buy Japanese Yen 934,305,000, sell Euro 6,000,000 dated 22/05/2025	3	–
Buy Sterling 923,474, sell Australian Dollar 1,830,809 dated 10/03/2025	20	–
Buy Sterling 50,578,869, sell Euro 60,595,505 dated 10/03/2025	534	0.11
Buy Sterling 11,535,768, sell New Zealand Dollar 25,437,710 dated 10/03/2025	218	0.05
Buy Sterling 46,473,141, sell US Dollar 57,511,101 dated 10/03/2025	812	0.17
Forward Currency Contracts total	**1,587**	**0.33**
Investment assets (including investment liabilities)	**448,455**	**95.10**
Net other assets	**23,106**	**4.90**
Net assets attributable to shareholders	**471,561**	**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 year ended 28 February 2025

	Note	28 February 2025 £'000	28 February 2025 £'000	29 February 2024 £'000	29 February 2024 £'000
Income					
Net capital gains	3		**8,653**		5,031
Revenue	5	**18,219**		13,619	
Expenses	6	**(1,191)**		(921)	
Interest payable and similar charges	7	**(960)**		(463)	
Net revenue before taxation		**16,068**		12,235	
Taxation	8	**–**		–	
Net revenue after taxation			**16,068**		12,235
Total return before distributions			**24,721**		17,266
Distributions	9		**(16,183)**		(12,352)
Change in net assets attributable to shareholders from investment activities			**8,538**		4,914

Statement of change in net assets attributable to shareholders for the year ended 28 February 2025

	28 February 2025 £'000	28 February 2025 £'000	29 February 2024 £'000	29 February 2024 £'000
Opening net assets attributable to shareholders		**253,308**		257,608
Amounts receivable on issue of shares	**312,545**		178,442	
Amounts payable on cancellation of shares	**(117,598)**		(197,348)	
		194,947		(18,906)
Dilution adjustment		**256**		325
Change in net assets attributable to shareholders from investment activities		**8,538**		4,914
Retained distribution on accumulation shares		**14,512**		9,367
Closing net assets attributable to shareholders		**471,561**		253,308

Balance sheet as at 28 February 2025

	Note	28 February 2025 £'000	29 February 2024 £'000
Assets			
Fixed assets			
Investments	10	**449,926**	241,891
Current assets			
Debtors	11	**12,691**	25,217
Cash and cash equivalents	12	**20,965**	3,730
Total current assets		**33,656**	28,947
Total assets		**483,582**	270,838
Liabilities			
Investment liabilities	10	**1,471**	1,440
Creditors			
Bank overdraft	13	**2,526**	306
Distribution payable		**728**	681
Other creditors	14	**7,296**	15,103
Total creditors		**10,550**	16,090
Total liabilities		**12,021**	17,530
Net assets attributable to shareholders		**471,561**	253,308

Notes to the financial statements

1. Accounting policies

(a) Basis of accounting. The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, in accordance with FRS 102 and the Statement of Recommended Practice ("SORP") issued by the Investment Management Association in May 2014 and amended in June 2017 and the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL'). The financial statements have been prepared on a going concern basis. The ACD believes that the sub-fund has adequate resources to continue in operational existence for the foreseeable future. No material events have been identified that may cast significant doubt about the sub-fund's ability to continue as a going concern for a period of twelve months from the date the financial statements are authorised for issue.

(b) Valuation of investments. All investments, including any derivatives, have been valued at 12 noon on the last working day of the accounting period. The last valuation point in the period has been used for the purposes of preparing the report and financial statements and in the ACD's opinion there have been no material movements in the sub-fund between the last valuation point and close of business on the balance sheet date. Where a sub-fund invests in markets that are closed for trading at the sub-fund's valuation point, the ACD will allow for the net asset value to be adjusted (based on movements of index futures or other suitable proxies in markets closed at the sub-fund valuation point, since the last market close), to reflect more accurately the fair value of the sub-fund's investments. Listed investments are valued at fair value which is generally deemed to be the bid price excluding any element of accrued interest. Unquoted investments are valued at fair value which is determined by the ACD, with reference to the valuation guidelines issued by the International Private Equity and Venture Capital Valuation Guidelines Board. Exchange traded derivatives, including options and futures, are shown in the portfolio statement, and are priced at fair value, which is deemed to be the quoted bid price for long positions and quoted offer price for short positions. Open forward currency contracts are shown in the portfolio statement at market value and the net gains are reflected within forward currency contracts under net capital gains. Over-the-counter derivatives, including interest rate swaps and credit default swaps, are shown in the portfolio statement, and are priced at fair value using valuation models or data sourced from market data providers.

(c) Foreign exchange rates. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at 12 noon on the last working day of the accounting period. Revenue and expenditure transactions are translated at the rates of exchange ruling on the dates of the transactions. Exchange differences on such transactions follow the same treatment as the principal amounts.

(d) Revenue. Interest from debt securities is recognised on an effective interest rate basis inclusive of any expected changes to future cash flows. Interest from debt securities bought or sold is excluded from the capital cost of such securities, and accounted for as part of revenue. Bank interest and interest on margin accounts held with brokers is recognised as revenue on an accruals basis. Returns on derivative instruments are recognised as either revenue or capital depending on the nature and circumstances of each particular case. Net gains are reflected within derivative contracts under net capital gains in the notes to the financial statements. Where futures generate total returns the returns are apportioned between capital and income to reflect the nature of the transaction. Both motive and circumstance are used to determine whether the returns should be treated as capital or revenue. Any capital gains/losses are included within net capital gains and any revenue or expense is included within revenue or interest payable and similar charges respectively in the statement of total return. The revenue return element in respect of futures is calculated by reference to the quoted yield of the index upon which the future is based. Interest receivable or payable on interest rate swaps and premiums on credit default swaps are recognised as revenue on an accruals basis and included within derivative revenue or interest payable and similar charges respectively in the statement of total return. Premiums received from options, where these have been written for the purpose of generating additional revenue, are accounted for as revenue on an accruals basis. Otherwise, these are treated as capital.

(e) Expenses. All expenses (other than those relating to the purchase and sale of investments) are initially charged against revenue on an accruals basis. Portfolio transaction costs are incurred by sub-funds when buying and selling investments. These costs vary depending on the types of investment and are made up of direct and indirect portfolio transaction costs. Direct portfolio transaction costs include Broker execution commission and taxes. Indirect portfolio transaction costs relate to the 'Dealing spread', which is the difference between the purchase and sale prices of the sub-fund's investments. Some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid.

(f) Taxation. Corporation tax is charged at a rate of 20% on the excess taxable revenue of the sub-fund. In general, the tax accounting treatment follows that of the principal amount. Deferred tax is provided for all timing differences that have originated but not reversed at the balance sheet date other than those recorded as permanent differences. Deferred tax is provided for at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money. A deferred tax asset is only recognised to the extent that it is more likely than not that the asset will be recovered.

(g) Dilution adjustment. The sub-fund is priced on a single swinging price basis. The ACD has the discretion to charge a dilution adjustment as part of its daily valuation policy. This will mean that in certain circumstances the sub-fund will make adjustments to counter the impact of dealing and other costs on occasions when these are deemed to be significant. In the usual course of business the application of a dilution adjustment will be applied systematically and on a consistent basis.

2. Distribution policy

The distribution policy of the sub-fund is to distribute/accumulate all available revenue, after deduction of expenses and taxation properly chargeable against revenue. The sub-fund satisfied the qualifying investments test of Statutory Instrument 2006/964 Authorised Investment Funds (Tax) Regulations 2006 Regulation 19 throughout each distribution period and where applicable will pay an interest distribution. The ACD and the depositary have agreed, for the distribution classes only, that 100% of the annual management charge is to be transferred to capital for the purpose of calculating the distribution, as permitted by COLL. The distribution currently payable reflects this treatment. The ACD may from time to time, smooth the distribution payments during the accounting period with the balance of revenue (if any) being paid in respect of the final distribution. Gains and losses on investments and derivatives whether realised or unrealised, if taken to capital are not available for distribution. With the exception of the ACD's annual management charge, which is directly attributable to each share class, all income and expenses are apportioned to each share class pro-rata to the value of the net assets of the relevant share class on the day that the income or expense is recognised. All available net revenue accounted for in accordance with the above policies is distributed to holders of income shares or retained and reinvested for holders of accumulation shares. Should expenses and taxation together exceed revenue, there will be no distribution and the shortfall will be met from capital. Distributions which have remained unclaimed by shareholders for six years are credited to the capital property of the sub-fund. Income equalisation applies to the fund. Equalisation applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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.

3. Net capital gains

	28 February 2025 £'000	29 February 2024 £'000
Non-derivative securities	**4,527**	1,036
Forward currency contracts	**2,270**	1,730
Derivative contracts	**1,584**	2,933
Currency gains/(losses)	**272**	(668)
Net capital gains	**8,653**	5,031

4. Direct transaction costs

There were no commissions or taxes paid in relation to transactions on the portfolio during the current year or previous year.

Dealing spread

As at the balance sheet, date the estimated portfolio dealing spread was 0.23% (2024: 0.54%). This spread represents the difference between the bid and offer prices of each underlying investment expressed as a percentage of the value determined by reference to its offer price.

5. Revenue

	28 February 2025 £'000	29 February 2024 £'000
Interest on debt securities	**17,350**	13,124
Revenue from other derivatives	**495**	72
Bank interest	**374**	423
Total revenue	**18,219**	13,619

6. Expenses

	28 February 2025 £'000	29 February 2024 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	**737**	555
Administration fees	**454**	366
Total expenses	**1,191**	921

All expenditure stated above is inclusive of irrecoverable VAT where applicable.
The audit fee (excluding VAT) accrued during the year was £12,510 (2024: £12,150). This fee is paid by the ACD via the administration fee.

7. Interest payable and similar charges

	28 February 2025 £'000	29 February 2024 £'000
Interest payable on short futures	**555**	160
Dividends payable on short positions	**172**	216
Interest payable on interest rate swaps	**123**	–
Interest payable	**110**	87
Total interest payable and similar charges	**960**	463

8. Taxation

	28 February 2025 £'000	29 February 2024 £'000
a) Analysis of the tax charge for the year		
Corporation tax	**–**	–
Total current taxation (note 8b)	**–**	–
b) Factors affecting the tax charge for the year		
Net revenue before taxation	**16,068**	12,235
Corporation tax of 20% (2024: 20%)	**3,214**	2,447
Effects of:		
Tax deductible interest distributions	**(3,214)**	(2,447)
Tax charge for the year (note 8a)	**–**	–

c) Provision for deferred tax
No provision for deferred tax has been made in the current or prior accounting year.

d) Factors that may affect future tax charges

The sub-fund has not recognised a deferred tax asset (2024: £nil).

9. Distributions

	28 February 2025 £'000	29 February 2024 £'000
Interim gross interest distribution - May 2024	**3,831**	2,732
Interim gross interest distribution - August 2024	**3,988**	3,341
Interim gross interest distribution - November 2024	**3,952**	3,086
Final gross interest distribution - February 2025	**5,609**	3,160
	17,380	12,319
Add: amounts deducted on cancellation of shares	**748**	1,111
Deduct: amounts added on issue of shares	**(1,945)**	(1,078)
Distributions	**16,183**	12,352
Movement between net revenue and distributions		
Net revenue after taxation	**16,068**	12,235
Annual management charge paid from capital	**115**	122
Revenue paid on conversion of shares	**–**	(4)
Undistributed revenue carried forward	**–**	(1)
	16,183	12,352

The distributions take account of amounts added on the issue of shares and amounts deducted on the cancellation of shares. Details of the distributions per share are set out in the distribution tables on page 81.

10. Fair value hierarchy

All investments are designated at fair value through profit or loss on initial recognition. The following table provides an analysis of these investments based on the fair value hierarchy in accordance with FRS 102 which reflects the reliability and significance of the information used to measure their fair value.

The disclosure is split into the following categories:

Level 1 – Investments with unadjusted quoted prices in an active market;
Level 2 – Investments whose fair value is based on inputs other than quoted prices that are either directly or indirectly observable;
Level 3 – Investments whose fair value is based on inputs that are unobservable (i.e. for which market data is unavailable).

	28 February 2025 Assets £'000	28 February 2025 Liabilities £'000	29 February 2024 Assets £'000	29 February 2024 Liabilities £'000
Level 1	**25,771**	**615**	23,758	329
Level 2	**424,115**	**856**	218,133	1,111
Total	**449,926**	**1,471**	241,891	1,440

11. Debtors

	28 February 2025 £'000	29 February 2024 £'000
Amounts receivable for issue of shares	**6,505**	17,585
Accrued revenue	**6,076**	4,080
Sales awaiting settlement	**76**	3,552
Amounts receivable on derivative contracts	**34**	–
Total debtors	**12,691**	25,217

12. Cash and cash equivalents

	28 February 2025 £'000	29 February 2024 £'000
Collateral held with brokers	**10,319**	1,421
Amounts held in liquidity funds	**7,647**	1,108
Amounts held at brokers	**1,920**	1,194
Cash and bank balances	**1,079**	7
Total cash and cash equivalents	**20,965**	3,730

13. Bank overdraft

	28 February 2025 £'000	29 February 2024 £'000
Collateral pledged with brokers	**2,526**	300
Amounts held at futures clearing houses and brokers	**–**	6
Total bank overdraft	**2,526**	306

14. Other creditors

	28 February 2025 £'000	29 February 2024 £'000
Purchases awaiting settlement	**5,842**	13,885
Amounts payable for cancellation of shares	**1,297**	1,109
Accrued annual management charge	**80**	42
Accrued administration fee payable to the ACD	**48**	28
Amounts payable on derivative contracts	**29**	39
Total other creditors	**7,296**	15,103

15. Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

16. Reconciliation of share movements

	Shares in issue at 29 February 2024	Shares issued	Shares cancelled	Shares converted	Shares in issue at 28 February 2025
F distribution GBP	24,060,814	5,849,942	(15,209,141)	(2,685)	**14,698,930**
F accumulation GBP	44,083,902	29,738,450	(14,023,751)	(8,133)	**59,790,468**
I distribution GBP	28,616,743	25,319,620	(11,448,442)	13,678	**42,501,599**
I accumulation GBP	131,657,523	205,095,942	(62,345,664)	(1,078)	**274,406,723**

17. Risk disclosures

In pursuing its investment objective, the sub-fund may hold a number of financial instruments. These financial instruments comprise bonds, derivatives, cash balances and liquid resources, which include debtors and creditors that arise directly from the sub-fund's operations. The sub-fund only executes derivative contracts where both the derivative instrument and the counterparty have been approved by the ACD.

The ACD has a risk management policy. The processes detailed within are designed to monitor and measure at any time the risk of the sub-fund's positions and their contribution to the overall risk profile of the sub-fund. In addition, our Investment Committee and Risk and Compliance Committee meet monthly and quarterly respectively, and as required to evaluate risk across each of our funds. These policies have been consistent for both the current and prior period to which these financial statements relate.

In the normal course of business, the sub-fund's activities expose it to various types of risk which are associated with the financial instruments and markets in which it invests. These financial risks: market risk (comprising value-at-risk), credit and counterparty risk and liquidity risk and the approach to the management of these risks, are set out below and remain unchanged from the previous accounting year. For a detailed explanation of these and further risks involved in investing in the sub-fund, reference should be made to the Prospectus.

(a) Market risk

Market risk, which includes value-at-risk arises mainly from uncertainty about future values of financial instruments in the sub-fund's investment portfolio. The sub-fund, in order to meet its investment objective and policy, invests predominantly in bonds and maintains an appropriate spread of investments in accordance with COLL and the Prospectus to seek to reduce the risks arising from factors specific to a particular company or sector. The ACD's investment strategy is to select investments for their fundamental value. Stock selection is therefore based on disciplined accounting, market and sector analysis, with the emphasis on long-term investments. There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-fund disclosed in the balance sheet. The ACD uses a value-at-risk approach to measure the funds exposure to market risk.

Value-at-risk (“VaR”)

The ACD is currently empowered to enter into derivative transactions on behalf of the sub-fund. The use of these strategies is subject to a risk management process and the ACD analyses the overall risk position of the sub-fund on a daily basis, which is then used by the ACD to evaluate the exposures and risks in the portfolio. As part of the process, the VaR is used on a daily basis to calculate the market price risk on the sub-fund relative to a reference portfolio, the Markit iBoxx 1-5 year £ Collateralised & Corporates Index. The maximum limit for UCITS funds is twice the VaR of the reference portfolio, i.e. +200%, in accordance with the Committee of European Securities Regulators (‘CESR’) guidance. A relative VaR of zero indicates that the sub-fund is estimated to have the same market price risk as the reference portfolio. A negative relative VaR indicates that the sub- fund’s market price risk is estimated to be lower than the reference portfolio. VaR expresses the maximum expected loss by the sub-fund in a defined period, at a specified confidence level. The parameters used are: a confidence level of 99%, uses one year risk factor data and a 20 business day holding period. It should be noted that VaR assumes that risk in the future can be predicted from the historic distribution of returns and so this methodology can be vulnerable to extreme, unforeseen events and therefore the VaR analysis is complemented with additional scenario and stress testing. From 18 March 2024 the VaR methodology was changed from absolute VaR to relative VaR.

	18 March 2024 to 28 February 2025	**1 March 2024 to 17 March 2024**	29 February 2024
	%	**%**	%
At 28 February	**0.91**	**–**	2.23
Average utilisation during the year	**0.76**	**2.12**	2.08
Highest utilisation during the year	**1.17**	**2.23**	3.02
Lowest utilisation during the year	**0.74**	**2.01**	1.58

(b) Credit and counterparty risk

Credit and counterparty risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment it has entered into with the sub-fund, resulting in a financial loss. From time to time, the sub-fund may be subject to short-term credit risk with counterparties pending settlement of investment transactions. The ACD has a pre-approved list of counterparties it uses for investment transactions, which is reviewed on a regular basis. The largest counterparty risk is with Northern Trust Investor Services Limited, the sub-fund’s custodian and banker, who holds the sub-fund’s investments and maintains the bank accounts. Bankruptcy or insolvency of Northern Trust Investor Services Limited may cause the sub-fund’s rights with respect to securities and cash held by the custodian to be delayed or limited. The sub-fund is also exposed to counterparty risk through holding specific financial instruments.

The ACD is permitted to use one or more separate counterparties for derivative transactions. The sub-fund may enter into transactions in over-the-counter ('OTC') markets that expose it to the credit of its counterparties and their ability to satisfy the terms of such contracts. Where the sub-fund enters into derivative contracts, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of bankruptcy or insolvency of a counterparty, the sub-fund could experience delays in liquidating the position and may incur significant losses. There may be a risk that a counterparty will be unable to meet its obligations with regard to the return of the collateral and may not meet other payments due to the sub-fund. To minimise such risk the ACD will assess the creditworthiness of any counterparty that it engages. On a daily basis the ACD assesses the level of assets with each counterparty to ensure that the exposure is within the defined limits in accordance with the requirement stipulated in COLL and the Prospectus. In order to diversify counterparty risk the sub-fund holds cash with a number of other counterparties other than Northern Trust.

The derivatives are disclosed in the portfolio statement, and J.P. Morgan is the counterparty for futures contracts, J.P Morgan and BNP Paribas are the counterparties for swaps, while Goldman Sachs, and Northern Trust are the counterparties for forward currency contracts. Aside from the custodian, the derivative counterparties and brokers where trades are pending settlement, there were no significant concentrations of credit and counterparty risk as at 28 February 2025 or 29 February 2024.

Debt Security credit analysis

At the reporting date, the credit analysis of the fund’s debt securities was as follows:

	28 February 2025 £'000	29 February 2024 £'000
Investment grade securities	**330,800**	180,448
Below investment grade securities	**112,990**	58,963
Unrated securities	**2,897**	1,253
Total of debt securities	**446,687**	240,664

Source of credit ratings: Artemis Investment Management LLP.

Counterparty and collateral exposure

The types of derivatives held at the balance sheet date were forward currency contracts, futures and swaps. Details of the individual contracts are disclosed separately in the portfolio statement and the total position by counterparty and the collateral pledged, at the balance sheet date, were as follows:

Currency	Credit Default Swap £'000	Inflation Rate Swaps £'000	Interest Rate Swaps £'000	Forward contracts £'000	Future contracts £'000	Total gross exposure £'000	Net collateral (pledged)/held £'000
28 February 2025							
Northern Trust	**–**	**–**	**–**	**1,584**	**–**	**1,584**	**(2,020)**
J.P. Morgan	**163**	**69**	**266**	**–**	**(310)**	**188**	**11,733**
Goldman Sachs	**–**	**–**	**–**	**3**	**–**	**3**	**–**
BNP Paribas	**(6)**	**–**	**–**	**–**	**–**	**(6)**	**–**
29 February 2024							
Northern Trust	–	–	–	269	–	269	(300)
J.P. Morgan	(213)	127	231	–	(10)	135	1,231
Goldman Sachs	(3)	–	–	–	–	(3)	–
BNP Paribas	(184)	–	–	–	–	(184)	190

Only cash collateral is pledged or held by the sub-fund. The balance includes cash held at brokers.

(c) Liquidity risk

Liquidity risk is the risk that through market liquidity conditions, requests for redemptions from investors cannot be met in an orderly and appropriate manner. Artemis adopts a policy of mitigation and control to manage liquidity risks. Mitigation occurs through maintaining prudent levels of liquidity in each sub-fund and a well-diversified investor base. As a result, redemption requests can be satisfied in all but exceptional circumstances.

Artemis has a dedicated liquidity risk management policy which is owned by the independent investment risk team which reports to the Chief Risk Officer. Its purpose is to ensure the portfolio manager acts in the client's best interest with regards to this liquidity risk.

Through the use of 3rd party modeling and assumptions, the investment risk team conduct regular monitoring and analyses of the liquidity profile of the sub-funds and investor base. This includes but is not limited to what percentage of the sub-fund can be liquidated within certain redemption horizons, whether the largest investors in the sub-fund can redeem without affecting the fair treatment of remaining investors, liquidity stress testing and other analysis deemed to cover a risk specific to the strategy considered.

There was no significant concentration of liquidity risk as at 28 February 2025 or 29 February 2024.

18. Related party transactions

The ACD is deemed to be a related party. All transactions and balances associated with the ACD are disclosed within the statement of total return, statement of change in net assets attributable to shareholders and the balance sheet on page 72 and notes 6, 9, 11 and 14 on pages 75 to 77 including all issues and cancellations where the ACD acted as principal. The balance due from the ACD as at 28 February 2025 in respect of these transactions was £5,080,000 (2024: £16,406,000).

19. Share classes

The annual management charges on each share class is as follows:

F distribution GBP	0.150%
F accumulation GBP	0.150%
I distribution GBP	0.250%
I accumulation GBP	0.250%

The net asset value per share and the number of shares in each class are given in the comparative table on page 82.
The distributions per share class are given in the distribution tables on page 81. All classes have the same rights on winding up.

20. Post balance sheet event

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

Artemis Short-Duration Strategic Bond Fund (formerly Artemis Target Return Bond Fund)

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
Third interim	1 September 2024	30 November 2024	1 December 2024	31 January 2025
Final	1 December 2024	28 February 2025	1 March 2025	30 April 2025

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 year ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2023 - 2024 Distribution per share (p)
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
Third interim	0.6732	0.6304	1.3036	0.00%	100.00%	1.2455
Final	0.3244	0.9537	1.2781	0.00%	100.00%	1.2957

F accumulation GBP

Interest distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2023 - 2024 Distribution per share (p)
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
Third interim	0.3625	1.1395	1.5020	0.00%	100.00%	1.3627
Final	0.5596	0.9318	1.4914	0.00%	100.00%	1.4361

I distribution GBP

Interest distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2023 - 2024 Distribution per share (p)
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
Third interim	0.5288	0.7684	1.2972	0.00%	100.00%	1.2407
Final	0.6589	0.6127	1.2716	0.00%	100.00%	1.2904

I accumulation GBP

Interest distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2023 - 2024 Distribution per share (p)
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
Third interim	0.6047	0.8604	1.4651	0.00%	100.00%	1.3302
Final	0.7847	0.6691	1.4538	0.00%	100.00%	1.4020

Comparative tables

	F distribution GBP			F accumulation GBP		
	2025	2024	2023	2025	2024	2023
Change in net assets per share (p)						
Opening net asset value per share	**99.30**	**97.12**	**101.92**	**114.80**	**106.86**	**107.70**
Return before operating charges *	8.32	7.31	(0.54)	9.79	8.26	(0.53)
Operating charges	(0.29)	(0.28)	(0.29)	(0.35)	(0.32)	(0.31)
Return after operating charges *	**8.03**	**7.03**	**(0.83)**	**9.44**	**7.94**	**(0.84)**
Distributions	(5.28)	(4.85)	(3.97)	(6.04)	(5.28)	(4.11)
Retained distributions on accumulation shares	–	–	–	6.04	5.28	4.11
Closing net asset value per share	**102.05**	**99.30**	**97.12**	**124.24**	**114.80**	**106.86**
* after direct transaction costs of	–	–	–	–	–	–
Performance						
Return after charges	8.09%	7.24%	(0.81)%	8.22%	7.43%	(0.78)%
Other information						
Closing net asset value (£'000)	15,000	23,892	38,254	74,282	50,610	67,421
Closing number of shares	14,698,930	24,060,814	39,389,579	59,790,468	44,083,902	63,090,233
Operating charges	0.29%	0.29%	0.29%	0.29%	0.29%	0.29%
Direct transaction costs	–	–	–	–	–	–
Prices						
Highest share price (p)	103.60	101.45	102.39	124.57	115.78	108.45
Lowest share price (p)	99.77	95.03	93.40	115.35	105.71	100.40

	I distribution GBP			I accumulation GBP		
	2025	2024	2023	2025	2024	2023
Change in net assets per share (p)						
Opening net asset value per share	**98.87**	**96.80**	**101.70**	**114.32**	**106.52**	**107.46**
Return before operating charges *	8.28	7.29	(0.56)	9.74	8.23	(0.53)
Operating charges	(0.40)	(0.38)	(0.38)	(0.47)	(0.43)	(0.41)
Return after operating charges *	**7.88**	**6.91**	**(0.94)**	**9.27**	**7.80**	**(0.94)**
Distributions	(5.25)	(4.84)	(3.96)	(5.89)	(5.15)	(4.00)
Retained distributions on accumulation share	–	–	–	5.89	5.15	4.00
Closing net asset value per shares	**101.50**	**98.87**	**96.80**	**123.59**	**114.32**	**106.52**
* after direct transaction costs of	–	–	–	–	–	–
Performance						
Return after charges	7.97%	7.14%	(0.92)%	8.11%	7.32%	(0.87)%
Other information						
Closing net asset value (£'000)	43,140	28,295	28,073	339,139	150,511	123,860
Closing number of shares	42,501,599	28,616,743	29,000,511	274,406,723	131,657,523	116,277,382
Operating charges	0.39%	0.39%	0.39%	0.39%	0.39%	0.39%
Direct transaction costs	–	–	–	–	–	–
Prices						
Highest share price (p)	103.05	101.02	102.16	123.93	115.30	108.11
Lowest share price (p)	99.35	94.69	93.14	114.86	105.33	100.11

* Direct transaction costs are stated after deducting the amounts collected in relation to estimated dealing costs added to the issue of shares and subtracted from the cancellation of shares.

The operating charges are calculated on an ex-post basis. High and low price disclosures are based on quoted share prices. Therefore, opening and closing NAV prices may fall outside the high/low price threshold.

Artemis Short-Duration Strategic Bond Fund (formerly Artemis Target Return Bond Fund)

Ongoing charges

Class	28 February 2025
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.

Securities Financing Transactions Regulation ("SFTR")

The Fund may enter into total return swaps. No such transactions have been entered into as at 28 February 2025 (29 February 2024: none).

Class I accumulation performance

	Since launch *	5 years	3 years	1 year	6 months
Artemis Short-Duration Strategic Bond Fund **	23.9	23.1	15.2	8.1	3.4
Artemis Short-Duration Strategic Bond Fund ***	24.0	23.1	15.0	8.0	3.4
Markit iBoxx 1-5 year £ Collateralised & Corporates Index ****	27.0	26.0	19.6	6.4	2.9

Past performance is not a guide to the future.

* Source: Artemis/Lipper Limited, class I accumulation GBP from 3 December 2019 to 28 February 2025. 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**	• 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	The sub-fund may use derivatives for efficient portfolio management purposes to: • reduce risk • manage the sub-fund efficiently.
	Where the sub-fund invests	• 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	• Any
	Other limitations specific to this sub-fund	• None
Investment strategy	• 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	• **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

Potentially lower rewards — Potentially higher rewards

Lower risk — Higher risk

1 2 3 4 **5** 6 7

- 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 year ended 28 February 2025.

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

Market review

During the period under review markets were shaped by a complex mix of macroeconomic crosswinds and shifting investor sentiment. Inflationary pressures eased across most major economies, prompting a gradual pivot in monetary policy, with several emerging market central banks beginning to cut interest rates ahead of the US Federal Reserve. This helped support risk appetite in emerging markets, particularly in the latter half of the year. Global equity markets were also influenced by continued AI-driven enthusiasm in technology shares, a rebound in parts of the Chinese economy following renewed policy stimulus, and ongoing geopolitical tensions, particularly around supply chains and trade flows. Commodities remained firm, supporting export-oriented markets.

Performance

Over the 12 months to the end of February 2025, the Artemis SmartGARP Global Emerging Markets Equity Fund delivered a return of 10.6%, in line with the MSCI EM (Emerging Market) benchmark, which also returned 10.6%[1]. Stock selection helped performance with regional allocation and currency effects being modest headwinds.

Asian markets made a big contribution to absolute performance, with notable contributions from China, Taiwan, and South Korea, although from a relative perspective our exposure within these countries detracted. Latin American, European and Middle Eastern holdings were additive, particularly those in the United Arab Emirates.

Among individual stocks, Geely Automobile was the standout contributor. The company's share price more than doubled over the year, supported by optimism around electric vehicles in China as well as the company's strong execution. Our underweight to Samsung Electronics also added to performance, as broader weakness in the semiconductor sector took hold. In the Middle East, Emaar Properties performed well, reflecting a buoyant real estate market in the UAE. Interestingly, some stocks that have been heavily out of favour over the past few years performed well, namely JD.com and Alibaba.

On the negative side, Korean auto companies including Kia and Hankook Tire & Technology suffered, as the global automotive supply chain continued to face pressure. Banco do Brasil also weighed on returns, amid political uncertainty and macroeconomic noise. Our underweights in Chinese consumer and technology stocks such as Tencent and Meituan hurt performance. Taiwanese hardware company Wiwynn also lagged, with investor sentiment cooling on cloud infrastructure companies.

Activity

We traded actively over the year, deploying new capital into high-conviction ideas in Asian technology and consumer sectors. Among the top purchases were Taiwan Semiconductor, Tencent, and JD.com — all aligned with the sub-fund's focus on valuation, earnings momentum, and improving fundamentals. The sub-fund also increased its holdings in Geely and Alibaba, two shares that should benefit from less pessimistic sentiment around China. On the sell side, the sub-fund reduced exposure to Novatek Microelectronics and Samsung Electronics. Other notable sales included Coca-Cola Icecek and PICC Property & Casualty, a move away from more defensive areas of the market.

Raheel Altaf
Fund manager

Past performance is not a guide to the future.

[1] Source: Lipper Limited, class I accumulation, in sterling. 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.

Artemis SmartGARP Global Emerging Markets Equity Fund

Investment information

Ten largest purchases and sales for the year ended 28 February 2025

Purchases	Cost £'000	Sales	Proceeds £'000
Taiwan Semiconductor Manufacturing	35,947	PICC Property & Casualty 'H'	14,650
Alibaba Group Holding	31,731	Novatek Microelectronics	14,457
Tencent Holdings	28,741	Star Bulk Carriers	13,627
JD.com	28,253	Emirates NBD Bank	13,365
Geely Automobile Holdings	24,809	Coca-Cola Icecek	12,819
Richter Gedeon	19,671	Cia Energetica de Minas Gerais Preference	12,707
Kasikornbank	19,213	Samsung Electronics	12,696
China Hongqiao Group	18,206	Power Grid of India	12,197
Dr Reddy's Laboratories	17,907	Alibaba Group Holding	11,763
COSCO SHIPPING Holdings	17,210	Vipshop Holdings, ADR	11,467

Portfolio statement as at 28 February 2025

Investment	Holding	Valuation £'000	% of net assets
Equities 98.39% (99.84%)			
Brazil 7.00% (11.02%)			
Banco do Brasil	4,677,900	17,791	1.43
BB Seguridade Participacoes	2,311,200	12,089	0.97
Cia Energetica de Minas Gerais Preference	4,979,400	7,623	0.61
Petroleo Brasileiro, ADR	2,723,157	29,252	2.35
Porto Seguro	3,857,500	20,303	1.64
		87,058	**7.00**
China 34.79% (29.72%)			
Alibaba Group Holding	4,380,600	57,002	4.58
BAIC Motor	6,493,000	1,584	0.13
Bank of China 'H'	43,906,500	19,716	1.59
BYD	424,500	16,090	1.29
China Construction Bank 'H'	32,347,927	21,756	1.75
China Hongqiao Group	14,996,000	18,886	1.52
China Mobile	1,165,000	9,393	0.75
China Suntien Green Energy 'H'	13,994,000	5,299	0.43
CNOOC	5,249,000	9,578	0.77
COSCO SHIPPING Holdings	17,087,000	19,915	1.60
Geely Automobile Holdings	23,687,000	42,353	3.41
Gree Electric Appliances of Zhuhai 'A'	4,033,218	17,956	1.44
Industrial & Commercial Bank of China 'H'	33,152,400	18,609	1.50
JD Logistics	5,175,300	7,342	0.59
JD.com	2,304,150	37,742	3.04
Kunlun Energy	4,310,000	3,396	0.27
Midea Group 'A'	1,396,100	11,111	0.89
Muyuan Foods	837,929	3,314	0.27
People's Insurance Company of China	30,985,000	12,111	0.97
Qifu Technology	374,800	12,307	0.99
Sinopec Engineering Group 'H'	7,028,000	4,182	0.34
Sinotrans 'H'	34,439,346	13,145	1.06
Tencent Holdings	1,073,300	52,425	4.22
Tongling Nonferrous Metals Group	23,223,949	8,097	0.65
Tongling Nonferrous Metals Group 'A'	2,690,500	938	0.07

Investment	Holding	Valuation £'000	% of net assets
Equities 98.39% (99.84%) (continued)			
China 34.79% (29.72%) (continued)			
Western Mining	4,767,000	8,278	0.67
		432,525	**34.79**
Colombia 1.74% (1.11%)			
Bancolombia Preference	2,609,012	21,606	1.74
		21,606	**1.74**
Greece 0.00% (1.62%)			
Hong Kong 1.61% (0.00%)			
Sino Biopharmaceutical	31,036,000	10,199	0.82
Yue Yuen Industrial	6,063,000	9,814	0.79
		20,013	**1.61**
Hungary 1.85% (0.29%)			
Richter Gedeon	1,038,500	23,007	1.85
		23,007	**1.85**
India 8.09% (10.49%)			
Amara Raja Energy & Mobility	347,921	3,087	0.25
Bharat Electronics	5,406,000	12,115	0.98
Chambal Fertilisers and Chemicals	1,549,000	7,505	0.60
Dr Reddy's Laboratories	1,673,430	16,930	1.36
Eicher Motors	238,027	10,345	0.83
Indus Towers	7,756,080	22,765	1.83
NMDC	20,820,000	11,829	0.95
Power Grid of India	1,672,093	3,816	0.31
Redington	5,966,200	12,147	0.98
		100,539	**8.09**
Indonesia 2.16% (1.40%)			
Bank Tabungan Negara Persero	12,144,500	486	0.04
Indofood Sukses Makmur	32,278,500	11,013	0.88
Perusahaan Gas Negara	70,800,000	5,102	0.41
Telkom Indonesia Persero	16,793,000	1,882	0.15
United Tractors	7,876,000	8,410	0.68
		26,893	**2.16**
Mexico 1.14% (1.13%)			
El Puerto de Liverpool 'C1'	1,934,619	7,535	0.61
Grupo Mexico	1,729,000	6,644	0.53
		14,179	**1.14**
Panama 0.00% (0.47%)			
Peru 0.95% (0.00%)			
Credicorp	81,900	11,815	0.95
		11,815	**0.95**
Philippines 0.86% (0.58%)			
Manila Electric	1,593,000	10,669	0.86
		10,669	**0.86**
Poland 2.20% (2.11%)			
Powszechna Kasa Oszczednosci Bank Polski	1,393,774	19,214	1.54
Powszechny Zaklad Ubezpieczen	760,000	8,159	0.66
		27,373	**2.20**

Artemis SmartGARP Global Emerging Markets Equity Fund

Investment	Holding	Valuation £'000	% of net assets
Equities 98.39% (99.84%) (continued)			
Russia 0.00% (0.00%)			
Gazprom, ADR ^	963,000	–	–
GlobalTrans Investment, GDR ^	603,316	–	–
LUKOIL, ADR ^	90,473	–	–
Novolipetsk Steel, ADR ^	52,449	–	–
Rosneft Oil, GDR ^	425,000	–	–
Sberbank of Russia, ADR ^	492,000	–	–
		–	**–**
South Africa 3.81% (2.84%)			
FirstRand	3,788,000	11,603	0.94
Naspers	58,800	11,342	0.91
Nedbank Group	1,403,114	16,982	1.37
Vodacom Group	1,444,000	7,376	0.59
		47,303	**3.81**
South Korea 11.09% (15.57%)			
DB Insurance	225,123	11,167	0.90
Hana Financial Group	104,935	3,383	0.27
Hankook Tire & Technology	621,800	12,756	1.03
Hyundai Glovis	255,054	18,009	1.45
JB Financial Group	2,877,431	26,922	2.16
KEPCO Plant Service & Engineering	436,500	9,938	0.80
Kia	528,988	26,757	2.15
SK Hynix	95,110	9,812	0.79
SK Telecom	628,870	19,112	1.54
		137,856	**11.09**
Taiwan 14.80% (12.54%)			
Arcadyan Technology	817,000	3,726	0.30
Asustek Computer	759,000	12,507	1.01
Ennoconn	346,000	2,641	0.21
Evergreen Marine Taiwan	3,845,000	20,095	1.62
Fusheng Precision	439,000	3,643	0.29
Hon Hai Precision Industry	5,336,898	22,469	1.81
Radiant Opto-Electronics	1,280,000	6,148	0.49
Taiwan Semiconductor Manufacturing	3,697,000	93,031	7.48
Wiwynn	416,000	19,779	1.59
		184,039	**14.80**
Thailand 1.96% (1.36%)			
Central Pattana	3,006,000	3,440	0.28
Kasikornbank	5,407,000	18,969	1.53
Tipco Asphalt	5,038,000	1,931	0.15
		24,340	**1.96**
Turkey 0.30% (3.15%)			
Turkcell Iletisim Hizmetleri	1,669,411	3,702	0.30
		3,702	**0.30**

Investment	Holding	Valuation £'000	% of net assets
Equities 98.39% (99.84%) (continued)			
United Arab Emirates 4.04% (3.56%)			
Emaar Properties	9,231,785	27,042	2.18
Emirates NBD Bank	4,863,954	23,132	1.86
		50,174	**4.04**
Vietnam 0.00% (0.88%)			
Equities total		**1,223,091**	**98.39**
Investment assets		**1,223,091**	**98.39**
Net other assets		**20,026**	**1.61**
Net assets attributable to shareholders		**1,243,117**	**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 ACD continues to monitor and assess the valuation as information becomes available.

Financial statements

Statement of total return for the year ended 28 February 2025

	Note	28 February 2025 £'000	28 February 2025 £'000	29 February 2024 £'000	29 February 2024 £'000
Income					
Net capital gains	3		**60,294**		69,839
Revenue	5	**44,971**		25,433	
Expenses	6	**(8,189)**		(4,367)	
Interest payable and similar charges	7	**(77)**		(68)	
Net revenue before taxation		**36,705**		20,998	
Taxation	8	**(2,354)**		(5,474)	
Net revenue after taxation			**34,351**		15,524
Total return before distributions			**94,645**		85,363
Distributions	9		**(34,009)**		(19,038)
Change in net assets attributable to shareholders from investment activities			**60,636**		66,325

Statement of change in net assets attributable to shareholders for the year ended 28 February 2025

	28 February 2025 £'000	28 February 2025 £'000	29 February 2024 £'000	29 February 2024 £'000
Opening net assets attributable to shareholders		**662,404**		361,267
Amounts receivable on issue of shares	**789,375**		340,719	
Amounts payable on cancellation of shares	**(305,073)**		(124,888)	
		484,302		215,831
Dilution adjustment		**522**		(262)
Change in net assets attributable to shareholders from investment activities		**60,636**		66,325
Retained distribution on accumulation shares		**35,253**		19,243
Closing net assets attributable to shareholders		**1,243,117**		662,404

Balance sheet as at 28 February 2025

	Note	28 February 2025 £'000	29 February 2024 £'000
Assets			
Fixed assets			
Investments	10	**1,223,091**	661,333
Current assets			
Debtors	11	**20,495**	10,553
Cash and cash equivalents	12	**16,973**	4,985
Total current assets		**37,468**	15,538
Total assets		**1,260,559**	676,871
Liabilities			
Creditors			
Bank overdraft	13	**243**	243
Distribution payable		**9,891**	5,636
Other creditors	14	**7,308**	8,588
Total creditors		**17,442**	14,467
Total liabilities		**17,442**	14,467
Net assets attributable to shareholders		**1,243,117**	662,404

Notes to the financial statements

1. Accounting policies

(a) Basis of accounting. The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, in accordance with FRS 102 and the Statement of Recommended Practice ("SORP") issued by the Investment Management Association in May 2014 and amended in June 2017 and the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL'). The financial statements have been prepared on a going concern basis. The ACD believes that the sub-fund has adequate resources to continue in operational existence for the foreseeable future. No material events have been identified that may cast significant doubt about the sub-fund's ability to continue as a going concern for a period of twelve months from the date the financial statements are authorised for issue.

(b) Valuation of investments. All investments, including any derivatives, have been valued at 12 noon on the last working day of the accounting period. The last valuation point in the period has been used for the purposes of preparing the report and financial statements and in the ACD's opinion there have been no material movements in the sub-fund between the last valuation point and close of business on the balance sheet date. Where a sub-fund invests in markets that are closed for trading at the sub-fund's valuation point, the ACD will allow for the net asset value to be adjusted (based on movements of index futures or other suitable proxies in markets closed at the sub-fund valuation point, since the last market close), to reflect more accurately the fair value of the sub-fund's investments. Listed investments are valued at fair value which is generally deemed to be the bid price. Unquoted investments are valued at fair value which is determined by the ACD, with reference to the valuation guidelines issued by the International Private Equity and Venture Capital Valuation Guidelines Board. Open forward currency contracts are shown in the portfolio statement at market value and the net losses are reflected within forward currency contracts under net capital gains.

(c) Foreign exchange rates. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at 12 noon on the last working day of the accounting period. Revenue and expenditure transactions are translated at the rates of exchange ruling on the dates of the transactions. Exchange differences on such transactions follow the same treatment as the principal amounts.

(d) Revenue. Dividends receivable from equity and non-equity shares, including Real Estate Investment Trusts ("REITs"), are credited to revenue, net of attributable tax credits, when the security is quoted ex-dividend. Dividends received as shares (scrip/stock dividends), to the extent that the value of such dividends is equal to the cash dividends, are treated as revenue. Dividends on unquoted stocks are credited to revenue when the right to receive payment is established. Dividends are recognised gross of any overseas tax. Overseas tax is included as part of the tax charge. A provision is made for any overseas tax not considered recoverable at the balance sheet date, whether due to uncertainty as to receipt either due to circumstances or recovery experience in specific jurisdictions, or due to the significant time lag since the receipt of the dividend. Special dividends are reviewed on a case by case basis when determining if a dividend is to be treated as revenue or capital. It is likely that where a special dividend results in a significant reduction in the capital value of a holding, then the dividend will generally be treated as capital, otherwise this will be recognised as revenue. Bank interest and interest on margin accounts held with brokers is recognised as revenue on an accruals basis.

(e) Expenses. All expenses (other than those relating to the purchase and sale of investments) are initially charged against revenue on an accruals basis. Portfolio transaction costs are incurred by sub-funds when buying and selling investments. These costs vary depending on the types of investment and are made up of direct and indirect portfolio transaction costs. Direct portfolio transaction costs include Broker execution commission and taxes. Indirect portfolio transaction costs relate to the 'Dealing spread', which is the difference between the purchase and sale prices of the sub-fund's investments. Some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid.

(f) Taxation. Corporation tax is charged at a rate of 20% on the excess taxable revenue of the sub-fund. In general, the tax accounting treatment follows that of the principal amount. Deferred tax is provided for all timing differences that have originated but not reversed at the balance sheet date other than those recorded as permanent differences. Deferred tax is provided for at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money. A deferred tax asset is only recognised to the extent that it is more likely than not that the asset will be recovered.

(g) Dilution adjustment. The sub-fund is priced on a single swinging price basis. The ACD has the discretion to charge a dilution adjustment as part of its daily valuation policy. This will mean that in certain circumstances the sub-fund will make adjustments to counter the impact of dealing and other costs on occasions when these are deemed to be significant. In the usual course of business the application of a dilution adjustment will be applied systematically and on a consistent basis.

2. Distribution policy

The distribution policy of the sub-fund is to distribute/accumulate all available revenue, after deduction of expenses and taxation properly chargeable against revenue. The sub-fund did not satisfy the qualifying investments test of Statutory Instrument 2006/964 Authorised Investment Funds (Tax) Regulations 2006 Regulation 19 and where applicable will pay a dividend distribution. The ACD and the depositary have agreed, for the distribution classes only, that 100% of the annual management charge is to be transferred to capital for the purpose of calculating the distribution, as permitted by COLL.

The distribution currently payable reflects this treatment. The ACD may from time to time, smooth the distribution payments during the accounting period with the balance of revenue (if any) being paid in respect of the final distribution. Gains and losses on investments and derivatives whether realised or unrealised, if taken to capital are not available for distribution. With the exception of the ACD's annual management charge, which is directly attributable to each share class, all income and expenses are apportioned to each share class pro-rata to the value of the net assets of the relevant share class on the day that the income or expense is recognised. All available net revenue accounted for in accordance with the above policies is distributed to holders of income shares or retained and reinvested for holders of accumulation shares. Should expenses and taxation together exceed revenue, there will be no distribution and the shortfall will be met from capital. Distributions which have remained unclaimed by shareholders for six years are credited to the capital property of the sub-fund. Income equalisation applies to the fund. Equalisation applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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.

3. Net capital gains

	28 February 2025 £'000	29 February 2024 £'000
Non-derivative securities	**60,426**	70,250
Capital transaction charges	**–**	(2)
Forward currency contracts	**(15)**	(5)
Currency losses	**(117)**	(404)
Net capital gains	**60,294**	69,839

4. Direct transaction costs

For purchases and sales of equities, broker commissions, transfer taxes and stamp duty are paid by the sub-fund on each transaction and are summarised below.

Year ended 28 February 2025

	Principal £'000	Commissions £'000	Taxes £'000	Total after costs £'000	Commission as a percentage of principal %	Taxes as a percentage of principal %
Purchases						
Equities	875,604	101	777	876,482	0.01	0.09
Sales						
Equities	377,419	49	469	376,901	0.01	0.12
Total		**150**	**1,246**			
Percentage of sub- fund average net assets		**0.02%**	**0.13%**			

Year ended 29 February 2024

	Principal £'000	Commissions £'000	Taxes £'000	Total after costs £'000	Commission as a percentage of principal %	Taxes as a percentage of principal %
Purchases						
Equities	372,711	359	–	373,070	0.10	–
Sales						
Equities	138,626	219	1	138,406	(0.16)	–
Total		**578**	**1**			
Percentage of sub-fund average net assets		**0.12%**	**0.00%**			

During the year, the fund incurred £nil (2024: £2,000) in capital transaction charges.

Dealing spread

As at the balance sheet date the estimated portfolio dealing spread was 0.21% (2024: 0.22%). This spread represents the difference between the bid and offer prices of each underlying investment expressed as a percentage of the value determined by reference to its offer price.

5. Revenue

	28 February 2025 £'000	29 February 2024 £'000
Overseas dividends	**44,443**	25,261
Bank interest	**528**	172
Total revenue	**44,971**	25,433

6. Expenses

	28 February 2025 £'000	29 February 2024 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	**6,952**	3,468
Administration fees	**1,237**	899
Total expenses	**8,189**	4,367

All expenditure stated above is inclusive of irrecoverable VAT where applicable.
The audit fee (excluding VAT) accrued during the year was £9,730 (2024: £9,450). This fee is paid by the ACD via the administration fee.

7. Interest payable and similar charges

	28 February 2025 £'000	29 February 2024 £'000
Interest payable	**77**	68
Total interest payable and similar charges	**77**	68

8. Taxation

	28 February 2025 £'000	29 February 2024 £'000
a) Analysis of the tax charge for the year		
Irrecoverable overseas tax	**4,134**	2,653
Indian capital gains tax	**(1,780)**	2,821
Total taxation (note 8b)	**2,354**	5,474
b) Factors affecting the tax charge for the year		
Net revenue before taxation	**36,705**	20,998
Corporation tax of 20% (2024: 20%)	**7,341**	4,200
Effects of:		
Irrecoverable overseas tax	**4,134**	2,653
Unutilised management expenses	**1,005**	489
FX loss non taxable	**–**	(18)
Revenue taxable in different periods	**(46)**	(75)
Double tax relief	**(96)**	(64)
Indian capital gains tax	**(1,780)**	2,821
Non-taxable overseas dividends	**(8,204)**	(4,532)
Tax charge for the year (note 8a)	**2,354**	5,474

c) Provision for deferred tax

No provision for deferred tax has been made in the current or prior accounting year.

d) Factors that may affect future tax charges

The sub-fund has not recognised a deferred tax asset of £3,500,000 (2024: £2,495,000) arising as a result of having unutilised management expenses of £17,481,000 (2024: £12,458,000) and non-trade loan relationship deficits of £15,000 (2024: £15,000). It is unlikely that the sub-fund will obtain relief for these in the future so no deferred tax asset has been recognised.

9. Distributions

	28 February 2025 £'000	29 February 2024 £'000
Final dividend distribution	**45,144**	24,879
Add: amounts deducted on cancellation of shares	**8,528**	3,552
Deduct: amounts added on issue of shares	**(19,663)**	(9,393)
Distributions	**34,009**	19,038
Movement between net revenue and distributions		
Net revenue after taxation	**34,351**	15,524
Annual management charge paid from capital	**1,438**	631
Revenue received on conversion of shares	**–**	62
Indian capital gains tax	**(1,780)**	2,821
	34,009	19,038

The distributions take account of amounts added on the issue of shares and amounts deducted on the cancellation of shares. Details of the distributions per share are set out in the distribution tables on page 99.

10. Fair value hierarchy

All investments are designated at fair value through profit or loss on initial recognition. The following table provides an analysis of these investments based on the fair value hierarchy in accordance with FRS 102 which reflects the reliability and significance of the information used to measure their fair value.

The disclosure is split into the following categories:

Level 1 – Investments with unadjusted quoted prices in an active market;
Level 2 – Investments whose fair value is based on inputs other than quoted prices that are either directly or indirectly observable;
Level 3 – Investments whose fair value is based on inputs that are unobservable (i.e. for which market data is unavailable).

	28 February 2025 Assets £'000	29 February 2024 Assets £'000
Level 1	**1,223,091**	661,333
Level 3 *	**–**	–
Total	**1,223,091**	661,333

* Depositary receipts with underlying exposure to Russian assets have been valued at nil due to the current sanctions in place. The ACD continues to monitor and assess the valuation as information becomes available.

11. Debtors

	28 February 2025 £'000	29 February 2024 £'000
Amounts receivable for issue of shares	**16,548**	7,324
Accrued revenue	**3,912**	3,030
Overseas withholding tax recoverable	**35**	199
Total debtors	**20,495**	10,553

12. Cash and cash equivalents

	28 February 2025 £'000	29 February 2024 £'000
Amounts held in liquidity funds	**15,104**	4,542
Cash and bank balances	**1,869**	443
Total cash and cash equivalents	**16,973**	4,985

13. Bank overdraft

	28 February 2025 £'000	29 February 2024 £'000
Bank overdrafts	**243**	243
Total bank overdraft	**243**	243

14. Other creditors

	28 February 2025 £'000	29 February 2024 £'000
Amounts payable for cancellation of shares	**5,299**	2,231
Accrued Indian capital gains	**1,206**	2,986
Accrued annual management charge	**692**	365
Accrued administration fee payable to the ACD	**106**	96
Purchases awaiting settlement	**–**	2,910
Accrued other expenses	**5**	–
Total other creditors	**7,308**	8,588

15. Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

16. Reconciliation of share movements

	Shares in issue at 29 February 2024	Shares issued	Shares cancelled	Shares converted	Shares in issue at 28 February 2025
E distribution GBP	41,359,898	19,436,111	(14,167,623)	–	**46,628,386**
E accumulation GBP	73,396,217	115,180,843	(41,245,697)	27,775	**147,359,138**
I distribution GBP	60,998,494	114,704,469	(53,572,123)	45,800	**122,176,640**
I accumulation GBP	233,063,503	233,067,512	(81,878,870)	(48,952)	**384,203,193**
QI distribution GBP *	–	17,230	(17)	–	**17,213**

* Launched on 29 August 2024.

17. Risk disclosures

In pursuing its investment objective, the sub-fund may hold a number of financial instruments. These financial instruments comprise equities, cash balances and liquid resources, which include debtors and creditors that arise directly from the sub-fund's operations.

The ACD has a risk management policy. The processes detailed within are designed to monitor and measure at any time the risk of the sub-fund's positions and their contribution to the overall risk profile of the sub-fund. In addition, our Investment Committee and Risk and Compliance Committee meet monthly and quarterly respectively, and as required to evaluate risk across each of our funds. These policies have been consistent for both the current and prior period to which these financial statements relate.

In the normal course of business, the sub-fund's activities expose it to various types of risk which are associated with the financial instruments and markets in which it invests. These financial risks: market risk (comprising currency risk, interest rate risk, other market price risk and leverage risk), credit and counterparty risk and liquidity risk and the approach to the management of these risks, are set out below and remain unchanged from the previous accounting year. For a detailed explanation of these and further risks involved in investing in the sub-fund, reference should be made to the Prospectus.

(a) Market risk

Market risk, which includes interest rate risk, currency risk, other price risk and leverage risk arises mainly from uncertainty about future values of financial instruments in the sub-fund's investment portfolio. The sub-fund, in order to meet its investment objective and policy, invests predominantly in equities and maintains an appropriate spread of investments in accordance with COLL and the Prospectus to seek to reduce the risks arising from factors specific to a particular company or sector. The ACD's investment strategy is to select investments for their fundamental value. Stock selection is therefore based on disciplined accounting, market and sector analysis, with the emphasis on long-term investments. There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-fund disclosed in the balance sheet.

(i) Interest rate risk

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. As the majority of the sub-fund's financial assets are non-interest bearing, the sub-fund is only subject to limited exposure to fair value interest rate risk due to fluctuations in levels of market interest rates and therefore no sensitivity analysis has been provided.

(ii) Currency risk

A portion of the net assets of the sub-fund are denominated in currencies other than sterling, and therefore the balance sheet and total return can be affected by currency movements. Therefore, the ACD may decide that a proportion of the investments that are not priced in sterling, may be covered by forward currency contracts, so that the sub-fund's exposure to currency risk is reduced. The loss on forward currency contracts for the year was £15,000 (2024: £5,000).

Revenue received in foreign currencies is converted into sterling on or near the date of receipt.

The exposure to each currency is shown in the table below.

Currency	Investments £'000	Net other assets £'000	Total £'000
28 February 2025			
Hong Kong Dollar	**390,536**	**–**	**390,536**
Taiwan Dollar	**184,039**	**8**	**184,047**
South Korean Won	**137,856**	**1,714**	**139,570**
Indian Rupee	**100,539**	**(1,167)**	**99,372**
Brazilian Real	**57,806**	**1,769**	**59,575**
US Dollar	**53,374**	**392**	**53,766**
UAE Dirham	**50,174**	**–**	**50,174**
Chinese Yuan Renminbi	**49,694**	**–**	**49,694**
South African Rand	**47,303**	**–**	**47,303**
Polish Zloty	**27,373**	**27**	**27,400**
Indonesian Rupiah	**26,893**	**–**	**26,893**
Thai Baht	**24,340**	**–**	**24,340**
Hungarian Forint	**23,007**	**–**	**23,007**
Colombian Peso	**21,607**	**–**	**21,607**
Sterling	**–**	**15,805**	**15,805**
Mexican Nuevo Peso	**14,179**	**67**	**14,246**
Philippine Peso	**10,669**	**–**	**10,669**
Turkish Lira	**3,702**	**–**	**3,702**
Vietnamese Dong	**–**	**1,411**	**1,411**
29 February 2024			
Hong Kong Dollar	140,724	–	140,724
South Korean Won	103,107	1,277	104,384
Taiwan Dollar	83,091	157	83,248
Indian Rupee	69,508	(2,411)	67,097
US Dollar	64,157	392	64,549
Brazilian Real	49,657	949	50,606
Chinese Yuan Renminbi	29,275	–	29,275
UAE Dirham	23,546	–	23,546
Turkish Lira	20,861	–	20,861
South African Rand	18,836	–	18,836
Polish Zloty	13,954	42	13,996
Indonesian Rupiah	9,260	–	9,260
Thai Baht	8,988	134	9,122
Mexican Nuevo Peso	7,481	–	7,481
Colombian Peso	7,367	–	7,367
Vietnamese Dong	5,805	–	5,805
Philippine Peso	3,809	–	3,809
Hungarian Forint	1,907	–	1,907
Sterling	–	531	531

A five percent increase in the value of the sub-fund's foreign currency exposure would have the effect of increasing the return and net assets by £61,366,000 (2024: £33,094,000). A five percent decrease would have an equal and opposite effect.

(iii) Other price risk

Other price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices (other than those relating to interest rate risk, currency risk and credit and counterparty risk), whether caused by factors specific to an investment or wider issues affecting the market generally. The value of equities is dependent on a number of factors, arising from the performance of the company itself and matters arising in the wider market (for example the state of the underlying economy and current government policy). The portfolio is invested in securities domiciled in a number of countries as detailed in the portfolio statement and will be exposed to market movements in the relevant country arising from changes in the local economy and government decisions. As part of the continuing review of the portfolio, the ACD monitors and reviews these factors. A five percent increase in the value of the sub-fund's portfolio would have the effect of increasing the return and net assets by £61,155,000 (2024: £33,067,000). A five percent decrease would have an equal and opposite effect.

(iv) Leverage risk

Leverage is defined as any method by which the sub-fund can increase its exposure by borrowing cash or securities or from leverage that is embedded in derivative positions. The ACD is required to calculate and monitor the level of leverage of a sub-fund, expressed as a percentage of the exposure of the sub-fund and its net asset value under 'sum of the notionals' and ' commitment' method.

The sub-fund can use cash borrowing and financial derivatives (subject to restrictions as set out in its Prospectus and COLL) as sources of leverage. A result of 100% indicates that no leverage has been used.

The maximum level of leverage which the ACD may employ on behalf of the sub-fund is 200% under the commitment method. A result of 100% indicates that no leverage has been used.

As at 28 February 2025 and 29 February 2024 the leverage ratios of the sub-fund were:

	28 February 2025 %	29 February 2024 %
Sum of the notionals	**100.0**	100.0
Commitment	**100.0**	100.0

(b) Credit and counterparty risk

Credit and counterparty risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment it has entered into with the sub-fund, resulting in a financial loss. From time to time, the sub-fund may be subject to short-term credit risk with counterparties pending settlement of investment transactions. The ACD has a pre-approved list of counterparties it uses for investment transactions, which is reviewed on a regular basis. The largest counterparty risk is with Northern Trust Investor Services Limited, the sub-fund's custodian and banker, who holds the sub-fund's investments and maintains the bank accounts. Bankruptcy or insolvency of Northern Trust Investor Services Limited may cause the sub-fund's rights with respect to securities and cash held by the custodian to be delayed or limited. The sub-fund is also exposed to counterparty risk through holding specific financial instruments.

The ACD is permitted to use one or more separate counterparties for derivative transactions. The sub-fund may enter into transactions in over-the-counter ('OTC') markets that expose it to the credit of its counterparties and their ability to satisfy the terms of such contracts. Where the sub-fund enters into derivative contracts, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of bankruptcy or insolvency of a counterparty, the sub-fund could experience delays in liquidating the position and may incur significant losses. There may be a risk that a counterparty will be unable to meet its obligations with regard to the return of the collateral and may not meet other payments due to the sub-fund. To minimise such risk the ACD will assess the creditworthiness of any counterparty that it engages. On a daily basis the ACD assesses the level of assets with each counterparty to ensure that the exposure is within the defined limits in accordance with the requirements stipulated in COLL and the Prospectus. Aside from the custodian, the derivative counterparties and brokers where trades are pending settlement, there were no significant concentrations of credit and counterparty risk as at 28 February 2025 or 29 February 2024.

Counterparty and collateral exposure

As at 28 February 2025 and 29 February 2024 no financial derivative instruments were held.

(c) Liquidity risk

Liquidity risk is the risk that through market liquidity conditions, requests for redemptions from investors cannot be met in an orderly and appropriate manner. Artemis adopts a policy of mitigation and control to manage liquidity risks. Mitigation occurs through maintaining prudent levels of liquidity in each sub-fund and a well-diversified investor base. As a result, redemption requests can be satisfied in all but exceptional circumstances.

Artemis has a dedicated liquidity risk management policy which is owned by the independent investment risk team which reports to the Chief Risk Officer. Its purpose is to ensure the portfolio manager acts in the client's best interest with regards to this liquidity risk.

Through the use of 3rd party modeling and assumptions, the investment risk team conduct regular monitoring and analyses of the liquidity profile of the sub-funds and investor base. This includes but is not limited to what percentage of the sub-fund can be liquidated within certain redemption horizons, whether the largest investors in the sub-fund can redeem without affecting the fair treatment of remaining investors, liquidity stress testing and other analysis deemed to cover a risk specific to the strategy considered.

There was no significant concentration of liquidity risk as at 28 February 2025 or 29 February 2024.

18. Related party transactions

The ACD is deemed to be a related party. All transactions and balances associated with the ACD are disclosed within the statement of total return, statement of change in net assets attributable to shareholders and the balance sheet on page 90 and notes 6, 9, 11 and 14 on pages 93 to 95 including all issues and cancellations where the ACD acted as principal. The balance due from the ACD as at
28 February 2025 in respect of these transactions was £10,451,000 (2024: £4,632,000 due from the ACD).

19. Share classes

The annual management charges on each share class is as follows:

E distribution GBP	0.600%
E accumulation GBP	0.600%
I distribution GBP	0.750%
I accumulation GBP	0.750%
QI distribution GBP	0.750%

The net asset value per share and the number of shares in each class are given in the comparative tables on pages 100 and 101. The distributions per share class are given in the distribution tables on page 99. All classes have the same rights on winding up.

20. Post balance sheet event

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

DISTRIBUTION TABLES

This sub-fund pays quarterly and annual dividend 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
Third interim	1 September 2024	30 November 2024	1 December 2024	31 January 2025
Final	1 December 2024	28 February 2025	1 March 2025	30 April 2025

Annual distribution period	Start	End	Ex-dividend date	Pay date
Final	1 March 2024	28 February 2025	1 March 2025	30 April 2025

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.

The fund has not held more than 60% of its net assets in the interest bearing securities during any of the distribution periods. 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 credit loan relationship for corporation tax purposes.

E distribution GBP

Dividend distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Unfranked	2024 Distribution per share (p)
Final	1.7390	3.4177	5.1567	100.00%	0.00%	4.9437

E accumulation GBP

Dividend distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Unfranked	2024 Distribution per share (p)
Final	0.9304	3.8243	4.7547	100.00%	0.00%	4.4229

I distribution GBP

Dividend distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Unfranked	2024 Distribution per share (p)
Final	2.6947	3.4329	6.1276	100.00%	0.00%	5.8868

I accumulation GBP

Dividend distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Unfranked	2024 Distribution per share (p)
Final	2.4690	4.8830	7.3520	100.00%	0.00%	6.8635

QI distribution GBP *

Dividend distributions for the period ended 28 February 2025	Group 2 Net revenue per share (p)	Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Unfranked	2024 Distribution per share (p)
Third interim	0.5384	–	0.5384	100.00%	0.00%	–
Final	0.1331	0.4914	0.6245	100.00%	0.00%	–

* Launched 29 August 2024.

Comparative tables

	E distribution GBP			E accumulation GBP		
	2025	2024	2023	2025	2024	2023
Change in net assets per share (p)						
Opening net asset value per share	**111.61**	**99.51**	**100.00**	**119.48**	**102.07**	**100.00**
Return before operating charges *	13.39	17.87	2.56	14.32	18.27	2.59
Operating charges	(0.87)	(0.83)	(0.52)	(0.93)	(0.86)	(0.52)
Return after operating charges *	**12.52**	**17.04**	**2.04**	**13.39**	**17.41**	**2.07**
Distributions	(5.16)	(4.94)	(2.53)	(4.75)	(4.42)	(2.41)
Retained distributions on accumulation shares	–	–	–	4.75	4.42	2.41
Closing net asset value per share	**118.97**	**111.61**	**99.51**	**132.87**	**119.48**	**102.07**
* after direct transaction costs of	(0.11)	(0.19)	(0.18)	(0.12)	(0.19)	(0.18)
Performance						
Return after charges	11.22%	17.12%	2.04%	11.21%	17.06%	2.07%
Other information						
Closing net asset value (£'000)	55,473	46,163	103	195,793	87,696	20,573
Closing number of shares	46,628,386	41,359,898	103,165	147,359,138	73,396,217	20,155,888
Operating charges	0.73%	0.79%	0.79%	0.73%	0.79%	0.79%
Direct transaction costs	0.09%	0.18%	0.18%	0.09%	0.18%	0.18%
Prices						
Highest share price (p)	128.63	116.65	107.12	137.69	119.58	107.12
Lowest share price (p)	109.92	97.48	92.88	117.67	99.93	92.88

	I distribution GBP			I accumulation GBP		
	2025	2024	2023	2025	2024	2023
Change in net assets per share (p)						
Opening net asset value per share	**132.77**	**118.42**	**125.42**	**192.03**	**164.28**	**161.31**
Return before operating charges *	15.89	21.42	3.40	22.99	29.37	4.49
Operating charges	(1.24)	(1.18)	(1.18)	(1.80)	(1.62)	(1.52)
Return after operating charges *	**14.65**	**20.24**	**2.22**	**21.19**	**27.75**	**2.97**
Distributions	(6.13)	(5.89)	(9.22)	(7.35)	(6.86)	(10.69)
Retained distributions on accumulation shares	–	–	–	7.35	6.86	10.69
Closing net asset value per share	**141.29**	**132.77**	**118.42**	**213.22**	**192.03**	**164.28**
* after direct transaction costs of	(0.13)	(0.22)	(0.22)	(0.19)	(0.31)	(0.29)
Performance						
Return after charges	11.03%	17.09%	1.77%	11.03%	16.89%	1.84%
Other information						
Closing net asset value (£'000)	172,623	80,987	48,674	819,210	447,558	291,917
Closing number of shares	122,176,640	60,998,494	41,101,911	384,203,193	233,063,503	177,689,480
Operating charges	0.88%	0.94%	0.94%	0.88%	0.94%	0.94%
Direct transaction costs	0.09%	0.18%	0.18%	0.09%	0.18%	0.18%
Prices						
Highest share price (p)	152.78	138.77	133.99	220.97	192.19	172.42
Lowest share price (p)	130.74	116.13	116.22	189.10	160.82	149.56

* Direct transaction costs are stated after deducting the amounts collected in relation to estimated dealing costs added to the issue of shares and subtracted from the cancellation of shares.

The operating charges are calculated on an ex-post basis. High and low price disclosures are based on quoted share prices. Therefore, opening and closing NAV prices may fall outside the high/low price threshold.

	QI distribution GBP **
	2025
Change in net assets per share (p)	
Opening net asset value per share	**100.00**
Return before operating charges *	8.32
Operating charges	(0.47)
Return after operating charges *	**7.85**
Distributions	(1.16)
Closing net asset value per share	**106.69**
* after direct transaction costs of	(0.10)
Performance	
Return after charges	7.85%
Other information	
Closing net asset value (£'000)	18
Closing number of shares	17,213
Operating charges	0.88%
Direct transaction costs	0.09%
Prices	
Highest share price (p)	111.21
Lowest share price (p)	96.34

* Direct transaction costs are stated after deducting the amounts collected in relation to estimated dealing costs added to the issue of shares and subtracted from the cancellation of shares.
** Launched on 29 August 2024.

The operating charges are calculated on an ex-post basis. High and low price disclosures are based on quoted share prices. Therefore, opening and closing NAV prices may fall outside the high/low price threshold.

Ongoing charges

Class	28 February 2025
E distribution GBP	0.730%
E accumulation GBP	0.730%
I distribution GBP	0.880%
I accumulation GBP	0.880%
QI distribution GBP *	0.880%

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.

* Ongoing charges shows the estimated annual operating expenses as a percentage of the average net assets of that class since launch.

Class I accumulation performance

	Since launch *	5 years	3 years	1 year	6 months
Artemis SmartGARP Global Emerging Markets Equity Fund **	112.6	60.6	31.6	10.6	7.2
Artemis SmartGARP Global Emerging Markets Equity Fund ***	112.8	59.5	32.6	10.8	7.1
MSCI EM (Emerging Markets) NR GBP	61.7	25.0	8.0	10.6	4.8
Global Emerging Markets Average	64.9	25.6	7.0	7.7	3.9
Position in sector	2/45	2/61	1/66	22/70	7/70
Quartile	1	1	1	2	1

Past performance is not a guide to the future.

* Source: Lipper Limited, class I accumulation GBP from 8 April 2015 to 28 February 2025. 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**	• 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	The sub-fund may use derivatives: • 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	• Any
	Other limitations specific to this sub-fund	• 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	• 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	• **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.
- **Counterparty risk**: Investments such as derivatives are made using financial contracts with third parties which may fail to meet their obligations to the fund due to events beyond the fund's control. The fund's value could fall because of loss of monies owed by the counterparty and/or the cost of replacement financial contracts.

There was no change to the risk indicator in the year ended 28 February 2025.

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

The US market makes strong gains…

Over the 12 months to 28 February 2025, US equity markets delivered strong gains, driven by resilient economic growth, lower inflation and enthusiasm around AI-related investments. The S&P 500 reached new all-time highs, led by large-cap technology and communication services stocks. Macroeconomic data remained robust, with GDP growth exceeding expectations and the labour market showing ongoing strength. Inflation continued its downward trajectory, allowing the Federal Reserve to shift towards a more dovish stance. Markets are now pricing in potential rate cuts later in 2025. Political uncertainty resurfaced early in the period when Donald Trump secured the Republican nomination for president and markets began to weigh up the implications of a potential second Trump presidency on fiscal policy, trade, and regulation.

…but the sub-fund underperforms

Against this backdrop, the Artemis US Extended Alpha Fund generated a return of 10.7%, underperforming the S&P 500 benchmark, which returned 19.0%[1]. The underperformance was concentrated on the long side, particularly towards the end of the review period when heightened uncertainty about the outlook for the US economy led to sharp falls in the market. In general, the biggest fallers were the stocks that had performed the best, as well as more cyclical areas. In terms of sectors, our exposure to industrials and healthcare were the largest detractors. The short book partially offset some of the weakness.

Life science and building companies weaken

On the negative side, life science companies ICON and Avantor were the largest detractors. The former reported a significant slowdown in growth and the latter fell on disappointment around a delayed recovery in revenues. Elevance Health, the managed care provider, also detracted, impacted by uncertainty around healthcare policy and claims trends. House building-related stocks such as Builders FirstSource suffered, reflecting rising input costs and uncertainty around US housing demand. Occidental Petroleum, meanwhile, underperformed alongside broader weakness in energy stocks, with oil prices facing pressure from both inventory build-up and geopolitical ambiguity.

Among the better contributors to performance was fintech company Fiserv, which rose strongly as markets rewarded its resilient earnings and continued transition into a broader financial technology platform. Progressive, the US auto and home insurer, also performed well, helped by pricing discipline and improving margins. The sub-fund's position in US Foods added value, as the stock rallied on the back of margin recovery and robust foodservice demand. Flutter Entertainment, a new entrant in the US sports betting market, contributed positively as it gained market share and impressed investors with its long-term growth outlook. Other notable positive performers included Constellation Energy, which benefited from renewed interest in nuclear and zero-carbon energy generation.

Activity in the sub-fund

We made a number of changes to the sub-fund over the period. We sold some healthcare stocks, namely McKesson, Elevance, and Icon, as the outlook for the sector as a whole became more uncertain. Within the so called 'Magnificent 7' we cut our holdings in NVIDIA and Microsoft. We reduced NVIDIA on a more muted near-term outlook, although we still have conviction in the company's long-term prospects. The reduction in Microsoft was because of headwinds that will likely persist as the company transitions from a capital-light to capital-intensive business model.

We recycled this capital into more defensive areas, such as Coca Cola and insurance company Allstate, as well as areas where share prices were unduly hit, such as Capital One, Smurfit Westrock and Somnigroup.

Adrian Brass, James Dudgeon and William Warren
Fund managers

Past performance is not a guide to the future.

[1] 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.

Investment information

Ten largest purchases and sales for the year ended 28 February 2025

Purchases	Cost £'000	Sales	Proceeds £'000
US Treasury 0.00% 26/12/2024	9,790	US Treasury 0.00% 26/12/2024	15,941
US Treasury 0.00% 24/07/2025	7,696	NVIDIA	8,727
Parker-Hannifin	5,870	Aon	7,405
CMS Energy	4,846	Alphabet 'A'	7,177
Goldman Sachs	4,838	Microsoft	6,293
Coca-Cola	4,670	McKesson	5,567
Allstate	4,632	Elevance Health	5,223
Broadcom	4,590	Micron Technology	5,199
Vulcan Materials	4,586	Constellation Energy	4,904
Stryker	4,172	ICON	4,667

Portfolio statement as at 28 February 2025

Investment	Holding	Valuation £'000	% of net assets
Equities 94.65% (96.31%)			
Communication Services 6.86% (7.25%)			
Liberty Media	53,277	4,075	1.99
Meta Platforms 'A'	15,679	8,314	4.06
Walt Disney	18,316	1,655	0.81
		14,044	**6.86**
Consumer Discretionary 11.96% (13.56%)			
Amazon.com	71,081	11,970	5.85
Burlington Stores	20,506	4,056	1.98
Chipotle Mexican Grill	26,237	1,124	0.55
Flutter Entertainment	15,889	3,538	1.73
Tempur Sealy International	74,777	3,793	1.85
		24,481	**11.96**
Consumer Staples 6.61% (5.37%)			
Coca-Cola	83,793	4,736	2.31
Performance Food	56,398	3,812	1.86
US Foods	87,885	5,002	2.44
		13,550	**6.61**
Energy 0.94% (0.96%)			
ONEOK	24,203	1,928	0.94
		1,928	**0.94**
Financials 16.92% (13.08%)			
Allstate	30,006	4,748	2.32
Capital One Financial	27,593	4,394	2.15
Fiserv	22,932	4,290	2.09
Goldman Sachs Group	6,989	3,453	1.69
Intercontinental Exchange	19,619	2,698	1.32
Jefferies Financial	39,810	2,092	1.02
KKR	17,265	1,858	0.91
Progressive	25,574	5,725	2.80
Wells Fargo	86,362	5,371	2.62
		34,629	**16.92**

Artemis US Extended Alpha Fund

Investment	Holding	Valuation £'000	% of net assets
Equities 94.65% (96.31%) (continued)			
Health Care 5.56% (12.40%)			
Avantor	145,714	1,931	0.94
Eli Lilly	4,073	2,973	1.45
Stryker	14,418	4,420	2.16
Zoetis	15,611	2,073	1.01
		11,397	**5.56**
Industrials 10.19% (10.75%)			
API Group	54,282	1,692	0.83
AZEK 'A'	68,493	2,548	1.24
Builders FirstSource	10,599	1,170	0.57
Copart	54,382	2,365	1.16
Core & Main	40,548	1,642	0.80
Eaton	11,362	2,644	1.29
Equifax	2,136	416	0.20
Parker-Hannifin	11,871	6,298	3.08
Saia	6,454	2,096	1.02
		20,871	**10.19**
Information Technology 16.61% (22.10%)			
Broadcom	30,149	4,777	2.33
Gartner	7,899	3,124	1.53
Micron Technology	17,999	1,339	0.65
Microsoft	38,033	11,989	5.85
NVIDIA	109,642	10,885	5.32
Western Digital	49,068	1,906	0.93
		34,020	**16.61**
Materials 8.13% (4.04%)			
Corteva	78,065	3,902	1.91
International Paper	103,387	4,625	2.26
Smurfit WestRock	90,803	3,754	1.83
Vulcan Materials	22,236	4,367	2.13
		16,648	**8.13**
Technology 4.33% (1.94%)			
Fidelity National Information Services	36,865	2,081	1.02
Lam Research	40,043	2,442	1.19
Salesforce	11,528	2,724	1.33
Sandisk	17,488	653	0.32
Tower Semiconductor	28,799	971	0.47
		8,871	**4.33**
Utilities 6.54% (4.86%)			
CMS Energy	37,351	2,166	1.06
Constellation Energy	4,489	892	0.44
NiSource	137,330	4,447	2.17
PG&E	180,591	2,341	1.14
PPL	126,535	3,537	1.73
		13,383	**6.54**
Equities total		**193,822**	**94.65**

Investment	Holding/ nominal value	Global exposure ^ £'000	Valuation £'000	% of net assets
Government Bonds 3.69% (2.98%)				
United States Treasury Bill 24/07/2025	$9,676,000		7,555	3.69
			7,555	**3.69**
Government Bonds total			**7,555**	**3.69**
Contracts for Difference 0.00% (0.01%)				
Communication Services 0.00% (0.00%)				
Snap 'A'	(35,752)	(293)	(2)	–
Telus	(49,505)	(610)	–	–
		(903)	**(2)**	**–**
Consumer Discretionary 0.01% (0.01%)				
A.O. Smith	(3,902)	(206)	–	–
Ball	(9,518)	(399)	(1)	–
Caesars Entertainment	(11,257)	(404)	(1)	–
CDW	(2,702)	(384)	(1)	–
Cogent Communications Holdings	(5,367)	(408)	(1)	–
Dick's Sporting Goods	(1,748)	(315)	(2)	–
Domino's Pizza	(1,124)	(438)	(1)	–
Draftkings	(5,753)	(417)	(3)	–
eBay	(6,036)	(311)	(1)	–
Floor & Decor Holdings A	(2,731)	(211)	(1)	–
Gap	(17,840)	(323)	(2)	–
H&R Block	(20,302)	(882)	(4)	(0.01)
Hilton Worldwide Holdings	15,206	3,210	11	–
Home Depo	(2,278)	(717)	–	–
InterContinental Hotels	(4,004)	(394)	4	–
Lowe's	16,990	3,353	(1)	–
Murphy	(1,622)	(606)	(2)	–
Nike 'B'	(5,103)	(323)	(1)	–
Pulte Homes	(2,541)	(208)	–	–
Restaurat Brands International	(4,387)	(403)	(1)	–
Sealed Air	(18,391)	(501)	(2)	–
Sirius XM Holdings	(10,469)	(202)	(1)	–
Tesla	8,208	1,963	54	0.02
TJX	(9,312)	(924)	(2)	–
Toll Brothers	(2,338)	(208)	(1)	–
Tractor Supply	(11,737)	(517)	(1)	–
Ulta Beauty	(1,417)	(413)	(1)	–
Urban Outfitters	(4,784)	(223)	(1)	–
Warner Music 'A'	(14,091)	(378)	(1)	–
Wingstop	(1,078)	(202)	(1)	–
Yum Brands	(3,439)	(428)	(1)	–
		(2,819)	**34**	**0.01**
Consumer Staples 0.00% (0.00%)				
Church & Dwight	(3,476)	(307)	–	–
Dollarama	(5,563)	(461)	1	–
Flowers Foods	(26,692)	(398)	–	–
J.M. Smucker	(5,082)	(446)	–	–
Kenvue	(27,421)	(515)	(1)	–
Keurig Dr Pepper	(16,770)	(446)	–	–
Mccormick	(11,238)	(737)	–	–
Sysco	(17,069)	(1,025)	(1)	–

Investment	Holding/ nominal value	Global exposure ^ £'000	Valuation £'000	% of net assets
Contracts for Difference 0.00% (0.01%) (continued)				
Target	(3,118)	(310)	(2)	–
		(4,645)	**(3)**	**–**
Financials (0.01)% (0.00%)				
American Express	(1,749)	(420)	(2)	–
Aon 'A'	14,165	4,611	10	0.01
Ares Management	(2,294)	(313)	(2)	–
Artisan Partners Asset Management	(13,268)	(448)	(3)	–
BlackRock	(622)	(485)	(2)	–
Charles Schwab	(8,294)	(524)	–	–
Chubb	(2,021)	(458)	–	–
FactSet Research Systems	(1,125)	(413)	(1)	–
Jack Henry & Associates	(6,037)	(833)	(1)	–
Kinsale Capital	(1,372)	(473)	(3)	–
T. Rowe Price	(9,593)	(809)	(4)	(0.01)
TPG	(13,364)	(590)	(5)	(0.01)
Union First Market Bankshares	(14,293)	(407)	(2)	–
		(1,562)	**(15)**	**(0.01)**
Health Care 0.00% (0.00%)				
IQVIA Holdings	(2,656)	(400)	(2)	–
Thermo Fisher Scientific	4,369	1,838	3	–
		1,438	**1**	**–**
Industrials (0.01)% (0.00%)				
AAON	(3,549)	(217)	(1)	–
Advanced Drainage Systems	(3,322)	(405)	(3)	–
AECOM	(5,095)	(407)	(2)	–
Baker Hughes	47,425	1,682	3	–
Blue Owl Capital	(33,580)	(578)	(4)	–
Carrier Global	(6,142)	(318)	(2)	–
Clean Harbors	(3,397)	(679)	(4)	(0.01)
Exponent	(6,422)	(434)	(2)	–
Fastenal	(7,089)	(425)	1	–
Ferguson Enterprise	(3,709)	(525)	(3)	–
Fluor	(15,433)	(467)	(1)	–
Fortune Brands Innovations	(5,194)	(268)	(1)	–
Illinois Tool Works	(3,139)	(660)	(2)	–
Jacobs Solutions	(4,058)	(414)	(1)	–
Linde	(2,164)	(803)	(1)	–
Masco	(9,285)	(555)	(1)	–
Norfolk Southern	(2,969)	(580)	(1)	–
Old Dominion Freight Line	(4,988)	(701)	(2)	–
Owens-Corning	(2,223)	(273)	(1)	–
SiteOne Landscape Supply	(5,306)	(536)	(4)	(0.01)
Snap-on	(2,261)	(614)	(2)	–
Transunion	44,515	3,285	18	0.01
Trex	(5,601)	(276)	(2)	–
United Rentals	(767)	(394)	(3)	–
		(5,562)	**(21)**	**(0.01)**

Investment	Holding/ nominal value	Global exposure ^ £'000	Valuation £'000	% of net assets
Contracts for Difference 0.00% (0.01%) (continued)				
Information Technology (0.01)% (0.00%)				
Apple	35,409	6,789	(10)	(0.01)
F5	(1,066)	(248)	(1)	–
Infosys	(24,944)	(400)	(2)	–
Mastercard 'A'	15,496	7,088	(2)	–
		13,229	**(15)**	**(0.01)**
Materials 0.00% (0.00%)				
Amcor	(38,598)	(310)	–	–
Lyondellbasell Industries	(3,620)	(220)	–	–
Martin Marietta Materials	(2,062)	(794)	(3)	–
RPM International	(4,080)	(402)	(1)	–
Sherwin-Williams	(1,851)	(534)	(2)	–
Steel Dynamics	(2,087)	(225)	(1)	–
Teck Resources 'B'	(6,314)	(203)	(1)	–
		(2,688)	**(8)**	**–**
Real Estate 0.00% (0.00%)				
AGNC Investment	(36,219)	(300)	–	–
Apple Hospitality	(40,707)	(480)	(1)	–
Digital Realty Trust	(3,148)	(392)	(1)	–
Iron Mountain	(7,088)	(525)	(1)	–
Ryman Hospitalities Properties	(4,814)	(379)	(1)	–
		(2,076)	**(4)**	**–**
Technology 0.02% (0.00%)				
Alphabet 'A'	29,773	4,064	39	0.02
Arm Holdings	(7,754)	(309)	(3)	–
Cognizant Technology Solutions	(6,084)	(404)	(1)	–
Entegris	(5,294)	(430)	(5)	(0.01)
Hewlett Packard Enterprise	123,296	1,955	16	0.01
Okta	(5,684)	(413)	(5)	–
SentinelOne 'A'	(18,290)	(302)	(3)	–
UiPath 'A'	(30,766)	(303)	(2)	–
Workiva	(2,926)	(307)	(2)	–
		3,551	**34**	**0.02**
Utilities 0.00% (0.00%)				
American Water Works	(5,522)	(596)	1	–
		(596)	**1**	**–**
Contracts for Difference total		**(2,633)**	**2**	**–**
Options 0.00% (0.08%)				

Artemis US Extended Alpha Fund

Investment	Valuation £'000	% of net assets
Forward Currency Contracts (0.02)% ((0.02)%)		
I accumulation GBP (NAV hedged) (0.02)% ((0.02)%)		
Buy US Dollar 135,281, sell Sterling 99,258 dated 06/03/2025	–	–
Buy Sterling 11,410,861, sell US Dollar 14,438,395 dated 31/03/2025	(54)	(0.02)
Forward Currency Contracts total	**(54)**	**(0.02)**
Investment assets (including investment liabilities)	**201,325**	**98.32**
Net other assets	**3,450**	**1.68**
Net assets attributable to shareholders	**204,775**	**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 year ended 28 February 2025

	Note	28 February 2025 £'000	28 February 2025 £'000	29 February 2024 £'000	29 February 2024 £'000
Income					
Net capital gains	3		**21,495**		52,226
Revenue	5	**4,002**		4,162	
Expenses	6	**(1,783)**		(1,852)	
Interest payable and similar charges	7	**(2,800)**		(2,950)	
Net expense before taxation		**(581)**		(640)	
Taxation	8	**(191)**		(221)	
Net expense after taxation			**(772)**		(861)
Total return before distributions			**20,723**		51,365
Distributions	9		**–**		(3)
Change in net assets attributable to shareholders from investment activities			**20,723**		51,362

Statement of change in net assets attributable to shareholders for the year ended 28 February 2025

	28 February 2025 £'000	28 February 2025 £'000	29 February 2024 £'000	29 February 2024 £'000
Opening net assets attributable to shareholders		**195,861**		244,998
Amounts receivable on issue of shares	**54,469**		23,555	
Amounts payable on cancellation of shares	**(66,278)**		(124,096)	
		(11,809)		(100,541)
Dilution adjustment		**–**		42
Change in net assets attributable to shareholders from investment activities		**20,723**		51,362
Closing net assets attributable to shareholders		**204,775**		195,861

Balance sheet as at 28 February 2025

	Note	28 February 2025 £'000	29 February 2024 £'000
Assets			
Fixed assets			
Investments	10	**201,538**	194,695
Current assets			
Debtors	11	**3,628**	4,584
Cash and cash equivalents	12	**3,001**	2,487
Total current assets		**6,629**	7,071
Total assets		**208,167**	201,766
Liabilities			
Investment liabilities	10	**213**	84
Creditors			
Bank overdraft	13	**198**	445
Other creditors	14	**2,981**	5,376
Total creditors		**3,179**	5,821
Total liabilities		**3,392**	5,905
Net assets attributable to shareholders		**204,775**	195,861

Notes to the financial statements

1. Accounting policies

(a) Basis of accounting. The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, in accordance with FRS 102 and the Statement of Recommended Practice ("SORP") issued by the Investment Management Association in May 2014 and amended in June 2017 and the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL'). The financial statements have been prepared on a going concern basis. The ACD believes that the sub-fund has adequate resources to continue in operational existence for the foreseeable future. No material events have been identified that may cast significant doubt about the sub-fund's ability to continue as a going concern for a period of twelve months from the date the financial statements are authorised for issue.

(b) Valuation of investments. All investments, including any derivatives, have been valued at close of business on the last working day of the accounting period. Where a sub-fund invests in markets that are closed for trading at the sub-fund's valuation point, the ACD will allow for the net asset value to be adjusted (based on movements of index futures or other suitable proxies in markets closed at the fund valuation point, since the last market close), to reflect more accurately the fair value of the sub-fund's investments. Listed investments are valued at fair value which is generally deemed to be the bid price excluding any element of accrued interest. Unquoted investments are valued at fair value which is determined by the ACD, with reference to the valuation guidelines issued by the International Private Equity and Venture Capital Valuation Guidelines Board. Exchange traded derivatives, including options and futures, are shown in the portfolio statement, and are priced at fair value, which is deemed to be the quoted bid price for long positions and quoted offer price for short positions. Open forward currency contracts are shown in the portfolio statement at market value and the net (losses)/gains are reflected within forward currency contracts under net capital gains. Contracts for difference and equity swaps are valued based on the prices of the underlying equities which will be deemed to be the quoted bid price for long positions and quoted offer price for short positions.

(c) Foreign exchange rates. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at 12 noon on the last working day of the accounting period. Revenue and expenditure transactions are translated at the rates of exchange ruling on the dates of the transactions. Exchange differences on such transactions follow the same treatment as the principal amounts.

(d) Revenue. Dividends receivable from equity and non-equity shares, including Real Estate Investment Trusts ("REITs"), are credited to revenue, net of attributable tax credits, when the security is quoted ex-dividend. Dividends received as shares (scrip/stock dividends), to the extent that the value of such dividends is equal to the cash dividends, are treated as revenue. Dividends on unquoted stocks are credited to revenue when the right to receive payment is established. Dividends are recognised gross of any overseas tax. Overseas tax is included as part of the tax charge. A provision is made for any overseas tax not considered recoverable at the balance sheet date, whether due to uncertainty as to receipt either due to circumstances or recovery experience in specific jurisdictions, or due to the significant time lag since the receipt of the dividend. Special dividends are reviewed on a case by case basis when determining if a dividend is to be treated as revenue or capital. It is likely that where a special dividend results in a significant reduction in the capital value of a holding, then the dividend will generally be treated as capital, otherwise this will be recognised as revenue. Bank interest and interest on margin accounts held with brokers is recognised as revenue on an accruals basis. Returns on derivative instruments are recognised as either revenue or capital depending on the nature and circumstances of each particular case. Net gains/(losses) are reflected within derivative contracts under net capital gains in the notes to the financial statements. Where futures generate total returns the returns are apportioned between capital and income to reflect the nature of the transaction. Any capital gains/losses are included within net capital gains and any revenue or expense is included within revenue or interest payable and similar charges respectively in the statement of total return. The revenue return element in respect of futures is calculated by reference to the quoted yield of the index upon which the future is based. The dividend equivalent values on contracts for difference are recognised when the underlying security is quoted ex-dividend. For long positions this is included in revenue whereas for short positions this is included in interest payable and similar charges. Premiums received from options, where these have been written for the purpose of generating additional revenue, are accounted for as revenue on an accruals basis. Otherwise these are treated as capital.

(e) Expenses. All expenses (other than the performance fee and those relating to the purchase and sale of investments) are charged against revenue on an accruals basis. Portfolio transaction costs are incurred by sub-funds when buying and selling investments. These costs vary depending on the types of investment and are made up of direct and indirect portfolio transaction costs. Direct portfolio transaction costs include Broker execution commission and taxes. Indirect portfolio transaction costs relate to the 'Dealing spread', which is the difference between the purchase and sale prices of the sub-fund's investments. Some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid.

(f) Taxation. Corporation tax is charged at a rate of 20% on the excess taxable revenue of the sub-fund. In general, the tax accounting treatment follows that of the principal amount. Deferred tax is provided for all timing differences that have originated but not reversed at the balance sheet date other than those recorded as permanent differences. Deferred tax is provided for at the average rate of tax expected to apply.

Deferred tax assets and liabilities are not discounted to reflect the time value of money. A deferred tax asset is only recognised to the extent that it is more likely than not that the asset will be recovered.

(h) Dilution adjustment. The sub-fund is priced on a single swinging price basis. The ACD has the discretion to charge a dilution adjustment as part of its daily valuation policy. This will mean that in certain circumstances the sub-fund will make adjustments to counter the impact of dealing and other costs on occasions when these are deemed to be significant. In the usual course of business, the application of a dilution adjustment will be applied systematically and on a consistent basis.

2. Distribution policy

The distribution policy of the sub-fund is to accumulate all available revenue, after deduction of expenses and taxation properly chargeable against revenue. The sub-fund did not satisfy the qualifying investments test of Statutory Instrument 2006/964 Authorised Investment Funds (Tax) Regulations 2006 Regulation 19 and where applicable will pay a dividend distribution. Gains and losses on investments and derivatives whether realised or unrealised, if taken to capital are not available for distribution. With the exception of the ACD's annual management charge, which is directly attributable to each share class, all income and expenses are apportioned to each share class pro-rata to the value of the net assets of the relevant share class on the day that the income or expense is recognised. All available net revenue accounted for in accordance with the above policies is distributed to holders of income shares or retained and reinvested for holders of accumulation shares. Should expenses and taxation together exceed revenue, there will be no distribution and the shortfall will be met from capital. Distributions which have remained unclaimed by shareholders for six years are credited to the capital property of the sub-fund. Income equalisation applies to the fund. Equalisation applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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.

3. Net capital gains

	28 February 2025 £'000	29 February 2024 £'000
Non-derivative securities	**16,075**	55,425
Derivative contracts	**5,405**	(3,716)
Currency gains	**152**	123
Forward currency contracts	**(137)**	394
Net capital gains	**21,495**	52,226

4. Direct transaction costs

For purchases and sales of equities, broker commissions, transfer taxes and stamp duty are paid by the sub-fund on each transaction and are summarised below. Bonds have no separately identifiable transaction costs; these costs form part of the dealing price.

						Year ended 28 February 2025
	Principal £'000	Commissions £'000	Taxes £'000	Total after costs £'000	Commission as a percentage of principal %	Taxes as a percentage of principal %
Purchases						
Equities	193,432	30	–	193,462	0.02	–
Bonds	17,486	–	–	17,486	–	–
Sales						
Equities	204,401	32	6	204,363	(0.02)	–
Bonds	15,941	–	–	15,941	–	–
Derivative purchases and sales	–	28	–	–	–	–
Total		**90**	**6**			
Percentage of sub-fund average net assets		**0.05%**	**0.00%**			

						Year ended 29 February 2024
	Principal £'000	Commissions £'000	Taxes £'000	Total after costs £'000	Commission as a percentage of principal %	Taxes as a percentage of principal %
Purchases						
Equities	172,411	28	–	172,439	0.02	–
Bonds	13,828	–	–	13,828	–	–
Sales						
Equities	278,350	41	–	278,309	0.02	–
Bonds	7,740	–	–	7,740	–	–
Derivative purchases and sales	–	26	**–**	–	–	–
Total		**95**	**–**			
Percentage of sub-fund average net assets		**0.05%**	**0.00%**			

During the year, the sub-fund incurred £nil (2024: £nil) in capital transaction charges.

Dealing spread

As at the balance sheet date the estimated portfolio dealing spread was 0.04% (2024: 0.09%). This spread represents the difference between the bid and offer prices of each underlying investment expressed as a percentage of the value determined by reference to its offer price.

5. Revenue

	28 February 2025 £'000	29 February 2024 £'000
Revenue from other derivatives	**2,040**	2,285
Overseas dividends	**1,372**	1,584
Bank interest	**275**	260
Interest on debt securities	**315**	33
Total revenue	**4,002**	4,162

6. Expenses

	28 February 2025 £'000	29 February 2024 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	**1,496**	1,548
Administration fees	**287**	304
Total expenses	**1,783**	1,852

All expenditure stated above is inclusive of irrecoverable VAT where applicable.
The audit fee (excluding VAT) accrued during the year was £12,510 (2024: £12,150). This fee is paid by the ACD via the administration fee.

7. Interest payable and similar charges

	28 February 2025 £'000	29 February 2024 £'000
Dividends payable on short positions	**2,769**	2,934
Interest payable	**31**	16
Total interest payable and similar charges	**2,800**	2,950

8. Taxation

	28 February 2025 £'000	29 February 2024 £'000
a) Analysis of the tax charge for the year		
Irrecoverable overseas tax	**191**	221
Total taxation (note 8b)	**191**	221
b) Factors affecting the tax charge for the year		
Net expense before taxation	**(581)**	(640)
Corporation tax of 20% (2024: 20%)	**(116)**	(128)
Effects of:		
Unutilised management expenses	**357**	371
Irrecoverable overseas tax	**191**	221
Unutilised non-trade deficit	**34**	74
Non-taxable overseas dividends	**(275)**	(317)
Tax charge for the year (note 8a)	**191**	221

c) Provision for deferred tax

No provision for deferred tax has been made in the current or prior accounting year.

d) Factors that may affect future tax charges

The sub-fund has not recognised a deferred tax asset of £10,351,000 (2024: £9,960,000) arising as a result of having unutilised management expenses of £49,747,000 (2024: £47,963,000) and non-trade loan relationship deficits of £2,010,000 (2024: £1,839,000). It is unlikely that the sub-fund will obtain relief for these in the future so no deferred tax asset has been recognised.

9. Distributions

	28 February 2025 £'000	29 February 2024 £'000
Final dividend distribution	–	–
Add: amounts deducted on cancellation of shares	–	4
Deduct: amounts added on issue of shares	–	(1)
Distributions	–	3
Movement between net expense and distributions		
Net expense after taxation	**(772)**	(861)
Deficit transferred to capital	**772**	865
Expenses paid from capital	–	(1)
	–	3

The distributions take account of amounts added on the issue of shares and amounts deducted on the cancellation of shares. Details of the distributions per share are set out in the distribution tables on page 121.

10. Fair value hierarchy

All investments are designated at fair value through profit or loss on initial recognition. The following table provides an analysis of these investments based on the fair value hierarchy in accordance with FRS 102 which reflects the reliability and significance of the information used to measure their fair value.

The disclosure is split into the following categories:

Level 1 – Investments with unadjusted quoted prices in an active market;
Level 2 – Investments whose fair value is based on inputs other than quoted prices that are either directly or indirectly observable;
Level 3 – Investments whose fair value is based on inputs that are unobservable (i.e. for which market data is unavailable).

	28 February 2025		29 February 2024	
	Assets £'000	**Liabilities £'000**	Assets £'000	Liabilities £'000
Level 1	**201,377**	**–**	194,623	–
Level 2	**161**	**213**	72	84
Total	**201,538**	**213**	194,695	84

11. Debtors

	28 February 2025 £'000	29 February 2024 £'000
Sales awaiting settlement	**1,752**	3,767
Amounts receivable for issue of shares	**892**	351
Amounts receivable on derivative contracts	**811**	387
Accrued revenue	**173**	74
Overseas withholding tax recoverable	**–**	5
Total debtors	**3,628**	4,584

12. Cash and cash equivalents

	28 February 2025 £'000	29 February 2024 £'000
Amounts held in liquidity funds	**2,087**	1,935
Collateral held with brokers	**699**	364
Cash and bank balances	**186**	170
Amounts held at brokers	**29**	18
Total cash and cash equivalents	**3,001**	2,487

13. Bank overdraft

	28 February 2025 £'000	29 February 2024 £'000
Collateral pledged with brokers	**198**	435
Bank overdrafts	**–**	10
Total bank overdraft	**198**	445

14. Other creditors

	28 February 2025 £'000	29 February 2024 £'000
Amounts payable on derivative contracts	**1,213**	648
Amounts payable for cancellation of shares	**826**	1,130
Purchases awaiting settlement	**797**	3,461
Accrued annual management charge	**122**	114
Accrued administration fee payable to the ACD	**23**	23
Total other creditors	**2,981**	5,376

15. Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

16. Reconciliation of share movements

	Shares in issue at 29 February 2024	Shares issued	Shares cancelled	**Shares in issue at 28 February 2025**
I accumulation GBP	43,641,225	11,514,824	(13,911,515)	**41,244,534**
I accumulation GBP (NAV hedged)	4,669,870	848,932	(1,430,037)	**4,088,765**

17. Risk disclosures

In pursuing its investment objective, the sub-fund may hold a number of financial instruments. These financial instruments comprise equities, bonds, derivatives, cash balances and liquid resources, which include debtors and creditors that arise directly from the sub-funds' operations. The sub-fund only executes derivative contracts where both the derivative instrument and the counterparty have been approved by the ACD.

The ACD has a risk management policy. The processes detailed within are designed to monitor and measure at any time the risk of the sub-fund's positions and their contribution to the overall risk profile of the sub-fund. In addition, our Investment Committee and Risk and Compliance Committee meet monthly and quarterly respectively, and as required to evaluate risk across each of our funds. These policies have been consistent for both the current and prior period to which these financial statements relate.

In the normal course of business, the sub-fund's activities expose it to various types of risk which are associated with the financial instruments and markets in which it invests. These financial risks: market risk (comprising value-at-risk), credit and counterparty risk and liquidity risk and the approach to the management of these risks, are set out below and remain unchanged from the previous accounting year. For a detailed explanation of these and further risks involved in investing in the sub-fund, reference should be made to the Prospectus.

(a) Market risk

Market risk, which includes value-at-risk arises mainly from uncertainty about future values of financial instruments in the sub-fund's investment portfolio. The sub-fund, in order to meet its investment objective and policy, invests predominantly in equities and maintains an appropriate spread of investments in accordance with COLL and the Prospectus to seek to reduce the risks arising from factors specific to a particular company or sector. The ACD's investment strategy is to select investments for their fundamental value. Stock selection is therefore based on disciplined accounting, market and sector analysis, with the emphasis on long-term investments. There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-fund disclosed in the balance sheet. The ACD uses a value-at-risk approach to measure the sub-funds exposure to market risk.

(i) Value-at-risk ('VaR')

The ACD is currently empowered to enter into derivative transactions on behalf of the sub-fund. The use of these strategies is subject to a risk management process and the ACD analyses the overall risk position of the sub-fund on a daily basis, which is then used by the ACD to evaluate the exposures and risks in the portfolio. As part of the process, the VaR is used on a daily basis to calculate the market price risk on the sub-fund relative to a reference portfolio, the S&P 500 Index. The maximum limit for UCITS funds is twice the VaR of the reference portfolio, i.e. +200%, in accordance with the Committee of European Securities Regulators ('CESR') guidance. A relative VaR of one indicates that the sub-fund is estimated to have the same market price risk as the reference portfolio. A relative VaR below one indicates that the sub-fund's market price risk is estimated to be lower than the reference portfolio. VaR expresses the maximum expected loss by the sub-fund in a defined period, at a specified confidence level. The parameters used are: a confidence level of 99%, uses one year risk factor data and a 20 business day holding period. It should be noted that VaR assumes that risk in the future can be predicted from the historic distribution of returns and so this methodology can be vulnerable to extreme, unforeseen events and therefore the VaR analysis is complemented with additional scenario and stress testing.

	28 February 2025 %	29 February 2024 %
At 28 February	**1.02**	1.07
Average utilisation during the year	**1.03**	0.99
Highest utilisation during the year	**1.11**	1.10
Lowest utilisation during the year	**0.94**	0.89

(b) Credit and counterparty risk

Credit and counterparty risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment it has entered into with the sub-fund, resulting in a financial loss. From time to time, the sub-fund may be subject to short-term credit risk with counterparties pending settlement of investment transactions. The ACD has a pre-approved list of counterparties it uses for investment transactions, which is reviewed on a regular basis. The largest counterparty risk is with Northern Trust Investor Services Limited, the sub-fund's custodian and banker, who holds the sub-fund's investments and maintains the bank accounts. Bankruptcy or insolvency of Northern Trust Investor Services Limited may cause the sub-fund's rights with respect to securities and cash held by the custodian to be delayed or limited. The sub-fund is also exposed to counterparty risk through holding specific financial instruments.

The ACD is permitted to use one or more separate counterparties for derivative transactions. The sub-fund may enter into transactions in over-the-counter ('OTC') markets that expose it to the credit of its counterparties and their ability to satisfy the terms of such contracts. Where the sub-fund enters into derivative contracts, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of bankruptcy or insolvency of a counterparty, the sub-fund could experience delays in liquidating the position and may incur significant losses. There may be a risk that a counterparty will be unable to meet its obligations with regard to the return of the collateral and may not meet other payments due to the sub-fund. To minimise such risk the ACD will assess the creditworthiness of any counterparty that it engages. On a daily basis the ACD assesses the level of assets with each counterparty to ensure that the exposure is within the defined limits in accordance with the requirement stipulated in COLL and the Prospectus. In order to diversify counterparty risk the sub-fund holds cash with a number of other counterparties other than Northern Trust.

The derivatives are disclosed in the portfolio statement, and J.P Morgan, Goldman Sachs and Morgan Stanley are the counterparties for contracts for difference, while Northern Trust is the counterparty for forward currency contracts. Aside from the custodian, the derivative counterparties and brokers where trades are pending settlement, there were no significant concentrations of credit and counterparty risk as at 28 February 2025 or 29 February 2024.

Counterparty and collateral exposure

The types of derivatives held at the balance sheet date were contracts for difference and forward currency contracts. Details of the individual contracts are disclosed separately in the portfolio statement and the total position by counterparty and the collateral pledged, at the balance sheet date, were as follows:

Currency	Contracts for difference £'000	Options £'000	Forward currency contracts £'000	Total gross exposure £'000	Net collateral held/(pledged) £'000
28 February 2025					
Goldman Sachs	**12,081**	**–**	**–**	**12,081**	**–**
Northern Trust	**–**	**–**	**(54)**	**(54)**	**(182)**
J.P. Morgan	**(3,178)**	**–**	**–**	**(3,178)**	**728**
Morgan Stanley	**(11,536)**	**–**	**–**	**(11,536)**	**(16)**
29 February 2024					
Goldman Sachs	11,217	–	–	11,217	(435)
J.P. Morgan	(65)	157	–	92	239
Northern Trust	–	–	(35)	(35)	48
Morgan Stanley	(10,863)	–	–	(10,863)	95

Only cash collateral is pledged or held by the sub-fund. The balance includes cash held at brokers.

(c) Liquidity risk

Liquidity risk is the risk that through market liquidity conditions, requests for redemptions from investors cannot be met in an orderly and appropriate manner. Artemis adopts a policy of mitigation and control to manage liquidity risks. Mitigation occurs through maintaining prudent levels of liquidity in each sub-fund and a well-diversified investor base. As a result, redemption requests can be satisfied in all but exceptional circumstances.

Artemis has a dedicated liquidity risk management policy which is owned by the independent investment risk team which reports to the Chief Risk Officer. Its purpose is to ensure the portfolio manager acts in the client's best interest with regards to this liquidity risk.

Through the use of 3rd party modeling and assumptions, the investment risk team conduct regular monitoring and analyses of the liquidity profile of the sub-funds and investor base. This includes but is not limited to what percentage of the sub-fund can be liquidated within certain redemption horizons, whether the largest investors in the sub-fund can redeem without affecting the fair treatment of remaining investors, liquidity stress testing and other analysis deemed to cover a risk specific to the strategy considered.

There was no significant concentration of liquidity risk as at 28 February 2025 or 29 February 2024.

18. Related party transactions

The ACD is deemed to be a related party. All transactions and balances associated with the ACD are disclosed within the statement of total return, statement of change in net assets attributable to shareholders and the balance sheet on page 112 and notes 6, 9, 11 and 14 on pages 115 to 118 including all issues and cancellations where the ACD acted as principal. The balance due to the ACD as at 28 February 2025 in respect of these transactions was £79,000 (2024: £916,000).

19. Share classes

The annual management charge on each share class is 0.750%.

The net asset value per share and the number of shares in each class are given in the comparative table on page 122.
The distributions per share class are given in the distribution tables on page 121. All classes have the same rights on winding up.

20. Post balance sheet event

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

Artemis US Extended Alpha Fund

Distribution tables

This sub-fund pays annual dividend distributions. The following table sets out the distribution period.

Annual distribution period	Start	End	Ex-dividend date	Pay date
Final	1 March 2024	28 February 2025	1 March 2025	30 April 2025

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.

I accumulation GBP

Dividend distributions	Group 2		Group 1 & 2	Corporate streaming		2024
for the year ended 28 February 2025	Net revenue per share (p)	Equalisation per share (p)	Distribution per share (p)	Franked	Unfranked	Distribution per share (p)
Final	–	–	–	–	–	–

I accumulation GBP (NAV hedged)

Dividend distributions	Group 2		Group 1 & 2	Corporate streaming		2024
for the year ended 28 February 2025	Net revenue per share (p)	Equalisation per share (p)	Distribution per share (p)	Franked	Unfranked	Distribution per share (p)
Final	–	–	–	–	–	–

Comparative tables

	I accumulation GBP			I accumulation GBP (NAV hedged)		
	2025	2024	2023	2025	2024	2023
Change in net assets per share (p)						
Opening net asset value per share	**421.35**	**325.50**	**323.39**	**256.48**	**190.71**	**214.94**
Return before operating charges *	51.11	99.01	5.14	28.83	67.69	(22.42)
Operating charges	(4.01)	(3.16)	(3.03)	(2.45)	(1.92)	(1.81)
Return after operating charges *	**47.10**	**95.85**	**2.11**	**26.38**	**65.77**	**(24.23)**
Distributions	–	–	–	–	–	–
Retained distributions on accumulation shares	–	–	–	–	–	–
Closing net asset value per share	**468.45**	**421.35**	**325.50**	**282.86**	**256.48**	**190.71**
* after direct transaction costs of	(0.22)	(0.09)	(0.26)	(0.13)	(0.06)	(0.16)
Performance						
Return after charges	11.18%	29.45%	0.65%	10.29%	34.49%	(11.27)%
Other information						
Closing net asset value (£'000)	193,210	183,884	233,858	11,565	11,977	11,140
Closing number of shares	41,244,534	43,641,225	71,845,047	4,088,765	4,669,870	5,841,611
Operating charges	0.89%	0.90%	0.89%	0.89%	0.90%	0.89%
Direct transaction costs	0.05%	0.03%	0.08%	0.05%	0.03%	0.08%
Prices						
Highest share price (p)	502.40	417.38	347.72	297.54	254.10	225.45
Lowest share price (p)	415.19	312.05	298.69	249.98	182.62	172.66

* Direct transaction costs are stated after deducting the amounts collected in relation to estimated dealing costs added to the issue of shares and subtracted from the cancellation of shares.

High and low price disclosures are based on quoted unit prices. Therefore, opening and closing NAV prices may fall outside the high/low price threshold.

Artemis US Extended Alpha Fund

Ongoing charges

Class	28 February 2025
I accumulation GBP	0.890%
I accumulation GBP (NAV hedged)	0.890%

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 *	10 years	5 years	3 years	1 year	6 months
Artemis US Extended Alpha Fund **	362.2	305.8	100.2	42.9	10.7	6.3
Artemis US Extended Alpha Fund ***	333.8	314.0	99.6	43.8	11.3	7.2
S&P 500 TR	363.6	315.8	121.0	51.9	19.0	10.7
North America Average	279.1	240.3	100.6	40.6	15.2	9.6
Position in sector	6/59	6/61	43/79	42/87	76/93	79/93
Quartile	1	1	3	2	4	4

Past performance is not a guide to the future.

* Source: Lipper Limited, class I accumulation GBP from 19 September 2014 to 28 February 2025. 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.

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 ACD to comply with a series of obligations. In particular, the ACD is required to provide investors with information on the use of Securities Financing Transactions ("SFT's") and Total Return Swaps ("TRS") by the sub-fund in all interim and annual reports for the sub-fund.

Global Data

Assets	28 February 2025 £'000	% of net assets
Contracts for difference	161	0.08

Liabilities	28 February 2025 £'000	% of net assets
Contracts for difference	(159)	(0.08)

Concentration of Data

Collateral issuer for CFD counterparty as at 28 February 2025:

Collateral issuer	28 February 2025 £'000	% of net assets
J.P. Morgan	699	0.34
Morgan Stanley	(16)	(0.01)
Northern Trust	(182)	(0.09)

CFD Counterparty

Assets	28 February 2025 £'000	% of net assets
Goldman Sachs	90	0.04
J.P. Morgan	57	0.03
Morgan Stanley	14	0.01

Liabilities	28 February 2025 £'000	% of net assets
Goldman Sachs	(74)	(0.04)
J.P. Morgan	(26)	(0.01)
Morgan Stanley	(59)	(0.04)

Aggregate Data

By Type of Collateral

	28 February 2025 £'000	% of net assets
Cash	501	0.24

By Maturity

Assets	28 February 2025 £'000	% of net 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	161	0.08
	161	0.08

Liabilities	28 February 2025 £'000	% of net 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	(159)	(0.08)
	(159)	(0.08)

By Currency

Assets	28 February 2025 £'000	% of net assets
Canadian Dollar	2	–
Sterling	4	–
Swedish Krona	–	–
US Dollar	155	0.08

Liabilities	28 February 2025 £'000	% of net assets
Canadian Dollar	–	–
Sterling	–	–
Swedish Krona	–	–
US Dollar	(159)	(0.09)

By Country of Counterparty

Assets	28 February 2025 £'000	% of net assets
United States	161	0.08

Liabilities	28 February 2025 £'000	% of net assets
United States	(159)	(0.08)

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 28 February 2025:

Custodian	28 February 2025 £'000	% of net assets
J.P. Morgan	**699**	**0.34**
Morgan Stanley	**(16)**	**(0.01)**
Northern Trust	**(182)**	**(0.09)**

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**	• 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	The sub-fund may use derivatives for efficient portfolio management purposes to: • 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	• Any
	Other limitations specific to this sub-fund	• None
Investment strategy	• 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	• **S&P 500 NR (net of 15% withholding tax) *** 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.	

* Prior to 31 October 2024, sub-fund performance was measured against the S&P 500 Total Return (TR) Index. From 31 October 2024 onwards, it is measured against the S&P 500 Net Return (NR) Index.

Risk and reward profile

Potentially lower rewards — Potentially higher rewards

Lower risk — Higher risk

1 2 3 4 5 **6** 7

- 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.

There was no change to the risk indicator in the year ended 28 February 2025.

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

Market background

The past year has been characterised by heightened volatility in global equity markets, driven by a combination of macroeconomic uncertainties and geopolitical developments. Covering the former, inflation tracked down towards the Federal Reserve's 2% target and growth continued to be robust, leading the Fed to follow a more cautious interest rate policy. From a political standpoint, the main focus was on the US presidential election and its aftermath. President Donald Trump ushered in an administration focused on resetting trade relations with the US's closest partners, which at the time of writing has dampened investors' outlook for US economic growth.

The S&P 500 saw significant fluctuations. Shares were lifted by strong corporate earnings in certain sectors but then saw setbacks because of broader macroeconomic uncertainty. Towards the end of 2024, the market rallied on optimism about the new administration's business-friendly policies, as well as a strong reporting season for corporate earnings. This optimism faltered at the beginning of 2025, as Trump's trade policy as well as what was deemed to be a more competitive environment for artificial intelligence (AI) led to share price falls.

Sub-fund performance

Over the year, the Artemis US Select Fund delivered a return of 11.7%, underperforming the benchmark S&P 500 NR (net of 15% withholding tax) £, which gained 18.9%[1]. From a sector perspective it was predominantly our holdings in industrials and healthcare exposure that held back performance, while our holdings in utilities did well.

Life science company Avantor was the largest detractor. Its share price suffered as the long-awaited recovery from post-COVID lows failed to materialise. Builders FirstSource also weighed on returns as uncertainty over interest rates fed into housing, both in terms of existing home sales and new starts. Saia, a key player in ground transportation, struggled due to increased pessimism around the US economy towards the end of the period. While the primary opportunity for Saia is its transition from a regional to national best-in-class carrier, market sentiment is in the short term influenced by industrial activity in the US which has been depressed. We continue to hold a high-conviction position.

Goldman Sachs Group was one of the top contributors to sub-fund performance, benefiting from a strong trading environment which boosted earnings. There was also a belief that a Trump presidency would be supportive to mergers and acquisitions, with Goldmans being the key player. Vistra, operating in the independent power and renewable electricity space, saw substantial gains underpinned by increased demand for clean energy, specifically nuclear but also gas. NVIDIA remained a standout performer, continuing to dominate the semiconductor industry as demand for AI and high-performance computing solutions surged. Fiserv also contributed positively, supported by resilient earnings growth in its financial services operations, while Walmart's stability in consumer staples added further gains.

Activity

Our largest purchase was International Paper. The company has a new chief executive, who we know very well, and has recently made an attractive acquisition. In financials, we added Goldman Sachs and Capital One. In industrials, we added Parker Hannifin, a specialist in motion and control technologies, and increased our position in Vulcan Materials.

We reduced our holdings in NVIDIA and Microsoft. The former was on a lack of near-term upside, and the latter on concerns around the significant levels of capital expenditure the company is undertaking. We also reduced our holdings in Meta and Amazon for the same reason.

Cormac Weldon and Chris Kent
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 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. Prior to 31 October 2024, sub-fund performance was measured against the S&P 500 Total Return Index. From 31 October 2024 onwards, it is measured against the S&P 500 Net Return Index.

Artemis US Select Fund

Investment information

Ten largest purchases and sales for the year ended 28 February 2025

Purchases	Cost £'000	Sales	Proceeds £'000
Alphabet 'A'	69,464	NVIDIA	106,738
International Paper	62,959	Apple	77,512
Apple	56,914	Meta Platforms 'A'	73,301
NVIDIA	56,341	Microsoft	72,026
Goldman Sachs Group	53,000	Amazon.com	58,643
Broadcom	44,329	Advanced Micro Devices	51,006
Micron Technology	43,604	Linde	48,342
Builders FirstSource	41,567	Builders FirstSource	46,862
Vulcan Materials	40,460	Constellation Energy	45,801
Parker-Hannifin	39,931	Alphabet 'A'	44,599

Portfolio statement as at 28 February 2025

Investment	Holding	Valuation £'000	% of net assets
Equities 94.49% (97.80%)			
Communication Services 7.23% (7.74%)			
Alphabet 'A'	160,203	21,658	1.44
Liberty Media	281,142	21,502	1.43
Meta Platforms 'A'	123,832	65,660	4.36
		108,820	**7.23**
Consumer Discretionary 13.34% (12.29%)			
Amazon.com	508,486	85,630	5.69
Burlington Stores	85,708	16,954	1.13
Chipotle Mexican Grill	248,650	10,650	0.71
Flutter Entertainment	114,062	25,397	1.68
Hilton Worldwide	127,730	26,856	1.78
Tempur Sealy International	434,834	22,057	1.46
Tesla	57,356	13,356	0.89
		200,900	**13.34**
Consumer Staples 3.64% (3.25%)			
Walmart	699,907	54,796	3.64
		54,796	**3.64**
Energy 0.00 (0.59%)			
Financials 13.54% (10.75%)			
Allstate	279,565	44,240	2.94
Capital One Financial	217,211	34,590	2.30
Fiserv	163,641	30,612	2.03
Goldman Sachs Group	175,568	86,732	5.76
KKR	72,019	7,751	0.51
		203,925	**13.54**
Health Care 8.39% (10.00%)			
Avantor	1,310,368	17,363	1.15
Eli Lilly	50,060	36,546	2.43
Intuitive Surgical	51,956	23,647	1.57
Stryker	97,828	29,989	1.99
Zoetis	141,418	18,777	1.25
		126,322	**8.39**

Investment	Holding	Valuation £'000	% of net assets
Equities 94.49% (97.80%) (continued)			
Industrials 11.23% (12.30%)			
Axon Enterprise	39,875	16,736	1.11
Bloom Energy	393,473	7,501	0.50
Builders FirstSource	133,916	14,778	0.98
Copart	178,881	7,778	0.52
Core & Main	374,817	15,180	1.01
Eaton	150,873	35,108	2.33
Herc	2,745	313	0.02
ON Semiconductor	84,673	3,162	0.21
Parker-Hannifin	78,180	41,481	2.76
Saia	82,709	26,862	1.79
		168,899	**11.23**
Information Technology 21.02% (29.84%)			
Advanced Micro Devices	69,693	5,528	0.37
Apple	174,137	33,434	2.22
Broadcom	184,209	29,186	1.94
Gartner	72,733	28,765	1.91
Lam Research	210,462	12,834	0.85
Micron Technology	131,448	9,779	0.65
Microsoft	206,621	65,130	4.33
NVIDIA	994,093	98,695	6.56
Sandisk	160,928	6,005	0.40
Snowflake	57,375	8,074	0.54
Western Digital	482,784	18,755	1.25
		316,185	**21.02**
Materials 10.95% (6.01%)			
Corteva	659,079	32,945	2.19
Eagle Materials	100,422	18,025	1.20
Hudbay Minerals	637,226	3,594	0.24
International Paper	1,448,132	64,787	4.30
Vulcan Materials	231,738	45,514	3.02
		164,865	**10.95**
Real Estate 2.09% (0.60%)			
Jones Lang LaSalle	145,521	31,394	2.09
		31,394	**2.09**
Utilities 3.06% (4.43%)			
Constellation Energy	71,380	14,191	0.94
PG&E	2,466,870	31,983	2.12
		46,174	**3.06**
Equities total		**1,422,280**	**94.49**
Forward Currency Contracts (0.00%) (0.00%)			
I accumulation GBP (NAV hedged) (0.00%) (0.00%)			
Buy Sterling 163,849, sell US Dollar 206,783 dated 06/03/2025		–	–
Buy Sterling 19,419,029, sell US Dollar 24,571,738 dated 31/03/2025		(92)	–
Forward Currency Contracts total		**(92)**	**–**
Investment assets (including investment liabilities)		**1,422,188**	**94.49**
Net other assets		**82,986**	**5.51**
Net assets attributable to shareholders		**1,505,174**	**100.00**

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

FINANCIAL STATEMENTS

Statement of total return for the year ended 28 February 2025

	Note	28 February 2025 £'000	28 February 2025 £'000	29 February 2024 £'000	29 February 2024 £'000
Income					
Net capital gains	3		**186,370**		441,495
Revenue	5	**10,374**		12,471	
Expenses	6	**(13,227)**		(12,911)	
Interest payable and similar charges	7	**(8)**		(16)	
Net expense before taxation		**(2,861)**		(456)	
Taxation	8	**(1,286)**		(1,507)	
Net expense after taxation			**(4,147)**		(1,963)
Total return before distributions			**182,223**		439,532
Distributions	9		**2**		(149)
Change in net assets attributable to shareholders from investment activities			**182,225**		439,383

Statement of change in net assets attributable to shareholders for the year ended 28 February 2025

	28 February 2025 £'000	28 February 2025 £'000	29 February 2024 £'000	29 February 2024 £'000
Opening net assets attributable to shareholders		**1,528,934**		1,804,198
Amounts receivable on issue of shares	**387,916**		238,464	
Amounts payable on cancellation of shares	**(593,989)**		(953,314)	
		(206,073)		(714,850)
Dilution adjustment		**88**		203
Change in net assets attributable to shareholders from investment activities		**182,225**		439,383
Closing net assets attributable to shareholders		**1,505,174**		1,528,934

Balance sheet as at 28 February 2025

	Note	28 February 2025 £'000	29 February 2024 £'000
Assets			
Fixed assets			
Investments	10	**1,422,280**	1,495,236
Current assets			
Debtors	11	**14,897**	8,694
Cash and cash equivalents	12	**75,438**	36,232
Total current assets		**90,335**	44,926
Total assets		**1,512,615**	1,540,162
Liabilities			
Investment liabilities	10	**92**	58
Creditors			
Bank overdraft	13	**318**	4
Other creditors	14	**7,031**	11,166
Total creditors		**7,349**	11,170
Total liabilities		**7,441**	11,228
Net assets attributable to shareholders		**1,505,174**	1,528,934

Notes to the financial statements

1. Accounting policies

(a) Basis of accounting. The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, in accordance with FRS 102 and the Statement of Recommended Practice ("SORP") issued by the Investment Management Association in May 2014 and amended in June 2017 and the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL'). The financial statements have been prepared on a going concern basis. The ACD believes that the sub-fund has adequate resources to continue in operational existence for the foreseeable future. No material events have been identified that may cast significant doubt about the sub-fund's ability to continue as a going concern for a period of twelve months from the date the financial statements are authorised for issue.

(b) Valuation of investments. All investments, including any derivatives, have been valued at close of business on the last working day of the accounting period. The last valuation point in the period has been used for the purposes of preparing the report and financial statements and in the ACD's opinion there have been no material movements in the sub-fund between the last valuation point and close of business on the balance sheet date. Where a sub-fund invests in markets that are closed for trading at the sub-fund's valuation point, the ACD will allow for the net asset value to be adjusted (based on movements of index futures or other suitable proxies in markets closed at the sub-fund valuation point, since the last market close), to reflect more accurately the fair value of the sub-fund's investments. Listed investments are valued at fair value which is generally deemed to be the bid price. Unquoted investments are valued at fair value which is determined by the manager, with reference to the valuation guidelines issued by the International Private Equity and Venture Capital Valuation Guidelines Board. Open forward currency contracts are shown in the portfolio statement at market value and the net gains are reflected within forward currency contracts under net capital gains.

(c) Foreign exchange rates. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at 12 noon on the last working day of the accounting period. Revenue and expenditure transactions are translated at the rates of exchange ruling on the dates of the transactions. Exchange differences on such transactions follow the same treatment as the principal amounts.

(d) Revenue. Dividends receivable from equity and non-equity shares, including Real Estate Investment Trusts ("REITs"), are credited to revenue, net of attributable tax credits, when the security is quoted ex-dividend. Dividends received as shares (scrip/stock dividends), to the extent that the value of such dividends is equal to the cash dividends, are treated as revenue. Dividends on unquoted stocks are credited to revenue when the right to receive payment is established. Dividends are recognised gross of any overseas tax. Overseas tax is included as part of the tax charge. A provision is made for any overseas tax not considered recoverable at the balance sheet date, whether due to uncertainty as to receipt either due to circumstances or recovery experience in specific jurisdictions, or due to the significant time lag since the receipt of the dividend. Special dividends are reviewed on a case by case basis when determining if a dividend is to be treated as revenue or capital. It is likely that where a special dividend results in a significant reduction in the capital value of a holding, then the dividend will generally be treated as capital, otherwise this will be recognised as revenue. Bank interest and interest on margin accounts held with brokers is recognised as revenue on an accruals basis.

(e) Expenses. All expenses (other than those relating to the purchase and sale of investments) are initially charged against revenue on an accruals basis. Portfolio transaction costs are incurred by funds when buying and selling investments. These costs vary depending on the types of investment and are made up of direct and indirect portfolio transaction costs. Direct portfolio transaction costs include Broker execution commission and taxes. Indirect portfolio transaction costs relate to the 'Dealing spread', which is the difference between the purchase and sale prices of the fund's investments. Some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid.

(f) Taxation. Corporation tax is charged at a rate of 20% on the excess taxable revenue of the sub-fund. In general, the tax accounting treatment follows that of the principal amount. Deferred tax is provided for all timing differences that have originated but not reversed at the balance sheet date other than those recorded as permanent differences. Deferred tax is provided for at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money. A deferred tax asset is only recognised to the extent that it is more likely than not that the asset will be recovered.

(g) Dilution adjustment. The sub-fund is priced on a single swinging price basis. The ACD has the discretion to charge a dilution adjustment as part of its daily valuation policy. This will mean that in certain circumstances the sub-fund will make adjustments to counter the impact of dealing and other costs on occasions when these are deemed to be significant. In the usual course of business the application of a dilution adjustment will be applied systematically and on a consistent basis.

2. Distribution policy

The distribution policy of the sub-fund is to distribute/ accumulate all available revenue, after deduction of expenses and taxation properly chargeable against revenue. The sub-fund did not satisfy the qualifying investments test of Statutory Instrument 2006/964 Authorised Investment Funds (Tax) Regulations 2006 Regulation 19 and where applicable will pay a dividend distribution. Gains and losses on investments and derivatives whether realised or unrealised, if taken to capital are not available for distribution. With the exception of the ACD's annual management charge, which is directly attributable to each share class, all income and expenses are apportioned to each share class pro-rata to the value of the net assets of the relevant share class on the day that the income or expense is recognised. All available net revenue accounted for in accordance with the above policies is distributed to holders of income shares or retained and reinvested for holders of accumulation shares. Should expenses and taxation together exceed revenue, there will be no distribution and the shortfall will be met from capital. Distributions which have remained unclaimed by shareholders for six years are credited to the capital property of the sub-fund. Income equalisation applies to the sub-fund. Equalisation applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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.

3. Net capital gains

	28 February 2025 £'000	29 February 2024 £'000
Non-derivative securities	**185,838**	441,087
Currency gains	**500**	377
Forward currency contracts	**32**	31
Net capital gains	**186,370**	441,495

4. Direct transaction costs

For purchases and sales of equities, broker commissions, transfer taxes and stamp duty are paid by the sub-fund on each transaction and are summarised below.

Year ended 28 February 2025

	Principal £'000	Commissions £'000	Taxes £'000	Total after costs £'000	Commission as a percentage of principal %	Taxes as a percentage of principal %
Purchases						
Equities	1,513,426	257	–	1,513,683	0.02	–
Sales						
Equities	1,772,633	291	41	1,772,301	0.02	–
Total		**548**	**41**			
Percentage of sub-fund average net assets		**0.04%**	**0.00%**			

Year ended 29 February 2024

	Principal £'000	Commissions £'000	Taxes £'000	Total after costs £'000	Commission as a percentage of principal %	Taxes as a percentage of principal %
Purchases						
Equities	1,718,118	284	–	1,718,401	0.02	–
Sales						
Equities	2,427,865	433	5	2,427,427	0.02	–
Total		**717**	**5**			
Percentage of sub-fund average net assets		**0.05%**	**0.00%**			

During the year the sub-fund incurred £nil (2024: £nil) in capital transaction charges.

Dealing spread

As at the balance sheet date the estimated portfolio dealing spread was 0.04% (2024: 0.07%). This spread represents the difference between the bid and offer prices of each underlying investment expressed as a percentage of the value determined by reference to its offer price.

5. Revenue

	28 February 2025 £'000	29 February 2024 £'000
Overseas dividends	**9,323**	10,933
Bank interest	**1,051**	1,234
UK dividends	**–**	304
Total revenue	**10,374**	12,471

6. Expenses

	28 February 2025 £'000	29 February 2024 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	**11,751**	11,295
Administration fees	**1,476**	1,616
Total expenses	**13,227**	12,911

All expenditure stated above is inclusive of irrecoverable VAT where applicable.
The audit fee (excluding VAT) accrued during the year was £10,450 (2024: £10,150). This fee is paid by the ACD via the administration fee.

7. Interest payable and similar charges

	28 February 2025 £'000	29 February 2024 £'000
Interest payable	**8**	16
Total interest payable and similar charges	**8**	16

8. Taxation

	28 February 2025 £'000	29 February 2024 £'000
a) Analysis of the tax charge for the year		
Irrecoverable overseas tax	**1,286**	1,507
Total taxation (note 8b)	**1,286**	1,507
b) Factors affecting the tax charge for the year		
Net expense before taxation	**(2,861)**	(456)
Corporation tax of 20% (2024: 20%)	**(572)**	(91)
Effects of:		
Unutilised management expenses	**2,437**	2,339
Irrecoverable overseas tax	**1,286**	1,507
Overseas tax expensed	**–**	(2)
Tax on franked dividends	**–**	(61)
Non-taxable overseas dividends	**(1,865)**	(2,185)
Tax charge for the year (note 8a)	**1,286**	1,507

c) Provision for deferred tax

No provision for deferred tax has been made in the current or prior accounting year.

d) Factors that may affect future tax charges

The sub-fund has not recognized a deferred tax asset of £21,317,000 (2024: £18,880,000) arising as a result of having unutilized management expenses of £106,579,000 (2024: £94,396,000). It is unlikely that the sub-fund will obtain relief for these in the future so no deferred tax asset has been recognised.

9. Distributions

	28 February 2025 £'000	29 February 2024 £'000
Final dividend distribution	–	–
Add: amounts deducted on cancellation of shares	1	168
Deduct: amounts added on issue of shares	(3)	(19)
Distributions	(2)	149
Movement between net expense and distributions		
Net expense after taxation	(4,147)	(1,963)
Deficit transferred to capital	4,145	2,112
	(2)	149

The distributions take account of amounts added on the issue of shares and amounts deducted on the cancellation of shares. Details of the distributions per share are set out in the distribution tables on page 139.

10. Fair value hierarchy

All investments are designated at fair value through profit or loss on initial recognition. The following table provides an analysis of these investments based on the fair value hierarchy in accordance with FRS 102 which reflects the reliability and significance of the information used to measure their fair value.

The disclosure is split into the following categories:

Level 1 – Investments with unadjusted quoted prices in an active market;

Level 2 – Investments whose fair value is based on inputs other than quoted prices that are either directly or indirectly observable;

Level 3 – Investments whose fair value is based on inputs that are unobservable (i.e. for which market data is unavailable).

	28 February 2025 Assets £'000	28 February 2025 Liabilities £'000	29 February 2024 Assets £'000	29 February 2024 Liabilities £'000
Level 1	1,422,280	–	1,495,236	–
Level 2	–	92	–	58
Total	1,422,280	92	1,495,236	58

11. Debtors

	28 February 2025 £'000	29 February 2024 £'000
Amounts receivable for issue of shares	8,892	7,710
Sales awaiting settlement	4,627	–
Accrued revenue	1,378	942
Overseas withholding tax recoverable	–	42
Total debtors	14,897	8,694

12. Cash and cash equivalents

	28 February 2025 £'000	29 February 2024 £'000
Amounts held in liquidity funds	75,236	35,897
Cash and bank balances	202	272
Collateral held with brokers	–	63
Total cash and cash equivalents	75,438	36,232

13. Bank overdraft

	28 February 2025 £'000	29 February 2024 £'000
Collaterals pledged with brokers	**318**	–
Bank overdrafts	**–**	4
Total bank overdraft	**318**	4

14. Other creditors

	28 February 2025 £'000	29 February 2024 £'000
Amounts payable for cancellation of shares	**6,009**	10,168
Accrued annual management charge	**913**	860
Accrued administration fee payable to the ACD	**109**	138
Total other creditors	**7,031**	11,166

15. Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

16. Reconciliation of share movements

	Shares in issue at 29 February 2024	Shares issued	Shares cancelled	Shares converted	**Shares in issue at 28 February 2025**
I distribution GBP	76,741,727	5,440,994	(32,312,038)	40,053	**49,910,736**
I accumulation GBP	322,138,225	86,782,881	(110,239,123)	(35,306)	**298,646,677**
I accumulation GBP (NAV hedged)	7,903,223	3,117,410	(3,961,347)	–	**7,059,286**

17. Risk disclosures

In pursuing its investment objectives, the sub-fund may hold a number of financial instruments. These financial instruments comprise equities, derivatives, cash balances and liquid resources, which include debtors and creditors that arise directly from the sub-fund's operations. The sub-fund only executes derivative contracts where both the derivative instrument and the counterparty have been approved by the ACD.

The ACD has a risk management policy. The processes detailed within are designed to monitor and measure at any time the risk of the sub-fund's positions and their contribution to the overall risk profile of the sub-fund. In addition, our Investment Committee and Risk and Compliance Committee meet monthly and quarterly respectively, and as required to evaluate risk across each of our funds. These policies have been consistent for both the current and prior period to which these financial statements relate.

In the normal course of business, the sub-fund's activities expose it to various types of risk which are associated with the financial instruments and markets in which it invests. These financial risks: market risk (comprising currency risk, interest rate risk and other market price risk), credit and counterparty risk and liquidity risk and the approach to the management of these risks, are set out below and remain unchanged from the previous accounting year. For a detailed explanation of these and further risks involved in investing in the sub-fund, reference should be made to the Prospectus.

(a) Market risk

Market risk, which includes interest rate risk, currency risk, other price risk and leverage risk, arises mainly from uncertainty about future values of financial instruments in the sub-fund's portfolio statement. The sub-fund, in order to meet its investment objective and policy, invests predominantly in equities and maintains an appropriate spread of investments in accordance with COLL and the Prospectus to seek to reduce the risks arising from factors specific to a particular company or sector. The ACD's investment strategy is to select investments for their fundamental value. Stock selection is therefore based on disciplined accounting, market and sector analysis, with the emphasis on long-term investments. There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-fund disclosed in the balance sheet.

(i) Interest rate risk

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. As the majority of the sub-fund's financial assets are non-interest bearing, the sub-fund is only subject to limited exposure to fair value interest rate risk due to fluctuations in levels of market interest rates and therefore no sensitivity analysis has been provided.

(ii) Currency risk

A portion of the net assets of the sub-fund are denominated in currencies other than sterling, and therefore the balance sheet and total return can be affected by currency movements. Therefore, the ACD may decide that a proportion of the investments that are not priced in sterling, may be covered by forward currency contracts, so that the sub-fund's exposure to currency risk is reduced. The gain on forward currency contracts for the year was £32,000 (2024: £31,000).

Revenue received in foreign currencies is converted into sterling on or near the date of receipt. The exposure to each currency is shown in the table below.

Currency	Investments £'000	Net other assets/ (liabilities) £'000	Forward currency contracts £ '000	Total £'000
28 February 2025				
US Dollar	**1,418,687**	**8,832**	**(19,675)**	**1,407,844**
Sterling	**–**	**74,154**	**19,583**	**93,737**
Canadian Dollar	**3,593**	**–**	**–**	**3,593**
29 February 2024				
US Dollar	1,495,236	(1,337)	(19,629)	1,474,270
Sterling	–	35,093	19,571	54,664

A five percent increase in the value of the sub-fund's foreign currency exposure would have the effect of increasing the return and net assets by £70,572,000 (2024: £73,714,000). A five percent decrease would have an equal and opposite effect.

I Accumulation GBP (NAV hedged)

Currency	Investments £'000	Net other assets/ (liabilities) £'000	Forward currency contracts £'000	Total £'000
28 February 2025				
US Dollar	**18,541**	**115**	–	**18,656**
Sterling	–	**969**	–	**969**
Canadian Dollar	**47**	–	–	**47**
29 February 2024				
US Dollar	19,394	(17)	(19,640)	(263)
Sterling	–	455	19,582	20,037

(iii) Other price risk

Other price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices (other than those relating to interest rate risk, currency risk and credit and counterparty risk), whether caused by factors specific to an investment or wider issues affecting the market generally. The value of equities is dependent on a number of factors, arising from the performance of the company itself and matters arising in the wider market (for example the state of the underlying economy and current government policy). The portfolio is invested in securities domiciled in a number of countries and will be exposed to market movements in the relevant country arising from changes in the local economy and government decisions. As part of the continuing review of the portfolio, the ACD monitors and reviews these factors. A five per cent increase in the value of the sub-fund's portfolio would have the effect of increasing the return and net assets by £71,109,000 (2024: £74,759,000). A five percent decrease would have an equal and opposite effect.

(iv) Leverage risk

Leverage is defined as any method by which the sub-fund can increase its exposure by borrowing cash or securities or from leverage that is embedded in derivative positions. The ACD is required to calculate and monitor the level of leverage of a sub-fund, expressed as a percentage of the exposure of the sub-fund and its net asset value under the commitment method.

The sub-fund can use cash borrowing and financial derivatives (subject to restrictions as set out in its Prospectus and COLL) as sources of leverage.

The maximum level of leverage which the ACD may employ on behalf of the sub-fund is 200% under the commitment method. A result of 100% indicates that no leverage has been used.

As at 28 February 2025 and 29 February 2024 the leverage ratios of the sub-fund were:

	28 February 2025 %	29 February 2024 %
Sum of the notionals	**100.0**	100.1
Commitment	**100.0**	101.0

(b) Credit and counterparty risk

Credit and counterparty risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment it has entered into with the sub-fund, resulting in a financial loss. From time to time, the sub-fund may be subject to short-term credit risk with counterparties pending settlement of investment transactions. The ACD has a pre-approved list of counterparties it uses for investment transactions, which is reviewed on a regular basis. The largest counterparty risk is with Northern Trust Investor Services Limited, the sub-fund's custodian and banker, who holds the sub-fund's investments and maintains the bank accounts. Bankruptcy or insolvency of Northern Trust Investor Services Limited may cause the sub-fund's rights with respect to securities and cash held by the custodian to be delayed or limited. The depositary receives and reviews a semi-annual report on the internal controls in place at Northern Trust Investor Services Limited. The sub-fund is also exposed to counterparty risk through holding specific financial instruments.

The ACD is permitted to use one or more separate counterparties for derivative transactions. The sub-fund may enter into transactions in over-the-counter ('OTC') markets that expose it to the credit worthiness of its counterparties and their ability to satisfy the terms of such contracts. Where the sub-fund enters into derivative contracts, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of bankruptcy or insolvency of a counterparty, the sub-fund could experience delays in liquidating the position and may incur significant losses. There may be a risk that a counterparty will be unable to meet its obligations with regard to the return of the collateral and may not meet other payments due to the sub-fund. To minimise such risk the ACD will assess the creditworthiness of any counterparty that it engages with. On a daily basis, the ACD assesses the level of assets with each counterparty to ensure that the exposure is within the defined limits in accordance with the requirements stipulated in COLL and the Prospectus. The derivatives are disclosed in the portfolio statement, Northern Trust is the counterparty for forward currency contracts. Aside from the custodian, and brokers where trades are pending settlement, there were no significant concentrations of credit and counterparty risk as at 28 February 2025 or 29 February 2024.

Counterparty and collateral exposure

The type of derivatives held at the balance sheet date was forward currency contracts. Details of the individual contracts are disclosed separately in the portfolio statement and the total position by counterparty and the collateral pledged, at the balance sheet date, were as follows:

Currency	Forward currency contracts £'000	Total gross exposure £'000	Net collateral (pledged)/held £'000
28 February 2025			
Northern Trust	**(92)**	**(92)**	**(318)**
29 February 2024			
Northern Trust	(58)	(58)	63

Only cash collateral is pledged or held by the sub-fund. The balance includes cash held at brokers.

(c) Liquidity risk

Liquidity risk is the risk that through market liquidity conditions, requests for redemptions from investors cannot be met in an orderly and appropriate manner. Artemis adopts a policy of mitigation and control to manage liquidity risks. Mitigation occur through maintaining prudent levels of liquidity in each sub-fund and a well-diversified investor base. As a result, redemption requests can be satisfied in all but exceptional circumstances.

Artemis has a dedicated liquidity risk management policy which is owned by the independent investment risk team which reports to the Chief Risk Officer. Its purpose is to ensure the portfolio manager acts in the client's best interest with regards to this liquidity risk.

Through the use of 3rd party modeling and assumptions, the investment risk team conduct regular monitoring and analyses of the liquidity profile of the sub-funds and investor base. This includes but is not limited to what percentage of the sub-fund can be liquidated within certain redemption horizons, whether the largest investors in the sub-fund can redeem without affecting the fair treatment of remaining investors, liquidity stress testing and other analysis deemed to cover a risk specific to the strategy considered. There was no significant concentration of liquidity risk as at 28 February 2025 or 29 February 2024.

18. Related party transactions

The ACD is deemed to be a related party. All transactions and balances associated with the ACD are disclosed within the statement of total return, statement of change in net assets attributable to shareholders and the balance sheet on page 130 and Notes 6, 9, 11 and 14 on pages 133 to 135 including all issues and cancellations where the ACD acted as principal.

The balance due from the ACD as at 28 February 2025 in respect of these transaction was £1,861,000 (2024: due to the ACD £3,456,000).

19. Share classes

The annual management charges on each share class is 0.750%.

The net asset value per share and the number of shares in each class are given in the comparative tables on page 140. The distribution per share class are given in the distribution tables on page 139. All classes have the same rights on winding up.

20. Post balance sheet event

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

Distribution tables

This sub-fund pays annual dividend distributions. The following table sets out the distribution period.

Annual distribution period	Start	End	Ex-dividend date	Pay date
Final	1 March 2024	28 February 2025	1 March 2025	30 April 2025

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.

I distribution GBP

Dividend distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2024 Distribution per share (p)
Final	–	–	–	–	–	–

I accumulation GBP

Dividend distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2024 Distribution per share (p)
Final	–	–	–	–	–	–

I accumulation GBP (NAV hedged)

Dividend distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Group 2 Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Corporate streaming Unfranked	2024 Distribution per share (p)
Final	–	–	–	–	–	–

Artemis US Select Fund

Comparative tables

	I distribution GBP			I accumulation GBP		
	2025	2024	2023	2025	2024	2023
Change in net assets per share (p)						
Opening net asset value per share	**341.28**	**252.10**	**261.23**	**387.16**	**286.00**	**295.82**
Return before operating charges *	43.96	91.54	(6.46)	49.88	103.86	(7.31)
Operating charges	(3.07)	(2.36)	(2.22)	(3.50)	(2.70)	(2.51)
Return after operating charges *	**40.89**	**89.18**	**(8.68)**	**46.38**	**101.16**	**(9.82)**
Distributions	–	–	(0.45)	–	–	(0.51)
Retained distributions on accumulation shares	–	–	–	–	–	0.51
Closing net asset value per share	**382.17**	**341.28**	**252.10**	**433.54**	**387.16**	**286.00**
* after direct transaction costs of	(0.12)	(0.10)	(0.16)	(0.13)	(0.11)	(0.18)
Performance						
Return after charges	11.98%	35.37%	(3.32)%	11.98%	35.37%	(3.32)%
Other information						
Closing net asset value (£'000)	190,743	261,902	461,631	1,294,760	1,247,201	1,317,755
Closing number of shares	49,910,736	76,741,727	183,117,109	298,646,677	322,138,225	460,761,125
Operating charges	0.84%	0.86%	0.85%	0.84%	0.86%	0.85%
Direct transaction costs	0.03%	0.03%	0.06%	0.03%	0.03%	0.06%
Prices						
Highest share price (p)	417.94	337.87	283.21	474.15	383.31	320.71
Lowest share price (p)	332.33	241.84	237.69	377.02	274.36	269.16

	I accumulation GBP (NAV hedged)		
	2025	2024	2023
Change in net assets per share (p)			
Opening net asset value per share	**250.92**	**178.48**	**209.51**
Return before operating charges *	30.01	74.17	(29.44)
Operating charges	(2.28)	(1.73)	(1.59)
Return after operating charges *	**27.73**	**72.44**	**(31.03)**
Distributions	–	–	(0.31)
Retained distributions on accumulation shares	–	–	0.31
Closing net asset value per share	**278.65**	**250.92**	**178.48**
* after direct transaction costs of	(0.09)	(0.07)	(0.11)
Performance			
Return after charges	11.05%	40.59%	(14.81)%
Other information			
Closing net asset value (£'000)	19,671	19,831	24,812
Closing number of shares	7,059,286	7,903,223	13,901,782
Operating charges	0.84%	0.86%	0.85%
Direct transaction costs	0.03%	0.03%	0.06%
Prices			
Highest share price (p)	299.46	248.43	222.54
Lowest share price (p)	243.92	170.90	168.89

* Direct transaction costs are stated after deducting the amounts collected in relation to estimated dealing costs added to the issue of shares and subtracted from the cancellation of shares.

The operating charges are calculated on an ex-post basis. High and low price disclosures are based on quoted share prices. Therefore, opening and closing NAV prices may fall outside the high/low price threshold.

Ongoing charges

Class	28 February 2025
I distribution GBP	0.840%
I accumulation GBP	0.840%
I accumulation GBP (NAV hedged)	0.840%

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 *	10 years	5 years	3 years	1 year	6 months
Artemis US Select Fund **	328.0	281.4	90.9	44.6	11.7	7.8
Artemis US Select Fund ***	368.8	289.1	89.8	44.9	12.0	8.5
S&P 500 NR ****	363.3	315.5	120.9	51.8	18.9	10.7
North America Average	279.1	240.3	100.6	40.6	15.2	9.6
Position in sector	13/59	17/61	53/79	35/87	69/93	68/93
Quartile	1	2	3	2	3	3

Past performance is not a guide to the future.

* Source: Artemis/Lipper Limited, class I accumulation GBP from 19 September 2014 to 28 February 2025. 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.
**** Prior to 31 October 2024, sub-fund performance was measured against the S&P 500 Total Return Index. From 31 October 2024 onwards, it is measured against the S&P 500 Net Return Index.

Class I accumulation 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**	• 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	The sub-fund may use derivatives for efficient portfolio management purposes to: • 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	• Any
	Other limitations specific to this sub-fund	• None
Investment strategy	• 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	• **Russell 2000 NR (net of 15% withholding tax)*** 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.	

* Prior to 31 October 2024, sub-fund performance was measured against the Russell 2000 Total Return (TR) Index. From 31 October 2024 onwards, it is measured against the Russell 2000 Net Return (NR) Index.

Risk and reward profile

Potentially lower rewards — Potentially higher rewards

Lower risk — Higher risk

1 2 3 4 5 **6** 7

- 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 year ended 28 February 2025.

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

It was a volatile year for equity markets, marked by renewed investor optimism in the US on the one hand and potential economic headwinds on the other. Inflation showed signs of sustained moderation, leading to expectations of interest rate cuts later in the year. Labour markets remained broadly resilient. Optimism reached peak levels on the election of President Donald Trump, on the belief that his presidency would be supportive to markets. When the new administration's more aggressive stance towards the country's largest trading partners emerged, sentiment turned negative. This was particularly acute in smaller companies given their greater sensitivity to the domestic economy.

Performance

Against this backdrop, the Artemis US Smaller Companies Fund underperformed its benchmark index, returning 5.5% versus the Russell 2000 NR GBP's 7.1%[1]. Our holdings in industrials were the worst performers. This weakness was partially offset by our utility holdings.

In industrials, Builders FirstSource underperformed as softness in new housing activity and building materials pricing weighed on margins. Trucking company Saia lagged on weaker freight volumes and a cautious outlook for transportation. Herc Holdings struggled following its acquisition of a more indebted company. Cosmetics company e.l.f. Beauty gave back gains after a strong run, as investors' concerns around valuation and sustainability of margins resurfaced. Medical technology company Enovis faced short-term pressures because of challenges associated with integrating an acquisition and uneven execution. We retain a positive longer-term view on the company.

Partially offsetting the weakness were companies that delivered strong earnings momentum and fundamental resilience. One example was utility company Vistra, which gained on the back of solid operating performance in power generation and a positive outlook for energy prices. Investment bank Jefferies Group was another bright spot, supported by a more favourable environment for capital markets and improving opportunities to diversify its revenues. Axon Enterprise, a long-standing holding, continued to perform well as demand for its cloud-connected law enforcement technology remained strong. Jones Lang LaSalle also contributed positively, with signs of stabilisation in the commercial real estate market driving investor interest.

In healthcare, Natera's share price rose as adoption of its diagnostics platform broadened, underpinned by a growing body of clinical validation.

Activity

We bought Boot Barn Holdings, a niche retailer well-placed to benefit from resilient consumer demand in rural and suburban markets. In industrials, we purchased Construction Partners, a company exposed to ongoing US infrastructure investment. We added to our holding in Jefferies Group. We also added to orthopaedic specialist Globus Medical, as it offers differentiated exposure to innovation in musculoskeletal health. Jones Lang LaSalle was reintroduced to the portfolio as commercial real estate valuations began to normalise.

On the sales side, we sold out of Constellation and trimmed our exposure to Vistra, both having performed extremely well and beginning to display more balanced risk reward payoff. We also sold out of Lamb Weston on issues the company had experienced with its order management system.

Cormac Weldon and Olivia Micklem
Fund managers

Past performance is not a guide to the future.

[1] Source: Lipper Limited, class I accumulation, in sterling. 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. Prior to 31 October 2024, sub-fund performance was measured against the Russell 2000 Total Return Index. From 31 October 2024 onwards, it is measured against the Russell 2000 Net Return Index.

Artemis US Smaller Companies Fund

Investment information

Ten largest purchases and sales for the year ended 28 February 2025

Purchases	Cost £'000	Sales	Proceeds £'000
Boot Barn Holdings Inc	51,362	Vistra Corp	55,906
Jefferies Financial	46,665	Clean Harbors	37,622
Herc Holdings Inc	44,061	APi Group	32,470
Comfort Systems USA Inc	40,561	nVent Electric	30,654
Jones Lang LaSalle	40,227	Lamb Weston Holdings	30,555
Construction Partners Inc	39,446	Core & Main Inc	30,470
nVent Electric	38,784	Builders FirstSource	30,267
Core & Main Inc	38,767	Regal Rexnord	29,945
APi Group	37,548	Constellation Energy Corp	28,045
Globus Medical	36,277	TransUnion	27,965

Portfolio statement as at 28 February 2025

Investment	Holding	Valuation £'000	% of net assets
Equities 95.98% (99.87%)			
Consumer Discretionary 17.66% (16.30%)			
AZEK 'A'	667,004	24,810	2.00
Boot Barn	445,182	43,290	3.49
Burlington Stores	169,881	33,605	2.71
Cava Group	156,740	11,822	0.95
Churchill Downs	247,618	23,296	1.88
Hyatt Hotels	160,460	17,956	1.45
Meritage Homes	81,385	4,680	0.38
Planet Fitness 'A'	329,341	24,228	1.96
RH	86,815	22,172	1.79
SharkNinja	156,187	13,020	1.05
		218,879	**17.66**
Consumer Staples 2.09% (10.29%)			
BellRing Brands	444,318	25,857	2.09
		25,857	**2.09**
Energy 0.00% (1.45%)			
Financials 23.27% (7.58%)			
Affirm	463,019	23,582	1.90
Evercore	92,735	17,775	1.43
Hamilton Lane	110,487	13,711	1.11
IREN	621,631	4,067	0.33
Jefferies Financial	894,986	47,039	3.80
Kinsale Capital	44,745	15,361	1.24
LPL Financial	65,767	19,410	1.57
P10	1,667,187	16,903	1.36
Palomar	363,623	37,158	3.00
Pinnacle Financial Partners	412,649	37,437	3.02
Shift4 Payments	312,212	24,475	1.98
Zions Bancorp	730,341	31,340	2.53
		288,258	**23.27**
Health Care 8.57% (10.05%)			
Avantor	750,014	9,938	0.80
Enovis	523,635	16,064	1.30

Investment	Holding	Valuation £'000	% of net assets
Equities 95.98% (99.87%) (continued)			
Health Care 8.57% (10.05%) (continued)			
Exact Sciences	204,115	7,685	0.62
Globus Medical	559,008	35,661	2.88
Natera	103,577	12,806	1.03
Repligen	190,216	24,060	1.94
		106,214	**8.57**
Industrials 31.12% (30.28%)			
Axon Enterprise	94,238	39,552	3.19
Bloom Energy	656,599	12,516	1.01
Builders FirstSource	190,619	21,035	1.70
CBIZ	427,070	26,518	2.14
Comfort Systems USA	132,642	38,261	3.09
Construction Partners	533,412	30,720	2.48
Core & Main	795,064	32,199	2.60
Herc	117,838	13,422	1.08
Indie Semiconductor	5,223,611	12,483	1.01
Kirby	296,214	24,510	1.98
Korn Ferry	300,540	15,639	1.26
Kornit Digital	509,455	10,007	0.81
Mirion Technologies	2,245,309	27,666	2.23
MKS Instruments	187,613	13,689	1.11
nVent Electric	809,783	38,781	3.13
Saia	87,756	28,502	2.30
		385,500	**31.12**
Information Technology 4.07% (9.52%)			
Coherent	288,124	17,188	1.39
Dynatrace	271,577	12,344	1.00
Western Digital	536,066	20,825	1.68
		50,357	**4.07**
Materials 3.06% (3.71%)			
Eagle Materials	163,488	29,345	2.37
Hudbay Minerals	1,530,553	8,631	0.69
		37,976	**3.06**
Real Estate 3.56% (0.00%)			
Jones Lang LaSalle	204,283	44,071	3.56
		44,071	**3.56**
Technology 1.78% (6.45%)			
Kulicke & Soffa Industries	169,940	5,162	0.42
Sandisk	178,689	6,668	0.54
Zebra Technologies	40,406	10,101	0.82
		21,931	**1.78**
Utilities 0.80% (4.24%)			
TransAlta	779,978	6,308	0.51
Vistra	34,371	3,646	0.29
		9,954	**0.80**
Equities total		**1,188,997**	**95.98**

Investment	Valuation £'000	% of net assets
Forward Currency Contracts (0.01)% (0.00%)		
I accumulation GBP (NAV hedged) (0.01)% (0.00%)		
Buy Sterling 17,753,963, sell US Dollar 22,465,908 dated 31/03/2025	(86)	(0.01)
Buy US Dollar 6,869,563, sell Sterling 5,446,107 dated 06/03/2025	(20)	–
Forward Currency Contracts total	**(106)**	**(0.01)**
Investment assets (including investment liabilities)	**1,188,891**	**95.97**
Net other assets	**49,894**	**4.03**
Net assets attributable to shareholders	**1,238,785**	**100.00**

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

Financial statements

Statement of total return for the year ended 28 February 2025

	Note	28 February 2025 £'000	28 February 2025 £'000	29 February 2024 £'000	29 February 2024 £'000
Income					
Net capital (losses)/gains	3		**(4,492)**		88,721
Revenue	5	**5,605**		4,983	
Expenses	6	**(8,287)**		(7,289)	
Interest payable and similar charges	7	**(70)**		(16)	
Net expense before taxation		**(2,752)**		(2,322)	
Taxation	8	**(586)**		(836)	
Net expense after taxation			**(3,338)**		(3,158)
Total return before distributions			**(7,830)**		85,563
Distributions	9		**10**		(3)
Change in net assets attributable to shareholders from investment activities			**(7,820)**		85,560

Statement of change in net assets attributable to shareholders for the year ended 28 February 2025

	28 February 2025 £'000	28 February 2025 £'000	29 February 2024 £'000	29 February 2024 £'000
Opening net assets attributable to shareholders		**831,587**		1,036,893
Amounts receivable on issue of shares	**951,606**		192,704	
Amounts payable on cancellation of shares	**(537,578)**		(483,585)	
Amounts payable on cancellation of shares by in specie transfer	**–**		(326)	
		414,028		(291,207)
Dilution adjustment		**990**		341
Change in net assets attributable to shareholders from investment activities		**(7,820)**		85,560
Closing net assets attributable to shareholders		**1,238,785**		831,587

Balance sheet as at 28 February 2025

	Note	28 February 2025 £'000	29 February 2024 £'000
Assets			
Fixed assets			
Investments	10	**1,188,997**	830,499
Current assets			
Debtors	11	**28,587**	49,864
Cash and cash equivalents	12	**40,249**	149
Total current assets		**68,836**	50,013
Total assets		**1,257,833**	880,512
Liabilities			
Investment liabilities	10	**106**	15
Creditors			
Bank overdraft	13	**310**	23,591
Other creditors	14	**18,632**	25,319
Total creditors		**18,942**	48,910
Total liabilities		**19,048**	48,925
Net assets attributable to shareholders		**1,238,785**	831,587

Notes to the financial statements

1. Accounting policies

(a) Basis of accounting. The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, in accordance with FRS 102 and the Statement of Recommended Practice ("SORP") issued by the Investment Management Association in May 2014 and amended in June 2017 and the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL'). The financial statements have been prepared on a going concern basis. The ACD believes that the sub-fund has adequate resources to continue in operational existence for the foreseeable future. No material events have been identified that may cast significant doubt about the sub-fund's ability to continue as a going concern for a period of twelve months from the date the financial statements are authorised for issue.

(b) Valuation of investments. All investments, including any derivatives, have been valued at close of business on the last working day of the accounting period. The last valuation point in the period has been used for the purposes of preparing the report and financial statements and in the ACD's opinion there have been no material movements in the sub-fund between the last valuation point and close of business on the balance sheet date. Where a sub-fund invests in markets that are closed for trading at the sub-fund's valuation point, the ACD will allow for the net asset value to be adjusted (based on movements of index futures or other suitable proxies in markets closed at the sub-fund valuation point, since the last market close), to reflect more accurately the fair value of the sub-fund's investments. Listed investments are valued at fair value which is generally deemed to be the bid price. Unquoted investments are valued at fair value which is determined by the ACD, with reference to the valuation guidelines issued by the International Private Equity and Venture Capital Valuation Guidelines Board. Open forward currency contracts are shown in the portfolio statement at market value and the net (losses)/gains are reflected within forward currency contracts under net capital (losses)/gains.

(c) Foreign exchange rates. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at 12 noon on the last working day of the accounting period. Revenue and expenditure transactions are translated at the rates of exchange ruling on the dates of the transactions. Exchange differences on such transactions follow the same treatment as the principal amounts.

(d) Revenue. Dividends receivable from equity and non-equity shares, including Real Estate Investment Trusts ("REITs"), are credited to revenue, net of attributable tax credits, when the security is quoted ex-dividend. Dividends received as shares (scrip/stock dividends), to the extent that the value of such dividends is equal to the cash dividends, are treated as revenue. Dividends on unquoted stocks are credited to revenue when the right to receive payment is established. Dividends are recognised gross of any overseas tax. Overseas tax is included as part of the tax charge. A provision is made for any overseas tax not considered recoverable at the balance sheet date, whether due to uncertainty as to receipt either due to circumstances or recovery experience in specific jurisdictions, or due to the significant time lag since the receipt of the dividend. Special dividends are reviewed on a case by case basis when determining if a dividend is to be treated as revenue or capital. It is likely that where a special dividend results in a significant reduction in the capital value of a holding, then the dividend will generally be treated as capital, otherwise this will be recognized as revenue. Bank interest and interest on margin accounts held with brokers is recognised as revenue on an accruals basis.

(e) Expenses. All expenses (other than the performance fee and those relating to the purchase and sale of investments) are charged against revenue on an accruals basis. Portfolio transaction costs are incurred by sub-funds when buying and selling investments. These costs vary depending on the types of investment and are made up of direct and indirect portfolio transaction costs. Direct portfolio transaction costs include Broker execution commission and taxes. Indirect portfolio transaction costs relate to the 'Dealing spread', which is the difference between the purchase and sale prices of the sub-fund's investments. Some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid.

(f) Taxation. Corporation tax is charged at a rate of 20% on the excess taxable revenue of the sub-fund. In general, the tax accounting treatment follows that of the principal amount. Deferred tax is provided for all timing differences that have originated but not reversed at the balance sheet date other than those recorded as permanent differences. Deferred tax is provided for at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money. A deferred tax asset is only recognised to the extent that it is more likely than not that the asset will be recovered.

(g) Dilution adjustment. The sub-fund is priced on a single swinging price basis. The ACD has the discretion to charge a dilution adjustment as part of its daily valuation policy. This will mean that in certain circumstances the sub-fund will make adjustments to counter the impact of dealing and other costs on occasions when these are deemed to be significant. In the usual course of business, the application of a dilution adjustment will be applied systematically and on a consistent basis.

2. Distribution policy

The distribution policy of the sub-fund is to distribute all available revenue, after deduction of expenses and taxation properly chargeable against revenue. The sub-fund did not satisfy the qualifying investments test of Statutory Instrument 2006/964 Authorised Investment Funds (Tax) Regulations 2006 Regulation 19 and where applicable will pay a dividend distribution. Gains and losses on investments and derivatives whether realised or unrealised, if taken to capital are not available for distribution. With the exception of the ACD's annual management charge, which is directly attributable to each share class, all income and expenses are apportioned to each share class pro-rata to the value of the net assets of the relevant share class on the day that the income or expense is recognised. All available net revenue accounted for in accordance with the above policies is distributed to holders of income shares or retained and reinvested for holders of accumulation shares. Should expenses and taxation together exceed revenue, there will be no distribution and the shortfall will be met from capital. Income equalisation applies to the sub-fund. Equalisation applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these units as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

3. Net capital (losses)/gains

	28 February 2025 £'000	29 February 2024 £'000
Non-derivative securities	**(3,781)**	89,288
Forward currency contracts	**(92)**	670
Currency losses	**(619)**	(1,237)
Net capital (losses)/gains	**(4,492)**	88,721

4. Direct transaction costs

For purchases and sales of equities broker commissions, transfer taxes and stamp duty are paid by the sub-fund on each transaction and are summarised below.

Year ended 28 February 2025

	Principal £'000	Commissions £'000	Taxes £'000	Total after costs £'000	Commission as a percentage of principal %	Taxes as a percentage of principal %
Purchases						
Equities	1,439,702	270	–	1,439,972	0.02	–
Sales						
Equities	1,077,898	185	22	1,077,691	0.02	–
Total		**455**	**22**			
Percentage of fund average net assets		**0.04%**	**0.00%**			

Year ended 29 February 2024

	Principal £'000	Commissions £'000	Taxes £'000	Total after costs £'000	Commission as a percentage of principal %	Taxes as a percentage of principal %
Purchases						
Equities	825,106	138	–	825,244	0.02	–
Sales						
Equities	1,096,570	197	–	1,096,373	0.02	–
Total		**335**	**–**			
Percentage of fund average net assets		**0.04%**	**0.00%**			

During the year, the sub-fund incurred £nil (2024: £nil) in capital transaction charges.

Dealing spread

As at the balance sheet date, the estimated portfolio dealing spread was 0.07% (2024: 0.05%). This spread represents the difference between the bid and offer values of each underlying investment of the sub-fund expressed as a percentage of its offer price.

5. Revenue

	28 February 2025 £'000	29 February 2024 £'000
Overseas dividends	**4,729**	4,229
Bank interest	**876**	754
Total revenue	**5,605**	4,983

6. Expenses

	28 February 2025 £'000	29 February 2024 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	**7,186**	6,273
Administration fees	**1,101**	1,016
Total expenses	**8,287**	7,289

All expenditure stated above is inclusive of irrecoverable VAT where applicable.

The audit fee (excluding VAT) accrued during the year was £10,450 (2024: £10,150). This fee is paid by the ACD via the administration fee.

7. Interest payable and similar charges

	28 February 2025 £'000	29 February 2024 £'000
Interest payable	**70**	16
Total interest payable and similar charges	**70**	16

8. Taxation

	28 February 2025 £'000	29 February 2024 £'000
a) Analysis of the tax charge for the year		
Irrecoverable overseas tax	**586**	836
Total taxation (note 8b)	**586**	836
b) Factors affecting the tax charge for the year		
Net expense before taxation	**(2,752)**	(2,322)
Corporation tax of 20% (2024: 20%)	**(550)**	(464)
Effects of:		
Unutilised management expenses	**1,496**	1,247
Irrecoverable overseas tax	**586**	836
Double tax relief	**–**	(11)
Non-taxable overseas dividends	**(946)**	(772)
Tax charge for the year (note 8a)	**586**	836

c) Provision for deferred tax

No provision for deferred tax has been made in the current or prior accounting year.

d) Factors that may affect future tax charges

The sub-fund has not recognised a deferred tax asset of £8,717,000 (2024 £7,220,000) arising as a result of having unutilised management expenses of £43,584,000 (2024: £36,103,000). It is unlikely that the sub-fund will obtain relief for these in the future so no deferred tax asset has been recognised.

9. Distributions

	28 February 2025 £'000	29 February 2024 £'000
Add: amounts deducted on cancellation of shares	**9**	5
Deduct: amounts added on issue of shares	**(19)**	(2)
Distributions	**(10)**	3
Movement between net expense and distributions		
Net expense after taxation	**(3,338)**	(3,158)
Deficit transferred to capital	**3,325**	3,161
Revenue received on conversion of shares	**3**	–
	(10)	3

The distributions take account of amounts added on the issue of shares and amounts deducted on the cancellation of shares. Details of the distributions per share are set out in the distribution tables on page 156.

10. Fair value hierarchy

All investments are designated at fair value through profit or loss on initial recognition. The following table provides an analysis of these investments based on the fair value hierarchy in accordance with FRS 102 which reflects the reliability and significance of the information used to measure their fair value.

The disclosure is split into the following categories:

Level 1 – Investments with unadjusted quoted prices in an active market;
Level 2 – Investments whose fair value is based on inputs other than quoted prices that are either directly or indirectly observable;
Level 3 – Investments whose fair value is based on inputs that are unobservable (i.e. for which market data is unavailable).

	28 February 2025		29 February 2024	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	**1,188,997**	**–**	830,499	–
Level 2	**–**	**106**	–	15
Total	**1,188,997**	**106**	830,499	15

11. Debtors

	28 February 2025 £'000	29 February 2024 £'000
Amounts receivable for issue of shares	**15,898**	30,689
Sales awaiting settlement	**12,291**	19,090
Accrued revenue	**398**	85
Total debtors	**28,587**	49,864

12. Cash and cash equivalents

	28 February 2025 £'000	29 February 2024 £'000
Amounts held in liquidity funds	**40,069**	–
Cash and bank balances	**180**	149
Total cash and cash equivalents	**40,249**	149

13. Bank overdraft

	28 February 2025 £'000	29 February 2024 £'000
Bank overdrafts	**40**	23,591
Collateral pledged with brokers	**270**	–
Total bank overdraft	**310**	23,591

14. Other creditors

	28 February 2025 £'000	29 February 2024 £'000
Purchases awaiting settlement	–	15,847
Amounts payable for cancellation of shares	**17,757**	8,927
Accrued annual management charge	**762**	463
Accrued administration fee payable to the ACD	**113**	74
Interest payable	–	8
Total other creditors	**18,632**	25,319

15. Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

16. Reconciliation of share movements

	Shares in issue at 29 February 2024	Shares issued	Shares cancelled	Shares converted	**Shares in issue at 28 February 2025**
E accumulation GBP *	–	94,578,694	(6,184,415)	45,513,586	**133,907,865**
I accumulation GBP	225,920,260	202,337,812	(134,748,458)	(12,385,083)	**281,124,531**
I accumulation GBP (NAV hedged)	3,535,648	16,453,664	(8,054,603)	11,508	**11,946,217**

* Launched on 30 April 2024.

17. Risk disclosures

In pursuing its investment objectives, the sub-fund may hold a number of financial instruments. These financial instruments comprise equities, cash balances and liquid resources, which include debtors and creditors that arise directly from the sub-fund's operations.

The ACD has a risk management policy. The processes detailed within are designed to monitor and measure at any time the risk of the sub-fund's positions and their contribution to the overall risk profile of the sub-fund. In addition, our Investment Committee and Risk and Compliance Committee meet monthly and quarterly respectively, and as required to evaluate risk across each of our sub-funds. These policies have been consistent for both the current and prior period to which these financial statements relate.

In the normal course of business, the sub-fund's activities expose it to various types of risk which are associated with the financial instruments and markets in which it invests. These financial risks: market risk (comprising currency risk, interest rate risk and other market price risk and leverage risk), credit and counterparty risk and liquidity risk and the approach to the management of these risks, are set out below and remain unchanged from the previous accounting year. For a detailed explanation of these and further risks involved in investing in the sub-fund, reference should be made to the Prospectus.

(a) Market risk

Market risk, which includes interest rate risk, currency risk, other price risk and leverage risk arises mainly from uncertainty about future values of financial instruments in the sub-fund's investment portfolio. The sub-fund, in order to meet its investment objective and policy, invests predominantly in equities and maintains an appropriate spread of investments in accordance with COLL, the Trust Deed and the Prospectus to seek to reduce the risks arising from factors specific to a particular company or sector. The ACD's investment strategy is to select investments for their fundamental value. Stock selection is therefore based on disciplined accounting, market and sector analysis, with the emphasis on long-term investments. There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-fund disclosed in the balance sheet.

(i) Interest rate risk

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. As the majority of the sub-fund's financial assets are non-interest bearing, the sub-fund is only subject to limited exposure to fair value interest rate risk due to fluctuations in levels of market interest rates and therefore no sensitivity analysis has been provided.

(ii) Currency risk

A portion of the net assets of the sub-fund are denominated in currencies other than sterling, and therefore the balance sheet and total return can be affected by currency movements. Therefore, the ACD may decide that a proportion of the investments that are not priced in sterling, may be covered by forward currency contracts, so that the sub-fund's exposure to currency risk is reduced. The loss on forward currency contracts for the year was £92,000 (2024: £670,000 gain on forward currency contracts).

Revenue received in foreign currencies is converted into sterling on or near the date of receipt. The exposure to each currency is shown in the tables below.

Currency	Investments £'000	Net other assets/ (liabilities) £'000	Forward currency contracts £'000	Total £'000
28 February 2025				
US Dollar	**1,174,059**	**5,132**	**(12,414)**	**1,166,777**
Sterling	**–**	**44,740**	**12,307**	**57,047**
Canadian Dollar	**14,939**	**22**	**–**	**14,961**
29 February 2024				
US Dollar	830,499	1,489	(5,043)	826,945
Sterling	–	(386)	5,028	4,642

A five percent increase in the value of the sub-fund's foreign currency exposure would have the effect of increasing the return and net assets by £59,087,000 (2024: £41,347,000). A five percent decrease would have an equal and opposite effect

(iii) Other price risk

Other price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices (other than those relating to interest rate risk, currency risk and credit and counterparty risk), whether caused by factors specific to an investment or wider issues affecting the market generally. The value of equities is dependent on a number of factors, arising from the performance of the company itself and matters arising in the wider market (for example the state of the underlying economy and current government policy). The portfolio is invested in securities domiciled in a number of countries and will be exposed to market movements in the relevant country arising from changes in the local economy and government decisions. As part of the continuing review of the portfolio, the ACD monitors and reviews these factors. A five percent increase in the value of the sub-fund's portfolio would have the effect of increasing the return and net assets by £61,939,000 (2024: £41,524,000). A five percent decrease would have an equal and opposite effect.

(iv) Leverage risk

Leverage is defined as any method by which the sub-fund can increase its exposure by borrowing cash or securities or from leverage that is embedded in derivative positions. The ACD is required to calculate and monitor the level of leverage of the sub-fund, expressed as a percentage of the exposure of the sub-fund and its net asset value under the 'commitment' method.

The sub-fund can use cash borrowing (subject to restrictions as set out in its Prospectus and COLL) and financial derivatives as sources of leverage. The maximum level of leverage which the ACD may employ on behalf of the fund is 200% under the commitment method. A result of 100% indicates that no leverage has been used.

As at 28 February 2025 and 29 February 2024 the leverage ratios of the sub-fund were:

	28 February 2025 %	29 February 2024 %
Sum of the notionals	**100.0**	102.5
Commitment	**100.0**	100.8

(b) Credit and counterparty risk

Credit and counterparty risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment it has entered into with the sub-fund, resulting in a financial loss. From time to time, the sub-fund may be subject to short-term credit risk with counterparties pending settlement of investment transactions. The ACD has a pre-approved list of counterparties it uses for investment transactions, which is reviewed on a regular basis.

The largest counterparty risk is with Northern Trust Investor Services Limited, the sub-fund's custodian and banker, who holds the sub-fund's investments and maintains the bank accounts. Bankruptcy or insolvency of Northern Trust Investor Services Limited may cause the sub-fund's rights with respect to securities and cash held by the custodian to be delayed or limited. The depositary receives and reviews a semi-annual report on the internal controls in place at Northern Trust Investor Services Limited. The sub-fund is also exposed to counterparty risk through holding specific financial instruments.

The ACD is permitted to use one or more separate counterparties for derivative transactions. The sub-fund may enter into transactions in over-the-counter ('OTC') markets that expose it to the credit worthiness of its counterparties and their ability to satisfy the terms of such contracts. Where the sub-fund enters into derivative contracts, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of bankruptcy or insolvency of a counterparty, the sub-fund could experience delays in liquidating the position and may incur significant losses. There may be a risk that a counterparty will be unable to meet its obligations with regard to the return of the collateral and may not meet other payments due to the sub-fund. To minimise such risk the ACD will assess the creditworthiness of any counterparty that it engages with. On a daily basis, the ACD assesses the level of assets with each counterparty to ensure that the exposure is within the defined limits in accordance with the requirements stipulated in COLL and the Prospectus. The derivatives are disclosed in the portfolio statement, Northern Trust is the counterparty for forward currency contracts. Aside from the custodian, and brokers where trades are pending settlement, there were no significant concentrations of credit and counterparty risk as at 28 February 2025 or 29 February 2024.

Counterparty and collateral exposure

The types of derivatives held at the balance sheet date were forward currency contracts. Details of the individual contracts are disclosed separately in the portfolio statement and the total position by counterparty and the collateral pledged, at the balance sheet date, were as follows:

Currency	Forward currency contracts £'000	Total gross exposure £'000	Net collateral pledged £'000
28 February 2025			
Northern Trust	**(106)**	**(106)**	**(270)**
29 February 2024			
Northern Trust	(15)	(15)	–

(c) Liquidity risk

Liquidity risk is the risk that through market liquidity conditions, requests for redemptions from investors cannot be met in an orderly and appropriate manner. Artemis adopts a policy of mitigation and control to manage liquidity risks. Mitigation occurs through maintaining prudent levels of liquidity in each sub-fund and a well-diversified investor base. As a result, redemption requests can be satisfied in all but exceptional circumstances.

Artemis has a dedicated liquidity risk management policy which is owned by the independent investment risk team which reports to the Chief Risk Officer. Its purpose is to ensure the portfolio manager acts in the client's best interest with regards to this liquidity risk. Through the use of 3rd party modeling and assumptions, the investment risk team conduct regular monitoring and analyses of the liquidity profile of the funds and investor base. This includes but is not limited to what percentage of the sub-fund can be liquidated within certain redemption horizons, whether the largest investors in the sub-fund can redeem without affecting the fair treatment of remaining investors, liquidity stress testing and other analysis deemed to cover a risk specific to the strategy considered. There was no significant concentration of liquidity risk as at 28 February 2025 or 29 February 2024.

18. Related party transactions

The ACD is deemed to be a related party. All transactions and balances associated with the ACD are disclosed within the statement of total return, statement of change in net assets attributable to shareholders and the balance sheet on page 147 and notes 6, 9, 11 and 14 on pages 150 to 152 including all issues and cancellations where the ACD acted as principal.

The balance payable to the ACD as at 28 February 2025 in respect of these transactions was £2,734,000 (2024: due to the ACD £21,225,000).

19. Share classes

The annual management charges on each share class is as follows:

E accumulation GBP	0.630%
I accumulation GBP	0.750%
I accumulation GBP (NAV hedged)	0.750%

The net asset value per share and the number of shares in each class are given in the comparative table on page 157 .
The distributions per share class are given in the distribution tables on page 156. All classes have the same rights on winding up.

20. Post balance sheet event

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

DISTRIBUTION TABLES

This sub-fund pays annual dividend distributions. The following table sets out the distribution period.

Annual distribution period	Start	End	Ex-dividend date	Pay date
Final	1 March 2024	28 February 2025	1 March 2025	30 April 2025

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.

E accumulation GBP *

Dividend distributions for the period ended 28 February 2025	Group 2 Net revenue per share (p)	Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Unfranked	2024 Distribution per share (p)
Final	–	–	–	–	–	–

* Launched on 30 April 2024.

I accumulation GBP

Dividend distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Unfranked	2024 Distribution per share (p)
Final	–	–	–	–	–	–

I accumulation GBP (NAV hedged)

Dividend distributions for the year ended 28 February 2025	Group 2 Net revenue per share (p)	Equalisation per share (p)	Group 1 & 2 Distribution per share (p)	Corporate streaming Franked	Unfranked	2024 Distribution per share (p)
Final	–	–	–	–	–	–

Comparative tables

	E accumulation GBP **
	2025
Change in net assets per share (p)	
Opening net asset value per share	**100.00**
Return before operating charges *	5.29
Operating charges	(0.67)
Return after operating charges *	**4.62**
Distributions	–
Retained distributions on accumulation shares	–
Closing net asset value per share	**104.62**
* after direct transaction costs of	0.06
Performance	
Return after charges	4.62%
Other information	
Closing net asset value (£'000)	140,099
Closing number of shares	133,907,865
Operating charges	0.74%
Direct transaction costs	0.05%
Prices	
Highest share price (p)	124.31
Lowest share price (p)	92.59

	I accumulation GBP			I accumulation GBP (NAV hedged)		
	2025	2024	2023	2025	2024	2023
Change in net assets per share (p)						
Opening net asset value per share	**365.83**	**317.51**	**334.59**	**144.10**	**120.49**	**144.73**
Return before operating charges *	21.96	50.96	(14.35)	7.33	24.64	(23.18)
Operating charges	(3.35)	(2.64)	(2.73)	(1.35)	(1.03)	(1.06)
Return after operating charges *	**18.61**	**48.32**	**(17.08)**	**5.98**	**23.61**	**(24.24)**
Distributions	–	–	–	–	–	–
Retained distributions on accumulation shares	–	–	–	–	–	–
Closing net asset value per share	**384.44**	**365.83**	**317.51**	**150.08**	**144.10**	**120.49**
* after direct transaction costs of	0.21	(0.12)	(0.09)	0.08	(0.05)	(0.04)
Performance						
Return after charges	5.09%	15.22%	(5.10)%	4.15%	19.59%	(16.75)%
Other information						
Closing net asset value (£'000)	1,080,757	826,492	1,031,056	17,929	5,095	5,837
Closing number of shares	281,124,531	225,920,260	324,730,253	11,946,217	3,535,648	4,844,173
Operating charges	0.86%	0.87%	0.87%	0.86%	0.87%	0.87%
Direct transaction costs	0.05%	0.04%	0.03%	0.05%	0.04%	0.03%
Prices						
Highest share price (p)	456.75	360.95	350.35	178.24	142.21	148.38
Lowest share price (p)	340.30	272.79	274.18	134.86	103.10	107.81

* Direct transaction costs are stated after deducting the amounts collected in relation to estimated dealing costs added to the issue of shares and subtracted from the cancellation of shares.

** Launched on 30 April 2024.

The operating charges are calculated on an ex-post basis. High and low price disclosures are based on quoted share prices. Therefore, opening and closing NAV prices may fall outside the high/low price threshold.

Artemis US Smaller Companies Fund

Ongoing charges

Class	28 February 2025
E accumulation GBP *	0.740%
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.

* Ongoing charges shows the estimated annual operating expenses as a percentage of the average net assets of that class since launch.

Class I accumulation performance

	Since launch *	10 years	5 years	3 years	1 year	6 months
Artemis US Smaller Companies Fund **	280.7	223.0	60.1	13.7	5.5	3.7
Artemis US Smaller Companies Fund ***	283.5	229.0	60.9	13.4	5.1	4.2
Russell 2000 NR ****	185.4	146.6	58.8	17.5	7.1	2.4
North American Smaller Companies Average	215.1	175.8	64.3	15.7	5.9	2.3
Position in sector	1/7	1/7	7/10	8/10	4/10	3/10
Quartile	1	2	3	3	2	2

Past performance is not a guide to the future.

* Source: Lipper Limited, class I accumulation GBP from 27 October 2014 to 28 February 2025. 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.
**** Prior to 31 October 2024, sub-fund performance was measured against the Russell 2000 Total Return Index. From 31 October 2024 onwards, it is measured against the Russell 2000 Net Return Index.

Class I accumulation 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 159 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.

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