



Artisan International Small-Mid Fund

MONTHLY Commentary

Investor Class: ARTJX | Advisor Class: APDJX As of 30 June 2024

Commentary

Global equities fell in June on concerns over a slowing US economy and uncertainties in European elections. Every sector in the MSCI ACWI ex USA SMID Index, with the exception of information technology, declined in the month. The energy and materials sectors delivered the steepest losses. Our portfolio outperformed the index in June, mainly due to stock selection in health care. For the quarter, the portfolio underperformed the index primarily due to stock selection in information technology and industrials.

NICE and ConvaTec were the largest detractors in Q2. NICE is a leading enterprise software company within contact centers, including a growing segment of artificial intelligence-enabled tools. Despite reporting ~17% organic cloud revenue growth and more than \$150 million annual recurring revenue from AI and digital engagement, shares of NICE fell due to general weakness in software, news of an eventual CEO transition at year-end and the perceived competitive threat from Microsoft. NICE's management team boasts a deep bench, and we will stay close to the evolution of leadership to further evaluate the potential impact on its strategic plan. We continue to have confidence in NICE's multiyear opportunity, with enhanced products and ability to widen its market share lead—particularly at the high end of the customer base. The business is run profitably with 20% margins, over a billion dollars of cash on the balance sheet and a focus on R&D to sustain its competitive positioning. We think NICE's stock is attractively valued, currently trading at mid-teens forward free cash flow multiple, and has numerous growth drivers ahead.

ConvaTec, a medical device maker, continues on a turnaround journey, leveraging its R&D engine to develop a suite of new products for the highly lucrative ostomy and continence care markets, as well as for the structurally growing markets of infusion devices for insulin pumps and wound care. Shares fell this quarter on concerns about potential changes in wound care reimbursement in the US. We believe the market's reaction is premature, as the proposal is far from final and potentially affects less than 4% of ConvaTec's revenue, in current form. We see the company as attractively valued given the highly recurring nature of its revenues, its potential for continued innovation and the resulting margin expansion that would follow.

Britvic and Fabrinet were the largest contributors in Q2. Britvic is one of the largest soft drinks producers in Europe and the exclusive UK bottler for PepsiCo. It manufactures and distributes soft drinks for other third parties as well as proprietary brands. Shares of Britvic rallied after the company rebuffed two takeover bids from Carlsberg. In our view, Britvic remains attractively valued, given its innovative and broad portfolio, pricing power, strong route-to-market strategy and recent investment in boosting its manufacturing capacity. Consolidation in distribution continues to benefit Britvic, and we like the company's growth potential.

Fabrinet is a leading manufacturer of advanced optical photonics equipment for high-end connectivity within data centers. Optical components are structurally replacing copper wires as the requirements for speed and energy efficiency increase. Shares gained after quarterly revenue and EPS exceeded expectations. Fabrinet is a leading supplier to NVIDIA for its AI chips and continues to move up the value chain. The company is asset light with an intelligent contract structure embedded in the business. Pre-payments provide it with negative working capital and fund manufacturing capacity expansions.

Portfolio Details

	ARTJX	APDJX
Net Asset Value (NAV)	\$17.31	\$17.41
Inception	21 Dec 2001	4 Dec 2018
Expense Ratios		
Semi-Annual Report 31 Mar 2024 ¹	1.31%	1.14%
Prospectus 30 Sep 2023 ²	1.31%	1.15%

¹Unaudited, annualized for the six-month period. ²See prospectus for further details.

Top 10 Holdings (% of total portfolio)

Nice Ltd (Israel)	3.3
ConvaTec Group PLC (United Kingdom)	2.9
Ambu A/S (Denmark)	2.3
Alcon Inc (Switzerland)	2.2
JET2 PLC (United Kingdom)	2.1
Swedish Orphan Biovitrum AB (Sweden)	2.0
CyberArk Software Ltd (Israel)	1.8
Glaukos Corp (United States)	1.7
Fabrinet (United States)	1.7
Rotork PLC (United Kingdom)	1.7
TOTAL	21.6%

Source: Artisan Partners/MSCI.

Sector Diversification (% of portfolio securities)

	Fund	ACxUS SMD ¹
Communication Services	0.2	4.5
Consumer Discretionary	4.9	11.0
Consumer Staples	8.5	6.1
Energy	1.8	4.1
Financials	6.8	14.3
Health Care	24.0	6.6
Industrials	28.4	20.3
Information Technology	23.0	11.5
Materials	1.4	10.9
Real Estate	0.9	6.7
Utilities	0.2	4.0
TOTAL	100.0%	100.0%

Source: Artisan Partners/GICS/MSCI. Cash and cash equivalents represented 1.4% of the total portfolio. ¹MSCI All Country World ex USA SMID Index.

Investment Results (%)

As of 30 June 2024	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTJX	-0.97	-3.67	-0.06	2.30	-6.08	5.23	3.93	9.86
Advisor Class: APDJX	-0.97	-3.71	0.00	2.41	-5.94	5.38	4.01	9.90
MSCI All Country World ex USA SMID Index	-1.22	-0.07	2.38	10.30	-1.65	5.05	3.92	7.94
MSCI EAFE Small Cap Growth Index	-2.34	-1.74	0.10	5.08	-6.54	3.41	4.58	7.76

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. Class inception: Investor (21 December 2001); Advisor (4 December 2018). For the period prior to inception, Advisor Class performance is the Investor Class's return for that period ("Linked Performance"). Linked Performance has not been restated to reflect expenses of the Advisor Class and the share class's returns during that period would be different if such expenses were reflected.

Past performance does not guarantee and is not a reliable indicator of future results. Investment returns and principal values will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that shown. Call 800.344.1770 for current to most recent month-end performance.

Region/Country Allocation (% of portfolio securities)

REGION	Fund	ACxUS SMD ¹
EUROPE	46.7	32.6
United Kingdom	20.1	8.3
Denmark	6.5	1.2
Switzerland	4.4	3.3
Sweden	4.1	3.2
Germany	3.8	3.6
Finland	2.3	1.0
Netherlands	1.5	2.1
France	1.2	3.1
Norway	0.9	1.3
Italy	0.9	2.2
Belgium	0.7	0.8
Spain	0.5	1.0
AMERICAS	23.4	6.8
United States	18.2	—
Canada	5.3	6.8
PACIFIC BASIN	16.7	28.4
Japan	16.7	18.9
MIDDLE EAST	7.5	1.9
Israel	7.5	1.9
EMERGING MARKETS	5.7	30.2
India	2.3	6.7
Brazil	1.5	1.3
China	0.7	3.9
Mexico	0.6	0.6
Iceland	0.4	—
Korea	0.1	3.6
TOTAL	100.0%	100.0%

Source: Artisan Partners/MSCI. ¹MSCI All Country World ex USA SMID Index. Countries held in the index, but not held in the portfolio, are not listed.

Team Leadership



Portfolio Manager

Rezo Kanovich

Years of Investment Experience

25

Carefully consider the Fund's investment objective, risks and charges and expenses. This and other important information is contained in the Fund's prospectus and summary prospectus, which can be obtained by calling 800.344.1770. Read carefully before investing.

Current and future portfolio holdings are subject to risk. The value of portfolio securities selected by the investment team may rise or fall in response to company, market, economic, political, regulatory or other news, at times greater than the market or benchmark index. A portfolio's environmental, social and governance ("ESG") considerations may limit the investment opportunities available and, as a result, the portfolio may forgo certain investment opportunities and underperform portfolios that do not consider ESG factors. International investments involve special risks, including currency fluctuation, lower liquidity, different accounting methods and economic and political systems, and higher transaction costs. These risks typically are greater in emerging and less developed markets, including frontier markets. Securities of small- and medium-sized companies tend to have a shorter history of operations, be more volatile and less liquid and may have underperformed securities of large companies during some periods. Growth securities may underperform other asset types during a given period.

MSCI All Country World ex USA SMID Index measures the performance of small- and mid-cap companies in developed and emerging markets excluding the US. MSCI EAFE Small Cap Growth Index measures the performance of small-cap companies in developed markets, excluding the US and Canada, with higher forecasted and historical growth rates. The index(es) are unmanaged; include net reinvested dividends; do not reflect fees or expenses; and are not available for direct investment.

For the purpose of determining the Fund's holdings, securities of the same issuer are aggregated to determine the weight in the Fund. The discussion of portfolio holdings does not constitute a recommendation of any individual security. These holdings comprise the following percentages of the Fund's total net assets as of 30 Jun 2024: Britvic PLC 1.4%. Securities named in the Commentary, but not listed as a Top Ten Holding or not listed here are not held in the Fund as of the date of this report. The portfolio managers' views and portfolio holdings are subject to change and the Fund disclaims any obligation to advise investors of such changes.

Unless otherwise indicated, all information in this report includes all classes of shares, except performance and expense ratio information, and is as of the date shown in the upper right hand corner. Totals may not sum due to rounding.

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Earnings per Share (EPS) is the portion of a company's profit allocated to each outstanding share of common stock. Free Cash Flow is a measure of financial performance calculated as operating cash flow minus capital expenditures.

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