



Artisan Value Income Fund

MONTHLY
Commentary

Investor Class: APFWX

Advisor Class: APDWX

As of 31 May 2024

Commentary

Top month-to-date contributors: NetApp Inc; nVent Electric PLC; Moelis & Co; Otis Worldwide Corp; Philip Morris International Inc

Bottom month-to-date contributors: Baxter International Inc; EOG Resources Inc; Ryanair Holdings PLC; Samsung Electronics Co Ltd; Tyson Foods Inc

In this space, we discuss one top contributor (nVent Electric) and one bottom contributor (Baxter International) from the recent month.

nVent Electric, a provider of electrical connections and protection solutions, is our top contributor to return for the YTD and trailing one-year periods. Strong growth in the business over the past few years has been supported by multiple secular tailwinds, including electrification, clean energy, energy efficiency, artificial intelligence, digitalization and onshoring, to name a few. The company has also executed well, allocating capital wisely by deploying free cash flow into product development, accretive M&A and return of capital via dividends and share repurchases. The data solutions business (~14% of sales) has been and is expected to be a key source of growth over the next few years driven by the acceleration in AI infrastructure investment and the company's leading position in liquid cooling solutions. Liquid cooling is growing 3X the rate of legacy cooling and is still only a small portion of how data centers are cooled today.

Baxter provides essential products in renal care, medication delivery, advanced surgery, clinical nutrition, pharma and acute therapies. Though quarterly results beat expectations and the company raised guidance, shares were down because some of the upside to results was in the renal care business, which is being spun off, whereas there was weakness in its healthcare services and technologies business—the legacy Hillrom business that it acquired in 2021. Baxter has sought to transform the company by selling several non-core operations, which will raise cash and simplify the business longer term as it focuses on profitable growth. Last year, it sold its BioPharma Solutions business at a significant premium, and this year it is exiting the kidney business. Given the company's growth challenges over the past few years, patience among investors seems to be lacking. In our view, there is significant pessimism embedded in the stock price as it sells cheaply based on our sum-of-the-parts valuation analysis.

Portfolio Details

	APFWX	APDWX
Net Asset Value (NAV)	\$9.98	\$9.99
Inception	28 Feb 2022	28 Feb 2022
Expense Ratios (% Gross/Net)		
Semi-Annual Report 31 Mar 2024 ^{1,2,3}	8.78/1.20	4.01/1.10
Prospectus 30 Sep 2023 ^{2,3}	9.08/1.21	4.36/1.11

¹Unaudited, annualized for the six-month period. ²Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2025. ³See prospectus for further details.

Top 10 Holdings (% of total portfolio)

Lamar Advertising Co (Real Estate)	3.7
Cable One Inc (Communication Services)	3.3
Philip Morris International Inc (Consumer Staples)	3.0
Comcast Corp (Communication Services)	2.9
EOG Resources Inc (Energy)	2.8
M&T Bank Corp (Financials)	2.7
WaFd Inc (Financials)	2.6
Heineken Holding NV (Consumer Staples)	2.5
Medtronic PLC (Health Care)	2.4
Altria Group Inc (Consumer Staples)	2.4
TOTAL	28.2%

Source: Artisan Partners/GICS.

Sector Diversification (% of portfolio securities)

	Fund	S&P 500 ¹
Communication Services	8.0	9.3
Consumer Discretionary	4.7	9.8
Consumer Staples	16.5	6.0
Energy	2.8	3.8
Financials	24.6	12.8
Health Care	7.8	12.1
Industrials	9.4	8.4
Information Technology	6.7	30.8
Materials	0.0	2.3
Real Estate	8.9	2.2
Utilities	10.8	2.4
TOTAL	100.0%	100.0%

Source: Artisan Partners/GICS/S&P. Cash and cash equivalents represented 1.2% of the total portfolio. ¹S&P 500® Index.

Investment Results (%)

As of 31 May 2024	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: APFWX	2.36	-0.40	4.45	17.85	—	—	—	2.51
Advisor Class: APDWX	2.36	-0.40	4.45	18.03	—	—	—	2.61
S&P 500® Index	4.96	0.67	11.30	28.19	—	—	—	10.47
Dow Jones US Select Dividend Index	4.26	1.04	7.20	19.76	—	—	—	4.38

As of 31 March 2024

Investor Class: APFWX	4.76	4.87	4.87	14.64	—	—	—	2.92
Advisor Class: APDWX	4.76	4.87	4.87	14.82	—	—	—	3.02
S&P 500® Index	3.22	10.56	10.56	29.88	—	—	—	10.99
Dow Jones US Select Dividend Index	6.62	6.10	6.10	9.73	—	—	—	4.22

Source: Artisan Partners/S&P/S&P DJI. Returns for periods less than one year are not annualized.

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.

Market Cap Distribution (% of portfolio securities)

\$ in billions	Fund	S&P 500 ¹
200.0+	8.3	53.1
140.0–200.0	10.8	9.1
90.0–140.0	6.9	10.1
60.0–90.0	12.8	7.7
30.0–60.0	7.0	11.9
15.0–30.0	22.2	6.1
5.0–15.0	16.4	2.0
0.0–5.0	10.9	0.0
Not Applicable	4.7	—
TOTAL	100.0%	100.0%

Source: Artisan Partners/S&P. ¹S&P 500[®] Index.

Team Leadership (Pictured left to right)



Portfolio Managers	Years of Investment Experience
Thomas A. Reynolds IV	25
Daniel L. Kane, CFA	26
Craig Inman, CFA	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. There is no guarantee that the companies in which the portfolio invests will declare dividends in the future or that dividends, if declared, will remain at current levels or increase over time. 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. Value securities may underperform other asset types during a given period.

S&P 500[®] Index measures the performance of 500 US companies focused on the large-cap sector of the market. The Dow Jones US Select Dividend Index measures the performance of the US's leading stocks by dividend yield. 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 31 May 2024: Baxter International Inc 1.8%; Moelis & Co 1.5%; NetApp Inc 2.1%; nVent Electric PLC 1.0%; Otis Worldwide Corp 2.4%; Ryanair Holdings PLC 1.5%; Samsung Electronics Co Ltd 1.5%; Tyson Foods Inc 2.0%. 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.

The Global Industry Classification Standard (GICS[®]) is the exclusive intellectual property of MSCI Inc. (MSCI) and Standard & Poor's Financial Services, LLC (S&P). Neither MSCI, S&P, their affiliates, nor any of their third party providers ("GICS Parties") makes any representations or warranties, express or implied, with respect to GICS or the results to be obtained by the use thereof, and expressly disclaim all warranties, including warranties of accuracy, completeness, merchantability and fitness for a particular purpose. The GICS Parties shall not have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of such damages.

This material is provided for informational purposes without regard to your particular investment needs and shall not be construed as investment or tax advice on which you may rely for your investment decisions. Investors should consult their financial and tax adviser before making investments in order to determine the appropriateness of any investment product discussed herein.

The S&P 500[®] and Dow Jones US Select Dividend ("Indices") are products of S&P Dow Jones Indices LLC ("S&P DJI") and/or its affiliates and has been licensed for use. Copyright © 2024 S&P Dow Jones Indices LLC, a division of S&P Global, Inc. All rights reserved. Redistribution or reproduction in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. S&P[®] is a registered trademark of S&P Global and Dow Jones[®] is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). None of S&P DJI, Dow Jones, their affiliates or third party licensors makes any representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and none shall have any liability for any errors, omissions, or interruptions of any index or the data included therein.

Sector exposure percentages reflect sector designations as currently classified by GICS.

Free Cash Flow is a measure of financial performance calculated as operating cash flow minus capital expenditures. **Sum-of-the-parts valuation** is an approach to valuing a company by separately assessing the value of each business segment and adding them up to determine the total value of the company.

Artisan Partners Funds offered through Artisan Partners Distributors LLC (APDLLC), member FINRA. APDLLC is a wholly owned broker/dealer subsidiary of Artisan Partners Holdings LP. Artisan Partners Limited Partnership, an investment advisory firm and adviser to Artisan Partners Funds, is wholly owned by Artisan Partners Holdings LP.

© 2024 Artisan Partners. All rights reserved.

6/6/2024 A24308L_vR