



Artisan International Small-Mid Fund

MONTHLY
Commentary

Investor Class: ARTJX | Advisor Class: APDJX

As of 31 October 2024

Commentary

After strong gains in Q3, global equities fell in October. Every sector in the MSCI ACWI ex USA SMID Index fell during the month, with the real estate and consumer staples sectors leading the move lower. Our portfolio performed in line with the index in October, with health care holdings making the strongest contribution.

Madrigal Pharmaceuticals and Wolfspeed were the largest contributors QTD. Madrigal develops and commercializes innovative therapeutic candidates for cardiovascular, metabolic and liver diseases. Its lead drug, Rezdiffra (resmetirom), was the first FDA-approved treatment for metabolic dysfunction-associated steatohepatitis (MASH), a disease that can lead to cirrhosis and liver failure. The drug posted \$62 million in sales in Q3 amid strong launch momentum and accelerated physician uptake. We believe this treatment has the potential to become a blockbuster.

Wolfspeed is a leader in materials science, manufacturing silicon carbide (SiC) wafers and devices for next-generation power semiconductors used to improve the range and efficiency of electric vehicles (EV) and drive industrial applications. Shares surged this month after the company secured US CHIPS Act support, to help fund their manufacturing expansion. Recent sentiment surrounding US EV sales had driven Wolfspeed shares lower, but we remained focused on Wolfspeed continuing to strengthen its leadership position. By year-end, Wolfspeed will have the world's largest SiC devices facility and largest SiC wafer manufacturing facility, which should generate strong cash flows and lead to balance sheet normalization as utilization increases. Moreover, its vertically integrated business model provides strong pricing power, as well as quality and supply assurance.

ConvaTec and Rotork were the largest detractors QTD. ConvaTec, a medical device maker, continues its turnaround by leveraging R&D to develop a suite of new products. Its shares fell on concerns about potential changes to US Medicare and Medicaid reimbursement for biologics used in advanced wound management and catheters. We believe the magnitude of change priced into the stock is too extreme. Additionally, higher regulatory pressure increases the barriers to entry in these segments. In our view, ConvaTec is attractively valued, with a high-single-digit free cash flow yield on our forward-looking projections. We retain our conviction given the highly recurring nature of its revenues, potential for continued innovation and progress toward its long-term target of 25% margins.

Rotork is a global leader in mission-critical, intelligent flow control solutions, including electric actuators, which are structurally gaining market share. Its products help traditional oil and gas companies reduce emissions by preventing leaks and enabling preventative maintenance, but they also enable Rotork to participate in areas of hydrogen technology, carbon capture, battery manufacturing and other alternative energy sources. The industry has significant barriers to entry due to the high degree of specialization, and Rotork's superior products allow its premium pricing. Rotork also has strong profit margins, a high return on invested capital and a strong net cash position. No fundamental news drove the stock price this month.

Portfolio Details

	ARTJX	APDJX
Net Asset Value (NAV)	\$17.60	\$17.72
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)	2.6
Swedish Orphan Biovitrum AB (Sweden)	2.3
JET2 PLC (United Kingdom)	2.3
Ambu A/S (Denmark)	2.1
Alcon AG (Switzerland)	2.0
Azbil Corp (Japan)	1.6
Glaukos Corp (United States)	1.5
Rotork PLC (United Kingdom)	1.5
WNS Holdings Ltd (India)	1.5
TOTAL	20.7%

Source: Artisan Partners/MSCI.

Sector Diversification (% of portfolio securities)

	Fund	ACxUS SMD ¹
Communication Services	0.1	4.7
Consumer Discretionary	5.0	10.9
Consumer Staples	7.8	6.3
Energy	1.3	3.9
Financials	6.9	14.6
Health Care	25.1	7.1
Industrials	30.2	20.5
Information Technology	20.2	10.4
Materials	2.5	10.6
Real Estate	0.9	7.0
Utilities	0.0	4.0
TOTAL	100.0%	100.0%

Source: Artisan Partners/GICS/MSCI. Cash and cash equivalents represented 2.7% of the total portfolio. ¹MSCI All Country World ex USA SMID Index.

Investment Results (%)

As of 31 October 2024	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTJX	-5.33	-5.33	1.62	23.51	-5.60	5.07	5.39	9.79
Advisor Class: APDJX	-5.34	-5.34	1.78	23.75	-5.44	5.24	5.48	9.83
MSCI All Country World ex USA SMID Index	-5.34	-5.34	5.94	23.10	-0.71	5.24	5.17	7.98
MSCI EAFE Small Cap Growth Index	-6.34	-6.34	3.37	23.91	-6.69	3.41	5.88	7.79
As of 30 September 2024								
Investor Class: ARTJX	1.09	7.39	7.33	19.55	-3.37	7.19	6.02	10.09
Advisor Class: APDJX	1.13	7.52	7.52	19.85	-3.20	7.37	6.12	10.14
MSCI All Country World ex USA SMID Index	3.16	9.32	11.92	23.01	1.63	7.26	5.57	8.27
MSCI EAFE Small Cap Growth Index	2.40	10.25	10.36	23.23	-3.97	5.65	6.41	8.13

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	46.3	31.5
United Kingdom	19.2	8.0
Denmark	6.0	1.1
Switzerland	4.6	3.4
Sweden	4.1	3.0
Germany	3.9	3.8
Finland	2.8	1.0
Netherlands	2.1	1.6
Belgium	1.1	0.8
France	0.8	3.0
Norway	0.7	1.2
Spain	0.6	1.0
Italy	0.6	2.2
AMERICAS	22.4	6.9
United States	17.3	—
Canada	5.1	6.9
PACIFIC BASIN	17.9	28.8
Japan	17.9	19.2
MIDDLE EAST	7.7	2.1
Israel	7.7	2.1
EMERGING MARKETS	5.7	30.7
India	2.2	6.9
Brazil	1.4	1.4
China	1.1	4.3
Iceland	0.5	—
Mexico	0.4	0.6
Korea	0.1	3.4
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 31 Oct 2024: Madrigal Pharmaceuticals Inc 1.2%; Wolfsped Inc 0.7%. 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.

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Free Cash Flow Yield is an overall return evaluation ratio of a stock, which standardizes the free cash flow per share a company is expected to earn against its market price per share. The ratio is calculated by taking the free cash flow per share divided by the share price. **Return on Invested Capital (ROIC)** is a measure of how well a company generates cash flow relative to capital invested in the business.

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