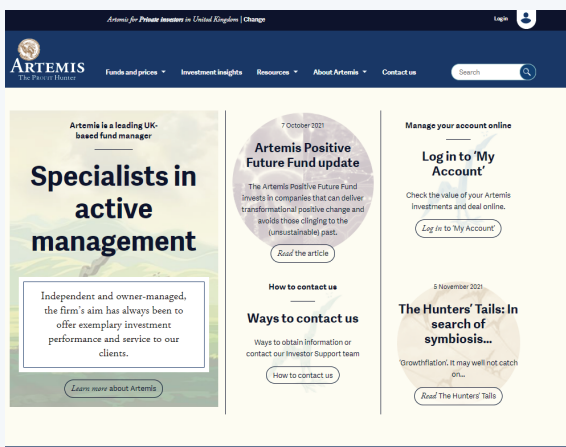


Artemis SmartGARP
European Equity *Fund*

Half-Yearly Report (unaudited)
for the six months ended 30 September 2023

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- Market and fund insights
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- Daily fund prices
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artemisfunds.com

GENERAL INFORMATION

Company profile

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 £22.1 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 October 2023

Fund status

Artemis SmartGARP European Equity Fund was constituted by a Trust Deed dated 28 April and 4 May 2000 and is an authorised unit trust scheme under the Financial Services and Markets Act 2000. The fund belongs to the category of UCITS schemes as defined in the Collective Investment Schemes Sourcebook ('COLL') of the Financial Conduct Authority ('FCA').

Buying and selling

Units may be bought and sold by contacting the manager by telephone, at the address on page 5 or via the website artemisfunds.com. Valuation of the fund takes place each Dealing Day at 12 noon on a forward pricing basis. The current list of non-dealing days impacting the fund is published on our website at www.artemisfunds.com/non-dealing-days. Investors are reminded that past performance is not a guarantee of performance in the future and that the price of units and the revenue from them can fall as well as rise.

OBJECTIVE AND INVESTMENT POLICY

Objective	To grow capital over a five year period.	
Investment policy	What the fund invests in	<ul style="list-style-type: none"> • 80% to 100% in company shares. • Up to 20% in bonds, cash and near cash, other transferable securities, other funds (up to 10%) managed by Artemis and third party funds, money market instruments, and derivatives.
	Use of derivatives	<p>The fund may use derivatives for efficient portfolio management purposes to:</p> <ul style="list-style-type: none"> • reduce risk • manage the fund efficiently
	Where the fund invests	<ul style="list-style-type: none"> • At least 80% in Europe (excluding the United Kingdom) • Up to 20% in other countries.
	Industries the fund invests in	<ul style="list-style-type: none"> • Any
	Other limitations specific to this fund	<ul style="list-style-type: none"> • None
Investment strategy	<ul style="list-style-type: none"> • The fund is actively managed. • A proprietary tool called 'SmartGARP' is used as the foundation of the investment process. It screens the financial characteristics of companies by identifying those that are growing faster than the market but are trading on lower valuations than the market. • The manager selects companies that in aggregate have good 'SmartGARP' characteristics. This tends to mean that the portfolio contains stocks that have lower valuations than the market average, upgrades to profit forecasts, and are under-owned by the investment community, while at the same time benefiting from helpful trends in the wider economy. 	
Benchmarks	<ul style="list-style-type: none"> • FTSE World Europe ex UK TR A widely-used indicator of the performance of European stockmarkets, in which the fund invests. It acts as a 'comparator benchmark' against which the fund's performance can be compared. Management of the fund is not restricted by this benchmark. • IA Europe Excluding UK NR A group of other asset managers' funds that invest in similar asset types as this fund, collated by the Investment Association. It acts as a 'comparator benchmark' against which the fund's performance can be compared. Management of the fund is not restricted by this benchmark. 	

RISK AND REWARD PROFILE



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

- **Market volatility risk:** The value of the 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 fund's assets may be priced in currencies other than the fund base currency. Changes in currency exchange rates can therefore affect the fund's value.

There was no change to the risk indicator in the six months ended 30 September 2023.

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

OTHER INFORMATION

Prospectus

Copies of the most recent Prospectus are available free of charge from the manager at the address on page 5.

Tax information reporting

UK tax legislation requires fund managers to provide information to HM Revenue & Customs ('HMRC') on certain investors who purchase units in unit trusts. Accordingly, the fund may have to provide information annually to HMRC on the tax residencies of those unitholders 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 unitholders that invest in the fund must complete a certification form as part of the application form. Existing unitholders 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 of whether its funds are providing value to unitholders. 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 unitholders. Composite reports on Assessment of Value have been published via the website artemisfunds.com.

Manager

Artemis Fund Managers Limited *
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London SW1A 1LD

Dealing information:

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Sunderland SR43 4BH
Telephone: 0800 092 2051
Website: artemisfunds.com

Investment adviser

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London SW1A 1LD

Trustee and Depositary

Northern Trust Investor Services Limited †
50 Bank Street
Canary Wharf
London E14 5NT

Registrar

SS&C Financial Services International Limited *
(prior to 2 May 2023)
SS&C House
St Nicholas Lane
Basildon
Essex SS15 5FS

Northern Trust UK Global Services SE †
(from 2 May 2023)
50 Bank Street
Canary Wharf
London
E14 5NT

Auditor

Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

*Authorised and regulated by the FCA,
12 Endeavour Square, London E20 1JN.

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

Report of the manager

We hereby approve the Half-Yearly Report of the Artemis SmartGARP European Equity Fund for the six months ended 30 September 2023 on behalf of Artemis Fund Managers Limited in accordance with the requirements of COLL as issued and amended by the FCA.

M J Murray
Director
Artemis Fund Managers Limited
London
27 November 2023

L E Cairney
Director

INVESTMENT REVIEW

Explaining the fund's performance

The fund is performing well. Over the six months of the review period, it returned 6.1%¹, outperforming the benchmark FTSE World Europe ex-UK index, which fell by (1.0)%. It also outperformed every fund in its peer group IA Europe Ex UK, where the average return was (2.3)%.

The holdings that contributed to that performance were typically diverse. They included:

- Talanx (a German insurer);
- UniCredit (an Italian bank);
- Mytilineos (a Greek industrial);
- SCOR (a French re-insurer);
- Betsson (a Swedish gaming company);
- BIM Birlesik Magazalar (a Turkish food retailer);
- Commerzbank (a German bank);
- Turkiye Is Bankasi (a Turkish bank); and
- Stellantis (the parent company of Fiat and Peugeot).

The only common theme here is that we own stocks that are trading on below-average valuations whose earnings are growing. And while the market still dislikes these types of stocks, it dislikes them slightly less than it did six months ago.

The list of negatives, meanwhile, was comparatively short:

- Not owning Novo Nordisk, which makes weight-loss drug Wegovy, wasn't helpful.
- Our relatively high exposure to airlines (such as Lufthansa and Air France-KLM) was also a drag.

Changes to the fund

We increased our weighting to pharmaceuticals, adding to our positions in GlaxoSmithKline and Novartis, although we continued to reduce our holding in Bayer. Aside from these two pharmaceutical stocks, the five biggest net additions over the period were:

- Koninklijke Philips;
- Heidelberg Materials;
- Var Energi;
- BPER Banca; and
- SCOR.

The five biggest net sales, meanwhile, were:

- TotalEnergies;
- Commerzbank;
- Talanx;
- Ipsos; and
- Scandinavian Tobacco Group.

Outlook

What makes our companies really exciting to us is the newsflow: analysts' forecasts for their profits have been increasing. Earnings revisions are typically a good predictor of future growth, which is why we designed SmartGARP to look for them. Over the last six months, earnings per share forecasts for the European market in 2024 have fallen by about 3%. Forecasts for the earnings per share of our companies, however, have risen – by around 5%. This gives us confidence that our companies will, in fact, outgrow the market.

None of us know what the future holds. We will only outperform if we can continue to find companies that grow more quickly than the wider market. We think that our investment process, SmartGARP, gives us an edge here because it is objective – it looks for actual growth, rather than the promise of growth. Investors are not automatons, but emotional human beings. That means they have a habit of chasing dreams rather than doing simple things well, year in, year out. I believe that if we stick to our process – and stick to doing simple things well – then our fund has a bright future ahead of it.

Past performance is not a guide to the future.

¹Source: Artemis/Lipper Limited, class I accumulation units, in sterling with income reinvested to 30 September 2023, 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. Data prior to 7 March 2008 reflects class R accumulation GBP.

INVESTMENT INFORMATION

Ten largest purchases and sales for the six months ended 30 September 2023

Purchases	Cost £'000	Sales	Proceeds £'000
Novartis	3,759	TotalEnergies	5,431
Koninklijke Philips	3,242	Bayer	3,332
Heidelberg Materials	3,053	Solvay	3,232
GSK	2,248	Commerzbank	2,536
TotalEnergies	2,165	Talanx	2,377
Solvay	1,859	Infineon Technologies	2,367
Var Energi	1,759	Ipsos	2,253
BPER Banca	1,582	Scandinavian Tobacco Group 'A'	1,750
SCOR	1,526	Majorel Group Luxembourg	1,628
Unipol Gruppo	1,477	Yara International	1,612

Portfolio statement as at 30 September 2023

	Holding	Valuation £'000	% of net assets
Equities 98.75% (99.00%)			
Austria 4.19% (4.27%)			
Eurotelesites	70,000	257	0.17
Raiffeisen Bank International	188,967	2,282	1.51
Telekom Austria	280,000	1,598	1.06
Wienerberger	104,000	2,179	1.45
		6,316	4.19
Belgium 0.00% (1.01%)			
Bermuda 1.68% (3.04%)			
Lancashire Holdings	125,000	726	0.48
Stolt-Nielsen	75,000	1,811	1.20
		2,537	1.68
Denmark 0.30% (1.57%)			
H Lundbeck	100,000	445	0.30
		445	0.30
Finland 0.00% (0.54%)			
France 15.88% (19.55%)			
Carrefour	30,000	424	0.28
Coface	270,000	2,863	1.90
Elis	50,000	721	0.48
Engie	80,000	1,010	0.67
Renault	132,000	4,410	2.92
Rexel	80,000	1,484	0.98
Rubis	100,000	1,853	1.23
SCOR	168,000	4,283	2.84
Television Francaise 1	210,000	1,318	0.87
TotalEnergies	40,000	2,191	1.45
Verallia	85,000	2,767	1.84
Vicat SACA	25,000	630	0.42
		23,954	15.88
Germany 17.09% (20.22%)			
Commerzbank	570,000	5,354	3.55
Deutsche Lufthansa	330,000	2,155	1.43
Heidelberg Materials	60,000	3,892	2.58
Mercedes-Benz Group	64,000	3,655	2.42
RWE	40,000	1,222	0.81

	Holding	Valuation £'000	% of net assets
Equities 98.75% (99.00%) (continued)			
Germany 17.09% (20.22%) (continued)			
Suedzucker	250,000	3,071	2.04
Talanx	98,000	5,048	3.35
Traton	80,000	1,380	0.91
		25,777	17.09
Greece 6.35% (3.90%)			
FF Group ^	102,300	–	–
Jumbo	40,000	875	0.58
Mytilineos	180,000	5,350	3.55
National Bank of Greece	270,000	1,249	0.83
OPAP	30,000	407	0.27
Piraeus Financial Holdings	700,000	1,693	1.12
		9,574	6.35
Hungary 0.00% (0.37%)			
Ireland 2.23% (1.12%)			
AIB Group	400,000	1,456	0.97
Origin Enterprises *	673,000	1,906	1.26
		3,362	2.23
Italy 14.38% (10.60%)			
Banca IFIS	120,000	1,710	1.13
BPER Banca	650,000	1,648	1.09
Buzzi	60,000	1,350	0.89
Enel	150,000	763	0.51
Eni	80,000	1,064	0.71
Poste Italiane	540,000	4,671	3.10
UniCredit	435,000	8,611	5.71
Unipol Gruppo	340,000	1,513	1.00
Webuild	250,000	367	0.24
		21,697	14.38
Luxembourg 0.50% (1.26%)			
Tenaris	57,061	747	0.50
		747	0.50
Netherlands 5.46% (5.18%)			
AMG Advanced Metallurgical Group	15,000	376	0.25
Koninklijke Philips	197,233	3,254	2.16
STMicroelectronics	115,000	4,087	2.71
Technip Energies	25,000	516	0.34
		8,233	5.46
Norway 2.00% (2.08%)			
Aker Solutions	100,000	338	0.22
Orkla	140,000	866	0.57
Var Energi	750,000	1,817	1.21
		3,021	2.00
Poland 0.44% (0.00%)			
Orlen	60,000	664	0.44
		664	0.44
Portugal 1.42% (1.22%)			
Banco Comercial Portugues	9,500,000	2,146	1.42
		2,146	1.42
Russia 0.00% (0.00%)			
Gazprom, ADR ^	815,000	–	–
Rosneft Oil, GDR ^	510,000	–	–

	Holding	Valuation £'000	% of net assets
Equities 98.75% (99.00%) (continued)			
Russia 0.00% (0.00%) (continued)			
Sberbank of Russia, ADR ^	220,000	–	–
		–	–
Spain 7.73% (6.12%)			
Atresmedia de Medios de Comunicacion	450,000	1,421	0.94
Banco Bilbao Vizcaya Argentaria	315,000	2,108	1.40
Grupo Catalana Occidente	78,000	2,061	1.37
Indra Sistemas	120,000	1,435	0.95
Mapfre	250,000	418	0.28
Repsol	310,000	4,214	2.79
		11,657	7.73
Sweden 3.82% (3.98%)			
Betsson	640,000	5,762	3.82
		5,762	3.82
Switzerland 2.87% (0.83%)			
Basilea Pharmaceutica	10,000	368	0.24
Novartis	47,000	3,965	2.63
		4,333	2.87
Turkey 5.70% (6.57%)			
BIM Birlesik Magazalar	380,000	3,086	2.05
Coca-Cola Icecek	150,000	1,723	1.14
Turk Hava Yollari AO	200,000	1,456	0.96
Turkiye Is Bankasi 'C'	3,022,075	2,336	1.55
Turkiye Sinai Kalkinma Bankasi	1	–	–
		8,601	5.70
Ukraine 0.00% (0.08%)			
United Kingdom 3.26% (2.56%)			
Beazley	255,000	1,412	0.94
GSK	200,000	2,996	1.99
Imperial Brands	30,000	506	0.33
		4,914	3.26
United States of America 3.45% (2.93%)			
Stellantis	329,680	5,202	3.45
		5,202	3.45
Investment assets		148,942	98.75
Net other assets		1,890	1.25
Net assets attributable to unitholders		150,832	100.00

The comparative percentage figures in brackets are as at 31 March 2023.

^Suspended or delisted security. Indirect Russian holdings currently delisted have been valued at nil by the manager.

*Security traded on the Alternative Investment Market ('AIM')

FINANCIAL STATEMENTS

Statement of total return for the six months ended 30 September 2023

	30 September 2023		30 September 2022	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		4,711		(17,269)
Revenue	4,946		4,353	
Expenses	(785)		(704)	
Interest payable and similar charges	–		(3)	
Net revenue before taxation	4,161		3,646	
Taxation	(403)		(365)	
Net revenue after taxation		3,758		3,281
Total return before distributions		8,469		(13,988)
Distributions		(29)		(48)
Change in net assets attributable to unitholders from investment activities		8,440		(14,036)

Statement of change in net assets attributable to unitholders for the six months ended 30 September 2023

	30 September 2023		30 September 2022	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		147,173		134,185
Amounts receivable on issue of units	7,733		1,248	
Amounts payable on cancellation of units	(12,514)		(3,377)	
		(4,781)		(2,129)
Change in net assets attributable to unitholders from investment activities		8,440		(14,036)
Closing net assets attributable to unitholders		150,832		118,020

Balance sheet as at 30 September 2023

	30 September 2023	31 March 2023
	£'000	£'000
Assets		
Fixed assets		
Investments	148,942	145,706
Current assets		
Debtors	1,275	1,035
Cash and cash equivalents	1,030	889
Total current assets	2,305	1,924
Total assets	151,247	147,630
Liabilities		
Creditors		
Other creditors	415	457
Total creditors	415	457
Total liabilities	415	457
Net assets attributable to unitholders	150,832	147,173

1. Basis of preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2023 as set out therein.

2. Post balance sheet events

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

Fund sizes & net asset values

Date	Net asset value of fund (£)	Net asset value per unit (p)	Units in issue
31 March 2021	138,969,776		
C accumulation		354.05	3,052,495
I accumulation		389.09	23,204,922
R accumulation		352.88	10,733,198
31 March 2022	134,185,395		
C accumulation		366.17	3,551,102
I accumulation		404.24	21,647,505
R accumulation		363.88	9,253,930
31 March 2023	147,172,519		
C accumulation		406.76	3,545,805
I accumulation		451.08	21,815,697
R accumulation		403.01	8,521,867
30 September 2023	150,832,154		
C accumulation		430.58	3,426,845
I accumulation		478.58	23,829,728
R accumulation		425.95	5,172,684

Ongoing charges

Class	30 September 2023
C accumulation	1.32%
I accumulation	0.87%
R accumulation	1.62%

Ongoing charges shows the annual operating expenses of each unit 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 SmartGARP European Equity Fund **	403.6	108.3	31.6	56.1	32.2	6.1
Artemis SmartGARP European Equity Fund ***	402.9	107.4	30.9	56.6	32.2	6.1
FTSE World Europe ex UK TR	289.7	117.8	36.9	28.3	20.5	(1.0)
IA Europe Ex UK NR	266.4	103.3	27.7	21.0	18.4	(2.3)
Position in sector	7/33	36/64	37/78	5/84	3/91	1/92
Quartile	1	3	2	1	1	1

Past performance is not a guide to the future.

* Since launch data from 7 March 2001 to 7 March 2008 reflects class R accumulation units, and from 7 March 2008 to 30 September 2023 reflects class I accumulation units, in sterling. All figures show total returns with income reinvested, net of all charges. Performance does not take account of any costs incurred when investors buy or sell the 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 unit class.

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