



Artisan International Small-Mid Fund

MONTHLY
Commentary

Investor Class: ARTJX | Advisor Class: APDJX

As of 30 September 2023

Commentary

Global equities fell in September as major central banks reaffirmed their higher-for-longer stance on interest rates, the 10-year US Treasury yield rose to its highest level since 2007 and oil prices rallied. The MSCI ACWI ex USA SMID Index fell in the month, with all sectors but energy declining. Our portfolio lagged the index in September, primarily due to stock selection in information technology and health care.

NICE and Ambu were the largest detractors in Q3. NICE is a leading enterprise software company for the contact center industry. Despite reporting Q2 results that included 23% cloud growth and expansion in margins and cash flows, NICE shares fell as the market extrapolated weak competitor results onto the industry. We remain confident in NICE's multiyear opportunity and its ability to deliver highly valued decision tools with increased artificial intelligence integration, and we believe the stock is attractively valued. NICE runs the business profitably with 20%+ margins, has more than \$1 billion of cash and continues to focus on R&D that expands market share.

Ambu is a pioneer in single-use, disposable endoscopes. Its initial markets include pulmonology, cystoscopy, and ear, nose and throat, and we believe larger markets, like gastrology, are possible. As the new management team reorganizes its distribution strategies and R&D priorities, margins are temporarily under pressure. However, given Ambu's innovative modular design process and clear economic advantage versus incumbent devices, we believe the structural profitability of the business is materially higher than its current levels and are confident in the new management team's ability to execute.

Fabrinet and Swedish Orphan Biovitrum were the largest contributors in Q3. Fabrinet is a leading manufacturer of optical photonics equipment. Shares gained after Fabrinet posted fiscal Q4 results above expectations. Advanced optical components are structurally replacing copper within data centers. Increasingly, large companies are outsourcing this manufacturing to the most efficient providers, and Fabrinet is the leading provider of high-end connectivity modules (transceivers). 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.

Swedish Orphan Biovitrum (Sobi) is an international biopharmaceutical company that develops and commercializes therapies and drugs for the treatment of hemophilia, inflammation and genetic diseases. The potential market size for treating these diseases is ~\$250 billion. In July, the FDA approved Beyfortus (nirsevimab-alip), which prevents respiratory syncytial virus infections in infants, a leading cause of infant death. Sobi has royalty rights on nirsevimab-alip sales in the US.

Portfolio Details

	ARTJX	APDJX
Net Asset Value (NAV)	\$15.55	\$15.62
Inception	21 Dec 2001	4 Dec 2018
Expense Ratios		
Semi-Annual Report 31 Mar 2023 ¹	1.29%	1.14%
Prospectus 30 Sep 2022 ²	1.29%	1.14%

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

Top 10 Holdings (% of total portfolio)

Nice Ltd (Israel)	3.7
ConvaTec Group PLC (United Kingdom)	2.6
Alcon Inc (Switzerland)	2.3
Metso Oyj (Finland)	2.1
AIXTRON SE (Germany)	2.0
Fabrinet (United States)	2.0
CAE Inc (Canada)	1.9
Azbil Corp (Japan)	1.8
Swedish Orphan Biovitrum AB (Sweden)	1.8
JET2 PLC (United Kingdom)	1.8
TOTAL	21.9%

Source: Artisan Partners/MSCI.

Sector Diversification (% of portfolio securities)

	Fund	ACxUS SMD ¹
Communication Services	0.9	4.4
Consumer Discretionary	4.3	11.5
Consumer Staples	7.7	6.1
Energy	2.1	4.3
Financials	4.7	13.6
Health Care	23.1	6.2
Industrials	28.8	20.3
Information Technology	24.7	10.8
Materials	2.7	11.5
Real Estate	0.6	7.4
Utilities	0.4	4.0
TOTAL	100.0%	100.0%

Source: Artisan Partners/GICS/MSCI. Cash and cash equivalents represented 2.3% of the total portfolio. ¹MSCI All Country World ex USA SMID Index.

Investment Results (%)

As of 30 September 2023	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTJX	-6.10	-8.10	-0.32	11.87	-2.45	3.15	3.97	9.68
Advisor Class: APDJX	-6.13	-8.12	-0.26	12.08	-2.30	3.28	4.04	9.71
MSCI All Country World ex USA SMID Index	-3.54	-1.98	5.35	19.95	3.24	1.95	3.82	7.64
MSCI All Country World ex USA Small Cap Index	-3.76	-1.70	5.03	19.01	4.01	2.58	4.35	8.42

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	49.0	32.8
United Kingdom	16.2	8.7
Germany	7.2	3.6
Denmark	6.4	1.2
Switzerland	6.1	3.0
Sweden	3.6	2.9
France	2.4	3.6
Finland	2.2	1.1
Netherlands	1.8	1.7
Italy	1.1	2.3
Norway	0.8	1.2
Belgium	0.6	0.9
Spain	0.5	1.2
AMERICAS	23.3	7.0
United States	17.2	—
Canada	6.1	7.0
PACIFIC BASIN	13.0	29.8
Japan	13.0	20.2
MIDDLE EAST	8.1	2.0
Israel	8.1	2.0
EMERGING MARKETS	6.6	28.5
India	3.2	5.7
Brazil	1.9	1.6
Mexico	0.5	0.7
China	0.5	4.0
Iceland	0.5	—
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	Years of Investment Experience
Rezo Kanovich	24

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 All Country World ex USA Small Cap Index measures the performance of small-cap companies in developed markets and emerging markets excluding the US. 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 Sep 2023: Ambu A/S 1.2%. 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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