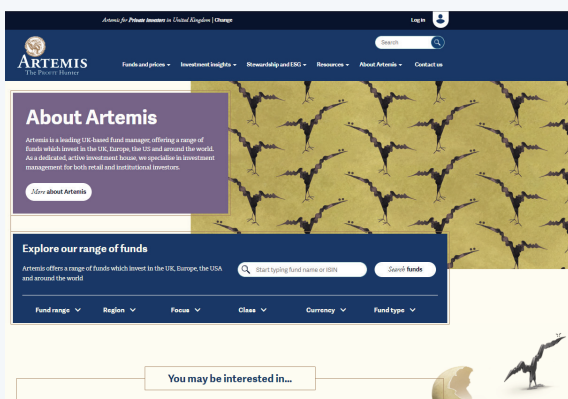


Artemis European Select *Fund*

Half-Yearly Report (unaudited)
for the six months ended 31 October 2024

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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 £26.7 billion* across a range of funds 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 30 November 2024

Fund status

Artemis European Select Fund was constituted by a Trust Deed dated 16 September 2011 and is an authorised unit trust scheme under the Financial Services and Markets Act 2000. The fund belongs to the category of UK 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 6 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:</p> <ul style="list-style-type: none"> • for investment purposes to achieve the fund objective, including by taking long and short positions • to produce additional income or growth • for efficient portfolio management purposes to reduce risk and • 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. • The manager pursues a fundamental equity strategy with the following investment process: <ul style="list-style-type: none"> - Bottom-up research and financial analysis is conducted to assess business models, prospective returns and risk; - The manager has a long-term investment horizon when assessing companies; - The manager focuses on businesses with competitive advantages (conditions or circumstances that put a company in a superior business position relative to its peers) that are expected to continue into the future; - Opportunistic investments may be made in companies that are in recovery, need re-financing or are suffering from investor indifference (also known as 'special situations') and turnarounds; - Engagement with management teams on capital allocation and governance. • The end result is a concentrated portfolio, typically 30-60 holdings, depending on opportunity set and the manager's conviction.
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.

NOTE ON MERGER

Merger of Artemis European Select Fund into Artemis SmartGARP European Equity Fund

As detailed in the Notice to unitholders of Artemis European Select Fund dated 1 November 2024 we proposed a merger of the fund into Artemis SmartGARP European Equity Fund. At an extraordinary general meeting convened on 4 December 2024, the proposal was approved by unitholders. The effective date of the merger will be 10 January 2025.

Consequently, current units of Artemis European Select Fund will be exchanged for new units of the Artemis SmartGARP European Equity Fund on 10 January 2025.

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.
- **Concentration risk:** The fund may have investments concentrated in a limited number of holdings. This can be more risky than holding a wider range of investments.
- **Smaller companies risk:** Investing in small and medium-sized companies can involve more risk than investing in larger, more established companies. Shares in smaller companies may not be as easy to sell, which can cause difficulty in valuing those shares.
- **Derivatives risk:** The fund may invest in derivatives with the aim of profiting from falling ('shorting') as well as rising prices. Should the asset's value vary in an unexpected way, the fund value will reduce.
- **Leverage risk:** The fund may operate with a significant amount of leverage. Leverage occurs when the economic exposure created by the use of derivatives is greater than the amount invested. A leveraged portfolio may result in large fluctuations in its value and therefore entails a high degree of risk including the risk that losses may be substantial.

There was no change to the risk indicator in the six months ended 31 October 2024.

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 6.

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.

Taskforce for Climate-Related Financial Disclosures ("TCFD")

In accordance with the FCA's requirements under the Environmental, Social and Governance Sourcebook, Artemis is required to publish disclosures consistent with the Taskforce on Climate-Related Financial Disclosures ("TCFD") for the period 1 January 2023 to 31 December 2023. The entity-level TCFD report contains information about how Artemis manages climate-related risks and opportunities in investment portfolios and across its business operations and the product-level TCFD report contains certain climate related metrics required to be published for Artemis European Select Fund. These TCFD reports, which were published on 30 June 2024, can be found here: www.artemisfunds.com/tcfd.

Manager

Artemis Fund Managers Limited *
Cassini House
57 St James's Street
London SW1A 1LD

Dealing information:

Artemis Fund Managers Limited
Sunderland SR43 4BH
Telephone: 0800 092 2051
Website: artemisfunds.com

Investment adviser

Artemis Investment Management LLP *
Cassini House
57 St James's Street
London SW1A 1LD

Trustee and Depositary

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

Registrar

Northern Trust UK Global Services SE †
50 Bank Street
Canary Wharf
London
E14 5NT

Auditor

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

*Authorised and regulated by Financial Conduct Authority.

†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 European Select Fund for the six months ended 31 October 2024 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
19 December 2024

S Dougall
Director

INVESTMENT REVIEW

Performance

The fund made 0.1% in the six months to the end of October, in line with its first benchmark, the FTSE World Europe ex UK index, and ahead of its second benchmark, the IA Europe ex UK sector, which lost 1.9%¹.

Key developments affecting markets and the fund in the period were as follows:

- Inflation continued to move downwards.
- Weak US economic data released over summer prompted concerns that interest rates had been held too high for too long, which brought about a sharp but temporary spike in volatility during August.
- The Federal Reserve responded by cutting interest rates by 50 basis points, which led to bond yields falling and the overall curve steepening.
- Since then, the US has shown signs of stabilisation and growth while continental Europe economic data has continued to deteriorate.
- The Chinese government introduced a broad range of stimulus measures in September which led to a sharp rise in asset prices.
- Oil prices weakened materially, despite the Middle Eastern conflict intensifying, due to concerns over excess supply.

Positives

Our position in Delivery Hero was the biggest positive driver of performance. We bought the company in the first quarter of this year on the view that the steady state economics of the business had been obscured by the hypergrowth during the pandemic and a sharp subsequent decline during reopening.

The company's stock price appreciated substantially towards the end of the period as disclosure of the performance of its Middle Eastern business (Talabat) has demonstrated strong profitability and growth. Talabat is soon set to float and, based on comparable multiples, may account for the entire group's value, despite accounting for only 20% of total revenue.

MTU Aero Engines, a German aeroplane-engine supplier and service company, continued to recover from supply-chain issues. The long-term outlook remains attractive in a tight market: with supply of new engines restricted, existing aircraft are being operated for longer, helping to drive MTU's servicing business.

Our holdings in bank Unicredit and housebuilders Cairn and Barratt Redrow also did well. These stocks are all geared towards improvements in economic conditions and still offer significant return potential owing to low starting valuations and high distribution yields.

Negatives

Airbus reduced its 2024 production guidance, resulting in a cut to profits and delayed medium-term targets. Airbus and the broader industry have struggled to ramp up production due to the pandemic's impact on supply chains. The fall in the company's share price reflects the market pricing in higher execution risk.

We believe this reaction is excessive, so we increased our holding. The substantial improvement to come in Airbus's profitability from increasing volumes has been delayed but is not at risk. We added to our position.

BBVA's share price fell after it announced an all-share offer for Sabadell at a 32% premium, worth about €3bn. On a risk-adjusted basis, we wondered whether share repurchases would have been a better use of capital. Despite our lukewarm reaction to the offer, we felt the fall in BBVA's share price was excessive.

Elsewhere, Universal Music fell after reporting a slowdown in revenue growth from streaming, while speciality chemicals company Azelis suffered from the post-pandemic trend of de-stocking in its sector, which is yet to revert to trend growth.

Our underweight positions in Roche and Deutsche Telekom also hindered performance.

Activity

The volatility that followed the first round of the French elections opened a buying opportunity in airport and toll-road operator Vinci, so we increased our position. We also added to our holding in Ryanair.

We sold the remainder of our position in Dassault Systèmes due to concerns over increasing competitive threats and reduced our holdings in Novo Nordisk, Epiroc and Sika to fund new purchases and additions.

Overall, we remain optimistic about portfolio returns as we see attractive potential across a diverse range of investment constructs.

Past performance is not a guide to the future.

¹ Source: Artemis/Lipper Limited, class I accumulation units, in sterling. All figures show total returns with dividends and/or 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.

INVESTMENT INFORMATION

Ten largest purchases and sales for the six months ended 31 October 2024

Purchases	Cost £'000	Sales	Proceeds £'000
Ryanair Holdings, ADR	1,078	Epiroc 'B'	1,443
Airbus	462	Novo Nordisk 'B'	1,373
Delivery Hero	300	Dassault Systemes	836
Vinci	220	Sika	577
Universal Music Group	86	Azelis Group	468
		L'Oreal	268
		Redrow	181
		Wolters Kluwer	131
		Universal Music Group	103
		Aena	89

No other purchases in period.

Portfolio statement as at 31 October 2024

	Holding	Valuation £'000	% of net assets
Equities 98.83% (99.51%)			
Belgium 5.24% (6.65%)			
Azelis Group	55,411	846	1.88
D'ieteren Group	9,095	1,516	3.36
		2,362	5.24
Denmark 2.51% (5.78%)			
Novo Nordisk 'B'	13,264	1,131	2.51
		1,131	2.51
France 25.09% (26.25%)			
Airbus	19,697	2,349	5.21
Elis	42,303	718	1.59
EssilorLuxottica	8,506	1,521	3.38
Legrand	16,027	1,395	3.10
L'Oreal	3,111	890	1.98
Safran	9,256	1,616	3.59
TotalEnergies	17,942	862	1.91
Vinci	22,773	1,949	4.33
		11,300	25.09
Germany 16.65% (12.08%)			
Delivery Hero	52,822	1,729	3.84
MTU Aero Engines	4,960	1,251	2.78
Muenchener Rueckversicherungs-Gesellschaft	6,461	2,547	5.65
SAP	10,829	1,972	4.38
		7,499	16.65
Ireland 2.30% (1.61%)			
Cairn Homes	570,691	1,035	2.30
		1,035	2.30
Italy 12.69% (12.04%)			
Davide Campari-Milano	87,948	449	1.00
Infrastrutture Wireless Italiane	85,920	741	1.65
Moncler	13,216	564	1.25
Recordati Industria Chimica e Farmaceutica	36,096	1,578	3.50
UniCredit	69,625	2,383	5.29
		5,715	12.69

	Holding	Valuation £'000	% of net assets
Equities 98.83% (99.51%) (continued)			
Netherlands 15.02% (17.57%)			
ASML Holding	1,223	646	1.43
IMCD	5,869	725	1.61
ING Groep	111,157	1,462	3.25
Prosus	29,614	960	2.13
Universal Music Group	83,741	1,610	3.57
Wolters Kluwer	10,464	1,365	3.03
		6,768	15.02
Spain 10.23% (6.64%)			
Aena	9,834	1,683	3.74
Banco Bilbao Vizcaya Argentaria	193,732	1,476	3.28
Ferrovial	46,741	1,448	3.21
		4,607	10.23
Sweden 0.00% (2.79%)			
Switzerland 1.36% (2.51%)			
Sika	2,854	615	1.36
		615	1.36
United Kingdom 5.39% (5.59%)			
Barratt Redrow	190,172	860	1.91
easyJet	128,612	665	1.48
Frasers Group	118,236	903	2.00
		2,428	5.39
United States of America 2.35% (0.00%)			
Ryanair Holdings, ADR	30,560	1,057	2.35
		1,057	2.35
Equities total		44,517	98.83
Forward Currency Contracts (0.08%) (0.04%)			
I distribution (hedged) (0.02%) (0.01%)			
Buy Sterling 55,797, sell Danish Krone 499,718 dated 29/11/2024		–	–
Buy Sterling 1,943,133, sell Euro 2,328,924 dated 29/11/2024		(9)	(0.02)
Buy Sterling 3,293, sell Swedish Krona 45,414 dated 29/11/2024		–	–
Buy Sterling 30,431, sell Swiss Franc 34,103 dated 29/11/2024		–	–
Buy Sterling 51,679, sell US Dollar 67,089 dated 29/11/2024		–	–
		(9)	(0.02)
I accumulation (hedged) (0.06%) (0.03%)			
Buy Sterling 157,949, sell Danish Krone 1,414,583 dated 29/11/2024		(1)	–
Buy Sterling 5,499,567, sell Euro 6,591,396 dated 29/11/2024		(26)	(0.06)
Buy Sterling 9,319, sell Swedish Krona 128,532 dated 29/11/2024		–	–
Buy Sterling 86,125, sell Swiss Franc 96,817 dated 29/11/2024		–	–
Buy Sterling 146,265, sell US Dollar 189,879 dated 29/11/2024		–	–
		(27)	(0.06)
Forward currency contracts total		(36)	(0.08)
Investment assets (Including investment liabilities)		44,481	98.75
Net other assets		564	1.25
Net assets attributable to unitholders		45,045	100.00

The comparative percentage figures in brackets are as at 30 April 2024.

FINANCIAL STATEMENTS

Statement of total return for the six months ended 31 October 2024

	31 October 2024		31 October 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		195		(1,976)
Revenue	592		789	
Expenses	(208)		(227)	
Interest payable and similar charges	–		(1)	
Net revenue before taxation	384		561	
Taxation	8		(27)	
Net revenue after taxation		392		534
Total return before distributions		587		(1,442)
Distributions		(29)		(119)
Change in net assets attributable to unitholders from investment activities		558		(1,561)

Statement of change in net assets attributable to unitholders for the six months ended 31 October 2024

	31 October 2024		31 October 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		48,972		54,806
Amounts receivable on issue of units	2,639		2,659	
Amounts payable on cancellation of units	(7,124)		(15,237)	
		(4,485)		(12,578)
Dilution adjustment		–		4
Change in net assets attributable to unitholders from investment activities		558		(1,561)
Closing net assets attributable to unitholders		45,045		40,671

Balance sheet as at 31 October 2024

	31 October 2024	30 April 2024
	£'000	£'000
Assets		
Fixed assets		
Investments	44,517	48,755
Current assets		
Debtors	535	384
Cash and cash equivalents	507	704
Total current assets	1,042	1,088
Total assets	45,559	49,843
Liabilities		
Investment liabilities	36	–
Creditors		
Bank overdraft	1	–
Distribution payable	–	252
Other creditors	477	619
Total creditors	478	871
Total liabilities	514	871
Net assets attributable to unitholders	45,045	48,972

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 30 April 2024 as set out therein.

2. Post balance sheet events

Following the period end at an extraordinary general meeting convened on 4 December 2024, the proposal to merge Artemis European Select Fund into Artemis SmartGARP European Equity Fund was approved by unitholders. The effective date of the merger will be 10 January 2025.

Fund sizes & net asset values

Date	Net asset value of fund (£)	Net asset value per unit (p)	Units in issue
30 April 2022	71,060,625		
I distribution		103.25	17,316,861
I accumulation		119.17	34,691,477
I distribution (hedged)		105.72	2,914,542
I accumulation (hedged)		122.21	7,166,744
30 April 2023	54,806,171		
I distribution		114.43	10,867,085
I accumulation		132.23	25,760,680
I distribution (hedged)		112.99	1,964,463
I accumulation (hedged)		130.83	4,653,652
30 April 2024	48,971,539		
I distribution		130.64	9,740,273
I accumulation		153.49	17,958,812
I distribution (hedged)		134.31	1,685,256
I accumulation (hedged)		158.06	4,060,466
31 October 2024	45,044,858		
I distribution		131.72	8,580,926
I accumulation		154.75	16,281,305
I distribution (hedged)		138.82	1,607,427
I accumulation (hedged)		163.34	3,866,493

Ongoing charges

Class	31 October 2024
I distribution	0.870%
I accumulation	0.870%
I distribution (hedged)	0.870%
I accumulation (hedged)	0.870%

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.

Securities Financing Transactions Regulations (“SFTR”)

The fund may enter into total return swaps. No such transactions have been entered into as at 31 October 2024.

Class I accumulation performance

	Since launch*	10 years	5 years	3 years	1 year	6 months
Artemis European Select Fund**	225.5	124.6	38.6	13.2	20.9	0.1
Artemis European Select Fund***	227.3	126.1	38.7	13.2	22.3	1.4
FTSE World Europe ex UK TR	214.6	135.1	47.9	15.4	16.6	0.1
IA Europe Ex UK NR	192.7	118.2	41.0	7.7	15.1	(1.9)
Position in sector	20/56	31/63	53/78	39/85	9/88	19/88
Quartile	2	2	3	2	1	1

Past performance is not a guide to the future.

* Data from 28 October 2011. Source: Artemis/Lipper Limited, class I accumulation units, in sterling to 31 October 2024. All figures show total returns with dividends and/or 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 investors 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.

Class I accumulation (hedged) performance

	Since launch*	10 years	5 years	3 years	1 year	6 months
Artemis European Select Fund	243.5	114.9	44.5	17.6	27.2	2.6
FTSE World Europe ex UK TR (hedged to GBP)	246.2	127.7	54.7	18.8	21.4	1.2

Past performance is not a guide to the future.

* Data from 28 October 2011. Source: Artemis/Lipper Limited, class I accumulation (hedged) units, in sterling to 31 October 2024. All figures show total returns with dividends and/or 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 investors 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.

Artemis Fund Managers Limited

Cassini House, 57 St James's Street, London SW1A 1LD
6th floor, Exchange Plaza, 50 Lothian Road, Edinburgh EH3 9BY

Client Services 0800 092 2051

Facsimile 0207 643 3708

Website www.artemisfunds.com

