



Artisan Small Cap Fund

MONTHLY
Commentary

Investor Class: ARTSX | Advisor Class: APDSX

As of 31 March 2024

Commentary

The Russell 2000® Index returned 3.6% in March, bringing the Q1 total to 5.2%. Entering March, markets anticipated a near-certain chance of a rate cut in June by the Fed. However, stronger-than-expected inflation data led to a significant repricing of those expectations. Investors grappled with the timing and trajectory of potential rate cuts as the Fed ultimately maintained the federal funds rate within the 5.25%–5.50% range, while signaling a cumulative 0.75% in rate cuts for the remainder of 2024.

Our portfolio outperformed the Russell 2000® Growth Index in the QTD period. Among our top contributors were Shockwave and Iovance Biotherapeutics. Shockwave is a medical device company developing and commercializing products for calcified cardiovascular disease. The company is a leader in using miniaturized lithotripsy (soundwave) technology to break up heavy calcification in arteries, enabling safer and more effective treatment of cardiovascular disease. Shares have outperformed due to strong financial results, including revenue growth of 41%, along with fading investor fears around increased requirements for pre-authorization by insurers.

Iovance Biotherapeutics is a biotechnology company focused on innovating, developing and delivering novel polyclonal tumor infiltrating lymphocyte (TIL) cell therapies for patients with cancer. Immuno-oncology remains a key area of drug development, and Iovance is the leader in TIL development and manufacturing, having secured technology through collaboration with the leading TIL academic institutions. Shares rallied significantly after the company announced that the US Food and Drug Administration has approved AMTAGVI™ (lifileucel) for advanced melanoma. We added to the position.

Among our top detractors were Workiva and Exact Sciences. Workiva is a leading provider of cloud software for financial reporting with approximately 70% of its business tied to SEC reporting through its core Wdesk offering. Our profit cycle thesis is based on the company's capability to identify and quickly roll out new products, expand beyond North America and benefit from the ramp-up of ESG regulatory reporting longer term. While the company reported financial results that exceeded expectations, shares declined due to disappointing forward guidance. However, we believe trends are supportive for the company to grow over a multiyear period and remain invested.

Exact Sciences is a leading provider of diagnostic testing and a maker of the noninvasive colorectal cancer screening test Cologuard®. The company reported another solid quarter with revenues growing 18% and, importantly, screening (Cologuard) revenues growing 21%. However, growing optimism around a competing blood-based test has led to competitive fears and corresponding performance weakness. While the company presents strong arguments against these tests, we are monitoring the situation.

Investment Results (%)

| As of 31 March 2024 | MTD | QTD | YTD | 1 Yr | 3 Yr | 5 Yr | 10 Yr | Inception |
|----------------------------|------|------|------|-------|-------|------|-------|-----------|
| Investor Class: ARTSX | 2.41 | 9.43 | 9.43 | 11.16 | -6.81 | 7.11 | 9.00 | 9.17 |
| Advisor Class: APDSX | 2.41 | 9.42 | 9.42 | 11.34 | -6.68 | 7.25 | 9.10 | 9.20 |
| Russell 2000® Growth Index | 2.80 | 7.58 | 7.58 | 20.35 | -2.68 | 7.38 | 7.89 | 7.73 |
| Russell 2000® Index | 3.58 | 5.18 | 5.18 | 19.71 | -0.10 | 8.10 | 7.58 | 8.97 |

Source: Artisan Partners/Russell. Returns for periods less than one year are not annualized. Class inception: Investor (28 March 1995); Advisor (1 February 2017). 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.

Portfolio Details

| | ARTSX | APDSX |
|-------------------------------------|-------------|------------|
| Net Asset Value (NAV) | \$35.27 | \$35.65 |
| Inception | 28 Mar 1995 | 1 Feb 2017 |
| Expense Ratios | | |
| Annual Report 30 Sep 2023 | 1.23% | 1.07% |
| Prospectus 30 Sep 2023 ¹ | 1.23% | 1.07% |

¹See prospectus for further details.

Top 10 Holdings (% of total portfolio)

| | |
|---|--------------|
| Lattice Semiconductor Corp (Information Technology) | 6.1 |
| Shockwave Medical Inc (Health Care) | 5.0 |
| Ascendis Pharma A/S (Health Care) | 4.8 |
| Halozyne Therapeutics Inc (Health Care) | 4.3 |
| Guidewire Software Inc (Information Technology) | 4.2 |
| Argenx SE (Health Care) | 3.8 |
| SPX Technologies Inc (Industrials) | 3.0 |
| Novanta Inc (Information Technology) | 2.9 |
| Trex Co Inc (Industrials) | 2.7 |
| Saia Inc (Industrials) | 2.6 |
| TOTAL | 39.6% |

Source: Artisan Partners/GICS.

Sector Diversification (% of portfolio securities)

| | Fund | R2G ¹ |
|------------------------|---------------|------------------|
| Communication Services | 0.0 | 1.9 |
| Consumer Discretionary | 10.7 | 10.6 |
| Consumer Staples | 1.1 | 4.4 |
| Energy | 0.0 | 4.6 |
| Financials | 1.9 | 6.1 |
| Health Care | 34.2 | 21.3 |
| Industrials | 14.8 | 20.4 |
| Information Technology | 37.3 | 24.0 |
| Materials | 0.0 | 4.1 |
| Real Estate | 0.0 | 1.5 |
| Utilities | 0.0 | 1.3 |
| TOTAL | 100.0% | 100.0% |

Source: Artisan Partners/GICS/Russell. Cash and cash equivalents represented 0.9% of the total portfolio. ¹Russell 2000® Growth Index.

Average Annual Total Returns

| As of 31 March 2024 | MTD | QTD | YTD | 1 Yr | 3 Yr | 5 Yr | 10 Yr | Inception |
|----------------------------|------|------|------|-------|-------|------|-------|-----------|
| Investor Class: ARTSX | 2.41 | 9.43 | 9.43 | 11.16 | -6.81 | 7.11 | 9.00 | 9.17 |
| Advisor Class: APDSX | 2.41 | 9.42 | 9.42 | 11.34 | -6.68 | 7.25 | 9.10 | 9.20 |
| Russell 2000® Growth Index | 2.80 | 7.58 | 7.58 | 20.35 | -2.68 | 7.38 | 7.89 | 7.73 |
| Russell 2000® Index | 3.58 | 5.18 | 5.18 | 19.71 | -0.10 | 8.10 | 7.58 | 8.97 |

Market Cap Distribution (% of portfolio securities)

| \$ in billions | Fund | R2G ¹ |
|----------------|---------------|------------------|
| 5.9+ | 71.5 | 26.3 |
| 4.1–5.9 | 14.0 | 17.9 |
| 2.9–4.1 | 8.7 | 18.5 |
| 1.8–2.9 | 3.0 | 18.2 |
| 0.0–1.8 | 2.9 | 19.0 |
| TOTAL | 100.0% | 100.0% |

Source: Artisan Partners/Russell. ¹Russell 2000[®] Growth Index.

Team Leadership (Pictured left to right)



| Portfolio Managers | Years of Investment Experience |
|--------------------------------|--------------------------------|
| Craig Cepukenas, CFA (Co-Lead) | 35 |
| Jay Warner, CFA (Co-Lead) | 22 |
| James Hamel, CFA | 27 |
| Jason White, CFA | 24 |
| Matthew Kamm, CFA | 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.

Russell 2000[®] Growth Index measures the performance of US small-cap companies with higher price/book ratios and forecasted growth values. Russell 2000[®] Index measures the performance of roughly 2,000 US small-cap companies. 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 Mar 2024: Exact Sciences Corp 1.7%; Iovance Biotherapeutics Inc 2.3%; Workiva Inc 2.2%. 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.

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.

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 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.

Frank Russell Company ("Russell") is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell[®] is a trademark of Frank Russell Company. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and/or Russell ratings or underlying data and no party may rely on any Russell Indexes and/or Russell ratings and/or underlying data contained in this communication. No further distribution of Russell Data is permitted without Russell's express written consent. Russell does not promote, sponsor or endorse the content of this communication.

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

Our capital allocation process is designed to build position size according to our conviction. Portfolio holdings develop through three stages: GardenSM, CropSM and HarvestSM. GardenSM investments are situations where we believe we are right, but there is not clear evidence that the profit cycle has taken hold, so positions are small. CropSM investments are holdings where we have gained conviction in the company's profit cycle, so positions are larger. HarvestSM investments are holdings that have exceeded our estimate of intrinsic value or holdings where there is a deceleration in the company's profit cycle. HarvestSM investments are generally being reduced or sold from the portfolios.

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.

4/3/2024 A24220L_vR