Artisan International Explorer Fund

QUARTERLY
Commentary

Advisor Class: ARDBX | Institutional Class: ARHBX

As of 31 March 2026

Investment Process

We seek to invest in high-quality, undervalued businesses that offer the potential for superior risk/reward outcomes. The investment universe is generally non-US equities with market caps below $5 billion.

Undervaluation

Determining the intrinsic value of a business is the heart of our research process. Intrinsic value represents the amount that a buyer would pay to own a company's future cash flows. We seek to invest at a significant discount to our estimate of the intrinsic value of a business.

Business Quality

We seek to invest in companies with histories of generating strong free cash flow, improving returns on capital and strong competitive positions in their industries.

Financial Strength

We believe that investing in companies with strong balance sheets helps to reduce the potential for capital risk and provides company management the ability to build value when attractive opportunities are available.

Shareholder-Oriented Management

Our research process attempts to identify management teams with a history of building value for shareholders.

Portfolio Management

Beini Zhou, CFA
Co-Portfolio Manager

Anand Vasagiri
Co-Portfolio Manager

N. David Samra
Managing Director

Investment Results (%)

As of 31 March 2026	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
			Average Annual Total Returns				
Advisor Class: ARDBX—Inception: 16 May 2022	**2.91**	**2.91**	**14.98**	**10.62**	—	—	**11.22**
Institutional Class: ARHBX—Inception: 16 May 2022	**2.99**	**2.99**	**15.06**	**10.70**	—	—	**11.29**
MSCI All Country World ex USA Small Cap Index	-0.48	-0.48	27.82	13.67	—	—	10.88

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized.

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. Performance may reflect agreements to limit a Fund's expenses, which would reduce performance if not in effect.

Expense Ratios (%)*

	ARDBX	ARHBX
Annual Report	1.25/—	1.20/—
Prospectus	1.27/—	1.22/—

*Unsubsidized/subsidized. Annual Report: 30 Sep 2025. Prospectus: 30 Sep 2025. See prospectus for further details. Annual Report Figures: Excludes Acquired Fund Fees and Expenses as described in the prospectus.

Investing Environment

While the S&P 500® Index was largely flat in the first two months of the year, the MSCI ACWI ex US Small Cap Index jumped 11%. However, things started going downhill in the second half of the quarter. The release of new artificial intelligence (AI) tools and models led investors to reassess AI's potential threat to various industries. Meanwhile, investors in private credit markets (a topic we have discussed several times in the last few years) began to experience buyer's remorse. And upon attempting to get out, investors found the private credit exit gates a little jammed. Around the same time, the software as a service (SaaS) industry, which had enjoyed rich multiples and quite a lot of interest from private equity (PE) investors, got hammered by a powerful one-two punch: intensifying fears that AI will threaten both core products and the seat-based revenue model, and a retreat in private credit money, which had been a vital source of funding for the industry's PE transactions. As if all of this were not enough, a war in the Middle East started at the end of February, putting the market on even higher alert. No wonder our benchmark gave up all the returns from the first two months and then some in March.

Our performance in the quarter was largely in line with our expectations. Although we were up less than our benchmark in the first two months, we gave up less when the index tanked in March. Overall, we outperformed the index by a good margin. This is not what you likely would've guessed if you simply looked at our portfolio's sector weights. For example, we've had zero energy exposure, and it was by far the index's best performing sector in Q1.

Given the portfolio's relatively low turnover, our outperformance, as in many other times, was not due to a quick portfolio repositioning nor to an astute geopolitical or macro insight. Rather, outperformance was due to the commitment we have to our bottom-up investment philosophy, regardless of war or peace.

Untranslatables

As international investors, a material part of our process is to understand nuances in the context of foreign language and culture. Investing outside the US poses a higher risk of misunderstandings stemming from differences in language, culture, accounting rules, local business practices and regulatory requirements. It's easy nowadays to translate the literal meaning of a word into English, or vice versa. However, it is harder to grasp a word's true meaning. To illustrate what we mean, we have selected a few examples of words that, to our knowledge, have no direct equivalents in English.

These untranslatable words came into being because languages evolve around culture and experience. When a society repeatedly encounters a specific feeling or situation, it often creates a precise word for it. We've encountered these words from our past research trips and will demonstrate, perhaps taking a little creative liberty, how they fit with our investment philosophy and process.

Wabi-sabi: In Japanese, it means an aesthetic appreciation of imperfection, impermanence and simplicity.

Our extensive due diligence of companies does not result in fancy multi-decade, multi-stage financial models with betas and WACCs calculated to the second decimal place. In the current geopolitical environment, where new variables and risk parameters are being introduced almost daily, we believe our simpler, time-tested normalized earnings models have a wabi-sabi quality. We've found our models allow us to ignore the noise and focus on the few drivers that we believe truly matter for each business.

Hygge: In Danish, it indicates a feeling of cozy contentment and well-being. The Economist has attributed hygge (pronounced as hoo-gah) to Denmark's consistently high rankings on national well-being measures, and to a distinct model of labor productivity built on low hierarchy and the absence of ambient anxiety.

We all need hygge these days. We embrace it by focusing on wealth creation and long duration with a margin of safety, rather than worrying about index hugging or jumping on the AI FOMO (fear of missing out) bandwagon or other YOLO (you only live once) trades.

Schadenfreude: Many of you might recognize this German word. It means taking pleasure in someone else's misfortunes. It is a particularly dangerous emotion for investors, as Mr. Market's mood swings create a constant stream of headlines narrating failures in the market.

We try hard to guard against this feeling, even if it sometimes vindicates our position. As contrarian investors, we stay focused on deeply analyzing any blowups in our universe, not to derive joy from others' losses, but to understand the situation. Such events potentially offer idiosyncratic opportunities with significantly asymmetric risk-reward. Two of our most recent portfolio additions came from such situations.

Iconoclast: This is an example in English. The word does not directly translate into many other languages. It is also one of our favorite English words.

Iconoclast has Greek origins and originally described those who destroyed religious icons and images. In business, it has come to mean something more constructive: a leader who charts his or her own course, not out of ego, but because the evidence demands it. We often look to and learn from those we consider iconoclasts. Leaders such as Warren Buffett, Charlie Munger and Steve Jobs are well-known examples, but we also have a list of relatively obscure iconoclasts in various fields. We are delighted that some of our holdings are run by such people, and one such iconoclast has recently agreed to join the board of one of our portfolio companies.

What We Bought and Sold in the Quarter

We initiated two new positions, but we are not identifying them yet as we're still building the positions.

We sold Norway-based Spir. It sells software to local governments and municipalities. We've owned this name since fund inception. A tender offer was made for its shares by the founding shareholders and their affiliates. Despite an offer premium of close to 40%, we refused to tender our shares; we considered the bid highly opportunistic, as it significantly undervalued the business. However, we were outvoted. Garnering approval from over 90% of the shareholders, Spir proceeded to complete the deal by squeezing us out.

Top Contributors and Detractors

Our net asset value rose 2.9% during the quarter, while our benchmark fell 0.5%.

Our top three contributors in Q1 were IQE, Impro and Vitzrocell.

IQE is a UK-based compound semiconductor wafer business that we've owned since the fund's inception. It's not every quarter that we see a villain turn into a hero as quickly as IQE. After the stock price fell by more than 50% last year and was down more than 80% since fund inception in May 2022, its share price nearly quadrupled in Q1. In our comments on this name last quarter, we noted the business was running into a liquidity crunch and that we had overestimated its balance sheet strength. One quarter later, the company issued a positive trading update. It also indicated that pressure on its balance sheet has eased significantly, as its customers are now pre-funding IQE in some cases as it's recognized as a key, and sometimes sole-sourced, wafer supplier.

The company now sits at the intersection of two of today's biggest end-market growth drivers: AI and defense. In AI, its indium phosphide wafers are used in optical components to enable faster data transmission in data centers. In defense, its wafers are used for many applications, including missile detection by the prime US defense contractors.

With a much-improved order book in a high fixed-cost industry, we expect IQE to quickly turn profitable and free cash flow (FCF) positive. Over the medium to long term, we expect its normal operating margin to be well within the double-digit range. One ought to recognize that the recent big jump in its share price was from an extremely depressed level at the end of last year. We have not trimmed the position as we believe the stock is still quite reasonably priced.

Impro is a Chinese precision-cast components maker listed in Hong Kong. We commented extensively on this name in recent quarters, as it was the portfolio's best performing stock last year. Its share price continued to rise, up 58% in Q1. One of its primary recent growth drivers was providing key components for high-power diesel backup generators used in many industrial settings, including data centers. After growing at only a mid-single-digit CAGR in recent years, it expects top-line growth to accelerate to the mid-double digits this year, driven by rising demand in AI and other end markets, such as medical and aerospace. Similar to IQE, we have not trimmed the position as we believe it's still reasonably priced with a mid-teens P/E.

It should be noted here that we initiated positions in IQE and Impro at fund inception, which predated ChatGPT's launch by about six months. The AI theme was nowhere to be found back then. Shares of Impro languished for three years and IQE shares for four years before each started to turn around. As we mentioned in the first section of this letter, owning these two stocks reflects a commitment to our investment philosophy and process.

Korea-based Vitzrocell is one of the world's largest providers of primary (non-rechargeable) lithium-ion batteries. The stock price almost doubled in Q1. Its batteries are used in many end markets, including smart meters, oil and gas drilling, and defense. Across all these applications, batteries need to last for years without recharging. We consider the company a hidden champion; the top-line and operating profit have been compounding at a good pace in recent years, with the operating margin growing to well over 20%.

The Iran war has turbocharged the share price so far this year. For the first time, Korean missile interceptors have been proven to be highly effective on the battlefield. According to the Financial Times, an interceptor that costs $4 million to build in the US would cost only $1 million to build in Korea. As a result, orders for the Korean defense industry have been surging. We believe Vitzrocell will be a major beneficiary as its batteries are used in Korean-made missiles. Its share price is trading at a P/E above 20X. As a result, we substantially trimmed the position during the period.

Our top three detractors in Q1 were Alten, Signify and Elementis.

Shares of Alten, the French outsourced R&D engineering service provider, fell almost 30% after having an underwhelming 2025. Fundamentals were not the culprit this quarter, as the company reported a much better-than-expected organic growth rate in the final quarter of 2025. Upon releasing its Q4 trading update, its share price shot up nearly 20% that same day, only to give back all those gains and more over the next few weeks in February due to the SaaS-pocalypse that gripped global markets. Even though Alten is not a SaaS business, its asset-light, people-centric nature invites fears that AI will soon wipe out its business model.

We believe the central question investors must grapple with is whether outsourcing will continue. Will customers continue to outsource R&D projects to Alten and its ilk in the age of AI? There's a conceivable scenario in the not-too-distant future where AI becomes so good that R&D can be done entirely in-house. However, we believe this is highly unlikely. Let's go back to why companies outsource R&D to players like Alten in the first place: 1) access to specialized knowledge; 2) flexibility in hiring, which results in speed to market; and 3) lower cost. It's important to remember that AI, as a democratizing and equalizing force, is available to everyone. We believe that, as long as Alten leads its customers and peers in the adoption of AI, the three reasons for outsourcing will remain relevant, and that it will maintain its fair share of customers in the outsourced R&D market.

Therefore, it then comes down to management's execution. Among other channel checks we performed lately, we met with Alten's management in Paris last month and discussed a quantitative breakdown detailing which parts of the business are vulnerable to AI and which are using AI as a force multiplier, thanks to tacit domain knowledge built up over the years. We believe that Alten, led by its founder and chairman Simon Azoulay, about whom we commented positively in the past, will beat competitors and customers in leveraging the new technology, enabling it to more than survive in the age of AI.

Unlike Alten, we believe Signify's 15% share price drop was justified by its disappointing Q4 2025 trading update. The Dutch lighting business, spun off from Philips a decade ago, has been plagued by multiple problems in recent years, including weak end market demand, a bloated cost structure, a lack of accountability and an inability to turn innovation into profitable revenue. It might be too early to see the light, no pun intended, at the end of a multiyear tunnel, but we did see a glimmer of hope in a recent meeting with new CEO As Tempelman in the Netherlands.

He seems to have a firm grasp of the key issues confronting the business in a tough industry. He was completely aligned with us in believing that the current business portfolio is too sprawling and needs to shrink before it can grow again. Therefore, we will not be surprised if the company announces some transactions later this year that prune parts of its portfolio, either by geography or product line. If those moves happen, we believe they will be a good first step in Signify's turnaround journey. Its share price is currently trading at a little over 7X FCF, below its 8% dividend yield.

Elementis is a specialty chemicals maker in the UK. Its core product line is hectorite-derived rheology modifiers, sold into two major end markets: personal care and coatings. Its share price dropped 12% in Q1. It reported 2025 full-year earnings in March that were, in our opinion, unremarkable one way or another. Its share price drop was likely due to the market's disappointment that the numbers were not any better.

Despite its share price drop, we exited the quarter with greater conviction. Among other reasons, we welcome the recent news that Mike Humphrey will join its board, pending shareholder approval. Mike was CEO of Croda, another UK-listed specialty chemicals maker, from 1999 to 2011. Under his stewardship, Croda's profit went up 8X, matched by the stock's total return. He's an iconoclast, in our opinion, and the one we alluded to above. (You'll see why if you read Croda's annual reports from Mike's time as CEO.) We believe that, if elected at the upcoming annual shareholder meeting, he will greatly enhance Elementis' total shareholder return over the medium to long term.

ARTISAN CANVAS

Timely insights and updates from our investment teams and firm leadership

Visit www.artisancanvas.com

Top 10 Holdings (% of total portfolio)

Glenveagh Properties PLC	11.3
Impro Precision Industries Ltd	6.3
IQE PLC	6.1
Zuken Inc	5.2
Alten SA	5.1
Elementis PLC	4.7
Kansai Paint Co Ltd	3.8
Signify NV	3.7
Steadfast Group Ltd	3.2
Sabre Insurance Group PLC	3.2
Total	**52.5%**

For more information: Visit www.artisanpartners.com | Call 800.344.1770

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, and include new and rapidly changing political and economic structures, which may cause instability; underdeveloped securities markets; and higher likelihood of high levels of inflation, deflation or currency devaluations. 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. Value securities may underperform other asset types during a given period.

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. **S&P 500®** Index measures the performance of 500 US companies focused on the large-cap sector of the market. The index(es) are unmanaged; include net reinvested dividends; do not reflect fees or expenses; and are not available for direct investment.

This material represents the views of the investment team and does not necessarily represent those of Artisan Partners. The views and opinions expressed are based on current market conditions, which will fluctuate, and those views are subject to change without notice. While the information contained herein is believed to be reliable, there is no guarantee to the accuracy or completeness of any statement in the discussion. Any forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation.

For the purpose of determining holdings, securities of the same issuer are aggregated to determine the weight in the portfolio. Portfolio holdings are subject to change without notice and are not intended as recommendations of individual securities. Further portfolio holdings information is available upon request. Unless otherwise indicated, all information in this report includes all classes of shares, except performance and expenses. Totals may not sum due to rounding.

ESG assessments represent one of many pieces of research available and the degree to which it impacts holdings may vary based on manager discretion.

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.

MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used to create indices or financial products. This report is not approved or produced by MSCI.

The S&P 500 and S&P UBS Leveraged Loan Indices are products of S&P Dow Jones Indices LLC ("S&P DJI") and/or its affiliates and has been licensed for use. Copyright © 2025 S&P Dow Jones Indices LLC, a division of S&P Global, Inc. All rights reserved. Redistribution or reproduction in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. S&P® is a registered trademark of S&P Global and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). None of S&P DJI, Dow Jones, their affiliates or third party licensors makes any representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and none shall have any liability for any errors, omissions, or interruptions of any index or the data included therein.

Contribution to Return (CTR) represents the contribution of an investment to the total portfolio return. CTR is calculated by multiplying a security's portfolio weight by its in-portfolio return daily for the period and has been derived from a transaction-based methodology, which includes the impact of transactions. **Attribution** quantifies the relationship between a portfolio's relative returns and the active management decisions differentiating the portfolio from the benchmark. **CTR and Attribution** are not exact, nor representative of actual investor returns due to several variables (e.g., fees, expenses, transactions) and therefore should be considered an approximation and examined in conjunction with the performance of the portfolio during the period. If applicable, securities of the same issuer are aggregated and may be delta-adjusted to determine the weight in the portfolio, and aggregation of corporate affiliates is subject to the determination of Artisan Partners. Further information on the methodology used is available upon request.

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.

Free Cash Flow is a measure of financial performance calculated as operating cash flow minus capital expenditures. **Beta** is a measure of the volatility of a security or a portfolio in comparison to the market as a whole. **Dividend Yield** is a financial ratio that shows how much a company pays out in dividends each year relative to its share price. **Margin** refers to borrowing money to purchase securities. The practice is referred to as "buying on margin." **Normalized Earnings** are earnings that are adjusted for the cyclical ups and downs over a business cycle. **Organic Growth** is the revenue and earnings growth a company achieves as a result of its own operations and resources rather than those attributable to mergers and acquisitions. **Price-to-Earnings (P/E)** is a valuation ratio of a company's current share price compared to its per-share earnings. **Price-to-Earnings (P/E) ex-Cash** is a valuation ratio of a company's current share price excluding cash holdings compared to its per-share earnings. **Return on Capital (ROC)** is a measure of how effectively a company uses the money (borrowed or owned) invested in its operations. **Weighted Average Cost of Capital (WACC)** represents a company's average after tax cost of capital from all sources, including common stock, preferred stock, bonds and other forms of debt. **Margin of Safety,** a concept developed by Benjamin Graham, is the difference between the market price and the estimated intrinsic value of a business. A large margin of safety may help guard against permanent capital loss and improve the probability of capital appreciation. Margin of safety does not prevent market loss. All investments contain risk and may lose value. **Operating Margin** is a measure of profitability equal to operating income divided by revenue. **Compound Annual Growth Rate (CAGR)** is the year-over-year average growth rate of an investment over a period of time. It is calculated by taking the nth root of the total percentage growth rate, where n is the number of years in the period being considered.

Artisan Partners Funds offered through Artisan Partners Distributors LLC (APDLLC), member FINRA.

© 2026 Artisan Partners. All rights reserved.