

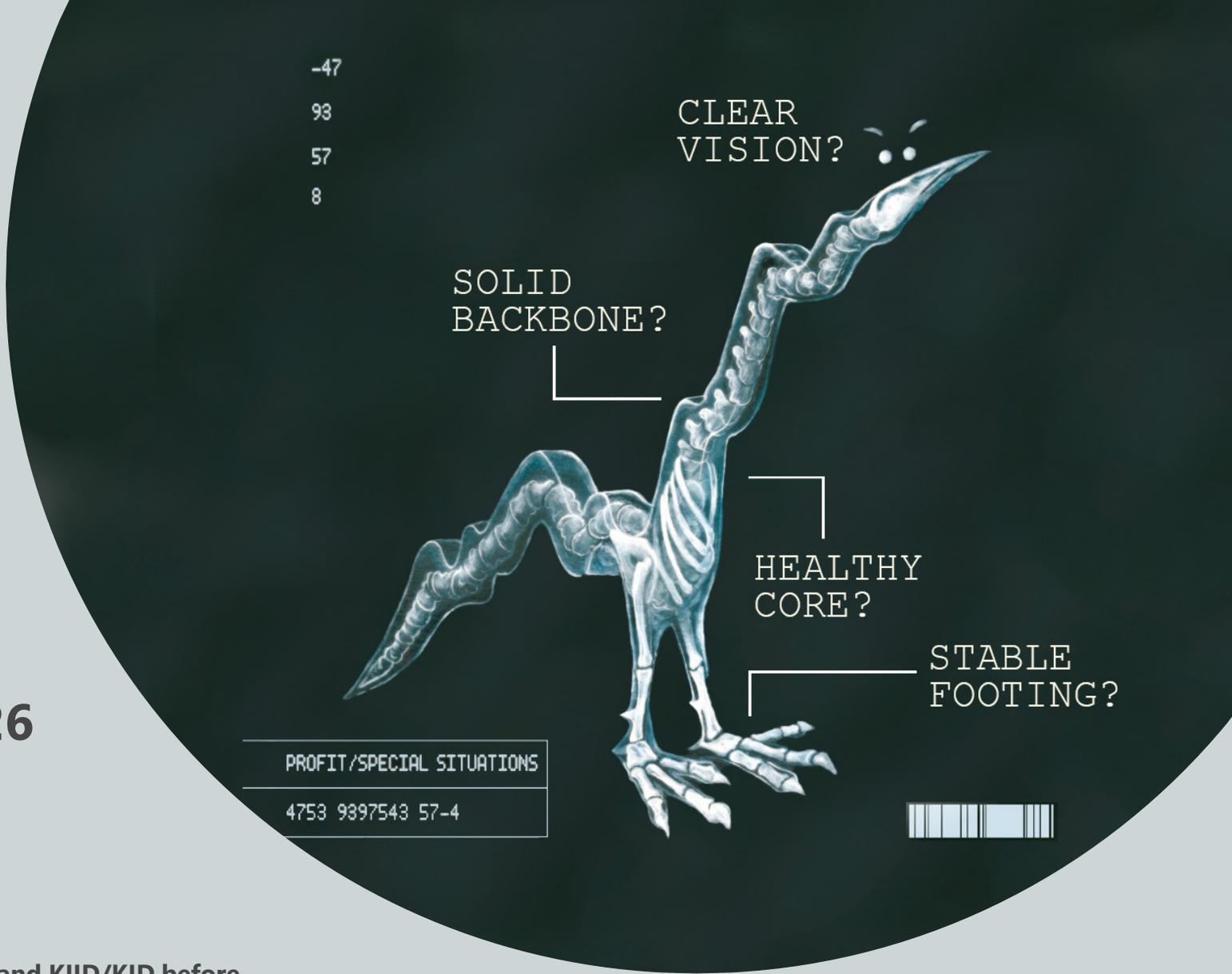


Artemis UK Special Situations Fund

An Afternoon with Artemis 2026

Andy Gray | Henry Flockhart

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UK equities at Artemis – a core strength

11
UK INVESTMENT
PROFESSIONALS
WITH AVERAGE
ARTEMIS TENURE OF
13 yrs



£17.5bn
AUM

INVESTED ACROSS
6
DEDICATED
UK INVESTMENT
STRATEGIES

STRONG PERFORMANCE



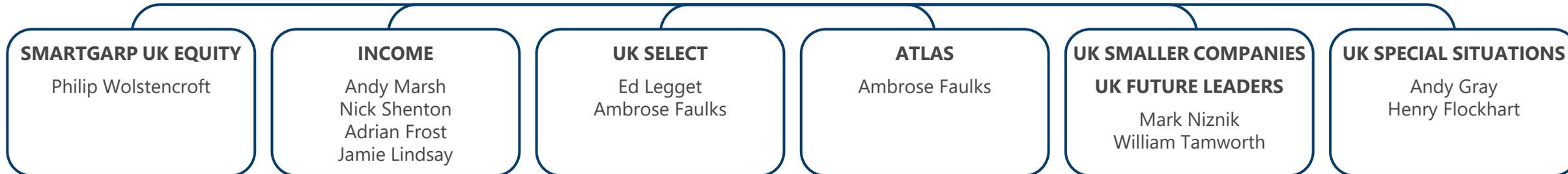
>75% AUM
TOP QUARTILE
OVER 1, 3 AND 5 YRS¹

TRULY
ACTIVE



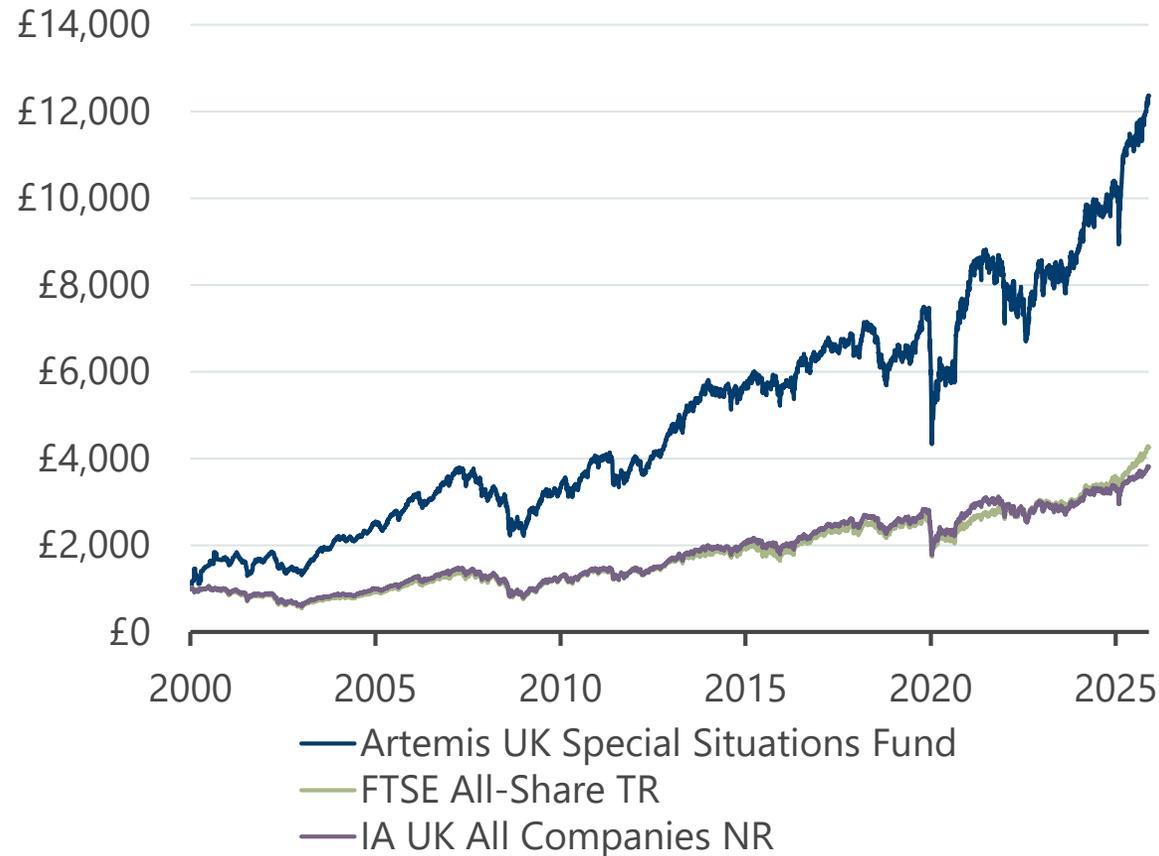
75%
AVERAGE ACTIVE SHARE
ACROSS PORTFOLIOS

ARTEMIS UK EQUITIES



Past performance is not a guide to the future. Source: Artemis/Lipper Limited, class I accumulation units in GBP as at 31 January 2026. 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 investor's currency is different to that of the unit/share class. This class may be in a currency or have charges or a hedging approach different from those in the IA sector benchmark. Sector is IA UK Smaller Companies for Artemis UK Smaller Companies Fund, IA UK All Companies NR for Artemis SmartGARP UK Equity Fund, Artemis UK Select Fund, Artemis UK Special Situations Fund and IA UK Equity Income NR for Artemis Income Fund. ¹Quartile ranking does not include Artemis Atlas Fund (launched on 9 July 2025) or Artemis UK Future Leaders plc which Artemis assumed management of on 10 March 2025.

Artemis UK Special Situations Fund



Andy Gray
Fund Manager



Henry Flockhart
Fund Manager

Launch date	9 March 2000
Benchmark	FTSE All-Share TR
Sector	IA UK All Companies



Past performance is not a guide to the future. Source: Lipper Limited, class I accumulation units in GBP from 9 March 2000 to 31 January 2026. Data prior to 7 March 2008 reflects class R accumulation units in GBP. 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 investor's currency is different to that of the unit/share class. This class may have charges or a hedging approach different from those in the IA sector benchmark. Sector is IA UK All Companies NR. Third party endorsements are not a recommendation to buy. For information visit artemisfunds.com/endorsements.

Artemis UK Special Situations Fund – performance (% growth)

	1 year	3 years	5 years	Since launch
Artemis UK Special Situations I Acc	20.4	49.0	70.6	1,136.4
FTSE All-Share TR	21.1	44.5	80.8	327.5
UK All Companies sector average	13.1	30.6	46.1	281.1
Position in sector ¹	55/175	16/173	54/168	2/65
Quartile ¹	2	1	2	1

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How we invest



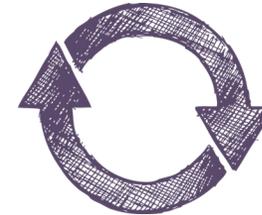
Contrarian mindset



Total return focus



Active portfolio management



Special situations opportunity set

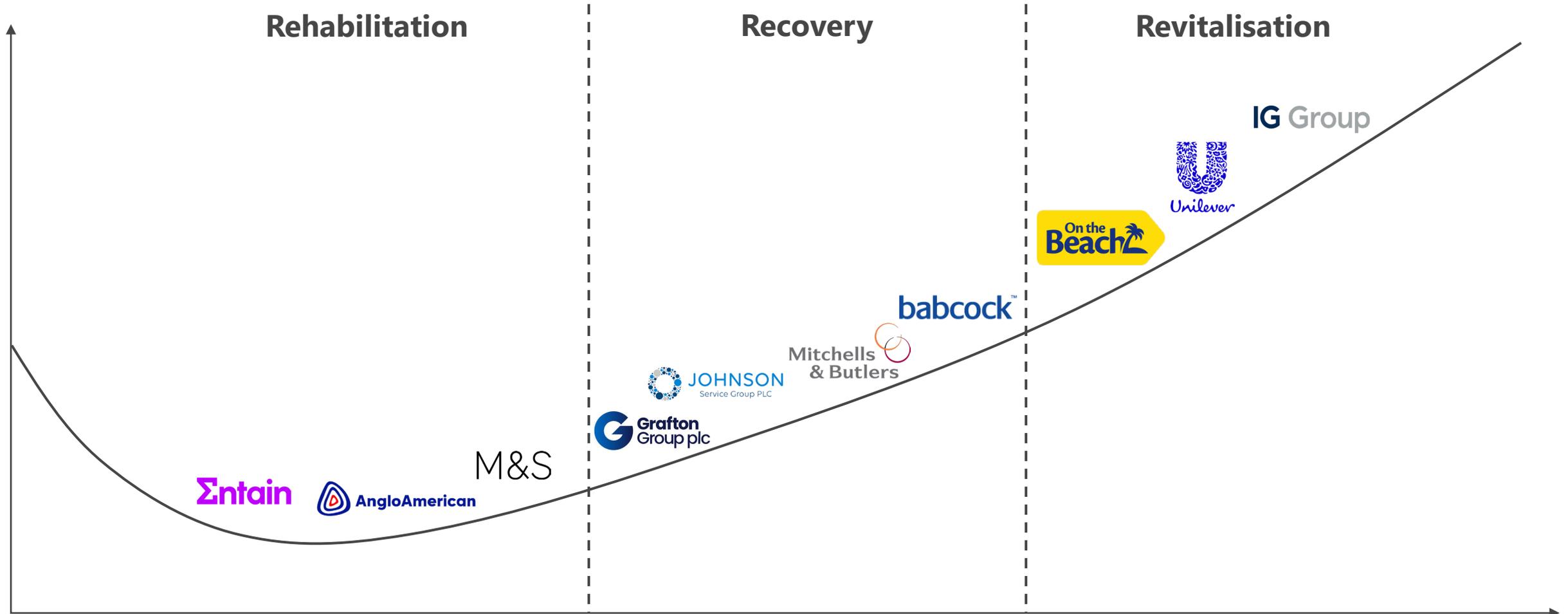


Image source: brandsoftheworld.com.

Note: reference to specific stocks should not be taken as advice or a recommendation to invest in them.



Source: Bloomberg/Babcock as at 31 January 2026. Image source: brandsoftheworld.com.
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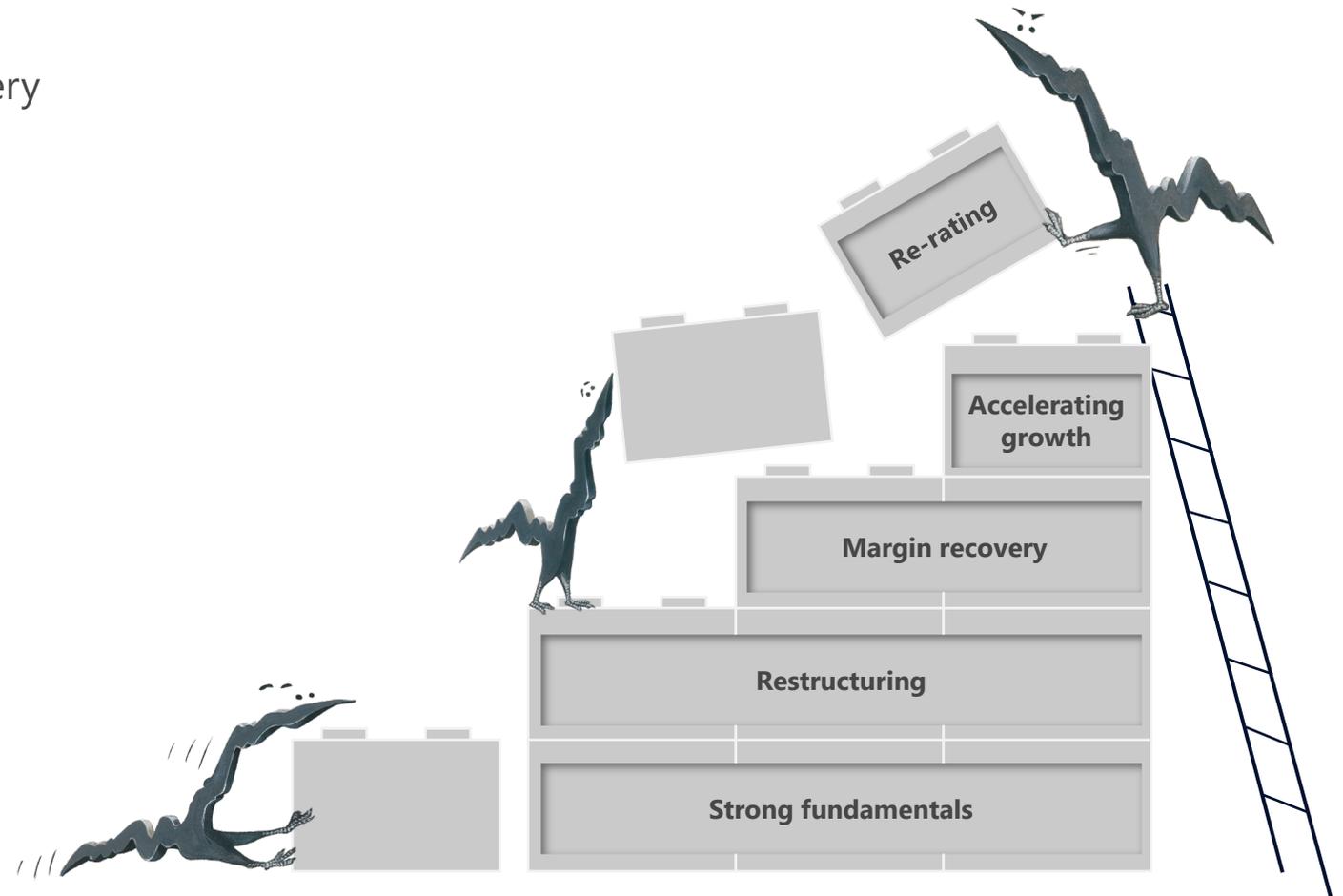
Why invest in Special Situations?

Contrarian mindset

- Markets extrapolate extended periods of poor delivery
- We instead identify strategic pivots to unlock long term potential
- Strong management, fresh thinking and self-help are critical

Risk/reward focus

- We view low expectations and valuations as a good starting point for future returns
- Upside from ***both*** profit recovery **and** multiple expansion
- Balance sheet and cashflow strength de-risks turnarounds



Note: the above information reflects the current view of the fund managers and may change over time. For information about formal investment restrictions relevant to this fund please refer to the prospectus.

Identifying a successful strategic pivot

Who is driving the change?

Why is it happening now?

Is the strategy anchored in self-help?

Does the strategy require or release capital?

Is there a refinancing risk?



Will the business be simpler as a result?

Will growth be faster?

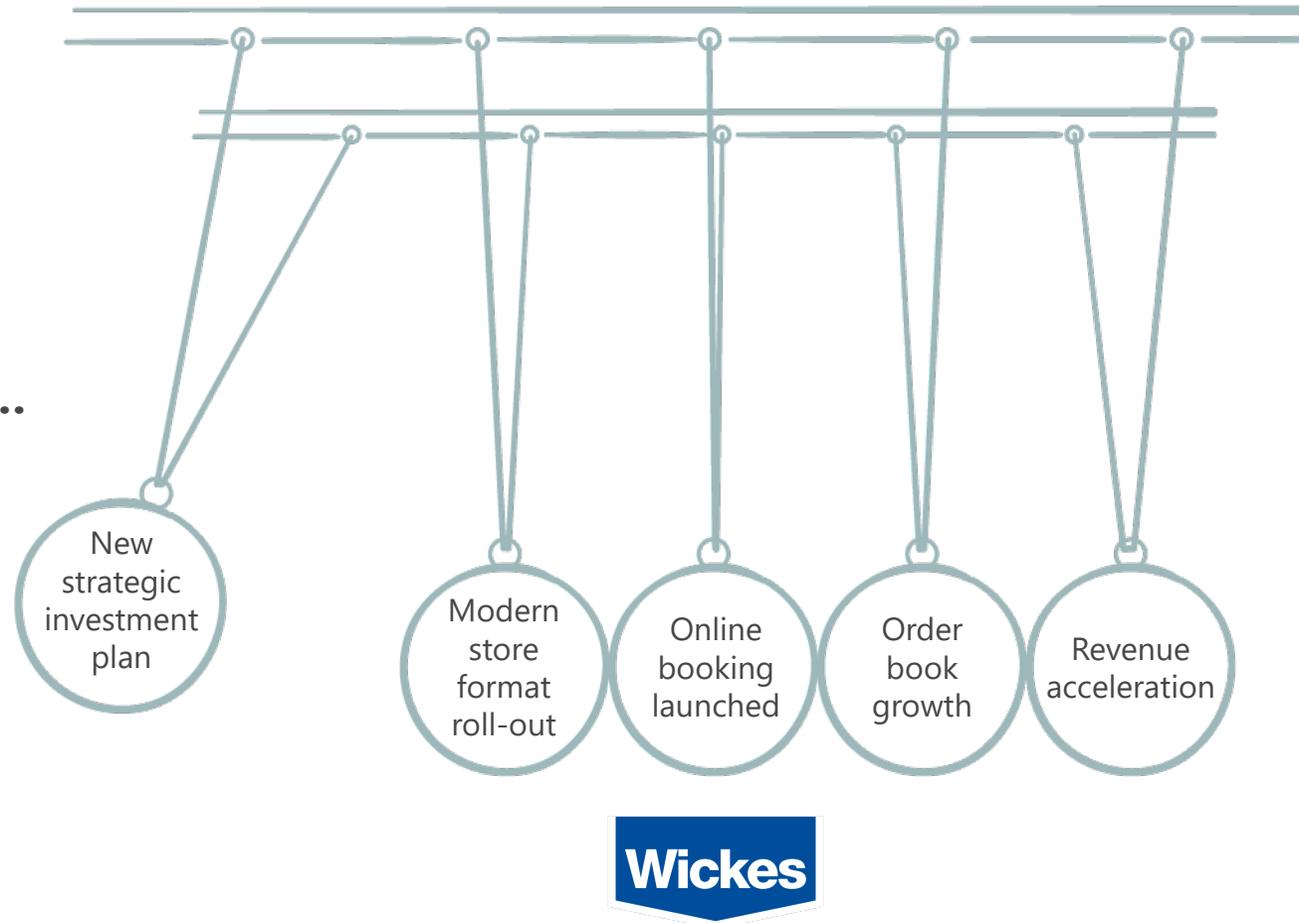
Will returns be higher?

Will the strategy drive a valuation re-rating?

Will the business generate cash in a bear case scenario?

Tracking operating momentum

We look for evidence of **operational momentum...**



...to get ahead of the **price momentum**

Image source: brandsoftheworld.com.

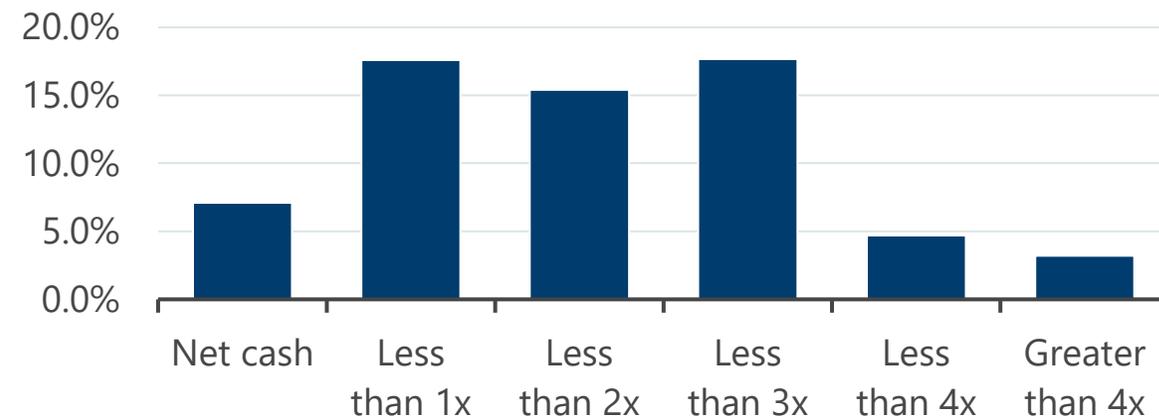
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Portfolio positioning

Top 10 active share stocks in portfolio



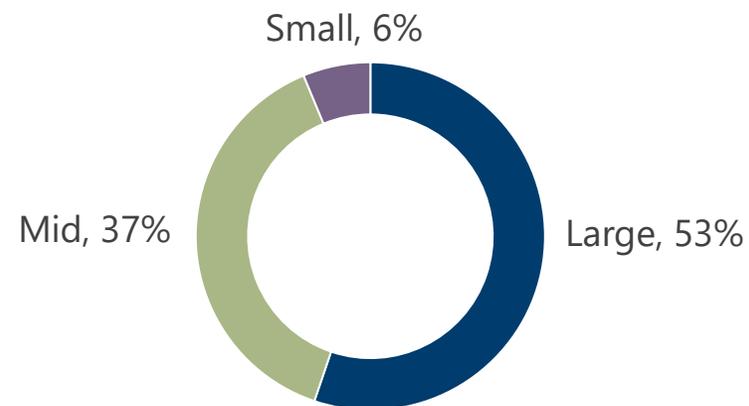
Leverage in the fund¹



Valuation statistics

	Artemis UK Special Situations Fund	FTSE All-Share
P/E FY1	12.3x	14.7x
Dividend yield	3.5%	3.1%
EV/EBITDA	7.4x	8.7x
Net debt/EBITDA	1.4x	2.1x

Size analysis

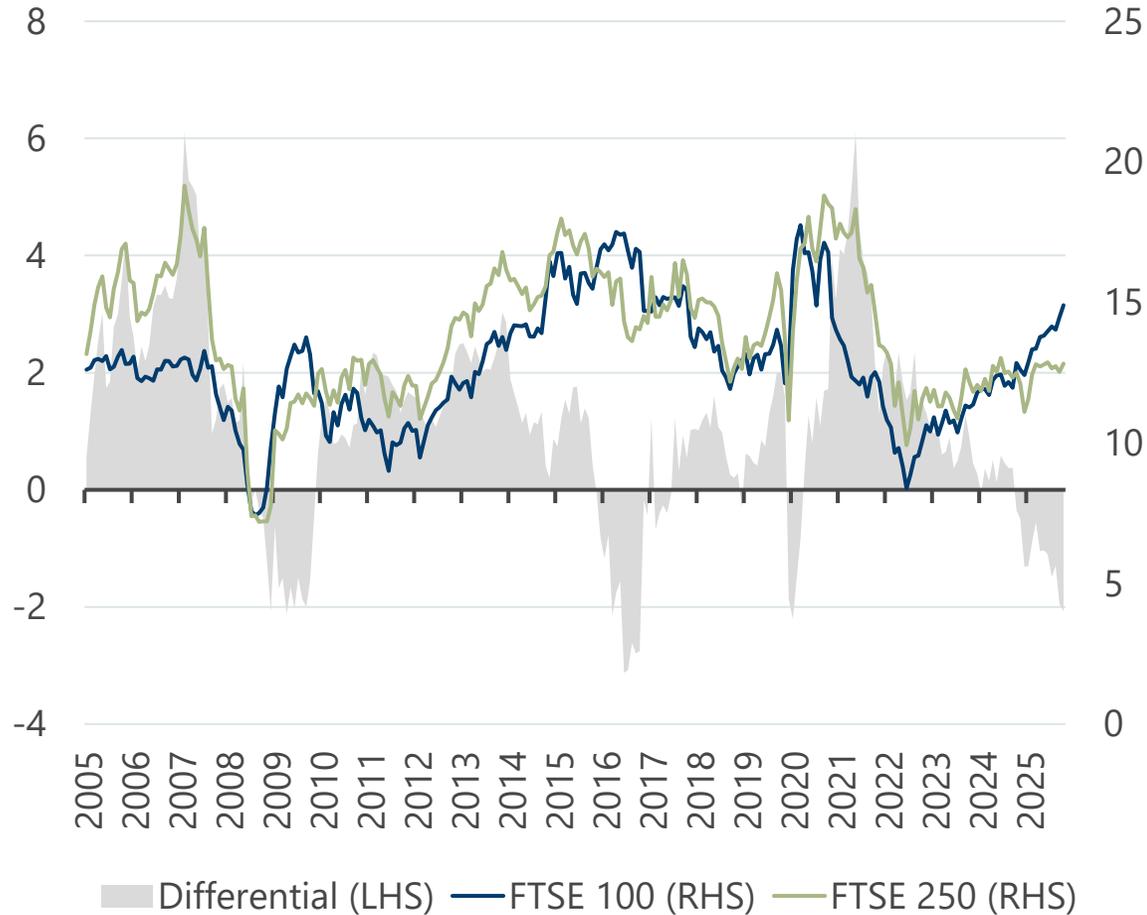


Source: Artemis/Bloomberg as at 31 January 2026. Image source: brandsoftheworld.com. ¹Financials excluded (30.2%). Leverage = Net debt + leases/EBITDA (x). Note: figures may not add up due to rounding and cash.

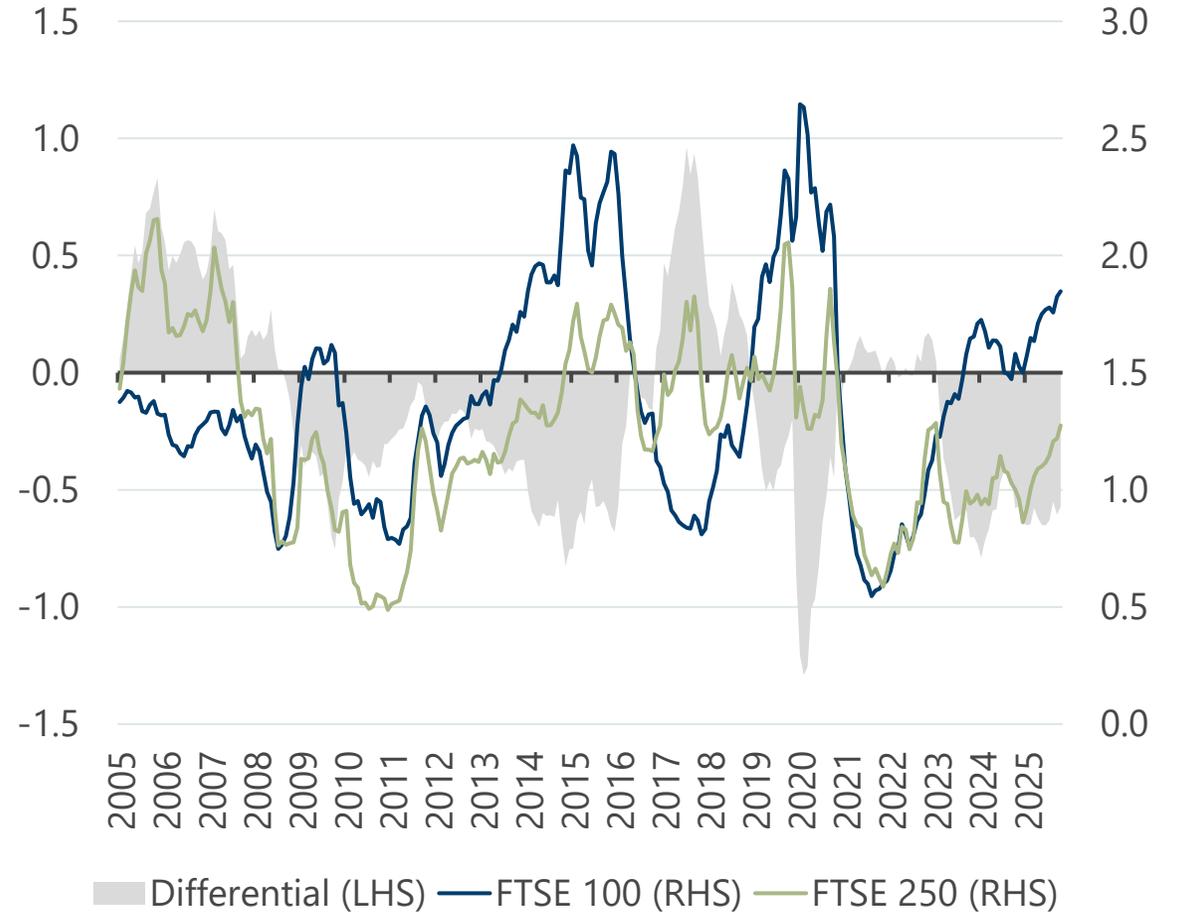
The opportunity in midcaps

The FTSE 250 sits on a rare discount to the FTSE despite better growth

Forward P/E (x)



Forward PEG ratio (x)



Source: Bloomberg as at 31 January 2026.

Mid-cap opportunities

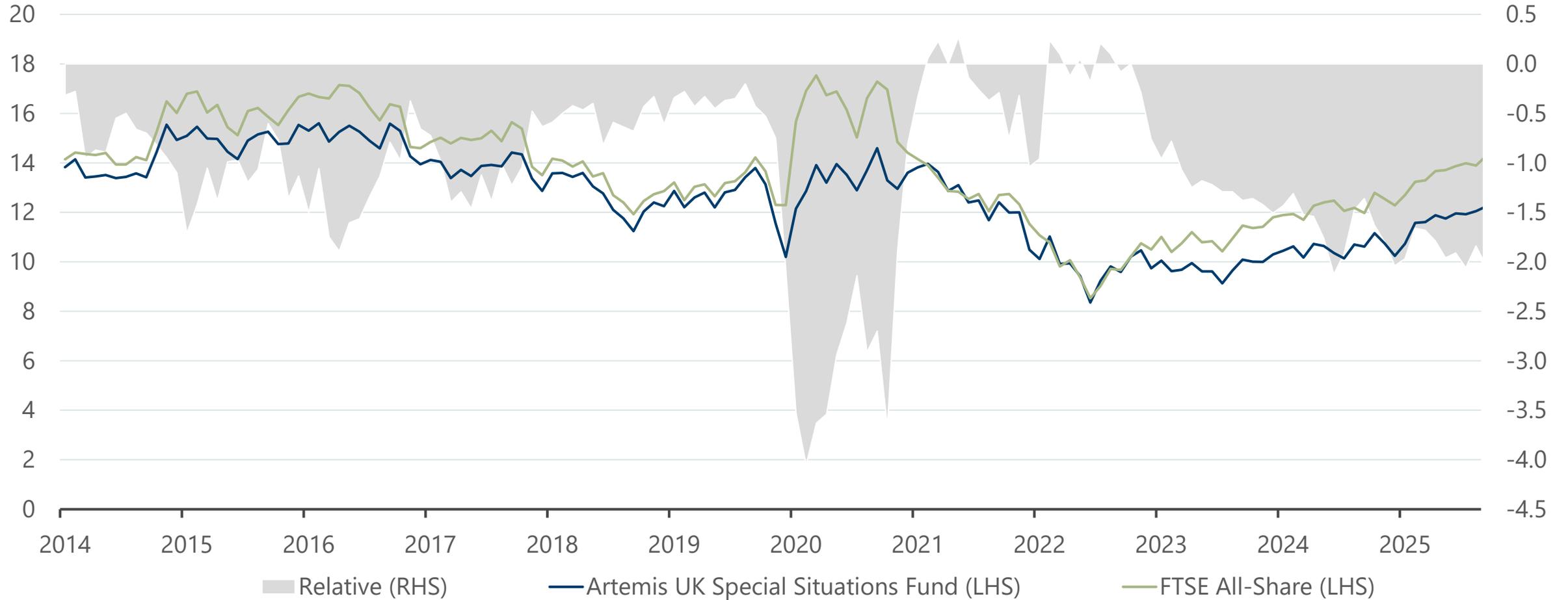
	Management aspiration	Average P/E last ten years ¹	Recovered P/E
	£1.4bn revenue, 8% PBT margin	10.5x	5.1x
	2,300+ homes a year, 13% EBIT margin	10.4x	4.6x
	£2.5bn revenue, 250 stores, £10m revenue per store	9.8x	5.0x
	£2.5bn TTV, EBITDA £100m, PBT £85m	17.8x	5.0x
	2-4% revenue growth, >30% EBITDA margin	14.4x	3.2x
	£500 revenue; operating margin 25%	28.3x	3.3x

Source: DFS 'Annual Report and Accounts 2023' 10 October 2023, Crest Nicholson 'Capital Markets Day' 20 March 2025, Wickes 'Half Year Results 2025' 10 September 2025, On the Beach 'Annual Report and Accounts' 30 September 2024, Future 'Full Year Results 2025' 4 December 2025, YouGov 'Corporate Factsheet FY23' 31 December 2023.

Note: ¹Bloomberg as at 13 January 2026. Image source: brandsoftheworld.com. Reference to specific stocks should not be taken as advice or a recommendation to invest in them.

Profit recycling

Forward looking P/E (x)



Past performance is not a guide to the future. Source: Artemis, class I accumulation units in GBP as at 31 January 2026.

Key messages

- **Recycling capital into higher-upside, under-appreciated opportunities**
 - Valuation discipline is non-negotiable; entry price matters
 - We avoid paying for optimism; seek asymmetric pay-offs
- **Midcap de-rating is creating stock-specific opportunities**
 - Market valuation dispersion is high; focus remains on turnarounds and self-help
 - Margin of safety underpins attractive upside if we're right
- **Discount to the index has widened – the fund offers improved relative value**
 - Re-rating optionality as fundamentals recover
 - Returns driven by stock selection; every holding backed by conviction investment case
- **UK macro backdrop looks more secure**
 - Greater fiscal headroom; gilts' risk premium provides a buffer vs other sovereigns
 - More secure inflation/rates path; lower volatility supports confidence for corporates and consumers

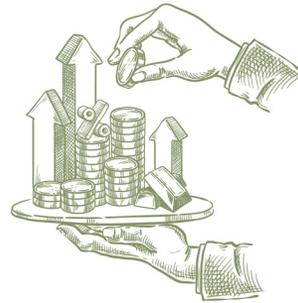
Why Artemis UK Special Situations Fund?

Contrarian mindset



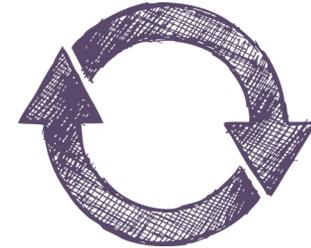
- Market extrapolates historic issues
- We focus on the long-term potential

Total return focus



- High conviction portfolio
- Not benchmark driven

Active portfolio management



- Valuation discipline
- Recycling capital to enhance returns



Important information

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Investment in a fund concerns the acquisition of units/shares in the fund and not in the underlying assets of the fund.

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The PROFIT Hunter