

PEAR TREE AXIOM EMERGING MARKETS WORLD EQUITY FUND

FOR THE QUARTER ENDED DECEMBER 31, 2022, the Pear Tree Axiom Emerging Markets World Equity Fund's Ordinary Shares underperformed its benchmark, the MSCI EM Index (the "Index"). The Fund achieved a return of 5.47% at net asset value compared to 9.79% for the Index.

Market Conditions and Investment Strategies

Growth stock valuations corrected very sharply over the course of 2022. The Fund's dynamic growth stocks faced especially strong headwinds with growth significantly underperforming value globally this year as central banks undertook the most aggressive tightening cycle since the early 1980's. For the first time in at least 50 years, both stocks and bonds experienced broad declines, creating opportunities for longer-term investors. With inflation and inflation expectations past their peak and market-based forward inflation break-evens now back within central banks' targeted ranges, monetary authorities appear close to accomplishing their goal of taming rapid price growth. Given still tight labor markets, central banks have expressed a commitment to a few last hikes. Nevertheless, the tightening cycle is expected to end in the next few months. If any easing were to occur in the back half of 2023, as anticipated in the fed funds futures market, it would be especially beneficial for growth equities.

The best performing sectors on a relative basis during the fourth quarter were Energy and Consumer Discretionary, driven by Chinese travel companies and restaurant chains. Communication Services, Information Technology, and Consumer Staples were the largest relative detractors for the quarter. Hong Kong was the top performing country on a relative basis for the quarter, due to insurance stocks, followed by Qatar, due to underweight exposure, and lastly Denmark, driven by health care stocks. The largest relative detractor was China, followed by Brazil and the US.

Portfolio Changes

The Fund increased its exposure to several companies in China that we expect will benefit from the easing of Covid-driven mobility restrictions (this is currently occurring faster than consensus expectations), as well as companies that likely benefit from China's growing thrust to support its ailing Real Estate sector. Much of this increase was funded by a reduction in exposure to electric vehicles due to the potential for a demand slowdown in 2023, particularly in China, following a recent period of outsized growth. The Fund reduced its allocation to Brazil. The incoming President has been more disruptive to the market and less fiscally restrained than initial expectations. This has pushed up inflation expectations, pushed out the expected timing of policy interest rate cuts and has created a headwind to Brazilian assets broadly.

Outlook

Value stocks were lifted by the strong gains in the Energy sector that followed Russia/Ukraine, and significantly outperformed growth in 2022. In 2023, growth stocks are currently forecast to resume outgrowing value stocks with forecast earnings growth more than 10% higher. Recent signs of a moderating policy tone from China combined with a quieter election calendar globally are noteworthy and provide additional opportunities for global investors. After several years of elevated geopolitical risk, any moderation in macro uncertainty would also represent a tailwind for equity markets generally, and typically supports the manager's stock-selection driven alpha. ❖

TOTAL EXPENSE RATIOS*

	Gross Expense Ratio*	Net Expense Ratio*
Ordinary Shares	1.65%	1.43%
Institutional Shares	1.40%	1.06%
R6 Shares	1.25%	1.00%

* Per Prospectus dated August 1, 2022, as amended. Reflects all fee waivers and expense reimbursements currently in effect. Fee waivers and expense reimbursements may not be amended, rescinded or terminated before July 31, 2023 without the consent of the Fund's Trustees.

A WORD ABOUT RISK

Investing in foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market or economic developments and can perform differently than the U.S. market.

Investment Products

■ Not FDIC insured ■ May lose value ■ No bank guarantee

PEAR TREE AXIOM EMERGING MARKETS WORLD EQUITY FUND PORTFOLIO HIGHLIGHTS

as of December 31, 2022 (The portfolio is actively managed. Holdings and weightings are subject to change daily.)

Top Ten Holdings

Percentage of total net assets	32.3%
Taiwan Semiconductor Manufacturing Co., Ltd.	6.9%
Samsung Electronics Company Limited	3.7%
Tencent Holdings Limited	3.3%
Alibaba Group Holding Ltd.	3.1%
Baidu, Inc.	3.0%
Ping An Insurance Group H Share	3.0%
JD.com, Inc.	2.4%
Reliance Industries Ltd.	2.4%
Trip.com Group Limited	2.3%
AIA Group Ltd.	2.2%

The companies mentioned in the commentary on page one have the following percentage of total net assets as of 12/31/2022:

None

PERFORMANCE

as of December 31, 2022

Average Annual Total Returns at Net Asset Value

	Unannualized		Annualized					Inception Date
	Q4	Calendar YTD	1-Year	3-Year	5-Year	10-Year	Since Inception	
Ordinary Shares	5.47%	(30.93%)	(30.93%)	(3.80%)	(1.71%)	(0.29%)	4.11%	09/30/94
Institutional Shares	5.53%	(30.70%)	(30.70%)	(3.44%)	(1.34%)	0.04%	5.25%	04/02/96
R6 Shares	5.62%	(30.56%)	(30.56%)	(3.35%)	—	—	1.54%	01/28/19
MSCI EM ¹	9.79%	(19.74%)	(19.74%)	(2.34%)	(1.03%)	1.81%	4.46%	—

¹The Morgan Stanley Capital International Emerging Markets ("MSCI EM") Index is an unmanaged index comprised of stocks located in countries other than the United States. It is widely recognized as representative of the general market for emerging markets. Index returns assume the reinvestment of dividends and, unlike Fund returns, do not reflect fees or expenses. You cannot invest directly in an Index. For comparative performance purposes, the beginning date for the Index is 09/30/94.

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month-end performance, visit the Fund's website at www.peartreefunds.com.