

PEAR TREE POLARIS FOREIGN VALUE FUND

FOR THE QUARTER ENDED DECEMBER 31, 2025, the Pear Tree Polaris Foreign Value Fund's Ordinary Shares (the "Fund") outperformed its benchmark, the MSCI EAFE Index (the "Index"). The Fund had a return of 7.95% at net asset value compared to 4.91% for the Index.

Market Conditions and Investment Strategies

International equity markets posted steady gains in the fourth quarter of 2025, capping a year marked by substantial outperformance over the broad U.S. averages. The Fund outperformed the benchmark after posting double-digit gains in Switzerland, Canada, Spain, Italy, Hong Kong and select emerging markets. Holdings in Belgium, Puerto Rico, China and Taiwan declined. At a sector level, the Fund dramatically outperformed in Information Technology (IT), followed by Industrials, Communication Services and Consumer Staples. Consumer Discretionary was the sole sector in absolute negative territory.

SK Hynix and Samsung Electronics, the two largest global memory manufacturers in Korea, were the top two contributors for the quarter, topping IT sector results. Supply-demand constraints benefit memory chip suppliers; the market expects memory price increases in 2026. In Industrials, HD Hyundai Electric was up nearly 30% for the quarter, capitalizing on increased demand to expand/upgrade power infrastructure. DHL Group reported quarterly results that beat profit expectations (despite a slight revenue dip), driven by cost efficiencies and e-commerce growth. In Health Care, Ireland-based Jazz Pharmaceuticals announced record quarterly revenues (driven by Epidiolex and Xywav), FDA approvals of two drugs, and positive Phase 3 trial results for its potential blockbuster HER2+ cancer treatment Ziihera. Lundin Mining Corp. announced record third-quarter revenues, profiting from higher realized copper prices in an advantageous supply-demand environment. The Canadian miner struck a deal to sell Eagle Mine and Humboldt Mill to Talon Metals in exchange for a 20% stake in the U.S. pure-play nickel company. Chocolatier Barry Callebaut successfully navigated unprecedented cocoa price volatility while strengthening its balance sheet. The company partnered with Planet A Foods to scale cocoa-free chocolate alternatives; these efforts were lauded by investors.

Decliners were few and far between. In Materials, Smurfit Westrock missed quarterly earnings estimates and management trimmed full-year guidance due to challenging demand for paper packaging. Linde AG issued a cautious outlook due to weakness in European business and fallout from U.S. tariffs. In Consumer Discretionary, Sony Group beat expectations and raised guidance for the third quarter; yet the stock underperformed amid concerns surrounding its gaming and pictures businesses. French tire manufacturer Michelin lowered guidance as sales in North America fell more sharply than expected due to slower demand for trucks and heavy-duty vehicles used in agriculture.

Portfolio Changes

During the quarter, the Fund sold out of three companies as each reached target valuation limits, while Sony Financial Group Inc. (spin-off from Sony Group) was also exited. Proceeds were deployed to Alibaba Group Holding, the largest Chinese e-commerce and cloud company; Asian insurance company AIA Group Limited; and China's Ping An Insurance.

Outlook

As we enter 2026, international equities remain compelling. Attractive valuations, increasingly shareholder-friendly corporate behavior, and a weakening U.S. dollar make a strong case for diversification beyond U.S. assets. While we're mindful of headwinds like increased government intervention, fiscal pressures, and tariff constraints, we're finding excellent opportunities in targeted developed and emerging markets. Our quarter end and annual results demonstrated how our value discipline paid off, and we will continue in this vein in 2026. ❖

TOTAL EXPENSE RATIOS*

	Gross Expense Ratio*	Net Expense Ratio*
Ordinary Shares	1.51%	1.41%
Institutional Shares	1.26%	1.04%
R6 Shares	1.11%	0.94%

* Per Prospectus dated August 1, 2025, 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, 2026 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 POLARIS FOREIGN VALUE FUND PORTFOLIO HIGHLIGHTS

as of December 31, 2025 (The portfolio is actively managed. Holdings and weightings are subject to change daily.)

Top Ten Holdings

Percentage of total net assets	25.1%
SK Hynix, Inc.	4.0%
Samsung Electronics Company Limited	3.2%
Marubeni Corporation	2.5%
Ping An Insurance Group H Share	2.3%
Shinhan Financial Group Co., Limited	2.3%
Publicis Groupe	2.2%
Barry Callebaut AG	2.2%
ORIX Corporation	2.2%
Mitsubishi UFJ Financial Group, Inc.	2.1%
HD Hyundai Electric	2.1%

The companies mentioned in the commentary on page one have the following percentage of total net assets as of 12/31/2025:

AIA Group Limited	2.0%
DHL Group	1.9%
Jazz Pharmaceuticals	1.9%
Sony Group	1.9%
Lundin Mining Corporation	1.7%
Alibaba Group Holding	1.7%
Linde AG	1.6%
Michelin	1.6%
Smurfit Westrock	1.5%

PERFORMANCE

as of December 31, 2025

Average Annual Total Returns at Net Asset Value

	Unannualized		Annualized						
	Q4	Calendar YTD	1-Year	3-Year	5-Year	10-Year	15-Year	Since Inception	Inception Date
Ordinary Shares	7.95%	33.85%	33.85%	16.80%	7.44%	7.00%	6.39%	6.50%	05/15/98
Institutional Shares	8.05%	34.33%	34.33%	17.23%	7.83%	7.38%	6.73%	7.61%	12/18/98
R6 Shares	8.02%	34.52%	34.52%	17.34%	7.93%	-	-	7.37%	02/06/17
MSCI EAFE ¹	4.91%	31.89%	31.89%	17.82%	9.47%	8.72%	7.15%	5.80%	-

¹ The Morgan Stanley Capital International Europe, Australasia, and Far East ("MSCI EAFE") Index is an unmanaged index comprised of stocks in countries other than the United States. It is widely recognized as representative of the general market for developed foreign markets. Index returns assume the reinvestment of dividends and, unlike Fund returns, do not reflect any fees or expenses. You cannot invest directly in an Index. For comparative performance purposes, the beginning date for the Index is 05/29/98.

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.pearreefunds.com.