

PEAR TREE POLARIS FOREIGN VALUE FUND

FOR THE QUARTER ENDED JUNE 30, 2024, 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 0.13% at net asset value compared to (0.17%) for the Index.

Market Conditions and Investment Strategies

The Fund's outperformance was due to holdings within Materials, Information Technology, Consumer Staples and Consumer Discretionary. Holdings within Communication Services, Industrials and Health Care hampered results. Geographically, a majority of countries added to gains; contributors included an out-of-benchmark allocation in South Korea, along with holdings in Ireland, Switzerland and Singapore. Canada, Germany and France detracted.

Copper producer Lundin Mining spearheaded Material sector gains. Copper prices have been on an upward trajectory since the end of 2023, increasing over 20% from mid-February to late May. Canadian methanol producer Methanex posted strong results, as methanol prices ticked higher.

SK Hynix gained in excess of 25% for the quarter, dominating the high-bandwidth memory market (crucial for AI applications) while noting good price momentum in traditional DRAM and NAND markets. At Open Text Corp., guidance was lowered and earnings fell short of expectations.

Greencore Group was among the top five portfolio contributors for the quarter, up more than 35% after posting impressive operating income in its first half 2024 results. Operating margins also rose as cost inflation eased and efficiency measures boosted profitability.

Consumer Discretionary highlights were Kia Corp. and LG Electronics, both of which posted double-digit gains. Kia Corp. and Hyundai Motor Company are working with Exide Energy to equip future EVs in the Indian market with LFP batteries. LG Electronics posted solid earnings as incentives dropped, raw material costs leveled off and product mix funneled to higher margin sales. Magna International declined after it adjusted its 2024 outlook, premised on no additional Fisker Ocean production (Fisker filed for bankruptcy protection) and lower sales.

Overall Industrial sector results were middling on the back of Daimler Truck, which dealt with a more normalized North American market post-pandemic. Even as subdued freight markets weigh on orders, build slots are largely filled through the third quarter of 2024. VINCI SA, the French concessions and construction company, reported robust first quarter 2024 results and reaffirmed guidance. However, the stock trended down 15%; we can ascertain no reason for the decline other than geopolitical risk in the country.

In Health Care, Swiss pharma Novartis AG raised its forecast as sales of blockbuster medicines for heart disease and psoriasis outpaced expectations, giving the stock its biggest boost in nine months. On the opposite spectrum, Jazz Pharmaceuticals, an Irish biopharmaceutical company, reported softer than expected sales due to patients' slow transition from Xyrem to clinically-superior Xywav.

Portfolio Changes

China's Weichai Power Company, which primarily makes diesel engines for trucks, was sold after a strong run; we booked healthy profits. One new purchase was Swiss-based Barry Callebaut AG, the world's leading manufacturer of high-quality chocolate and cocoa products.

Outlook

Inflation is slowly grinding lower. We anticipate that nominal interest rates will remain above inflation, which should create a normalized positive real interest rate environment favorable to more consistent equity and bond market behavior. We are tailoring the portfolio with cyclicals with defensive characteristics, while adding to traditionally-defensive sectors including Health Care and Energy. ❖

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, 2024, 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, 2025 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. The Fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than diversified funds. As a result, a decline in the value of the securities of one issuer could have a significant negative effect on the Fund. The Fund may have significant investments in one or more specific industry sectors, subjecting it to risks greater than general market risk. For example, adverse news from just one or two companies in a particular industry can hurt the prices of all stocks in that industry.

Investment Products

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

PEAR TREE POLARIS FOREIGN VALUE FUND PORTFOLIO HIGHLIGHTS

as of June 30, 2024 (The portfolio is actively managed. Holdings and weightings are subject to change daily.)

Top Ten Holdings

Percentage of total net assets	
23.5%	
3.0%	SK Hynix, Inc.
2.3%	Itochu Corporation
2.3%	Smurfit Kappa
2.3%	Lundin Mining Corporation
	Muenchener Ruckversicherungs-Gesellschaft
2.3%	LG Electronics Inc.
2.3%	Shinhan Financial Group Co., Limited
2.3%	Michelin (CGDE)
2.2%	Marubeni Corporation
2.2%	Samsung Electronics Company Limited

The companies mentioned in the commentary on page one have the following percentage of total net assets as of 06/30/2024:

2.2%	Methanex
2.2%	Kia Corporation
2.1%	Daimler Truck
2.0%	Novartis AG
1.9%	Barry Callebaut AG
1.8%	Jazz Pharmaceuticals
1.7%	VINCI SA
1.6%	Magna International
1.5%	Open Text Corporation
1.3%	Greencore Group

PERFORMANCE

as of June 30, 2024

Average Annual Total Returns at Net Asset Value

	Unannualized		Annualized						
	Q2	Calendar YTD	1-Year	3-Year	5-Year	10-Year	15-Year	Since Inception	Inception Date
Ordinary Shares	0.13%	3.42%	12.79%	0.42%	3.98%	3.21%	7.62%	5.86%	05/15/98
Institutional Shares	0.17%	3.57%	13.17%	0.78%	4.36%	3.56%	7.95%	6.99%	12/18/98
R6 Shares	0.26%	3.68%	13.31%	0.89%	4.46%	—	—	5.21%	02/06/17
MSCI EAFE ¹	(0.17%)	5.75%	12.09%	3.43%	6.98%	4.84%	7.26%	5.08%	—

¹The 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.peartreefunds.com.