

PEAR TREE POLARIS FOREIGN VALUE FUND

FOR THE QUARTER ENDED JUNE 30, 2022, the Pear Tree Polaris Foreign Value Fund's Ordinary Shares (the "Fund") underperformed its benchmark, the MSCI EAFE Index (the "Index"). The Fund had a return of (15.08%) at net asset value compared to (14.29%) for the Index.

Market Conditions and Investment Strategies

Defensive sectors rotated back into favor after the last few quarters of cyclical sector gains. Health Care was the top contributor, followed by Real Estate and Consumer Staples. Financials, Materials and Consumer Discretionary detracted most. At the country level, the portfolio had barbell results as Taiwan, China, Greece, India and Puerto Rico had relatively strong results, while South Korea and Canada declined. Weakness in most foreign currencies relative to the U.S. dollar hampered portfolio results.

Deutsche Telekom (DT) was the largest contributor in the portfolio, as the German telecom reported respectable quarterly results and raised full year guidance on the back of its U.S. T-Mobile business. DT also announced the sale of its 40,000+ cell tower portfolio across Germany and Austria.

Jazz Pharmaceuticals was up modestly on earnings; the company continues to execute on its strategy and drug pipeline.

Among Information Technology holdings, Catcher Technology was up more than 10% as the Taiwanese company reported new model and market share gains across major clients and gaming PCs. SK Hynix and Samsung Electronics slid on less favorable supply-demand metrics.

High gas prices had a deleterious impact on purchasing power as end consumers forsook discretionary buys in favor of staples. As a result, stocks like LG Electronics and Sony Group Corp. declined in excess of 20% for the quarter.

In the Financial sector, the stock price of flatexDEGIRO AG halved during the quarter on general market volatility. The German online discount brokerage firm posted higher quarterly revenues and added to its 2.2 million customer base, but numbers failed to meet analyst expectations. Norwegian based Sparebank 1 SR-Bank highlighted decent loan growth and stable margins in its most recent earnings release, yet profits deteriorated.

U.K. consumer packaging company Amcor was among the top contributors within the Materials sector. The company delivered strong numbers after passing raw material costs on to their customers. Copper miners, Antofagasta and Lundin Mining, lost steam as copper prices dropped 18% on the quarter, further crimped by slower Chinese industrial activity and stress in the local housing market. Similarly, methanol prices dropped from prior highs; Canada's Methanex lost nearly 30% although company fundamentals remain resilient.

Portfolio Changes

During the quarter, Swedish bank Svenska Handelsbanken and Indian IT outsourcer Infosys were sold in favor of more defensive plays. For example, the Consumer Staples sector has been trading at an extreme discount to its own history; consumers will purchase food staples regardless of inflation or recession. Therefore, we purchased British frozen foods company, Nomad Foods. We also bought OpenText Corp., a provider of enterprise information management software and solutions.

Outlook

We continue to strategically reposition the portfolio, adding more defensive companies and reducing weightings in economically-sensitive sectors. We are carefully assessing companies with higher debt levels that may be negatively impacted by higher interest rates, and will update the portfolio as our research dictates. We may purchase opportunistically on further downturns, seeking new companies that further de-risk and diversify the Fund portfolio. We expect that our patient, fundamental research efforts, on a backdrop of macro-economics, will allow us to outperform in this trying climate. ❖

TOTAL EXPENSE RATIOS*

	Gross Expense Ratio*	Net Expense Ratio*
Ordinary Shares	1.50%	1.40%
Institutional Shares	1.26%	1.04%
R6 Shares	1.10%	0.94%

* 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. 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, 2022 (The portfolio is actively managed. Holdings and weightings are subject to change daily.)

Top Ten Holdings

Percentage of total net assets	100.0%
Consumer Discretionary	20.5%
Financials	19.4%
Materials	18.7%
Industrials	10.8%
Communication Services	10.1%
Information Technology	8.4%
Health Care	5.4%
Consumer Staples	3.5%
Real Estate	1.5%
Cash and Other Assets (Net)	1.7%

The companies mentioned in the commentary on page one have the following percentage of total net assets as of 06/30/2022:

Sparebank 1 SR-Bank	1.9%
Lundin Mining	1.8%
OpenText Corp	1.8%
SK Hynix	1.7%
Sony Group Corp	1.7%
Samsung Electronics	1.5%
Catcher Technology	1.4%
Antofagasta	1.4%
LG Electronics	1.3%
Nomad Foods	1.2%
flatexDegiro AG	0.6%

PERFORMANCE

as of June 30, 2022

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	(15.08%)	(19.88%)	(21.08%)	(1.79%)	0.03%	5.25%	1.54%	5.27%	05/15/98
Institutional Shares	(15.01%)	(19.77%)	(20.80%)	(1.43%)	0.40%	5.58%	1.83%	6.44%	12/18/98
R6 Shares	(14.97%)	(19.75%)	(20.76%)	(1.36%)	0.47%	—	—	2.18%	02/06/17
MSCI EAFE ¹	(14.29%)	(19.26%)	(17.33%)	1.54%	2.69%	5.89%	1.90%	4.24%	—

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.peartreefunds.com.