

PEAR TREE POLARIS FOREIGN VALUE FUND

FOR THE QUARTER ENDED JUNE 30, 2023, 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 1.79% at net asset value compared to 3.23% for the Index.

Market Conditions and Investment Strategies

Information Technology (IT), Financials and Consumer Discretionary sectors were among the top contributors to performance in absolute terms. Materials, Industrials and Communication Services were detractors. At the country level, Japan was a top contributor on the back of Marubeni Corp., Honda Motor Co. and Daicel Corp. Holdings in South Korea, Canada, Germany and Norway also added to performance. Decliners included specific holdings in Ireland, Sweden and China.

In IT, South Korea's SK Hynix and Samsung Electronics benefited from a number of tailwinds: 1) new investment powering the AI infrastructure buildout, 2) troughing of the semiconductor cycle and 3) market share leverage as competitor Micron was banned as a supplier to the Chinese government. OpenText, the Canadian software company, gained on upbeat second quarter results; importantly, the integration of Micro Focus did not impede OpenText's organic growth goals, alleviating concerns about this August 2022 merger.

Banks successfully navigating inflationary trends included Norway's DNB Bank and Sparebank 1 SR. DNB addressed further net interest income uplift, a mix of higher fees and costs and the pending share buyback approval. Fellow regional bank, Sparebank 1, noted profitability driven by net interest margins and repriced loan books. Among other top performing Financials were German reinsurers, Munich Re and Hannover Re.

The majority of Consumer Discretionary holdings had notable gains, led by double-digit returns from Honda Motor Co., Jumbo SA and Duni AB. Honda and Kia Corp. announced strong sales, while raising their electric vehicle production targets. Next PLC released upgraded profit guidance on sales growth, modest salary increases and increased store footfall. U.K. homebuilders lagged as Bellway and Taylor Wimpey offered tempered guidance on home volumes in an intractably high interest rate environment.

In Materials, Yara International reported weak quarterly results as farmers awaited lower fertilizer prices. Amcor's customers are fast-moving consumer goods companies, many of which are ordering less packaging as they destock excess inventory acquired during the height of the supply chain crisis. The stock declined during the quarter as a result. Methanex declined after competitor Koch Methanol started up its new Louisiana plant; additional U.S. capacity will weaken methanol prices in the U.S. A sector bright spot was copper miner, Lundin Mining, which posted notable gains on higher commodity prices.

Industrials were relatively weak, attributable to losses from SKF AB and Weichai Power. One sector standout was Marubeni Corp., which capitalized on underlying business fundamentals and a boost from Berkshire Hathaway's investment.

Portfolio Changes

During the quarter, Hyundai Mobis, a Korean auto parts company, was sold opportunistically following a strong stock price recovery. Three companies were added to the portfolio including Teleperformance, TotalEnergies SE and Tecnoglass Inc.

Outlook

There are high-cost pressures (related to labor, supply and/or raw materials) that are not likely to go away in the near term. Stubbornly-high inflation will require future rate hikes, bursting the bubble of some hyped-up growth stocks. We anticipate a reversion to the mean, as a normalized environment and even playing field allow our value portfolio to perform as intended. ❖

TOTAL EXPENSE RATIOS*

	Gross Expense Ratio*	Net Expense Ratio*
Ordinary Shares	1.52%	1.42%
Institutional Shares	1.27%	1.05%
R6 Shares	1.12%	0.94%

* Per Prospectus dated August 1, 2023, 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, 2024 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, 2023 (The portfolio is actively managed. Holdings and weightings are subject to change daily.)

Top Ten Holdings

Percentage of total net assets	24.2%
Marubeni Corporation	2.9%
Publicis Groupe	2.8%
Koninklijke Ahold Delhaize N.V.	2.4%
SK Hynix, Inc.	2.3%
Vinci SA	2.3%
Sony Group Corporation	2.3%
Linde plc	2.3%
Honda Motor Company, Ltd.	2.3%
Next plc	2.3%
Novartis AG	2.3%

The companies mentioned in the commentary on page one have the following percentage of total net assets as of 06/30/2023:

Samsung Electronics Company Limited	2.3%
Hannover Rueck SE	2.3%
Kia Motors Corporation	2.3%
Weichai Power Company Limited	2.3%
OpenText Corporation	2.2%
DNB Bank ASA	2.2%
Muenchener Ruckversicherungs-Gesellschaft	2.2%
Methanex Corporation	2.1%
Lundin Mining Corporation	2.0%
Teleperformance SE	2.0%
SpareBank 1 SR-Bank ASA	1.9%
TotalEnergies SE	1.9%
Bellway plc	1.6%
Amcor plc	1.6%
SKF AB-B	1.6%
Taylor Wimpey plc	1.5%
Yara International ASA	1.3%
Daicel Corporation	1.2%
Jumbo S.A.	0.6%
Duni AB	0.5%
Tecnoglass, Inc.	0.3%

PERFORMANCE

as of June 30, 2023

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	1.79%	9.93%	13.75%	8.94%	0.93%	4.39%	4.16%	5.59%	05/15/98
Institutional Shares	1.89%	10.13%	14.20%	9.34%	1.31%	4.74%	4.45%	6.75%	12/18/98
R6 Shares	1.91%	10.21%	14.37%	9.44%	1.40%	—	—	3.99%	02/06/17
MSCI EAFE ¹	3.23%	12.13%	19.41%	9.48%	4.90%	5.91%	3.85%	4.81%	—

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.pearreefunds.com.

For information about the Pear Tree Polaris Foreign Value Fund, obtain the Fund's prospectus by calling (800) 326-2151 or visiting www.pearreefunds.com. Before investing carefully consider the Fund's investment objectives, risks, charges and expenses. Please read the prospectus carefully before you invest or send money.