

PEAR TREE POLARIS FOREIGN VALUE FUND

FOR THE QUARTER ENDED SEPTEMBER 30, 2024, 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 5.69% at net asset value compared to 7.33% for the Index.

Market Conditions and Investment Strategies

With a more benign rate environment this quarter, we saw rotation out of tech companies and into tried-and-true cyclicals and a few defensives, where the Fund is more heavily weighted. However, Information Technology (IT) was still the biggest deterrent to performance, as the Fund was down much more than the benchmark. On a regional basis, the Fund outperformed in the United Kingdom, Japan, Switzerland, Netherlands and Norway. Holdings in South Korea, Italy and Belgium detracted.

On the backdrop of interest rate cuts, Financials shined on expectations for loan demand and cheaper cost of capital. Shinhan Financial Group had a second quarter earnings beat on better non-interest income with credit costs under control. Puerto Rican institution, Popular Inc., surprised the market with an aggressive capital return plan. Among Consumer Discretionary stocks, U.K. housebuilder Bellway PLC was up more than 30% after reporting better-than-expected annual results. Investors lauded Bellway's organic growth objectives, which trumped acquisitive growth as it ended its bid to buy Crest Nicholson. Kia Corp. delivered record quarterly results; however, the stock declined on market concerns about Kia's ability to maintain peak margins on the back of higher costs and lower sales volumes. All Consumer Staples holdings had double-digit gains, led by Koninklijke Ahold Delhaize and Barry Callebaut. Ahold had robust quarterly earnings and held firm to its 2024 guidance. Chocolatier Barry Callebaut was up as investors looked past the current supply challenges with the cocoa crop. In Communication Services, KDDI reported decent quarterly results, highlighting acquisitive and organic growth. Deutsche Telekom added new U.S. customers in the second quarter of 2024 via its U.S. subsidiary, T-Mobile.

In Industrials, Marubeni Corp declined on weak demand in agricultural products and foreign exchange impact. Germany's Daimler Truck Holding cut unit sales guidance in Europe and Asia. Among materials, Methanex Corp. fell after the company agreed to acquire the methanol business of OCI Global for a little more than \$2 billion. Following the news, Barclays downgraded the stock, citing concerns about operating reliability, increased leverage and investor rotation. Lundin Mining followed the copper price lower in the third quarter, slumping after a substantial runup in the preceding months. South Korean chip companies, Samsung Electronics and SK Hynix Inc., sunk on a potential AI slowdown and commodity chip prices.

Portfolio Changes

During the quarter, Polaris sold Toronto-Dominion Bank given the ongoing anti-money laundering investigation. Capital was re-allocated to two Japanese companies: ORIX Corp., a diversified financial services group and Macnica Holdings Inc., a semiconductor chip distributor.

Outlook

In a normalized interest rate environment, global economies should start to recover. We are already seeing signs of that in most of the developed world, while China is pushing stimulus measures. A recovery will be especially helpful for cyclical stocks, where the Fund is typically overweight. Our research pipeline continues to pinpoint a number of cyclicals, and a few defensives, that look promising. We will be adding a select number of names in the coming quarters, with the intent of enhancing the risk/return profile of the Fund. ❖

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

Top Ten Holdings

Percentage of total net assets	23.2%
Itochu Corporation	2.4%
Smurfit Westrock plc	2.4%
Bellway plc	2.4%
Muenchener Ruckversicherungs-Gesellschaft	2.3%
Canadian Tire Corporation	2.3%
Hannover Rueck SE	2.3%
LG Electronics Inc.	2.3%
Next plc	2.3%
Linde plc	2.3%
Publicis Groupe	2.2%

The companies mentioned in the commentary on page one have the following percentage of total net assets as of 09/30/2024:

Shinhan Financial Group	2.2%
Koninklijke Ahold Delhaize	2.2%
Deutsche Telekom	2.2%
Popular Inc.	2.1%
Barry Callebaut	2.1%
Lundin Mining	2.1%
Daimler Truck Holding	2.0%
KDDI	1.9%
ORIX Corporation	1.9%
Kia Corporation	1.8%
Marubeni Corporation	1.8%
Methanex Corporation	1.8%
SK Hynix Inc.	1.8%
Samsung Electronics	1.7%
Macnica Holdings Inc.	0.3%

PERFORMANCE

as of September 30, 2024

Average Annual Total Returns at Net Asset Value

	Unannualized		Annualized						
	Q3	Calendar YTD	1-Year	3-Year	5-Year	10-Year	15-Year	Since Inception	Inception Date
Ordinary Shares	5.69%	9.31%	21.98%	3.04%	5.74%	4.62%	6.33%	6.03%	05/15/98
Institutional Shares	5.84%	9.62%	22.45%	3.44%	6.13%	4.99%	6.66%	7.16%	12/18/98
R6 Shares	5.80%	9.69%	22.52%	3.52%	6.24%	—	—	5.81%	02/06/17
MSCI EAFE ¹	7.33%	13.50%	25.38%	6.02%	8.72%	6.22%	6.49%	5.31%	—

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.