

PEAR TREE POLARIS FOREIGN VALUE SMALL CAP FUND

FOR THE QUARTER ENDED DECEMBER 31, 2024, the Pear Tree Polaris Foreign Value Small Cap Fund's Ordinary Shares (the "Fund") underperformed its benchmark, the MSCI ACWI ex USA Small Cap Index (the "Index"). The Fund had a return of (9.51%) at net asset value compared to (7.59%) for the Index.

Market Conditions and Investment Strategies

After three quarters of market gains, the Index declined this quarter with losses across all sectors. The Fund was in a similar position, with only its Energy holdings in absolute positive territory, followed by outperformance in Health Care and Industrials. However, losses in an overweight Consumer Discretionary sector proved insurmountable. At the country level, the Fund posted 15% returns from Colombia, along with single-digit gains in Norway, Belgium, Germany, China, Hong Kong and a few other regions. Declines were noted in the United Kingdom, Japan, South Korea and France, the latter two of which are embroiled in political turmoil. Foreign exchange had a notable impact, as the U.S. dollar strengthened against most other world currencies.

Consumer Discretionary returns were weighed down by Vistry Group PLC, as the U.K. housebuilder issued its third profit warning; we sold the stock during the quarter. Inchcape was down after reporting a slight dip in third quarter organic revenue, but sought to alleviate concerns by highlighting stabilized business in the Americas and Europe. The company went on to execute a share buyback. China Meidong Auto Holdings faced weak demand in a tepid local economy. One highlight was the 18% return from Xinhua Winshare Publishing, another Chinese company, with a monopoly in the school textbook distribution (a traditionally "recession-proof" business). D'leteren Group also posted gains, after the company completed a family shareholding reorganization and paid an extraordinary dividend.

Industrials were mixed. Tecnoglass Inc. was up more than 15% after reporting strong earnings backed by organic growth, geographic expansion and margin improvement. SIXT's quarterly revenues reached an all-time high on strong operating performance and better vehicle procurement metrics. Kyudenko Corp. and Qinetiq Group PLC declined.

Technip Energies capitalized on the renewable/sustainable energy transition in Europe, building out LNG terminals and blue ammonia projects. The company offered an upbeat revenue forecast, while announcing a big carbon capture contract. Equatorial Energia's underlying operations are solid, with a high volume/low-cost distribution model. However, the Brazilian electricity distributor dropped on macro concerns, as the country's fiscal deficit may impact consumer demand.

Portfolio Changes

The Fund booked profits when it sold out of Future PLC and Lancashire Holdings as each reached upper valuation limits. Samson Holding was sold at a premium when the chairman took the company private. Vistry Group and Crest Nicholson were both sold on fundamental concerns in an anemic U.K. housing market. Cash was redeployed to four new names including Poongsan Corp., a South Korean ammunition manufacturer with a worldwide customer base; Sopra Steria Group, a French IT service company; Sanyang Motor Co, a Taiwanese motorcycle company taking market share locally and in the China; and Ipsos SA, the French market research firm.

Outlook

Traditional engines of economic growth, Germany and France, have suffered poor performance amid political instability, while other European nations battle higher energy costs and general economic malaise. China's domestic slowdown is slowly reversing course; however, tariffs could impact China's export-based economy. Cognizant of these regional struggles, we are looking to optimize the portfolio by 1) expanding geographically into growing economies like India and other Asian locales, and 2) diversifying our exposure into more defensive sectors where we have been traditionally underweight. ❖

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%	1.02%

* Per Prospectus dated August 1, 2024, as amended November 1, 2024. Reflects all fee waivers currently in effect. Fee waivers 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.

Small company stocks may trade less frequently and in a limited volume, and their prices may fluctuate more than stocks of other companies. Small company stocks may therefore be more vulnerable to adverse developments than those of larger companies. The Fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund.

(continued)

Investment Products

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

PEAR TREE POLARIS FOREIGN VALUE SMALL CAP FUND PORTFOLIO HIGHLIGHTS

as of December 31, 2024 (The portfolio is actively managed. Holdings and weightings are subject to change daily.)

Top Ten Holdings

Percentage of total net assets	27.3%
Tecnoglass, Inc.	3.1%
EQB Inc.	2.9%
Thanachart Capital PCL	2.8%
Inchcape plc	2.8%
Technip Energies N.V.	2.8%
Elis S.A.	2.6%
Daicel Corporation	2.6%
De'Longhi S.p.A.	2.6%
TISCO Financial Group	2.6%
Amundi	2.5%

The companies mentioned in the commentary on page one have the following percentage of total net assets as of 12/31/2024:

D'leteren Group	2.5%
SIXT	2.3%
Qinetiq Group PLC	2.3%
Sanyang Motor Company	2.2%
Sopra Steria Group	2.2%
Equatorial Energia	1.8%
Poongsan Corporation	1.4%
Kyudenko Corporation	1.2%
Ipsos SA	1.2%
Xinhua Winshare Publishing	1.1%
China Meidong Auto Holdings	0.4%

PERFORMANCE

as of December 31, 2024

Average Annual Total Returns at Net Asset Value

	Unannualized		Annualized					
	Q4	Calendar YTD	1-Year	3-Year	5-Year	10-Year	Since Inception	Inception Date
Ordinary Shares	(9.51%)	(2.31%)	(2.31%)	(0.93%)	3.55%	4.52%	5.59%	05/01/08
Institutional Shares	(9.40%)	(1.95%)	(1.95%)	(0.56%)	3.92%	4.87%	5.90%	05/01/08
R6 Shares	(9.45%)	(1.98%)	(1.98%)	(0.55%)	3.97%	—	5.49%	02/06/17
MSCI ACWI ex USA Small Cap Index ¹	(7.59%)	3.85%	3.85%	(0.98%)	4.77%	6.10%	4.88%	—

¹The MSCI ACWI ex USA Small Cap Index, captures small cap representation across 22 of 23 Developed Markets (DM) countries (excluding the United States). With 4,263 constituents as of 12/31/2024, the index covers approximately 14% of the free float-adjusted market capitalization in each country. You cannot invest directly in an index. For comparative performance purposes, the beginning date for the Index is 05/01/2008.

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.

A WORD ABOUT RISK (CONTINUED)

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.