

PEAR TREE POLARIS FOREIGN VALUE SMALL CAP FUND

FOR THE QUARTER ENDED JUNE 30, 2025, the Pear Tree Polaris Foreign Value Small Cap Fund's Ordinary Shares (the "Fund") outperformed its benchmark, the MSCI ACWI ex USA Small Cap Index (the "Index"). The Fund had a return of 17.20% at net asset value compared to 17.16% for the Index.

Market Conditions and Investment Strategies

At the top of the list were defense related stocks, as European countries increase their defense budgets on the backdrop of continued geopolitical turmoil. South Korea's Poongsan Corp. was up more than 100% on the quarter, as the company announced strong earnings due to steady demand for ammunition. U.K.-based defense tech company QinetiQ Group had record order intake, with strong demand for its mission-critical solutions. The company also announced a five-year extension to the agreement with the U.K. Ministry of Defence, increasing total order backlog. Another Information Technology company, Sopra Steria Corp. announced underwhelming first quarter results, but guided for stronger results in the ensuing months. The company renewed six major contracts, while expediting its defense/security business in the face of European rearmament. Among other top contributors, D'leteren Group had an upbeat capital markets day, alluding to good projections in its auto glass and auto parts businesses. Glanbia PLC's results were better than expected, maintaining guidance as growth in health & nutrition and dairy nutrition offset declines elsewhere in its portfolio.

Daicel Corp. and Thanachart Capital were the only detractors of note. Japan's high-performance chemical company Daicel reported increased net sales, but declining profitability due to 1) yen appreciation 2) increased fixed costs to expand capacity in engineering plastics and 3) higher inventory costs. The company also encountered malfunctions at its CO plant as it sought to switch its fuel sources. Thailand-based financial holding company Thanachart has been impacted by a protracted post-pandemic recovery in the country. Compounding the situation is weak global demand from key export partners (China/U.S.) and the proposed tariff hikes. Thanachart also owns subsidiaries engaged in the truck leasing business; recent tariff policies are impacting the trucking industry globally.

Portfolio Changes

During the quarter, the Fund sold out of Greencore Group, Duni AB and flatexDEGIRO as each reached respective valuation targets, while Misto Holdings Corp. was exited due to deteriorating fundamentals. Sales proceeds were used to purchase two Indian banks, Karur Vysya Bank and Karnataka Bank, which are based in regions with solid economic growth. We believe concerns about asset quality in Indian financials are overblown – hence the attractive valuation; both banks are implementing good systems and tightening their underwriting. Zhongsheng Group Holdings was purchased at a steep discount due to macroeconomics in China. However, we expect auto dealer Zhongsheng to hold up well, as the company sells premium OEMs (Toyota, Mercedes) with long runways and heavy customer loyalty, while also increasing its auto service business, which is a natural profit center.

Outlook

Tariff concerns, rising U.S. debt levels, and slower growth projections are pushing investors toward attractive options in Europe and emerging markets. Add in foreign exchange impact on the back of a weak USD, and international equities become even more appealing. International small caps appear especially well positioned, less vulnerable to tariffs and geopolitics while capitalizing on the onshoring/near-shoring trend. ❖

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, 2025, as amended. Reflects all fee waivers currently in effect. Fee waivers may not be amended, rescinded or terminated before July 31, 2026 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 June 30, 2025 (The portfolio is actively managed. Holdings and weightings are subject to change daily.)

Top Ten Holdings

Percentage of total net assets	30.8%
D'Ieteren S.A.	3.6%
Poongsan Corporation	3.6%
EQB Inc.	3.4%
Equatorial Energia S.A.	3.3%
Sixt SE	2.9%
Computacenter plc	2.9%
Tecnoglass, Inc.	2.9%
Kyudenko Corporation	2.8%
Sopra Steria	2.8%
TISCO Financial Group	2.6%

The companies mentioned in the commentary on page one have the following percentage of total net assets as of 06/30/2025:

Glanbia PLC	2.5%
Thanachart Capital	2.5%
QinetiQ Group	2.1%
Daicel Corporation	1.9%
Zhongsheng Group Holdings	1.1%
Karur Vysya Bank	0.6%
Karnataka Bank	0.3%

PERFORMANCE

as of June 30, 2025

Average Annual Total Returns at Net Asset Value

	Unannualized		Annualized					
	Q2	Calendar YTD	1-Year	3-Year	5-Year	10-Year	Since Inception	Inception Date
Ordinary Shares	17.20%	22.91%	18.05%	14.11%	12.27%	5.76%	6.70%	05/01/08
Institutional Shares	17.26%	23.17%	18.50%	14.52%	12.69%	6.14%	7.01%	05/01/08
R6 Shares	17.23%	23.18%	18.51%	14.54%	12.72%	-	7.80%	02/06/17
MSCI ACWI ex USA Small Cap Index ¹	17.16%	18.05%	18.94%	14.03%	11.26%	6.99%	5.75%	-

¹ The MSCI ACWI ex USA Small Cap Index, captures small cap representation across 22 of 23 Developed Markets (DM) countries (excluding the United States). With 4,079 constituents as of 06/30/2025, 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.