

PEAR TREE POLARIS FOREIGN VALUE SMALL CAP FUND

FOR THE QUARTER ENDED JUNE 30, 2022, 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 (14.21%) at net asset value compared to (17.38%) for the Index.

Market Conditions and Investment Strategies

Defensive sectors (Communication Services, Utilities, Consumer Staples) rotated back into favor after the last few quarters of cyclical sector gains. Financials, Industrials and Consumer Discretionary detracted most. At the country level, the portfolio outperformed in the majority of regions, many in Asia; notable decliners included Denmark, Ireland and Norway, where the Fund was overweight and underperformed. Weakness in most foreign currencies relative to the U.S. dollar impacted Fund results.

QinetiQ Group was the top contributor to performance, as the British defense technology company posted strong operational results, earnings and orders, with further organic growth expected in response to the Ukraine-Russia conflict. Primax Electronics, the computer equipment manufacturer, was up 18% following a standout quarter with year-on-year revenue, net income and EPS gains. Another Information Technology company, VTech Holdings gained ground as it increased prices for in-demand electronic learning products and cordless landline phones. While supply chain disruption remains a concern, VTech noted that freight costs declined during the quarter. Two Consumer Discretionary stocks, Samson Holding and Xinhua Winshare Publishing, rounded out the top contributors. With excess cash flow, Samson initiated a share buyback and also announced plans to establish another factory in Vietnam.

Weakening demand for electronic devices and a COVID-induced plant shutdown in Shanghai hurt Elite Material Co. Italian home appliance brand, De'Longhi SpA, dropped more than 30% as inflation and higher prices impacted purchasing power; end consumers forsook discretionary buys in favor of staples. Japanese nonferrous metals manufacturer, Dowa Holdings, was down due to general metals commodity weakness.

Portfolio Changes

Given the potential for a recession, we continued to strategically reposition the Fund, adding more defensive companies and reducing weightings in economically-sensitive sectors and geographies. The Fund exited LIC Housing Finance, Hitron Technology, Huaku Development and Cineworld Group. Although Cineworld recovered from pandemic lows, concerns about leverage on the balance sheet precipitated the sale. Hitron Technology and Huaku Development neared target valuation limits; this proved a prime time to sell, reducing the Fund's overweight position in Taiwan. Among new defensive purchases were Consumer Staples company, Nomad Foods, a British frozen foods supplier; and Communication Services company, Future PLC, a U.K. publishing company with a diversified business model and notable growth strategy. Open House Group, a Japanese affordable single-family home developer, was also added to the portfolio.

Outlook

Inflation may remain stubbornly high so long as COVID-19 lockdowns in China and the Russia-Ukraine conflict impede the supply chain. The Federal Reserve and other central banks worldwide raised interest rates in an attempt to cool inflation; there is a fine balance yet to be reached between taming inflation and avoiding a recession. Global markets have been understandably volatile; we see opportunity in such markets, purchasing fundamentally strong stocks at undervalued prices. We are satisfied with the composition of the Fund, but may add a few more defensive positions to further de-risk the portfolio. We expect that our patient bottom-up research efforts, on a backdrop of macro-economics, will allow us to continue to outperform in this trying climate. ❖

TOTAL EXPENSE RATIOS*

	Gross Expense Ratio*	Net Expense Ratio*
Ordinary Shares	1.51%	1.41%
Institutional Shares	1.26%	1.04%
R6 Shares	1.12%	1.02%

* Per Prospectus dated August 1, 2022, as amended. Reflects all fee waivers currently in effect. Fee waivers 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.

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

Top Ten Holdings

Percentage of total net assets	24.0%
BizLink Holding, Inc.	2.7%
QinetiQ	2.7%
Nomad Foods Limited	2.5%
Future plc	2.5%
Equatorial Energia S.A.	2.4%
D'leteren S.A.	2.3%
Open House Group Co., Ltd.	2.3%
Sanwa Holdings Corporation	2.3%
Vistry Group plc	2.2%
AEM Holdings Limited	2.1%

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

De'Longhi SpA	1.8%
Elite Material Co.	1.7%
Dowa Holdings	1.7%
Primax Electronics	1.4%
Vtech Holdings	1.2%
Xinhua Winshare Publishing	0.7%
Samson Holding	0.4%

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	Since Inception	Inception Date
Ordinary Shares	(14.21%)	(19.57%)	(20.21%)	2.76%	1.50%	7.24%	5.19%	05/01/08
Institutional Shares	(14.14%)	(19.36%)	(19.88%)	3.14%	1.87%	7.58%	5.49%	05/01/08
R6 Shares	(14.14%)	(19.38%)	(19.86%)	3.20%	1.92%	—	4.23%	02/06/17
MSCI ACWI ex USA Small Cap Index ¹	(17.38%)	(22.69%)	(22.08%)	3.36%	2.96%	6.62%	4.08%	—

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 4,334 constituents, 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.peartreefunds.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.

For information about the Pear Tree Polaris Foreign Value Small Cap Fund, obtain the Fund's prospectus by calling (800) 326-2151 or visiting www.peartreefunds.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.