

PEAR TREE POLARIS FOREIGN VALUE SMALL CAP FUND

FOR THE QUARTER ENDED JUNE 30, 2023, 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 3.17% at net asset value compared to 2.25% for the Index.

Market Conditions and Investment Strategies

The Fund benefitted from overweight positions in outperforming sectors (including Financials, Industrials and Utilities), partially offset by lackluster consumer sectors. Future PLC, the sole holding in Communication Services, announced a profit miss that dragged down the stock. At the country level, the Fund's holdings in Japan, Brazil, Colombia, Taiwan, Canada, Norway and Thailand positively contributed; select stocks from Sweden, the United Kingdom and Ireland detracted.

More than 90% of Financials were in absolute positive territory, led by Japan's Mizuho Leasing Company Ltd. and two Canadian companies, EQB Inc. and goeasy Ltd. EQB announced record quarterly earnings, maintained full year forecasts and increased its dividend. Similarly, goeasy had record quarterly earnings with strong loan growth and stable credit costs.

In Industrials, architectural glass company, Technoglass, announced record first quarter 2023 revenues, gross profit and free cash flow. Sanwa Holdings, the Japanese door/window shutter manufacturer, posted double-digit net sales growth in its North American, European and other Asian markets, which more than mitigated lackluster results in Japan.

Among other portfolio standouts was Equatorial Energia SA, which is expected to benefit from Brazil's concessions/utility distribution renegotiations. Equatorial is a rumored participant in the restructuring of Light SA, while also eyeing the acquisition of Enel Ceara, a Brazilian power distribution firm owned by Italy's Enel SpA. Elite Material Holdings, the electronics company that manufactures semiconductor laminates, gained ground on the hype surrounding AI hyperscale servers.

Consumer sectors were notable detractors, with Consumer Discretionary stocks like D'leteren Group and Vistry Group impacted by slowing spending trends. One sector bright spot was Jumbo SA, the Greek toy-led retailer that sells quality goods at inexpensive prices. This business model works well in the current environment, as consumers won't forgo presents/gifts but may seek out low-cost alternatives. Among staples, C&C Group declined as the U.K. and Ireland faced a cost-of-living crisis, dampening alcohol sales.

Portfolio Changes

During the quarter, the Fund sold four companies, Swedish confectioner Cloetta AB, U.K. bicycle retailer, Halfords Group, and two industrials, National Express Group and Tsubakimoto Chain. Capital was redeployed to companies we believe to have better risk/return profiles, including a reinitiated position in Coats Group, an industrial thread manufacturer previously sold in February 2021. We purchased U.K. based Computacenter on the thesis that European IT distributors/resellers have good growth projections and operating leverage. Amundi was another new buy, as the European asset manager has a well-diversified product portfolio, superb distribution and good investment portfolio performance.

Outlook

Current market volatility has churned up a lot of investment opportunities in the small cap space. Interestingly, our research has identified a very diversified investment set, with no one sector or country dominating our screens. We attribute this to a multi-paced inflationary environment: China is in deflationary cycle; U.K. central banks battle upward inflation; India GDP is plowing ahead unabated; Eurozone countries are weighed down by energy and staples prices; and the U.S. job market and wage increases stand in opposition to slowing consumer spending. ❖

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, 2023, as amended. Reflects all fee waivers currently in effect. Fee waivers 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.

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, 2023 (The portfolio is actively managed. Holdings and weightings are subject to change daily.)

Top Ten Holdings

Percentage of total net assets	28.6%
Tecnoglass, Inc.	3.5%
Technip Energies N.V.	3.4%
Equatorial Energia S.A.	3.2%
Sanwa Holdings Corporation	3.1%
Elis S.A.	3.1%
Thanachart Capital PCL	2.6%
D'leteren S.A.	2.5%
Daicel Corporation	2.4%
Inchcape plc	2.4%
Glanbia plc	2.4%

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

Amundi	2.0%
EQB Inc.	1.9%
Vistry Group plc	1.9%
Elite Material Co., Limited	1.6%
Computacenter plc	1.6%
goeasy Ltd.	1.4%
Mizuho Leasing Company, Limited	1.3%
Jumbo S.A.	1.3%
C & C Group plc	1.3%
Future plc	1.2%
Coats Group plc	0.5%

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	Since Inception	Inception Date
Ordinary Shares	3.17%	10.39%	13.10%	10.73%	2.54%	6.29%	5.69%	05/01/08
Institutional Shares	3.24%	10.63%	13.45%	11.13%	2.92%	6.64%	6.00%	05/01/08
R6 Shares	3.23%	10.60%	13.50%	11.19%	2.96%	—	5.63%	02/06/17
MSCI ACWI ex USA Small Cap Index ¹	2.25%	7.17%	11.50%	8.64%	3.06%	6.17%	4.55%	—

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 4,402 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.