

## PEAR TREE POLARIS FOREIGN VALUE SMALL CAP FUND

**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**, 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 (1.98%) at net asset value compared to (1.58%) for the Index.

### Market Conditions and Investment Strategies

The Fund had absolute positive gains in Information Technology (IT), Communication Services, Energy and both Consumer sectors, offset by losses in Industrials, Materials and Financials. At the country level, Taiwan, Japan, Ireland, Greece and China contributed measurably; Colombia, Sweden, South Korea and Singapore detracted. Foreign exchange was the largest deterrent to portfolio performance, as the U.S. dollar appreciated against almost all currencies to which the Fund has exposure.

U.K.-based Vistry Group PLC was the largest contributor to portfolio gains, as the company exited its private homebuilding business in favor of a partnership model with local governments for social housing. This will result in surplus capital of which Vistry is planning to release \$1.2 billion to shareholders. In IT, Tripod Technology Corp. jumped as markets expect the company to be an active participant in artificial intelligence. Computacenter PLC had notable half year results, with resilient demand and market share gains. Multimedia company, Future PLC, released an optimistic trading statement about the stabilization of its audience/customer base, while also announcing a buyback program. Technip SA, a leading engineering and tech company for the energy industry, was up on new contracts in the liquified natural gas space; order books were solid and the company raised full-year guidance. Among other top 10 contributors were Kyundenko Corp., Gianbia PLC, Sanwa Holdings, and Prima Meat Packers.

Tecnoglass reported decent quarterly revenues and a healthy backlog, yet the stock was the largest detractor in the portfolio. Investors were more concerned about forward projections, with higher interest rates potentially impinging on construction demand, especially in Florida. Other Industrials posting lackluster results included Qinetiq Group PLC and Elis SA. Near-term concerns over sluggish semiconductor capital spending dragged down ENF Technology, a major supplier of chemicals to the semi industry. Another Materials holding, Hexpol AB, reported robust quarterly and half-year results, with steady sales and improving margins; a healthy balance sheet supported its ongoing acquisitive growth strategy. Hexpol's longtime CEO unexpectedly passed away during the quarter; skittish investors sold down the stock. British financial services provider, OSB Group, booked a charge to its income statement, as investors refinanced loans en-masse once teaser rates expired.

### Portfolio Changes

During the quarter, the Fund sold out of Taiwan's Elite Material Co. and Greek specialty retailer Jumbo SA on valuation, the latter of which noted booming sales in its airport shops. Capital was reallocated to new purchases include Aalberts, a Dutch engineering company with surface technologies for transportation, energy, construction and OEM industries; and Hikma Pharmaceuticals, a British-based manufacturer of generic oral and injectables drugs with a worldwide sales platform.

### Outlook

Expect some portfolio turnover in the coming quarters, as our bottom-up research has identified a number of high-quality companies that tipped into value territory. Depressed stock prices are due to a global slowdown in demand, as interest rates dampen consumer and company spending power. We intend to capitalize on market volatility, buying and selling opportunistically to enhance the risk/return profile of the Fund. ❖

### 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 September 30, 2023 (The portfolio is actively managed. Holdings and weightings are subject to change daily.)

### Top Ten Holdings

Percentage of total net assets	26.6%
Technip Energies N.V.	3.3%
Equatorial Energia S.A.	3.0%
Glanbia plc	2.8%
Thanachart Capital PCL	2.7%
Vistry Group plc	2.7%
D'leteren S.A.	2.5%
Hikma Pharmaceuticals plc	2.5%
Inchcape plc	2.4%
Elis S.A.	2.4%
Daicel Corporation	2.3%

The companies mentioned in the commentary on page one have the following percentage of total net assets as of 09/30/2023:

Hexpol AB	2.1%
Qinetiq Group PLC	2.0%
Computacenter PLC	1.8%
Kyudenko Corp.	1.8%
Tecnoglass	1.8%
Future PLC	1.5%
Prima Meat Packers	1.5%
OSB Group	1.3%
Tripod Technology Corp.	1.2%
ENF Technology	1.1%
Aalberts	1.0%
Sanwa Holdings	0.2%

### PERFORMANCE

as of September 30, 2023

#### Average Annual Total Returns at Net Asset Value

	Unannualized		Annualized					Inception Date
	Q3	Calendar YTD	1-Year	3-Year	5-Year	10-Year	Since Inception	
Ordinary Shares	(1.98%)	8.21%	24.59%	8.06%	2.59%	5.33%	5.46%	05/01/08
Institutional Shares	(1.84%)	8.60%	25.13%	8.48%	2.98%	5.68%	5.77%	05/01/08
R6 Shares	(1.90%)	8.50%	25.13%	8.53%	3.01%	—	5.10%	02/06/17
MSCI ACWI ex USA Small Cap Index <sup>1</sup>	(1.58%)	5.48%	19.60%	4.49%	3.03%	4.76%	4.37%	—

<sup>1</sup>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 4,419 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.pearreefunds.com](http://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.

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.pearreefunds.com](http://www.pearreefunds.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.