

PEAR TREE POLARIS INTERNATIONAL OPPORTUNITIES FUND

FOR THE QUARTER ENDED DECEMBER 31, 2023, the Pear Tree Polaris International Opportunities Fund's Ordinary Shares (the "Fund") outperformed its benchmark, the MSCI ACWI ex USA Index (the "Index"). The Fund had a return of 12.16% at net asset value compared to 9.82% for the Index.

Market Conditions and Investment Strategies

By the end of the quarter, central banks signaled intention to cut interest rates in 2024; rate-sensitive cyclicals performed best in this environment. The Fund's overweight positions in Financials, Consumer Discretionary and Information Technology (IT) contributed measurably; limited exposure to lackluster defensive sectors also helped. Holdings in the United Kingdom, Italy, Canada, France, Japan and South Korea topped performance; investments in China lagged as the local economy did not recover as expected.

Over 70% of the Fund's Financials holdings had double-digit returns for the quarter. goeasy posted impressive third quarter results, as increased loan originations led to record loan portfolio growth; the company also noted stable credit and lower net charge offs. OSB Group raised growth projections for the year, as U.K. customers paid down debt. Competitor Paragon also announced good results, tangentially boosting OSB. Muangthai Capital rose in anticipation of rate cuts likely to encourage big-ticket consumer purchases via financing. Among Consumer Discretionary stocks, Italian appliance supplier De'Longhi boosted full-year guidance and announced a majority stake in espresso equipment brand, La Marzocco. Other gainers include French small appliance manufacturer SEB SA and Collins Foods, which reported strong sales growth in its Australian KFC and Taco Bell chains. Reply SPA, the Italian IT consultant, was the third largest contributor for the quarter, as the company reported strong quarterly results, while highlighting its market leadership in artificial intelligence (AI). AI was also the driver behind gains at Hansol Chemical, which produces semiconductor materials.

More than 85% of holdings were in absolute positive territory for the quarter. Of the small handful of decliners, only two Chinese Consumer Discretionary companies stood out. EV sales comprise 33% of total new car sales in China; automotive retailer Zhongsheng Group Holdings is a small player in this segment, mostly focused on combustion engine sales. Alibaba Group Holding reshuffled management after the success of rival PDD in the e-commerce industry. The company also halted its spin-off and listing of its Cloud Intelligence Group, citing U.S. export restrictions on semiconductor chips. Another sector underperformer was Games Workshop Group PLC, ceding some of its recent gains from its successful Warhammer 40K launch.

Portfolio Changes

During the quarter, the Fund sold out of its positions in three Mexican airports. By contract, the concession business is up for renegotiation every five years. The Mexican government is now seeking to modify the concession economics; they currently don't have legal standing to do so. However, we deemed there is real risk for future renegotiations if/when the government has legal framework to change the terms. Future PLC was also sold, as its prior roll-up growth strategy is no longer realistic considering its current focus on organic investment to retain its declining audience. There were no new purchases for the quarter.

Outlook

Defensive names will likely be added to the portfolio in the months ahead; many of these growth-oriented companies have been on our research screens for many months, but proved too pricey. As investors refocus on cyclical drivers, we are able to snap up fundamentally-strong防守性 at more reasonable valuations – thereby enhancing the risk/return profile and diversification of the Fund. ♦



DECEMBER 31, 2023

PEAR TREE POLARIS INTERNATIONAL OPPORTUNITIES FUND PORTFOLIO HIGHLIGHTS

as of December 31, 2023 (The portfolio is actively managed. Holdings and weightings are subject to change daily.)

TOTAL EXPENSE RATIOS*

	Gross Expense Ratio*	Net Expense Ratio*
Ordinary Shares	1.60%	1.50%
Institutional Shares	1.38%	1.06%
R6 Shares	1.23%	0.99%

* Per Prospectus dated August 1, 2023, as amended. Reflects all fee waivers and expense reimbursements currently in effect. Fee waivers and expense reimbursements 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.

The Fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. 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.

Investment Products

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

Top Ten Holdings

Percentage of total net assets	21.0%
Neurones S.A.	2.3%
SpareBank Nord-Norge	2.2%
Sparebanken Vest	2.2%
D'Ieteren S.A.	2.2%
Bravida Holding AB	2.1%
Cranswick plc	2.0%
Computacenter plc	2.0%
Zhejiang Supor Co.	2.0%
Midea Group Co., Ltd.	2.0%
United Overseas Bank Limited	2.0%

The companies mentioned in the commentary on page one have the following percentage of total net assets as of 12/31/2023:

Reply SPA	2.0%
goeasy	1.8%
Collins Foods	1.8%
Hansol Chemical	1.7%
Le'Longhi	1.6%
SEB SA	1.6%
Muangthai Capital	1.5%
Alibaba Group Holding	1.4%
OSB Group	0.9%
Zhongsheng Group Holdings	0.9%
Games Workshop Group PLC	0.9%

PERFORMANCE

as of December 31, 2023

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	12.16%	15.93%	15.93%	1.79%	—	—	7.46%	01/30/2019
Institutional Shares	12.44%	16.39%	16.39%	2.23%	—	—	7.91%	01/30/2019
R6 Shares	12.57%	16.63%	16.63%	2.29%	—	—	7.96%	01/30/2019
MSCI ACWI ex USA ¹	9.82%	16.21%	16.21%	2.04%	—	—	6.14%	—

¹The MSCI ACWI ex USA Index captures large and mid-cap representation across 22 of 23 Developed Markets (DM) countries (excluding the United States) and 24 Emerging Markets (EM) countries. With 2,312 constituents as of 12/31/2023, the index covers approximately 85% of the global equity opportunity set outside the United States. You cannot invest directly in an index. For comparative performance purposes, the beginning date of the Index is 01/30/2019. The MSCI ACWI ex USA Index is maintained by MSCI Inc.

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.



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For information about the Pear Tree Polaris International Opportunities 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.