

PEAR TREE POLARIS SMALL CAP FUND

FOR THE QUARTER ENDED JUNE 30, 2026, the Pear Tree Polaris Small Cap Fund's Ordinary Shares (the "Fund") underperformed its benchmark, the Russell 2000 Total Return Index (the "Index"). The Fund had a return of 13.44% at net asset value compared to 21.49% for the Index.

Market Conditions and Investment Strategies

The Russell 2000 Index surged in the quarter, the eighth-biggest quarterly move in its history. A meaningful chunk of that return came from Bloom Energy and Credo Technology (not in the Fund portfolio), both of which rose ~100% before finally being rebalanced out of the Index at the June reconstitution. Beyond those distortions, the broader rally was speculative and growth-over-value, with unprofitable companies outperforming profitable ones; the Fund lagged in this environment.

In Information Technology, Arrow Electronics and Avnet Inc. benefited from a recovery in electronics distribution, as order volumes rebounded, lead times normalized, and book-to-bill ratios improved. MKS gained on robust earnings and a pre-announced second-quarter beat, reaching our target and prompting an exit at a substantial profit. Among Industrials, Covenant Logistics climbed on a projected freight cycle uptick despite underwhelming headline results hurt by winter weather and fuel costs. Investors lauded Acuity Brands' rotation from a traditional lighting business into a fast-growing, higher-margin "intelligent building" business. Applied Industrial Technologies rallied after reporting 6% organic sales growth and record EBITDA in late April, prompting raised guidance and analyst price-target increases. In Financials, Northeast Bank outperformed as its SBA lending build-out held up better than expected. Puerto Rico-based OFG Bancorp rose after reporting strong earnings, alongside a dividend increase and completed \$100 million buyback. SLM Corp. gained on impending changes to federal Grad PLUS and Parent PLUS programs; it is positioned to capture incremental private loan demand. In Health Care, Lantheus Holdings advanced on strong quarterly earnings, FDA approval of PYLARIFY TruVu cementing its radiopharmaceutical diagnostics leadership, and a potential \$7 billion takeover bid from PE-backed Curium Pharma.

Conversely, CVR Energy and Diamondback Energy were both hurt by oil price whipsaws tied to shifting U.S.-Iran interim ceasefire agreements. CVR was also pressured by higher Renewable Identification Number compliance costs, which nearly doubled and added materially to its refining margin squeeze. In Consumer Discretionary, Perdoceo Education Corp. fell on a 2% enrollment decline and higher marketing spend to offset record graduation levels. The Buckle, Inc. weakened as investors focused on margin compression from higher occupancy, payroll, and freight costs, plus rising inventory and softer men's denim sales, which made the first quarter earnings beat look less durable.

Portfolio Changes

In addition to the profitable MKS sale, we exited Wabash National Corp., Winnebago Industries, and KForce, Inc., as deteriorating demand and competitive dynamics reduced our conviction in the underlying fundamentals. New buys reflect a shift toward periphery infrastructure and AI-adjacent build-out: Belden Inc. (network cabling/IoT, boosted by its Ruckus acquisition), Itron Inc. (utility grid software supporting AI-driven power demand), as well as Aura Minerals, the Fund's first gold miner.

Outlook

Looking to the second half of 2026, we expect performance to hinge less on momentum and more on company-specific execution — operating leverage, balance sheets and free cash flow generation, aided by policy tailwinds working through Industrials, Financials, and Health Care. As of early July, a potential rotation is in the mix: markets are starting to reward fundamentals over speculative names. If that continues, the Fund's positioning should serve it well — even if benchmark-relative tracking stays choppy given how narrowly this year's gains have been concentrated. ❖

TOTAL EXPENSE RATIOS*

	Gross Expense Ratio*	Net Expense Ratio*
Ordinary Shares	1.35%	1.35%
Institutional Shares	1.09%	0.97%
R6 Shares	0.94%	0.94%

* Per Prospectus dated August 1, 2026, as amended. Reflects all fee waivers currently in effect. Fee waivers may not be amended, rescinded or terminated before July 31, 2027 without the consent of the Fund's Trustees.

A WORD ABOUT RISK

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 may invest in issuers in the real estate industry. Changes in real estate values or economic downturns can have a significant negative effect on these issuers. The Fund may invest in foreign issuers that trade on U.S. stock exchanges. These issuers may be subject to special risks including different corporate governance rules and bankruptcy laws.

Investment Products

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

PEAR TREE POLARIS SMALL CAP FUND PORTFOLIO HIGHLIGHTS

as of June 30, 2026 (The portfolio is actively managed. Holdings and weightings are subject to change daily.)

Top Ten Holdings

Percentage of total net assets	26.4%
Lantheus Holdings, Inc.	3.0%
Covenant Logistics Group, Inc.	2.9%
Northeast Bancorp	2.7%
Acuity Brands, Inc.	2.7%
Arrow Electronics, Inc.	2.6%
Avnet, Inc.	2.6%
The Bank of N.T. Butterfield & Son Limited	2.6%
Netstreit Corporation	2.5%
South Plains Financial, Inc.	2.4%
Southside Bancshares, Inc.	2.4%

The companies mentioned in the commentary on page one have the following percentage of total net assets as of 06/30/2026:

Applied Industrial Technologies	2.4%
OFG Bancorp	2.3%
SLM Corporation	2.3%
Diamondback Energy	1.9%
Perdoceo Education Corporation	1.9%
The Buckle Inc.	1.9%
Itron Inc.	1.9%
CVR Energy	1.8%
Belden Inc.	1.7%
Aura Minerals	1.0%
MKS	0.0%

PERFORMANCE

as of June 30, 2026

Average Annual Total Returns at Net Asset Value

	Unannualized		Annualized			
	Q2	Calendar YTD	1-Year	3-Year	5-Year	10-Year
Ordinary Shares	13.44%	16.84%	25.14%	15.01%	8.64%	9.25%
Institutional Shares	13.58%	17.04%	25.61%	15.45%	9.04%	9.65%
R6 Shares	13.58%	17.09%	26.30%	-	-	-
Russell 2000 ¹	21.49%	22.57%	40.78%	18.60%	6.99%	11.63%

¹ The Russell 2000 Index is a market capitalization-weighted index of 2,000 small company stocks. It is widely recognized as representative of the general market for small company stocks. Index returns assume the reinvestment of dividends and, unlike Fund returns, do not reflect any fees or expenses. You cannot invest directly in an Index. For comparative performance purposes, the beginning date of the Index is 08/03/92.

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.