

FUND OBJECTIVE: The fund seeks to achieve long-term capital appreciation.

PORTFOLIO MANAGERS



John Flynn
With Pzena since 2005
In Industry since 2000



Evan Fox
With Pzena since: 2007
In Industry since 2007



Benjamin Silver
With Pzena since 2001
In Industry since 1988

OVERALL MORNINGSTAR RATING™ ★★★

As of 3/31/24, Institutional Class shares rated 3 stars among 380 Mid-Cap Value funds, based upon risk-adjusted returns derived from a weighted average of the performance figures associated with 3-, 5- and 10-year (if applicable) Morningstar Ratings metrics.

The Morningstar rating is for The Pzena Mid Cap Value Fund – Institutional Share Class; other share classes may vary. For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund’s monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) As of March 31, 2024 the Institutional Class shares of the Fund were rated 3-Stars, 3-Stars and 2-Stars against the following numbers of Mid-Cap Value funds over the following time periods: 380 funds in the last three-, 363 funds in the last five- and 281 funds in the last ten-years. © 2024 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

PERFORMANCE SUMMARY

	ANNUALIZED						
	QTD	YTD	One Year	Three Year	Five Year	Ten Year	Since Inception 3/31/14
PZIMX - Institutional Class	7.48%	7.48%	26.75%	10.35%	14.68%	9.80%	9.80%
PZVMX - Investor Class	7.29%	7.29%	26.22%	9.91%	14.24%	9.43%	9.43%
Russell Midcap® Value Index	8.23%	8.23%	20.40%	6.80%	9.94%	8.57%	8.57%
PZIMX Expense Ratio: Gross: 0.98%, Net: 0.90%			PZVMX Expense Ratio: Gross: 1.33%, Net: 1.25%**				

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 844.PZN.1996 (844.796.1996).

**Expense ratios as presented in prospectus dated June 28, 2023; contractual fee waivers through at least 6/28/24

PORTFOLIO CHARACTERISTICS

	Mid Cap Value Fund	Russell Mid Cap® Value Index
Price / Earnings (1-Year Forecast)	12.0x	16.9x
Price / Book	1.7x	2.3x
Median Market Cap (\$B)	\$11.1	\$10.2
Weighted Average Market Cap (\$B)	\$17.6	\$25.8
Number of Stocks	44	699

TOP 10 HOLDINGS

Dow, Inc.	4.0%
Baxter International Inc.	4.0%
Lear Corp.	3.6%
Universal Health Services, Inc.	3.3%
Equitable Holdings, Inc.	3.0%
Magna International, Inc.	3.0%
Olin Corp.	3.0%
CNO Financial Group, Inc.	2.9%
SS&C Technologies Holdings, Inc.	2.8%
JELD-WEN Holding, Inc.	2.7%
Total	32.3%

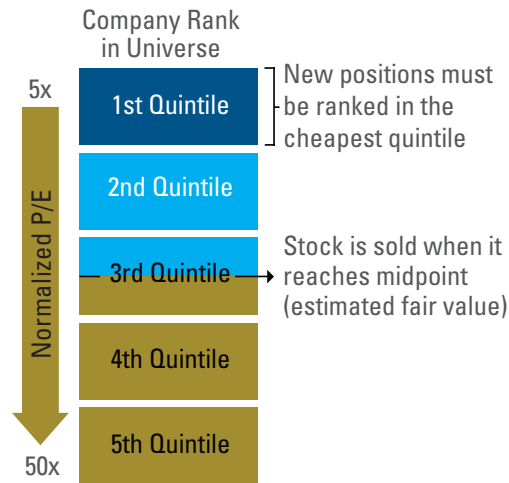
SECTOR WEIGHTS

SECTOR	Mid Cap Value Fund	Russell Mid Cap® Value Index
Basic Materials	7%	4%
Consumer Discretionary	20%	13%
Consumer Staples	3%	4%
Energy	2%	6%
Financials	23%	16%
Health Care	14%	6%
Industrials	13%	24%
Real Estate	0%	10%
Technology	14%	9%
Telecommunications	2%	1%
Utilities	2%	8%

Sector weights adjusted for cash - may appear higher than actual. Number may not add to 100% due to rounding.

INVESTMENT PROCESS

- Universe: 201st-1200th largest U.S. companies based on market capitalization
- Fundamental research conducted on companies considered the most undervalued based on price relative to normalized earnings
- Co-Portfolio Managers construct a portfolio of deeply undervalued businesses requiring unanimous consent



PORTFOLIO COMMENTARY

US markets rallied in the first quarter, as positive macro data boosted confidence that the economy can avoid a hard landing, while AI optimism fueled further gains in growth stocks. Growth outpaced value in the quarter, and the Pzena Mid Cap Value Fund underperformed the value index.

Technology, and energy were the top detracting sectors. Call center outsourcer Concentrix was the largest individual detractor, driven by dual headwinds of investor concerns over generative AI disrupting the industry, as well as cyclical weakness following a period of strong growth during COVID. While generative AI will impact the industry, we believe scaled players are well-positioned to be leaders in implementing these new technologies, which could lead to large share gains in a fragmented industry that's only 30% outsourced. We added to Concentrix on the weakness. Auto parts supplier Magna's shares were weak, as margin guidance for 2024, while up sequentially, fell short of the consensus expectations. We believe Magna remains well-positioned longer term and added to our position on the weakness. Dialysis provider Fresenius Medical Care fell after management issued soft guidance for next quarter, despite earnings reflecting progress on the turnaround.

Consumer discretionary, financials, and industrials were the top performing sectors in the quarter. Advance Auto Parts was strong after the new management team laid out a restructuring plan while an activist investor announced its involvement and received three board seats. Lighting distributor Acuity Brands moved higher, as

margins continue to expand despite a weak demand environment. Lastly, clothing retailer Gap's shares continued to march upward, as margins and same store sales at Old Navy improved.

A new addition, discount retailer Dollar General has been impacted by cost-of-living pressure on the low-end consumer and operational challenges navigating pandemic-related supply chain disruptions. We believe these headwinds are temporary and that the company remains well positioned for the long term. Humana, another new position, and a leading health insurer that specializes in the Medicare Advantage space, is facing earnings pressure in the near-term by an unanticipated rise in medical expenses, but we expect improvement over time, as plan benefits adjust to better match utilization rates. We also added Charter Communications (cable/internet/mobile service provider), which declined after losing subscribers to wireless broadband players T-Mobile & Verizon. We believe competition from wireless broadband will eventually ease and growth will resume. Finally, we initiated a position in freight broker C.H. Robinson, which we believe has a margin expansion opportunity by winning back customers with a more integrated solution.

We exited our positions in Reinsurance Group of America and Cardinal Health, as the stocks reached fair value. While the Fund's sector exposure has broadened out in recent quarters, it remains most exposed to cyclical and economically sensitive names, and valuations remain attractive.

*Prior to February 12, 2016, the Fund was named Pzena Mid Cap Focused Value Fund.

Price / Earnings (1-Year Forecast) is a measure of the price-to-earnings ratio (P/E) using forecasted earnings for the P/E calculation. **Price / Book** is a valuation ratio of a company's current share price compared to its book value. **Median Market Cap** is the point at which half of the market value of a portfolio is invested in stocks with a greater market cap, and consequently the other half is invested in stocks with a lower market cap. **Weighted Average Market Cap** is the average firm market capitalization weighted by security weight. **Normalized P/E** is a ratio that measures a company's share price relative to Pzena's estimate of what a company earns across a typical business cycle. **EBITDA**, or earnings before interest, taxes, depreciation, and amortization, is a measure of profitability.

The Russell Midcap® Value Index measures the performance of the midcap value segment of the US equity universe. It includes those Russell Midcap® Index companies with lower price-to-book ratios and lower forecasted growth values. One cannot invest directly in an index.

Mutual fund investing involves risk. Principal loss is possible. Investments in mid-cap companies involve additional risks such as limited liquidity and greater volatility than larger companies. Investments in foreign securities involve political, economic and currency risks, greater volatility and differences in accounting methods. The fund may have emphasis on a specific sector which could adversely affect a fund to a greater extent than if its emphasis was less. The Fund emphasizes a "value" style of investing, which targets undervalued companies with characteristics for improved valuations. This style of investing is subject to the risk that the valuations never improve or that the returns on "value" securities may not move in tandem with the returns on other styles of investing or the stock market in general.

The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The summary and statutory prospectus contain this and other important information about the investment company, and may be obtained by calling 1.844.PZN.1996 (1.844.796.1996), or visiting www.pzenafunds.com. Read it carefully before investing.

Fund holdings, Sector exposure and characteristics are as of the date shown and are subject to change at any time. As a result, the Fund's current and future holdings, Sector exposure and characteristics may vary substantially from the information shown. No recommendation is made regarding the advisability of buying or selling any security.

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