

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 12/31/23, Institutional Class shares rated 3 stars among 383 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 December 31, 2023 the Institutional Class shares of the Fund were rated 4-Stars and 2-Star against the following numbers of Mid-Cap Value funds over the following time periods: 383 funds in the last three- and 363 funds in the last five-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

	QTD	YTD	One Year	ANNUALIZED		
				Three Year	Five Year	Since Inception 3/31/14
PZIMX - Institutional Class	16.69%	21.35%	21.35%	14.58%	15.65%	9.25%
PZVMX - Investor Class	16.68%	20.91%	20.91%	14.16%	15.24%	8.89%
Russell Midcap® Value Index	12.11%	12.71%	12.71%	8.36%	11.16%	7.92%
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)	12.3x	15.9x
Price / Book	1.6x	2.2x
Median Market Cap (\$B)	\$10.7	\$9.6
Weighted Average Market Cap (\$B)	\$15.3	\$22.8
Number of Stocks	43	703

TOP 10 HOLDINGS

Dow, Inc.	4.2%
Baxter International Inc.	3.8%
Lear Corp.	3.8%
Cognizant Tech Solutions	3.2%
CNO Financial Group, Inc.	3.2%
Acuity Brands, Inc.	3.1%
Olin Corp.	2.9%
SS&C Technologies Holdings, Inc.	2.9%
Equitable Holdings, Inc.	2.9%
Magna International, Inc.	2.8%
Total	32.8%

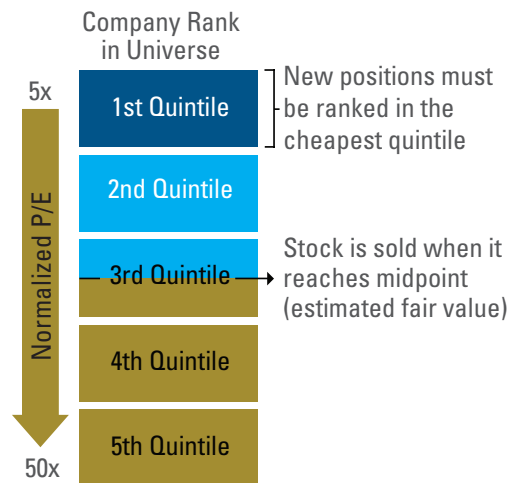
SECTOR WEIGHTS

SECTOR	Mid Cap Value Fund	Russell Mid Cap® Value Index
Basic Materials	7%	4%
Consumer Discretionary	18%	13%
Consumer Staples	3%	4%
Energy	2%	6%
Financials	27%	16%
Health Care	11%	7%
Industrials	14%	23%
Real Estate	0%	11%
Technology	15%	9%
Telecommunications	0%	1%
Utilities	3%	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

U.S. markets rallied in the fourth quarter as signs of easing inflation and lower interest rates boosted confidence in a soft landing. The growth style outperformed value in the quarter, but the Pzena Mid Cap Value Fund outpaced its value benchmark, as well as the broad Russell Midcap index.

The top contributing sectors in the quarter were consumer discretionary, financials, and industrials; energy was the only detractor. The top individual performer was apparel company Gap, Inc., owner of Old Navy, Athleta, Banana Republic, and Gap. The stock doubled, as Old Navy comparable sales turned positive for the first time in over two years, while margins expanded on lower commodity costs and less promotional activity. Shares of PVH, owner of Tommy Hilfiger and Calvin Klein, also performed strongly. The company demonstrated tangible progress on its self-help plan, as evidenced by strong margin performance in North America, which has historically been its most challenging region. Finally, shares of door and window manufacturer JELD-WEN were up, as margins came in ahead of expectations — a reflection of self-help initiatives bearing fruit.

Fresenius Medical Care, a leading provider of dialysis products and services, declined after trial data indicated that GLP-1 drugs slowed the advancement of kidney disease. However, we note that any impact will likely be long-dated and that other GLP-1 benefits, such as the potential for fewer fatalities from heart disease, could result in an increase in the dialysis patient population. Shares of consumer products company Newell Brands were weak on management's lower outlook for 2023 and 2024 sales, and NOV (energy services) shares languished on lower energy prices despite strong operating

results.

We added five companies to the Fund. Among them, Concentrix is a leading outsourced customer experience provider that is contending with contract resets post-COVID. We maintain that there is long-term value to be found in the scaled players, despite nearer-term cyclical economic headwinds weighing on volumes. We also initiated a position in Skyworks Solutions — a leading radio frequency component supplier to Apple and other device makers — after concerns over iPhone unit volumes and pricing pressures weighed on the stock's valuation. Another name, Corebridge, formerly AIG's Life & Retirement business, has been weak due to the overhang from AIG's sell-down, which we viewed as a buying opportunity. We added Universal Health Services, a leading U.S. hospital group, based on the expectation that current margin headwinds will abate as reimbursement rates reset to reflect labor cost inflation. We added a position in Baxter, a leading medical products company globally, after trial data indicated that GLP-1 drugs slowed advancement of kidney disease. The negative valuation impact from this headline exceeded our estimate of the earnings contribution from Baxter's renal business, creating an attractive buying opportunity.

To fund these purchases, we exited the positions in AIG, Skechers, Wabtec, and MasterBrand, all on valuation. We also trimmed positions in Gap, Cardinal Health, and Axalta on strength. Despite the quarter's solid performance, valuations remain attractive in the Fund, which is most exposed to the financials and consumer discretionary sectors.

*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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