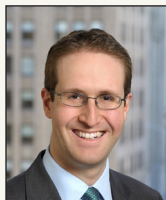


**FUND OBJECTIVE:** The fund seeks to achieve long-term capital appreciation.

**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 06/30/2024, Institutional Class shares rated 2 stars among 374 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 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 06/30/2024 the Institutional Class shares of the Fund were rated 3-Stars and 2-Stars and 2-Stars against the following numbers of Mid-Cap Value funds over the following time periods: 374 funds in the last three- 360 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**

|                             | QTD    | YTD    | One Year | ANNUALIZED |           |          |                         |
|-----------------------------|--------|--------|----------|------------|-----------|----------|-------------------------|
|                             |        |        |          | Three Year | Five Year | Ten Year | Since Inception 3/31/14 |
| PZIMX- Institutional Class  | -7.29% | -0.35% | 12.79%   | 6.15%      | 11.99%    | 8.63%    | 8.75%                   |
| PZVMX- Investor Class       | -7.31% | -0.56% | 12.35%   | 5.75%      | 11.58%    | 8.26%    | 8.39%                   |
| Russell Midcap® Value Index | -3.40% | 4.54%  | 11.98%   | 3.65%      | 8.49%     | 7.60%    | 7.99%                   |

PZIMX Expense Ratio: Gross: 0.99%, Net: 0.90%  
PZVMX Expense Ratio: Gross: 1.34%, 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, 2024; contractual fee waivers through at least 6/28/25

**PORTFOLIO CHARACTERISTICS**

|                                   | Mid Cap Value Fund | Russell Mid Cap® Value Index |
|-----------------------------------|--------------------|------------------------------|
| Price/Earnings (1-Year Forecast)  | 10.8x              | 16.3x                        |
| Price/Book                        | 1.5x               | 2.2x                         |
| Median Market Cap (\$B)           | \$11.2             | \$9.7                        |
| Weighted Average Market Cap (\$B) | \$17.4             | \$25.4                       |
| Number of Stocks                  | 41                 | 699                          |

**TOP 10 HOLDINGS**

|                                 |       |
|---------------------------------|-------|
| Dow, Inc.                       | 4.0%  |
| Universal Health Services, Inc. | 3.6%  |
| Baxter International Inc.       | 3.4%  |
| Humana, Inc.                    | 3.3%  |
| CNO Financial Group, Inc.       | 3.1%  |
| Equitable Holdings, Inc.        | 3.1%  |
| Lear Corp.                      | 3.1%  |
| Charter Communications, Inc.    | 2.8%  |
| Avnet, Inc.                     | 2.8%  |
| Tyson Foods, Inc. – Class A     | 2.8%  |
| Total                           | 32.0% |

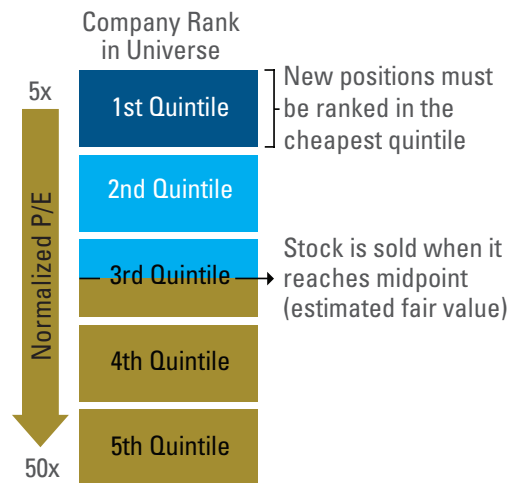
**SECTOR WEIGHTS**

| SECTOR                 | Mid Cap Value Fund | Russell Mid Cap® Value Index |
|------------------------|--------------------|------------------------------|
| Basic Materials        | 9%                 | 4%                           |
| Consumer Discretionary | 17%                | 13%                          |
| Consumer Staples       | 3%                 | 4%                           |
| Energy                 | 2%                 | 6%                           |
| Financials             | 24%                | 16%                          |
| Health Care            | 15%                | 6%                           |
| Industrials            | 9%                 | 23%                          |
| Real Estate            | 0%                 | 10%                          |
| Technology             | 15%                | 9%                           |
| Telecommunications     | 3%                 | 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

Markets were mixed during the second quarter, as mega-cap growth names drove cap-weighted large cap indices higher, while mid cap stocks were broadly negative. Within the mid cap cohort, value stocks marginally lagged their growth peers, and the Fund underperformed its benchmark, as investors were particularly punitive towards companies that lowered guidance.

Consumer discretionary, industrials, and health care were the biggest detractors during the quarter. Window and door manufacturer JELD-WEN traded down after reporting weak volume trends and reducing guidance on macro headwinds in the housing market. Given the steep stock correction and current management's actions to restructure the business, we took the opportunity to increase the position. Medical equipment company Baxter fell after its Healthcare Systems & Technology segment reported weaker-than-expected sales driven by softness in the market and timing of orders. Shares remain attractively valued on a normal earnings basis given its temporarily underearning segments and dominant market position in its core medical products business. Automotive seat manufacturer Lear also detracted, as some choppiness in EV launches and product proliferation led to near-term production inefficiencies for Lear and many other auto suppliers.

Telecommunications and utilities were the only absolute contributors in the quarter. The top individual performer was freight brokerage firm C.H. Robinson, which achieved sequential profitability improvement driven by a combination of self-help efforts in the North American truck brokerage business, and higher ocean freight rates due to Red Sea

disruptions. Medicare Advantage provider Humana traded up on increased optimism around government reimbursement dynamics following a period of industrywide profitability woes stemming from higher medical utilization. Humana and peers had mispriced health plans following multiple years of pandemic-driven depressed utilization, but we expect industrywide profitability to improve as the major players cut benefits while utilization ultimately normalizes. Lastly, life insurer Equitable Holdings rose on strong growth of its annuity products and solid capital returns.

During the quarter, we initiated a position in FMC Corp., a crop protection chemical company with leading positions in a number of core product areas. The stock's valuation is depressed due to an unprecedented correction in the global crop protection market driven by destocking from previously built-up inventory levels. Current earnings are consequentially depressed, and FMC has been consuming cash, but we believe they continue to be well-positioned in their core markets, and should see a strong earnings and cash flow rebound as industry inventory levels adjust. We took the opportunity to increase the position in Concentrix (contact centers) on weakness, as well as in both Humana and Charter Communications (Spectrum TV/voice/internet), on relative valuation. We funded these purchases by selling out of Acuity (lighting), Invesco (asset management), Axalta Coating Systems (coating products), and Leidos (government services), all on valuation.

The Fund remains positioned towards more economically sensitive and cyclical names, as valuations remain quite 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](http://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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