

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 09/30/2024, Institutional Class shares rated 2 stars among 446 Small 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 Small 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 09/30/2024 the Institutional Class shares of the Fund were rated 3-Stars and 2-Stars against the following numbers of Small Value funds over the following time periods: 446 funds in the last three years and 420 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 4/27/16
PZISX- Institutional Class	5.31%	3.53%	20.73%	9.05%	12.86%	9.20%
PZVSX- Investor Class	5.22%	3.28%	20.27%	8.73%	12.58%	8.89%
Russell 2000® Value Index	10.15%	9.22%	25.88%	3.77%	9.29%	8.99%

PZISX Expense Ratio: Gross: 1.46%, Net: 1.00%*
PZVSX Expense Ratio: Gross: 1.81%, Net: 1.35%*

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 June 28, 2025.*

PORTFOLIO CHARACTERISTICS

	Small Cap Value Fund	Russell 2000® Value Index
Price/Earnings (1-Year Forecast)	12.5x	13.8x
Price/Book	1.2x	1.3x
Median Market Cap (\$B)	\$2.3	\$0.8
Weighted Average Market Cap (\$B)	\$2.8	\$2.8
Number of Stocks	53	1,438

TOP 10 HOLDINGS

CNO Financial Group, Inc.	4.0%
Olin Corp.	3.2%
Spectrum Brands Holdings, Inc.	3.1%
Korn Ferry	3.0%
Orion S.A.	2.9%
MRC Global, Inc.	2.9%
Steelcase, Inc. - Class A	2.9%
JELD-WEN Holding, Inc.	2.8%
Adient PLC	2.7%
Columbia Banking System, Inc.	2.7%
Total	30.2%

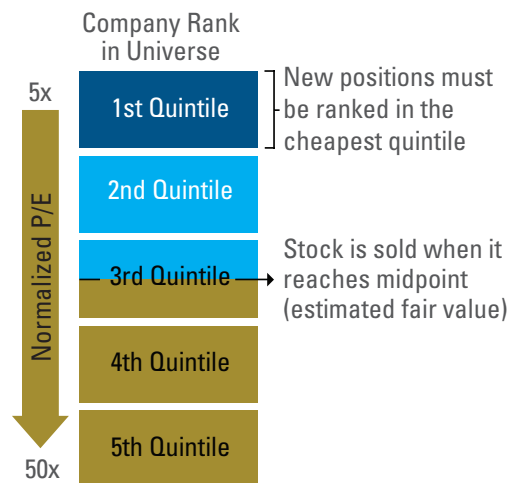
SECTOR WEIGHTS

SECTOR	Small Cap Value Fund	Russell 2000® Value Index
Basic Materials	8%	4%
Consumer Discretionary	23%	13%
Consumer Staples	7%	2%
Energy	5%	7%
Financials	23%	27%
Health Care	3%	9%
Industrials	24%	13%
Real Estate	2%	12%
Technology	5%	4%
Telecommunications	0%	3%
Utilities	0%	6%

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

INVESTMENT PROCESS

- Universe: 2000 U.S. companies (ranked 1001-3000 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 rose during the third quarter as the Federal Reserve began to cut interest rates. Small-cap equities outperformed large-cap stocks this quarter but still lagged for the year. Within the small-cap cohort, value outperformed growth but still trailed for the year. The Fund underperformed the benchmark as markets remained particularly punitive toward companies that lowered their guidance.

The energy, basic materials, and consumer discretionary sectors were the biggest detractors during the quarter. Auto parts retailer Advance Auto Parts reported an earnings miss due to margin declines, and the company announced new price reductions to remain competitive with peers. Advance Auto Parts has many self-help initiatives and is now better positioned after the sale of a business, which should strengthen the balance sheet and fund operational improvements. Carbon black producer Orion posted weak earnings as a large tire customer reduced volumes during the quarter. Orion traded down further after disclosing that an employee fell for a large phishing scam. NOV Inc., the capital equipment provider to the oilfield services industry, declined with lower oil prices despite offering a positive outlook during with the company's Q2 results.

The financials, industrials, and real estate sectors contributed to performance this quarter. Life insurer CNO Financial beat earnings expectations and raised its guidance due to higher net investment income, favorable mortality, and lower expenses. Pacific Northwest regional bank Columbia rebounded from recent underperformance and outperformed the broadly strong banking group. Low credit losses and the rate environment have created a positive environment for the industry, and Columbia has worked to regain credibility after reporting an earnings disappointment earlier this year. Interface, the commercial

flooring manufacturer, reported a large earnings beat. Margins expanded as volumes were higher than expected and input costs declined. Increasing demand has supported higher prices as well.

We added chemical producer Huntsman, furniture retailer Haverty Furniture, and consumer products company Helen of Troy to the portfolio. Huntsman produces polyurethanes—including MDI, which is used in insulation, car seats, and footwear—and other advanced materials. Volumes are currently depressed due to slow construction, but Huntsman is well positioned for volume recovery. Haverty Furniture has a strong presence in the mid-to-upper end of the market in the Southeast and Midwest. Furniture demand is depressed amid low housing turnover, but Haverty has a strong balance sheet and attractive end markets. Helen of Troy has a portfolio of leading brands, including OXO (kitchenware), Braun thermometers, Vicks, and Hydro Flask. Sales have fallen from peak levels, but the company remains well positioned in end markets and should benefit from investments in distribution. We funded these purchases by trimming Axalta (coatings), Belden (signal transmission), and Axis Capital (P&C insurance).

The Fund remains positioned toward more economically sensitive and cyclical names, as we believe valuations continue to be quite attractive.

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.

The Russell 2000® Value Index is an unmanaged index that measures the performance of those Russell 2000® companies with lower price-to-book ratios and lower forecasted growth rates. The index is reconstituted annually so that stocks that have outgrown the index can be removed and new entries can be added. One cannot invest directly in an index.

Mutual fund investing involves risk. Principal loss is possible. Investments in small-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. These risks are greater for investments in Emerging Markets. 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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