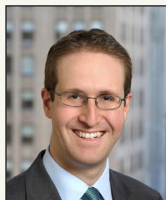


**FUND OBJECTIVE:** The fund seeks to achieve long-term capital appreciation.

**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 375 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 09/30/2024 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: 375 funds in the last three- 362 funds in the last five- and 282 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	6.73%	6.35%	24.10%	9.48%	13.67%	9.72%	9.20%
PZVMX- Investor Class	6.63%	6.04%	23.72%	9.08%	13.26%	9.36%	8.84%
Russell Midcap® Value Index	10.08%	15.08%	29.01%	7.39%	10.33%	8.93%	8.78%

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 June 28, 2025.

**PORTFOLIO CHARACTERISTICS**

	Mid Cap Value Fund	Russell Mid Cap® Value Index
Price/Earnings (1-Year Forecast)	12.1x	17.4x
Price/Book	1.6x	2.4x
Median Market Cap (\$B)	\$13.1	\$10.4
Weighted Average Market Cap (\$B)	\$18.5	\$25.1
Number of Stocks	43	714

**TOP 10 HOLDINGS**

Universal Health Services, Inc. - Class B	4.2%
Dow, Inc.	3.9%
Baxter International Inc.	3.8%
Lear Corp.	3.5%
CNO Financial Group, Inc.	3.1%
Equitable Holdings, Inc.	3.0%
CH Robinson Worldwide, Inc.	3.0%
Dollar General Corp.	2.9%
Charter Communications, Inc. - Class A	2.9%
SS&C Technologies Holdings, Inc.	2.9%
Total	33.2%

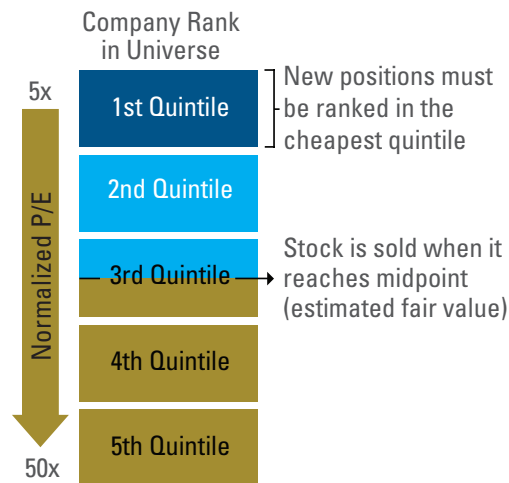
**SECTOR WEIGHTS**

SECTOR	Mid Cap Value Fund	Russell Mid Cap® Value Index
Basic Materials	5%	3%
Consumer Discretionary	17%	13%
Consumer Staples	3%	6%
Energy	1%	6%
Financials	22%	15%
Health Care	16%	9%
Industrials	17%	22%
Real Estate	0%	10%
Technology	14%	8%
Telecommunications	3%	1%
Utilities	2%	7%

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

Against the backdrop of increased market conviction in a soft landing given the first Fed rate cut, mid-cap stocks outpaced the broader market, with value outperforming growth. The Fund trailed its value benchmark due to oversized moves in a few positions that we maintain conviction in.

The consumer discretionary sector was the major detractor in the quarter. Dollar General lost roughly a third of its value at the end of August on an earnings report that revealed weaker-than-expected sales growth and margins. We do not believe Dollar General's latest results materially alter our thesis, and we see plenty of room for margin expansion via credible self-help initiatives. Advance Auto Parts reported disappointing margins and a weaker outlook, sending shares lower. Medicare Advantage insurer Humana fell, as higher-than-expected medical costs continued to weigh on margins.

Financials was the standout sector performer. The top individual contributor was Universal Health Services, which benefitted from an easing in labor cost pressures during the quarter. Multi-line insurer CNO's shares were higher, following strong Q2 results and an upgrade to full-year guidance prompted by strong sales and reserve releases. Life insurer Globe Life's shares continued to recover from the acutely negative reaction to a highly accusatory short report released earlier this year, which we viewed as highly flawed. An independent investigation commissioned by Globe's audit committee found no evidence of widespread accounting or insurance fraud.

We initiated a position in Robert Half, a leading provider of temporary staffing and permanent placement services focused on finance and accounting functions, with a growing franchise in advisory and consulting. Weak business confidence and lower labor churn have resulted in headwinds for the staffing industry. We believe this pain is largely cyclical, providing an attractive entry point for the stock. We also added Delta Air Lines, a best-in-class operator with an industry-leading high-margin loyalty program. Financial stress amongst the ultra-low-cost carriers has weighed on the sector, and we believe Delta is positioned to benefit from industry capacity reductions, against the backdrop of improved pricing dynamics. Another addition, commodity chemical company Huntsman Corp., has been weak due to its polyurethane business experiencing lower demand from construction and durable goods end markets. We believe the company is well-positioned to benefit from an eventual recovery in these end markets. We also added to both Dollar General and Advance Auto Parts on weakness.

To fund these purchases, we fully exited our positions in Gildan and Axis Capital, both on strength, and trimmed Fidelity National, and Edison.

Market reactions to short-term events have been particularly severe in recent quarters, resulting in higher dispersion. Despite this observation, we believe that the Fund remains well-positioned in companies with attractive valuations and businesses poised for long-term earnings normalization.

\*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.

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 Pzena 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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