First Quarter 2022 Commentary

KEELEY Funds

Small-Mid Cap Value Fund

To Our Shareholders,

For the quarter ended March 31, 2022, the KEELEY Small-Mid Cap Value Fund's net asset value ("NAV") per Class A share declined 4.9% compared with a 1.5% fall in the Russell 2500 Value Index.

Commentary

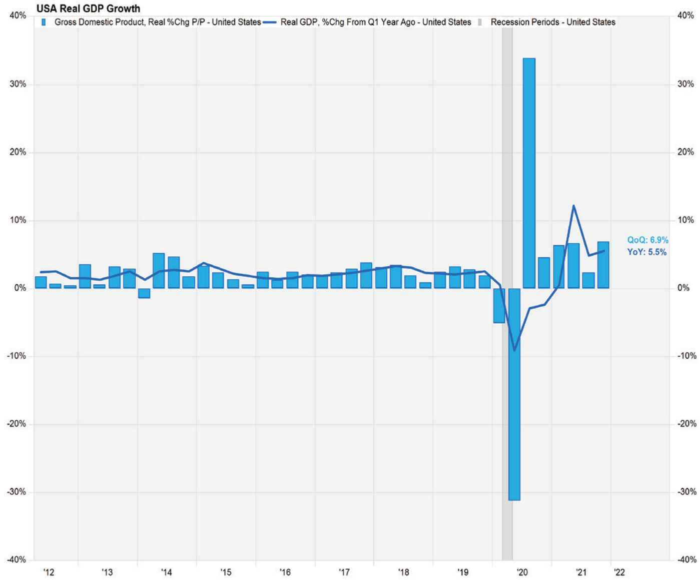
For the last two years, the tone of the market has been set by the evolution of the COVID-19 pandemic and the fiscal and monetary actions undertaken by the government to "bend the curve" and blunt the economic impact on its citizens. Unprecedented levels of fiscal and monetary stimulus first stabilized markets and then started the rebound. The announcement of successful vaccine clinical trials drove markets to new highs and the roll-out of those vaccines allowed economic activity to recover toward something approaching normal. The pandemic is not over. The United States reported more new COVID cases in the first quarter than in any previous quarter and deaths from COVID were the second highest of any quarter since the beginning. Shutdowns in some of China's largest port cities remind us that the supply chain disruption caused by this pandemic may be with us for a while. However, concerns about the potential impact from the pandemic have now been replaced by new worries over inflation.

Market Performance

As of March 31, 2022	3 Months	1-Year	3-Year
S&P 500 Index	-4.6%	15.6%	18.9%
Russell 3000 Value Index	-0.8%	11.1%	13.0%
Russell 3000 Index	-5.3%	11.9%	18.2%
Russell 2500 Value Index	-1.5%	7.7%	13.0%
Russell Midcap Value Index	-1.8%	11.5%	13.7%
Russell 2000 Index	-7.5%	-5.8%	11.7%
Russell 2000 Value Index	-2.4%	3.3%	12.7%
Bloomberg Barclays Agg. Bond Index	-5.9%	-4.2%	1.7%

Source: eVestment.

USA Real GDP Growth (Q2 2012 - Q4 2021)



Source: U.S. Bureau of Economic Analysis, Factset. Grey represents recession periods.

For the last several quarters, inflation ran ahead of the 2% rate that the Federal Reserve targets as optimal. Initially, these price increases were dismissed as "transitory". The theory was that COVID-related supply chain constraints and the rebound in energy prices from depressed prior-year levels ("base effects") were overstating the real inflation rate. As supply chains normalized and we anniversaried the rebound in commodity prices, the inflation rate would settle back down to the target rate. This view eroded during the early part of the quarter and the Russian invasion of Ukraine in late February made it extremely unlikely.

The personal and humanitarian impact of the invasion of Ukraine is

Important Risk Information

The performance reflected herein is for the Class A shares without load.

"Without load" does not reflect the deduction of the maximum 4.50% sales fee (load), which reduces the performance quoted. Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Current to most recent month-end performance data may be obtained at www.KeeleyFunds.com

This summary represents the views of the portfolio managers as of 3/31/2022. Those views may change, and the Fund disclaims any obligation to advise investors of such changes. For the purpose of determining the Fund's holdings, securities of the same issuer are aggregated to determine the weight in the Fund. Portfolio holdings are subject to change without notice and are not intended as recommendations of individual securities.

***The Fund's Inception date is August 15, 2007.**

Risks: Smaller and medium-sized company stocks are more volatile and less liquid than larger, more established company securities.

Prior to investing, investors should carefully consider the Fund's investment objective, risks, charges and expenses as detailed in the prospectus and summary prospectus. To obtain a prospectus or a summary prospectus, call us at 800.533.5344 or visit www.keeleyfunds.com. The prospectus/summary prospectus should be read carefully before investing.

incalculable and this episode is another reminder of our good fortune to live in the United States. The economic and geopolitical impact of this incursion is difficult to estimate, but there are some clear impacts that we can identify at this early stage. First, the price of oil and gas and other key commodities has rocketed higher and may stay there for some time. Russia is one of the largest producers and exporters of oil and natural gas. While Europe continues to buy fossil fuels from Russia, most of those countries are looking for other sources and some countries are not buying Russian oil at all. This further tightened a market with little spare capacity leading to a 34% increase in the price of oil in the first quarter. In addition, both Russia and Ukraine are important exporters of corn and wheat. Grain markets have tightened, and prices have increased. Against this backdrop, inflation is rising to concerning levels and looking less "transitory," than before the Russians invaded Ukraine and the impact on key commodities from this conflict is likely to sustain or accelerate this trend.

The longer-term impacts may also be inflationary. In response to supply chain disruptions from COVID and from the Ukraine invasion, decision makers are acting to lower their risks. Countries in Europe are seeking other sources of energy; liquefied natural gas (LNG), nuclear, solar, and wind. These cost more than their current sources which is likely to increase energy costs for the people who live there. Companies increasingly look at bringing some production back to their home country.

This uptick in inflation has not gone unnoticed by the markets. Interest rates across the yield curve moved higher in the first quarter with the ten-year Treasury bond yield moving up 0.81% to 2.32% at quarter end. The middle of the curve moved up even more with the two-year up 1.56% to 2.29%. The result of this rise was the worst quarterly performance for the bond market since the 1980s. The Fed and its various members have signaled that they intend to continue raising rates until inflation is more contained.

The good news in the inflation story is that it is partially symptomatic of a strong economy. Energy prices were strong before the Russian invasion because demand for fuels and other petroleum-based products had recovered from the pandemic-driven downturn. Higher wages reflect a tight labor market. A strong economy is generally good for companies and good for stocks.

The bad news about inflation is twofold. First, higher inflation usually leads to higher interest rates which usually leads to lower valuation multiples. This sets up a race between rising earnings and falling multiples. In 2021, earnings rose more than valuations fell which resulted in good gains for stocks. That will be harder to achieve in 2022 and we have seen that impact on stocks so far this year, especially for stocks with higher starting valuations. Value stocks, particularly small- and midcaps, look attractive relative to growth stocks and large caps. This likely contributed to their outperformance in the first quarter across the market cap spectrum.

The other challenge arising from inflation is that policymakers will seek to contain it and the cure may not be that palatable. The Fed plans to raise interest rates with the intention of curtailing excess growth. The recent turbulence in the market likely results from investors' concerns about whether they will be able to accomplish their goals without tipping the economy into a recession. We are probably a little more optimistic than most investors in that we believe that the economy is well-positioned to absorb a little slowdown. Unemployment is low and job openings are high. Workers furloughed may find it easier to find new jobs. We continue to build the portfolio on a bottom-up, stock-by-stock basis. We have lately been able to invest in a variety of spin-offs with several more on deck.

Portfolio Results

The Fund lagged its benchmark during the first quarter. Sector Allocation was a slight positive while Stock Selection was a negative. Within Sector Allocation, the Fund gained ground with its slight overweight in the Energy sector, but gave some back in in the Materials sector, where it was slightly underweight, and the Consumer Discretionary sector, where it was slightly overweight. The Fund benefitted from good stock selection in the Financials and Health Care sectors while disappointing performance in the Industrials, Energy, Materials, and

Consumer Discretionary sectors hurt performance.

- Financials were again the biggest relative contributor to performance in the quarter. Virtu Financial, a securities market-maker, accounted for much of the performance, but mortgage insurer Enact Holdings and several banks also generated gains while the sector within the index declined.

- The Health Care sector also produced positive relative performance. Much of this can be attributed to what the Fund did not own, specifically biotechnology stocks. Aside from that, results in the sector were mixed, but positive on balance. A nice gain in recent Merck spin-off Organon offset losses elsewhere. The sector within the index was the second worst performing, lagging only the Consumer Discretionary sector.

- While stock selection in the Industrials sector has generally been good over time with it adding value in six of the last nine quarters, that was not the case this quarter. Two of the Fund's three worst performers, Fortune Brands Home & Security and Harsco (discussed later), came from this sector. Furthermore, only three of the Fund's 17 holdings appreciated in the quarter. That is somewhat to be expected in a down market. The notable highlight in the sector was the strong performance of Nielsen after it agreed to be acquired by a team of private equity firms for cash.

- While the Fund's slight overweight in the Energy sector helped performance, the Fund's holdings failed to keep pace with the strong gains in the sector overall. The Fund's blend of companies working their way through corporate change performed well, but not as well as the index which was driven by natural gas, coal, and capital-intensive service companies like drillers.

- The Materials sector was the second-best performing sector within the benchmark with a more than 10% gain. This was mostly due to strong gains by metals and mining companies which were driven by escalating base metals prices. We have tended to favor more differentiated companies, although the Fund's biggest detractor in the sector was aggregates supplier Summit Materials which is under new leadership and executing a solid profitability improvement plan.

- The Consumer Discretionary sector was the fourth sector that detracted from Fund performance during the quarter. The Fund's Consumer Discretionary stocks performed worse than the overall sector, which itself was the worst-performing of the eleven industry sectors. Much of the disappointing performance is the result of declines in the shares of Tri Pointe Homes (discussed below) and Bath & Body Works, which reported good fourth quarter results but lowered expectations for the coming year due to cost pressures and planned technology spending.

During the quarter, we added one new position to the Fund and sold two holdings.

Let's Talk Stocks

The top three contributors in the quarter were:

Chesapeake Energy (CHK - $87.00 - NASDAQ) is a natural gas-focused exploration and production company with operations in Pennsylvania and Texas. Strong increases in commodity prices combined with a more disciplined capital allocation framework drove gains in the share prices of many energy companies in a period when not much else was working. Chesapeake announced its structure of a fixed and variable dividend combined with share repurchases to return excess free cash flow. In addition, the company sold its non-core Powder River Basin acreage and announced the acquisition of a large private operator in Pennsylvania that will help improve its operational efficiency in that key market.

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WEX Inc. (WEX - $178.45 – NYSE) is a leading provider of transaction processing services to commercial vehicle fleets, travel agencies, and health care providers. The company reported strong fourth quarter financial results during the quarter, but this time was rewarded for it. WEX had been one of the Fund's weaker stocks in the fourth quarter, but investors seem to be coming to a better understanding of some of the financial metrics that should drive value at WEX. The stock remains well below historical valuation levels and is one of a limited number of technology companies that should continue to recover from the pandemic as the industries it serves rebound.

Virtu Financial (VIRT - $37.22 — NASDAQ) is one of the largest independent electronic market-makers across a wide range of securities. Virtu reported a solid fourth quarter with financial results beating consensus estimates as elevated market volatility and volumes created a good environment for the company. Profitability was strong and the company repurchased $100 million of stock in the quarter. The volatility we have seen so far in 2022 should set up the company well for continued strong results.

The three largest detractors in the quarter were:

Fortune Brands Home and Security (FBHS - $74.28 - NYSE) is one of the leading manufacturers of plumbing fixtures, cabinets, doors, and security products used in home repair and remodeling as well as new home construction. The shares of Fortune Brands fell during the first quarter as sentiment turned negative on the stock due to concerns about continued input cost inflation and the impact of higher interest rates on consumers. However, the company continues to report strong results as it exceeded consensus estimates across the board. Sales growth in the quarter was solid, particularly in the Doors & Security and Cabinets segments. Management continues to navigate the inflationary environment well as the company aggressively implements price increases to offset higher costs with the expectation of price-cost parity by mid-year 2022. Finally, management conveyed confidence in the near-term outlook as it gave 2022 earnings guidance above consensus estimates.

Tri Pointe Homes (TPH - $20.08 - NYSE), one of the nation's leading homebuilders, saw its stock sell off in the first quarter on growing concerns about the sustainability of growth considering deteriorating home affordability. Higher prices and rising mortgage rates are making buying a house more expensive. Nonetheless, TRI Pointe reported solid results to cap off a record year in 2021 with revenue growth of 15% in the quarter while margins improved on higher pricing and good cost controls. Management continues to anticipate solid demand across its geographies with the expectation of modest price increases as peak lumber prices runs through its income statement over the next couple quarters.

Harsco Corporation (HSC - $12.24 - NYSE) is a diversified manufacturer and service provider that focuses on serving the environmental remediation needs in several industries. The fourth quarter results which the company reported during the first quarter were broadly disappointing. Harsco had several issues in its usually reliable steel business as European steel production slowed due to higher power costs and the company lost a large contract to a competitor. Its Clean Earth business, which disposes of contaminated waste and provides soil remediation services, suffered from labor shortages and higher transportation costs. Finally, Harsco entered a sales process for its non-core Rail business from which the company expects to use proceeds to reduce debt. This process seems to be lagging investor expectations from a timing standpoint but should accomplish the goal.

Conclusion

In conclusion, thank you for your investment in the KEELEY Small-Mid Cap Value Fund. We will continue to work hard to earn your confidence and trust.

April 12, 2022

KEELEY
Funds

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The Fund's adviser has contractually agreed to waive a portion of its management fee or reimburse the Fund if total ordinary operating expenses during the current fiscal year as a percentage of the Fund's average net assets exceed 1.39% for Class A Shares and 1.14% for Class I Shares. The waiver excludes expenses related to taxes, interest charges, dividend expenses incurred on securities that a Fund sells short, litigation and other extraordinary expenses, brokerage commissions and other charges relating to the purchase and sale of portfolio securities. The waiver is in effect through February 28, 2023 and neither the Fund's adviser nor the Fund can discontinue the agreement prior to its expiration. **The expense ratios presented herein are for the Class A shares.

AVERAGE ANNUAL TOTAL RETURNS (as of 3/31/2022)

	KSMVX No Load	KSMVX Load	Russell 2500 Value
1 Year	2.47%	-2.16%	7.73%
5 Year	7.91%	6.93%	9.19%
10 Year	9.92%	9.42%	11.04%
Since Inception**	7.71%	7.38%	8.40%

Expense Ratio (Gross)**	1.67%
Waiver/Expense Reimbursement**	-0.24%
Expense Ratio (Net)**	1.43%

Stocks of smaller cap companies tend to be more volatile and less liquid than those of large cap companies.

Top Ten Holdings (Percent of Net Assets)
March 31, 2022

Name	Weight (%)	Name	Weight (%)
Organon & Co.	2.13%	nVent Electric plc	1.74%
Equitable Holdings, Inc.	2.12%	Air Lease Corporation Class A	1.73%
Synovus Financial Corp.	2.00%	Oasis Petroleum Inc	1.69%
WEX Inc.	1.96%	Popular, Inc.	1.64%
Chesapeake Energy Corporation	1.93%	Virtu Financial, Inc. Class A	1.63%

Performance attribution is commonly used to measure the quality of the separate decisions that go into the management of an investment portfolio compared to a benchmark index. This analysis tries to isolate the effect and measure the return contribution of market allocation, which analyzes the positive/negative impact of a portfolio's allocation to groupings such as geographic regions or market sectors, and stock selection, which analyzes the positive/negative impact of the portfolio manager's security ownership and weighting decisions within a wider grouping. The performance attribution data in this quarterly commentary was prepared by Keeley-Teton Advisors, LLC ("Keeley Teton") using the following constraints: (1) Fund portfolio holdings are as of the beginning of each day; index constituents are as of the end of the day. That means that the Fund's holdings are not included until the day after acquisition (when it is included in the portfolio as of the beginning of the next business day), and a portfolio holding that is sold is included in the analysis through the end of the day on which it is sold, and that the values at which securities are included in the analysis are the values as of the beginning of the day. For the index, securities are included at their values at the end of the day. (2) The securities' values used in the analysis are the prices used by Keeley Teton in its internal records for the Fund and the prices used by the index provider for the benchmark index. If a price from either of those sources is unavailable, pricing information from FactSet is used. Pricing information from the index provider or from FactSet may differ from the pricing information used by Keeley Teton. (3) Sector and/or industry classifications may change over time. The attribution information provided in this commentary includes summaries of attribution by market sector. Attribution is not precise and should be considered to be an approximation of the relative contribution of each of the sectors considered. The information on performance by sector reflects the aggregated gross return of the Fund's securities. Contributions to the Fund's performance by sector (computed as described above) were compared against the contributions to the aggregate return of the stocks comprising the index, by sector, as reported by FactSet Databases. Holdings returns for this commentary are calculated as total returns, which reflect any dividends or income earned during the period. Prior to September 30, 2016, holdings returns were based upon price percentage change.

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The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by Keeley Teton. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Data provided for performance attribution are estimates based on unaudited portfolio results. Performance contributors and detractors were not realized gains or losses for the Fund during the quarter. Market performance presented solely for informational purposes. The S&P 500 Index is designed to act as a barometer for the overall U.S. stock market. The index is unmanaged, consisting of 500 stocks that are chosen on the basis of market size, liquidity, and industry grouping. The S&P 500 is a market value weighted index with each stock's weight in the index proportionate to its market value. The Russell 2000® Value Index is an unmanaged index that measures the performance of the small-cap value segment of the U.S. equity universe and includes those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2000® Index is an unmanaged index that measures the performance of the smallest 2,000 companies by market capitalization of the Russell 3000® Index. The Russell 2500® Value Index is an unmanaged index that measures the performance of the small to mid-cap value segment of the U.S. equity universe and includes those Russell 2500 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2500® Index is an unmanaged index that measures the performance of the 2,500 smallest companies by market capitalization of the Russell 3000® Index. The Russell Midcap® Value Index is an unmanaged index that measures the performance of the mid-cap value segment of the U.S. equity universe and includes those Russell Midcap companies with lower price-to-book ratios and lower forecasted growth values. The Russell Midcap® Index is an unmanaged index that measures the performance of the 800 smallest companies by market capitalization of the Russell 1000® Index. The Russell 1000® Index is an unmanaged index that measures the performance of the 1,000 largest companies by market capitalization of the Russell 3000® Index. The Russell 3000® Value Index is an unmanaged index that measures the performance of the broad value segment of the U.S. equity universe and includes those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 3000® Index is an unmanaged index that measures the performance of the 3,000 largest U.S. companies by market capitalization. The Barclays U.S. Aggregate Bond Index is a broad-based benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS, and CMBS. These Index figures do not reflect any deduction for fees, expenses or taxes, and are not available for direct investment. Securities in the Fund may not match those in the indexes and performance of the Fund will differ. The KEELEY Small-Mid Cap Value Fund, KEELEY Small Cap Dividend Value Fund and KEELEY Mid Cap Dividend Value Fund are distributed by G.distributors, LLC.

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