KEELEY Funds

Small Cap Dividend Value Fund

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 6/30/22. 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 December 1, 2009.**

Risks: Smaller and medium-sized company stocks are more volatile and less liquid than larger, more established company securities. Dividend paying investments may not experience the same price appreciation as non-dividend paying investments. Portfolio companies may choose not to pay a dividend or it may be less than anticipated.

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.

To Our Shareholders,

For the quarter ended June 30, 2022, the Keeley Small Cap Dividend Value Fund's net asset value ("NAV") per Class A share fell 12.5% compared with a 15.3% decline in the Russell 2000 Value Index. For the year-to-date, the Fund has declined 13.5%, outperforming the 17.3% drop in the benchmark by 3.8%.

Commentary

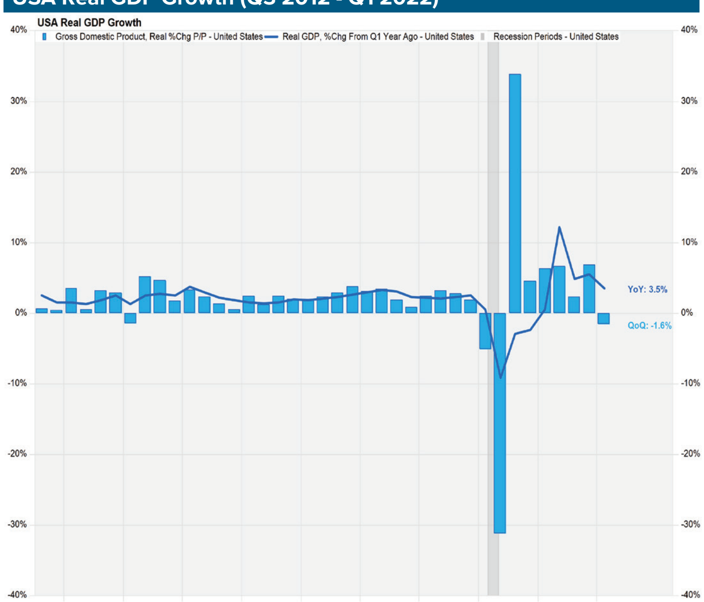
By now, everyone has seen the comment that the stock market experienced its worst first half of the year since 1970 with the S&P 500 losing 20%. Unfortunately, it had a lot of company. Bonds, as measured by the Bloomberg US Aggregate, were down nearly 12%. Investors using the "standard" 60%/40% allocation suffered their worst six months since at least 1975. And the declines were not limited to financial assets. Gold, which one would have thought would do well considering the level of inflation, was down about 1%. Losses in non-precious metals were steeper. Agricultural commodities rose during the first half, but most fell sharply in the second quarter. Even that non-correlated, inflation-hedge bitcoin fell. (We hope it is clear we are kidding about the non-correlated inflation-hedge characterization. And it was down more than 60%!) About the only things to rise in the quarter were fossil fuels and the dollar.

Market Performance

As of June 30, 2022	3 Months	YTD	1-Year
S&P 500 Index	-16.1%	-20.0%	-10.6%
Russell 3000 Value Index	-12.4%	-13.1%	-7.5%
Russell 3000 Index	-16.7%	-21.1%	-13.9%
Russell 2500 Value Index	-15.4%	-16.7%	-13.2%
Russell Midcap Value Index	-14.7%	-16.2%	-10.0%
Russell 2000 Index	-17.2%	-23.4%	-25.5%
Russell 2000 Value Index	-15.3%	-17.3%	-16.3%
Bloomberg Barclays Agg. Bond Index	-4.7%	-10.3%	-10.3%

Source: eVestment.

USA Real GDP Growth (Q3 2012 - Q1 2022)



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

It is not hard to trace the source of investor concerns. The inflationary pressures that have been building for the last couple of years finally showed up in the price indexes. At this time last year, inflation rates of around five percent were being dismissed as transitory. With the pace having picked up to over eight percent this year, the Fed is taking aggressive action to bring price inflation under control. It has already lifted its target rate three times this year, to 1.50%-1.75% from 0.00%-0.25% at the beginning of the year and has signaled that more is to come so that we may end up at 3.25%-3.50% by year-end.

This presents several problems for

investors. For bond investors, it is a clear negative as prices are inversely related to interest rates. With rates as low as they were, the change had a far bigger impact than any had experienced in a long time. For stock investors, higher rates create two headwinds. First, interest rates are one input into the multiple one is willing to pay for a company's earnings and cash flow. Higher rates should translate into lower multiples. This is particularly the case for companies with more distant earnings streams and is probably why growth stocks and stock prices of unprofitable companies have fared so poorly this year.

The second problem comes from the fact that the Fed has begun to take steps to cool the economy at a time when evidence has mounted that growth is already starting to slow. First quarter GDP growth was negative and the Atlanta Fed's GDPNow index forecasts negative two percent growth in the second quarter. Full-year consensus estimates for real GDP growth have declined to 2.5% from 3.4% at the beginning of the year.
Until recently, falling expectations for real GDP growth had not impacted consensus earnings forecasts as they rose steadily through the first six months. The forward P/E multiple on the S&P 500 has fallen from 21.5x at the beginning of the year to 15.9x at the end of the second quarter. This is close to the average it has traded at since 1999. Multiples for other indexes look relatively more attractive. The Russell 2000, for example, trades at 16.9x, down from 23.5x at the beginning of the year and well below its average since 1999 of 20.6x. The Russell 2000 Value has fallen from 16.0x, which is its long-term average, to 13.4x. As a result of these moves, we would say that the S&P 500 have become more attractive from a valuation standpoint, but smaller companies and value stocks remain more attractive.

The good thing about severe drops in the market like what we have seen over the first six months of the year is that they are unusual. The S&P 500's first half decline of 20% is not only the worst first half for the index since 1970, but also in the bottom two percent of rolling six month returns for it over that period. There are only nine six-month periods since 1970 where the S&P 500 fell more than 20%.

The other positive about this kind of drop is that it has historically presented a good buying opportunity. In eight of the nine previous 20%+ six-month declines, the index was up over the next six months, and it was up in all nine one year later. The average returns were 17% and 32% in the next six and twelve months. Of note, six of the nine observations happened between October 2008 and March 2009. If you had bought after the October datapoint, you would have seen a further 25%-30% decline, before the recovery started in March 2009. Also, of particular interest to us is that small caps generally outperformed during these recoveries.

If we exclude the COVID-induced March 2020 market correction and look at the two big bear markets since 2000, we note significant differences. In 2000-2003, we saw a relatively modest decline in profits combined with a very large decline in valuations. In 2008-2009, we saw a smaller decline in valuations combined with a very large decline in earnings. Neither earnings nor valuations look so stretched as to set up for a large decline. Furthermore, much of the decline we might expect in multiples may have happened already.

We also understand that high inflation, rising rates, war in Europe, and a pending election in the US all create uncertainty. A decline in stock prices generally reduces the risk of the asset class so we come away from the first half cautiously optimistic about what the second half will bring for the markets.

Portfolio Results

We are pleased to report that the Fund delivered another quarter of outperformance relative to its benchmark, the Russell 2000 Value index. This is the fourth quarter in a row of outperformance and came in a particularly challenging environment for the overall market. As we have mentioned before, the Fund's strategy of investing in dividend-paying small-cap stocks should allow it to outperform in difficult markets but it is nice when the reality lines up with the intention. Dividend-paying small-cap stocks outperformed those which do not pay dividends in the quarter. That was a significant factor in the Fund's relative performance.

When we also break down relative performance into Sector Allocation and Stock Selection, we see that both factors contributed to the better relative performance. Within Sector Allocation, performance was helped by slight overweights in Financials and Utilities and slight underweights in Communications Services, Health Care, and Technology. Stock Selection was the bigger contributor to the good relative performance. The Fund's holdings performed better than those in the index in seven of eleven sectors with the largest benefits in Industrials, Health Care, and Technology. The Financial sector was the only one where the Fund's holdings lagged in a meaningful way.

- While Industrial stocks performed worse than the overall index, the Fund's holdings in the sector held up better than those in the index and better than the benchmark overall. Much of the outperformance can be attributed to a strong gain in the shares of Griffon Corporation (discussed later), but shares of ABM, Argan, and Primoris declined much less than the overall market. Others, such as Spirit Aerospace, Maxar, and GrafTech, performed worse as earnings expectations declined slightly.

- The lack of ownership of biotechnology stocks helped the Fund's relative performance in the Health Care sector a little this quarter, but the bigger driver of outperformance was what the Fund owned. Perrigo rose during the quarter, while the sector was down at a double-digits clip. In addition, longtime holding Chemed fell much less than the market and the sector.

- The Technology sector was one of the worst performing sectors in the second quarter. Against this backdrop, the Fund's holdings in the sector did much better than average. The Fund held only three Technology stocks in the quarter, but all three did better than the overall sector and two of the three were down single-digit percentages compared with 15% for the benchmark.

- The Fund's holdings in the Consumer Discretionary sector produced mixed results, but in aggregate they did not decline as much as the sector within the benchmark. Penske Automotive produced a positive return and is discussed later in this report. One other stock appreciated and one other declined only a little. Partly offsetting this were steep drops in Culp, Aaron's, and Marriott Vacations Worldwide.

- The Communication Services sector was the worst-performing one in the benchmark during the second quarter. It is a small sector, and the Fund holds only one stock, Nexstar Media. While it was down in the quarter, it fared far better than the 31% decline for the sector as a whole.

- Surprisingly, Financials were the third-best performing sector during the quarter, trailing only Utilities and Consumer Staples. The Fund's Financials holdings slightly lagged the sector. This was mostly due to weakness in markets-oriented companies such as Virtu Financial (discussed later) and BrightSphere Investment Group. This was a bit of a reversal from last quarter when strength in capital markets stocks drove better than benchmark performance in Financials.

During the quarter, we added three new positions to the Fund and sold five holdings.

Let's Talk Stocks

The top three contributors in the quarter were:

Griffon Corporation (GFF - $28.03- NYSE) has leading brands in consumer home and garden tools, closet organization, and garage doors. A confluence of positive development drove sharp price appreciation in the quarter. First, the company reported an excellent quarter with better-than-expected earnings driven by continued strength in the Home and Building Products segment (garage doors) and the acquisition of Hunter Fan. Overall, sales growth in the quarter was impressive at 36%. Later in the quarter, management announced the completion of the sale of Telephonics to TTM Technologies for $330 million in cash and true to management's word used a portion of the proceeds to reduce debt by $300 million. Finally, the company also announced a $2-per-share special dividend.

Penske Automotive Group (PAG - $104.69 - NYSE) owns and operates new and used car dealerships, as well as leasing and selling commercial trucks. During the second quarter, Penske posted blowout quarterly earnings with sizable beats on the top and bottom lines. Penske has a very balanced business model, and even as margins on the sales of new and used automobiles slightly declined sequentially, other parts of the business — such as parts and distribution and truck sales — helped bolster profits. Also, significant demand for autos with little supply has enabled Penske to continue generating high gross profit per vehicle. With a relatively high exposure to luxury auto brands, Penske may be a little more defensive in a recessionary environment. Finally, the company has shown itself to be an aggressive buyer of its shares, thus providing meaningful support.

International Seaways (INSW - $21.20 – NYSE) is a shipping company focused on crude and product tankers worldwide. International Seaways started to see a positive inflection point in crude shipping rates which should continue to drive improved fundamentals. The company continues to be active on managing its ship portfolio selling one Handy vessel for $24 million and recycling two older Panamax vessels. Early in the quarter, International Seaways disclosed that billionaire John Fredriksen's investment vehicle Famatown Finance accumulated a 16% stake, which sparked speculation. Additionally, the company announced a 50% increase to the dividend, which is the first increase to the dividend since the 2020 initiation.

The three largest detractors in the quarter were:

OUTFRONT Media (OUT - $16.95 – NYSE) is a real estate investment trust (REIT) that is one of the leading providers of advertising space on out-of-home structures in the form of billboards and transit displays. OUTFRONT continues to report improving performance as billboard and transit advertising rebound from COVID constraints and its business shifts from static to digital displays. The quarter was quite impressive with sales growth of 44%. Despite the strong quarter, OUTFRONT was one of our worst performers, declining almost 40%. The reason for this decline is a fear of a potential collapse in advertising spending and negative impacts from a potential recession that intensified after Snap Inc.'s (SNAP) surprise disclosure that revenue and profit will be lower than expected.

Virtu Financial (VIRT - $23.41 - NASDAQ) is one of the largest independent market-makers in stocks, bonds, and commodities. Virtu reported a slightly better than consensus quarter, but earnings declined from a year-ago as the company was up against difficult comparisons due to strong market trading volumes partly driven by the meme stock craze last year. Further weighing on shares was the announcement by the SEC to review the current industry practice of Payment for Order Flow and the resulting uncertainty about the potential impact to Virtu's business. On the positive side, the company has been aggressive in repurchasing stock, retiring about 9% of shares outstanding over the past five quarters.

Cactus, Inc. (WHD - $40.27— NYSE) is the leading manufacturer of wellheads for land-based oil & gas wells and a provider of rental tools to oil & gas customers. The company reported better than expected first quarter earnings but saw some insider selling by members of the executive team in mid-June which put pressure on the stock. The Bender family, which founded and operates the company, still retains a significant stake in the company. Elevated commodity prices are already translating to more completion activity by privately owned exploration & production customers of Cactus which should yield improving sales and earnings heading into 2023.

Conclusion

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

July 12, 2022

Second Quarter 2022 Commentary

Small Cap Dividend Value Fund

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 1.29% for Class A Shares and 1.04% 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 6/30/2022)

	KSDVX No Load	KSDVX Load	Russell 2000 Value
1 Year	-10.17%	-14.20%	-16.28%
5 Year	4.12%	3.17%	4.89%
10 Year	7.76%	7.27%	9.05%
Since Inception**	9.62%	9.22%	9.85%
Expense Ratio (Gross)**		1.60%	
Waiver/Expense Reimbursement**		-0.18%	
Expense Ratio (Net)**		1.42%	

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)
June 30, 2022

Name	Weight (%)	Name	Weight (%)
South Jersey Industries, Inc.	2.30%	Perrigo Co. Plc	1.91%
Griffon Corporation	2.29%	Atlantica Sustainable Infrastructure plc	1.91%
Ensign Group, Inc.	2.08%	Nexstar Media Group, Inc. Class A	1.90%
Independent Bank Group, Inc.	2.08%	Hillenbrand, Inc.	1.88%
Oasis Petroleum Inc.	1.92%	Primoris Services Corporation	1.77%

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.

Small Cap Dividend Value Fund

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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. The S&P SmallCap 600® measures the small-cap segment of the U.S. equity market and is unmanaged. The index is designed to track companies that meet specific inclusion criteria to confirm that they are liquid and financially viable. The S&P MidCap 400® provides investors with a benchmark for mid-sized companies. The index, which is distinct from the large-cap S&P 500®, measures the performance of mid-sized companies reflecting the distinctive risk and return characteristics of this market segment. 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. 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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