

**AEGIS Value Fund  
Class A (AVFAX)  
Class I (AVALX)**

**ANNUAL REPORT  
December 31, 2018**

**Beginning on January 1, 2021, as permitted by regulations adopted by the U.S. Securities and Exchange Commission, paper copies of the Fund's shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports from the Fund (or from your financial intermediary, such as a broker-dealer or bank). Instead, the reports will be made available on the Fund's website ([www.aegisfunds.com](http://www.aegisfunds.com)), and you will be notified by mail each time a report is posted and provided with a website link to access the report.**

**If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Fund (or your financial intermediary) electronically by contacting your financial intermediary or, if you are a direct investor, by calling 1-800-528-3780.**

**You may elect to receive all future reports in paper free of charge. You can inform the Fund (or your financial intermediary) that you wish to continue receiving paper copies of your shareholder reports by contacting your financial intermediary or, if you are a direct investor, by calling 1-800-528-3780.**

Shareholders' Letter  
(Unaudited)

February 12, 2019

To the Shareholders of the Aegis Funds:

We are pleased to present the Aegis Value Fund's Annual Report for the year ended December 31, 2018.

**If at any time you would like further information about the Fund, please go to our website at [www.aegisfunds.com](http://www.aegisfunds.com) for a more detailed look at our market commentary and the Fund's performance record.** We will briefly review the objective and strategy of the Fund.

*The Aegis Value Fund seeks to achieve long-term, capital appreciation. Our strategy is to invest in a well-researched portfolio of small-cap equities trading at a fraction of their intrinsic worth. We believe the equity markets are often inefficient, and we employ a contrarian, company-focused approach, selecting each stock individually on its own merit. We purchase shares in companies when we judge share prices to be significantly undervalued relative to our assessment of fundamental value, focusing on stocks trading at low price-to-book or price-to-future cash flow ratios, segments of the market where we believe academic research shows historical returns have significantly outpaced the overall market. We often invest in companies when they are misunderstood, out of favor, or neglected, and generally hold these companies until share prices reach our estimate of intrinsic value.*

## Performance

	<u>Annualized</u>						
	<u>Three Month</u>	<u>One Year</u>	<u>Three Year</u>	<u>Five Year</u>	<u>Ten Year</u>	<u>Since I Share Inception</u>	<u>Since A Share Inception</u>
Aegis Value Fund Cl. I . . . . .	-16.39%	-17.02%	18.49%	-1.29%	14.20%	8.82%	N/A
Aegis Value Fund Cl. A at NAV . . . . .	-16.43%	-17.20%	18.24%	N/A	N/A	N/A	-1.55%
Aegis Value Fund Cl. A W/Load . . . . .	-19.55%	-20.30%	16.73%	N/A	N/A	N/A	-2.33%
Russell 2000 Value Index . . . . .	-18.67%	-12.86%	7.37%	3.61%	10.40%	7.25%	3.77%
Russell 2000 Index . . . . .	-20.20%	-11.01%	7.36%	4.41%	11.97%	6.62%	4.20%
S&P 500 Index . . . . .	-13.52%	-4.38%	9.26%	8.49%	13.12%	6.02%	8.74%

*Performance data quoted represents past performance. Past performance does not guarantee future results. 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 may be lower or higher than the performance data quoted. Please call 800-528-3780 to obtain performance data current to the most recent month-end. The Aegis Value Fund Class I and Class A have an annualized gross expense ratio of 1.53% and 1.70%, respectively per the Fund's most recent Prospectus. The Aegis Value Fund Class I and Class A's net annualized expense ratio, after fee waivers, is 1.50%, and 1.75%, respectively. Please refer to the Fund's most recent financial highlights table in this Annual Report, which contains a more recent net expense ratio. Under the waiver, the Advisor has contractually agreed to limit certain fees and/or reimburse certain of the Fund's expenses through April 30, 2019. Performance data for the AVFAX shares reflect the Class A maximum sales charge of 3.75%. Performance data shown for the Class A-at NAV does not reflect the maximum sales charge. If reflected, total return would be reduced.*

<u>Aegis Value Fund</u>	<u>Class I</u>	<u>Class A</u>
Net Assets . . . . .	\$97.7 Million	\$0.6 Million
NAV / Share . . . . .	\$15.44	\$15.29
Net Expense Ratio* . . . . .	1.50%	1.75%
Management Fee . . . . .	1.20%	1.20%
Distribution Fee (12b-1) . . . . .	None	0.25%
Redemption Fee . . . . .	None	None
Income & capital gain distributions per share . . . . .	None	None

\* As reported in the Fund's Prospectus dated April 30, 2018.

From inception of the Aegis Value Fund's Class I shares on May 15, 1998 through December 31, 2018, the Fund Class I shares have posted a cumulative gain of 471.88%, compared to a cumulative gain of 323.97% in our primary small-cap benchmark, the Russell 2000 Value Index. During the same period, the Russell 2000 Index of small-cap stocks posted a cumulative gain of 275.42%, and the S&P 500 Index of large cap stocks posted a cumulative gain of 233.96%.

From inception of the Aegis Value Fund's Class A shares on February 26, 2014 through December 31, 2018, the Fund Class A shares have posted a cumulative loss of 7.31% at net asset value, compared to a cumulative gain of 19.61% in our primary small-cap benchmark, the Russell 2000 Value Index. During the same period, the Russell 2000 Index of small-cap stocks posted a cumulative gain of 22.02%, and the S&P 500 Index of large cap stocks posted a cumulative gain of 50.08%.

For the twelve-month period ending December 31, 2018, the Fund Class I shares declined 16.98%, underperforming the Russell 2000 Value Index, which decreased 12.86%. The Russell 2000 Index lost 11.01% while the S&P 500 declined 4.38% over the same period. Fund performance was most positively impacted by its position in tobacco leaf processor Pyxus Intl. (formerly Alliance One Intl.), which contributed just over 11 percentage points to Fund returns. Lumber producer Conifex Timber was the Fund's largest detractor from performance during 2018, negatively impacting returns by 2.8 percentage points. Declines in precious metals mining companies as a group were a significant headwind in 2018, impacting Fund returns by approximately nine percentage points, with drops in Alio Gold and Leagold Mining together responsible for nearly half of the precious metals impact. The Fund's energy investments also suffered declines in 2018, particularly during the difficult fourth quarter. Energy investments overall shaved Fund returns by 6.3 percentage points during 2018, driven by drops in Source Energy, Highpoint Resources and Sundance Energy, which together depressed Fund returns by five percentage points. Telecommunications provider Alaska Communications Systems Group was also a notable detractor, erasing 2.4 percentage points from Fund performance during the year. Management continues to remain confident that most of these holdings remain significantly undervalued and generally expects significant recovery in value over time.

**A more in-depth review of the Fund's performance, outlook and general market commentary can be found in the second half 2018 Manager's Letter.** For those of you who do not automatically receive our quarterly manager's letters in the mail from your broker, they are available on our website at [www.aegisfunds.com/library](http://www.aegisfunds.com/library) or by calling us at 800-528-3780. However, please be aware that these manager's letters are not a part of the SEC-mandated Annual Report contained in this booklet. We thank you for your continued interest.

### **Aegis Financial Corporation**

Scott L. Barbee, CFA  
*Portfolio Manager*

Must be preceded or accompanied by Prospectus.

Opinions expressed are subject to change at any time, are not guaranteed and should not be considered investment advice.

Any recommendation made in this report may not be suitable for all investors. This presentation does not constitute a solicitation or offer to purchase or sell any securities.

**Mutual fund investing involves risk. Principal loss is possible. Investments in foreign securities involve greater volatility and political, economic and currency risks and differences in accounting methods. Investments in small and mid-cap companies involve additional risks such as limited liquidity and greater volatility. Investment concentration in a particular sector involves risk of greater volatility and principal loss. Value stocks may fall out of favor with investors and underperform growth stocks during given periods.**

**Russell 2000 Value Index:** A market-capitalization weighted equity index maintained by the Russell Investment Group and based on the Russell 2000 Index, which measures how U.S. stocks in the equity value segment perform.

**Russell 2000 Index:** An index of approximately 2000 of the smallest securities based on a combination of their market cap and current index membership, which measures the performance of the small-cap segment of the U.S. equity universe.

**S&P 500 Index:** An index of 500 stocks chosen for market size, liquidity and industry grouping, among other factors. The S&P 500 is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe. One cannot invest directly in an index.

**Price-to-Book:** A ratio used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share.

**Price-to-Future Cash Flow:** A measure of the market's expectations of a firm's future financial health. Because this measure deals with cash flow, the effects of depreciation and other non-cash factors are removed.

An investment cannot be made directly in an index.

*Fund holdings, sector allocations, and geographic allocations are subject to change and are not a recommendation to buy or sell any security. Please see the schedule of portfolio investments provided in this report for the complete listing of Fund holdings.*

**Fund Distributor: Quasar Distributors, LLC. Quasar Distributors, LLC is affiliated with U.S. Bancorp Fund Services, LLC.**

**About Your Fund's Expenses**  
**December 31, 2018**  
**(Unaudited)**

**Important Note**

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase payments and CDSC redemption fees, and (2) ongoing costs, including advisory fees, distribution (12b-1) fees (Class A only) and other Fund expenses. If you purchase Class A shares of the Fund you will pay an initial sales charge of 3.75% when you invest. Class I shares of the Fund charge no sales load.

This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period, July 1, 2018 – December 31, 2018, for the Aegis Value Fund Class I and Class A.

**Actual expenses**

The table below provides information about actual account values and actual expenses.

**Hypothetical example for comparison purposes**

The below table also provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only, and do not reflect any transactional cost, such as sales charges (loads), or redemption fees (if applicable). Therefore, the hypothetical section of the tables is useful in comparing ongoing cost only, and will not help you determine the relative total cost of owning different funds. In addition, if these transactional costs were included, your cost would have been higher.

	Actual			Hypothetical (5% annual return before expenses)	
	Beginning Account Value 7/1/18	Ending Account Value <sup>(1)</sup> 12/31/18	Expenses Paid During Period	Ending Account Value 12/31/18	Expenses Paid During Period
Aegis Value Fund – Class A . . . .	\$1,000.00	\$ 791.20	\$7.90 <sup>(2)</sup>	\$1,016.38	\$8.89 <sup>(2)</sup>
Aegis Value Fund – Class I . . . .	\$1,000.00	\$ 791.90	\$6.77 <sup>(3)</sup>	\$1,017.64	\$7.63 <sup>(3)</sup>

<sup>(1)</sup> The actual ending account value is based on the actual total return of the Fund for the period July 1, 2018 to December 31, 2018 after actual expenses and will differ from the hypothetical ending account value which is based on the Fund's actual expense ratio and a hypothetical annual return of 5% before expenses.

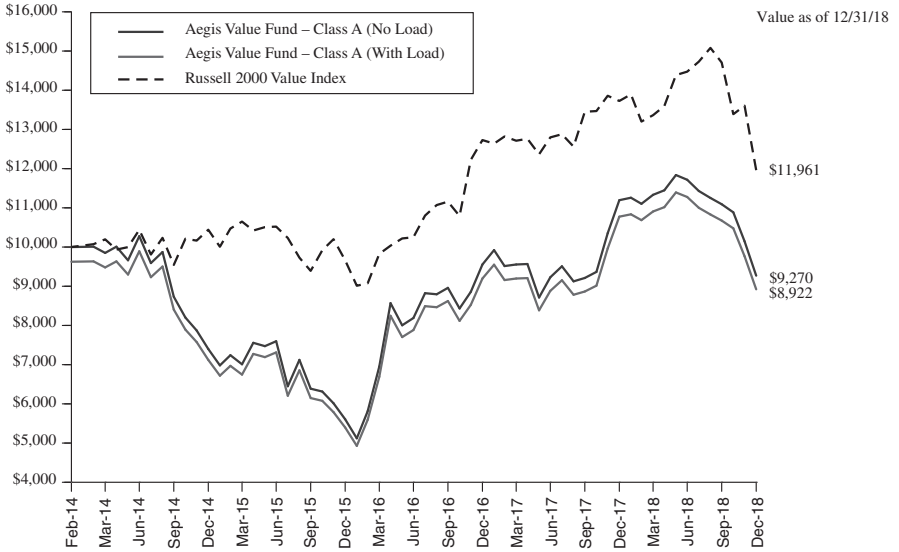
<sup>(2)</sup> Expenses are equal to the Fund's annualized expense ratio (1.75%) multiplied by the average account value over the period, multiplied by 184/365 (to reflect the period between 7/1/2018 – 12/31/2018).

<sup>(3)</sup> Expenses are equal to the Fund's annualized expense ratio (1.50%) multiplied by the average account value over the period, multiplied by 184/365 (to reflect the period between 7/1/2018 – 12/31/2018).

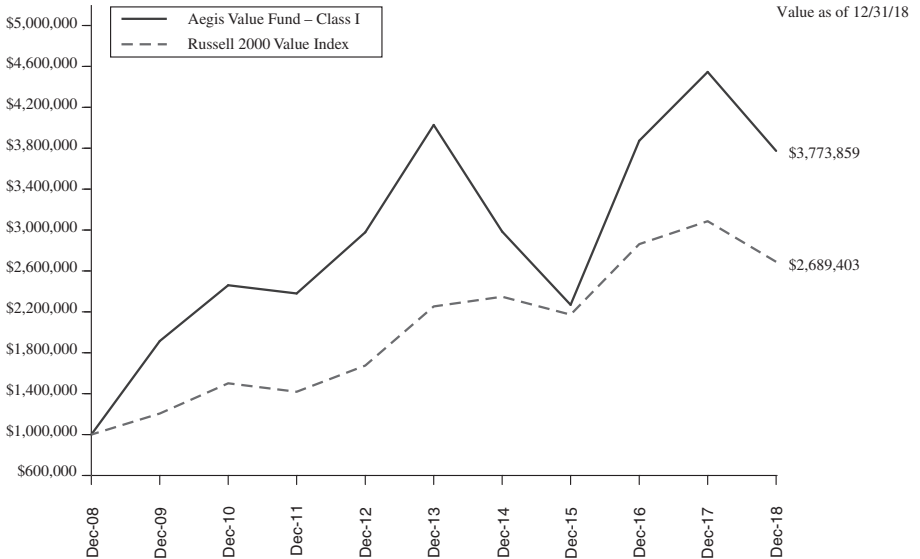
Please see performance data disclosure on page 2.

## Key Statistics (Unaudited)

### Result of a \$10,000 Investment in Aegis Value Fund – Class A (assumes investment made on February 26, 2014)



### Result of a \$1,000,000 Investment in Aegis Value Fund – Class I (assumes investment made on December 31, 2008)



**Aegis Value Fund**  
**Portfolio Characteristics**  
**December 31, 2018**  
**(Unaudited)**

**Industry Breakdown**

		<b>% of the Fund's Net Assets</b>
<b>Common Stocks</b> . . . . .		95.5%
Communication Services . . . . .		3.9%
Diversified Telecommunication Services . . . . .	3.9%	
Consumer Discretionary . . . . .		7.6%
Auto Components . . . . .	0.1%	
Hotels, Restaurants & Leisure . . . . .	0.1%	
Household Durables . . . . .	2.7%	
Textiles, Apparel & Luxury Goods . . . . .	4.7%	
Consumer Staples . . . . .		2.0%
Tobacco . . . . .	2.0%	
Energy . . . . .		17.9%
Energy Equipment & Services . . . . .	9.6%	
Oil, Gas & Consumable Fuels . . . . .	8.3%	
Financials . . . . .		4.8%
Banks . . . . .	2.2%	
Insurance . . . . .	2.6%	
Industrials . . . . .		8.3%
Trading Companies & Distributors . . . . .	8.3%	
Materials . . . . .		51.0%
Metals & Mining		
Diversified Metals & Mining . . . . .	9.7%	
Gold, Silver & Precious Metals & Minerals . . . . .	23.1%	
Mining Services . . . . .	4.1%	
Paper & Forest Products . . . . .	14.1%	
Real Estate . . . . .		0.0%
Real Estate Management & Development . . . . .	0.0%	
<b>Warrants</b> . . . . .		0.4%
Materials . . . . .		0.4%
Metals & Mining		
Gold, Silver & Precious Metals & Minerals . . . . .	0.4%	
<b>Other Assets in Excess of Liabilities</b> . . . . .		4.1%
<b>Total Net Assets</b> . . . . .		100.0%

**Aegis Value Fund**  
**Schedule of Portfolio Investments**  
**December 31, 2018**

	Country	Shares	Value
<b>Common Stocks – 95.5%</b>			
<b>Communication Services – 3.9%</b>			
<b>Diversified Telecommunication Services – 3.9%</b>			
Alaska Communications Systems Group, Inc. <sup>(1)</sup> . . . . .		2,632,961	\$ 3,791,464
<b>Consumer Discretionary – 7.6%</b>			
<b>Auto Components – 0.1%</b>			
Sypris Solutions, Inc. <sup>(1)</sup> . . . . .		142,352	111,035
<b>Hotels, Restaurants &amp; Leisure – 0.1%</b>			
Luby’s, Inc. <sup>(1)</sup> . . . . .		116,431	139,717
<b>Household Durables – 2.7%</b>			
Natuzzi S.p.A. – SP ADR <sup>(1)(2)</sup> . . . . .		54,922	43,388
Taylor Morrison Home Corp. – Class A <sup>(1)</sup> . . . . .		162,170	2,578,503
			2,621,891
<b>Textiles, Apparel &amp; Luxury Goods – 4.7%</b>			
Delta Apparel, Inc. <sup>(1)</sup> . . . . .		270,454	4,659,923
Total Consumer Discretionary . . . . .			7,532,566
<b>Consumer Staples – 2.0%</b>			
<b>Tobacco – 2.0%</b>			
Pyxus International, Inc. <sup>(1)</sup> . . . . .		164,828	1,954,860
<b>Energy – 17.9%</b>			
<b>Energy Equipment &amp; Services – 9.6%</b>			
AKITA Drilling Ltd. – Class A . . . . .	CAD	114,509	341,380
Aveda Transportation & Energy Services Inc. <sup>(1)(4)(6)(7)</sup> . . . . .	CAD	1,798,280	184,412
Deep Down, Inc. <sup>(1)(3)</sup> . . . . .		766,584	647,763
Mitcham Industries, Inc. <sup>(1)</sup> . . . . .		598,234	1,531,479
Source Energy Services Ltd. <sup>(1)</sup> . . . . .	CAD	2,436,472	2,302,263
Strad Energy Services Ltd. <sup>(1)(3)</sup> . . . . .	CAD	4,828,217	4,456,163
			9,463,460
<b>Oil, Gas &amp; Consumable Fuels – 8.3%</b>			
Ardmore Shipping Corp <sup>(1)(2)</sup> . . . . .		149,640	698,819
HighPoint Resources Corp. <sup>(1)</sup> . . . . .		1,439,266	3,583,772

The accompanying notes are an integral part of these financial statements.



**Aegis Value Fund**  
**Schedule of Portfolio Investments**  
**December 31, 2018**

	<u>Country</u>	<u>Shares</u>	<u>Value</u>
<b>Oil, Gas &amp; Consumable</b>			
<b>Fuels – 8.3% (Continued)</b>			
Sundance Energy Australia Ltd. <sup>(1)(5)</sup> . . . .	AUD	15,454,793	<u>\$ 3,898,069</u>
			<u>8,180,660</u>
Total Energy . . . . .			<u>17,644,120</u>
<b>Financials – 4.8%</b>			
<b>Banks – 2.2%</b>			
Bank of Cyprus Holdings PLC <sup>(1)</sup> . . . . .	EUR	1,225,299	<u>2,152,160</u>
<b>Insurance – 2.6%</b>			
Conifer Holdings, Inc. <sup>(1)(3)</sup> . . . . .		743,041	<u>2,600,643</u>
Total Financials . . . . .			<u>4,752,803</u>
<b>Industrials – 8.3%</b>			
<b>Trading Companies &amp; Distributors – 8.3%</b>			
AerCap Holdings NV <sup>(1)(2)</sup> . . . . .		67,719	2,681,672
Fly Leasing Ltd. – ADR <sup>(1)(2)</sup> . . . . .		518,271	<u>5,472,942</u>
Total Industrials . . . . .			<u>8,154,614</u>
<b>Materials – 51.0%</b>			
<b>Metals &amp; Mining – 36.9%</b>			
<b>Diversified Metals &amp; Mining – 9.7%</b>			
Amerigo Resources Ltd. <sup>(1)(3)</sup> . . . . .	CAD	10,956,374	7,142,670
Solitario Zinc Corp. <sup>(1)</sup> . . . . .		620,433	144,127
Trevali Mining Corp. <sup>(1)</sup> . . . . .	CAD	7,391,317	<u>2,246,848</u>
			<u>9,533,645</u>
<b>Gold, Silver &amp; Precious</b>			
<b>Metals &amp; Minerals – 23.1%</b>			
Alio Gold Inc. <sup>(1)</sup> . . . . .	CAD	2,488,507	2,096,237
Continental Gold, Inc. <sup>(1)</sup> . . . . .	CAD	1,258,033	2,073,377
Dundee Precious Metals Inc. <sup>(1)(8)</sup> . . . . .	CAD	2,062,765	5,439,462
GoldQuest Mining Corp. <sup>(1)</sup> . . . . .	CAD	2,849,300	219,145
Guyana Goldfields, Inc. <sup>(1)</sup> . . . . .	CAD	2,351,235	2,755,623
Leagold Mining Corp. <sup>(1)(8)</sup> . . . . .	CAD	3,254,030	4,123,551
Lion One Metals Ltd. <sup>(1)</sup> . . . . .	CAD	3,098,822	919,296
Minera Alamos Inc. <sup>(1)</sup> . . . . .	CAD	5,857,889	386,178
Orezone Gold Corp. <sup>(1)</sup> . . . . .	CAD	2,467,206	1,030,111

The accompanying notes are an integral part of these financial statements.

**Aegis Value Fund**  
**Schedule of Portfolio Investments**  
**December 31, 2018**

	Country	Shares	Value
<b>Gold, Silver &amp; Precious</b>			
<b>Metals &amp; Minerals – 23.1% (Continued)</b>			
Perseus Mining Ltd. <sup>(1)</sup> .....	CAD	5,780,054	\$ 1,693,540
SilverCrest Metals, Inc. <sup>(1)(8)</sup> .....	CAD	350,000	1,022,927
Superior Gold, Inc. <sup>(1)</sup> .....	CAD	1,605,369	987,775
			<u>22,747,222</u>
<b>Mining Services – 4.1%</b>			
Geodrill Ltd. <sup>(1)(3)</sup> .....	CAD	3,841,782	3,995,993
Total Metals & Mining .....			<u>36,276,860</u>
<b>Paper &amp; Forest Products – 14.1%</b>			
Conifex Timber, Inc. <sup>(1)</sup> .....	CAD	1,449,913	1,816,108
Interfor Corp. <sup>(1)</sup> .....	CAD	247,603	2,615,320
Mercer International, Inc. ....		357,208	3,729,252
Resolute Forest Products, Inc. ....		407,700	3,233,061
Western Forest Products, Inc. ....	CAD	1,773,380	2,455,090
Total Paper & Forest Products .....			<u>13,848,831</u>
Total Materials .....			<u>50,125,691</u>
<b>Real Estate – 0.0%</b>			
<b>Real Estate Management &amp; Development – 0.0%</b>			
Public Service Properties			
Investments Ltd. <sup>(1)(4)(6)(7)</sup> .....	GBP	5,582	27,890
<b>Total Common Stocks (Cost \$120,770,460) ..</b>			<b><u>93,984,008</u></b>
<b>Warrants – 0.4%</b>			
<b>Materials – 0.4%</b>			
<b>Metals &amp; Mining – 0.4%</b>			
<b>Gold, Silver &amp; Precious Metals &amp; Minerals – 0.4%</b>			
Alio Gold / Rye Patch Gold Corp., Exercise Price: \$3.44, 01/31/2020 (Acquired 01/18/2018; Cost \$0) <sup>(4)(6)(7)(8)</sup>	CAD	240,000	3,868
Leagold Mining Corp., Exercise Price: C\$3.70, 05/24/2020 (Acquired 03/06/2017 – 03/19/2018; Cost \$0) <sup>(4)(6)(7)(8)</sup> .....	CAD	896,725	40,330

The accompanying notes are an integral part of these financial statements.

**Aegis Value Fund**  
**Schedule of Portfolio Investments**  
**December 31, 2018**

	Country	Shares	Value
<b>Gold, Silver &amp; Precious Metals &amp; Minerals – 0.4% (Continued)</b>			
SilverCrest Metals, Inc.,			
Exercise Price: C\$3.00, 12/19/2019			
(Acquired 11/30/2017;			
Cost \$0) <sup>(4)(6)(7)(8)</sup> .....	CAD	175,000	\$ 330,041
<b>Total Warrants (Cost \$0)</b> .....			<b>374,239</b>
<b>Total Investments – 95.9%</b>			
(Cost \$120,770,460) .....			<b>94,358,247</b>
<b>Other Assets in Excess of Liabilities – 4.1%</b> .			<b>4,006,005</b>
<b>Net Assets – 100.0%</b> .....			<b>\$98,364,252</b>

Percentages are stated as a percent of net assets.

- (1) Non-income producing securities.
- (2) Foreign security denominated in U.S. Dollars.
- (3) *Affiliated Company* – The fund is owner of more than 5% of the outstanding voting securities. See Notes to the Financial Statements for additional information on investments in *Affiliated Companies*.
- (4) Security was fair valued in accordance with the policies and procedures approved by the Board of Trustees. At December 31, 2018, the value of these securities total \$586,541 which represents 0.60% of total net assets.
- (5) Level 2 Securities.
- (6) Level 3 Securities. Value determined using significant unobservable inputs.
- (7) Illiquid Security.
- (8) 144A Security.

ADR — American Depositary Receipt

S.p.A. — Limited share company

AUD — Australian Dollar

CAD — Canadian Dollar

EUR — Euro

GBP — British Pound

For purposes of this report, the securities in the portfolio have been organized by their respective GICS code. The Fund does not rely exclusively on GICS Industry classifications for purposes of its industry concentration policy. For example, within the Metals & Mining sector, the Fund utilizes the GICS Sub-Industry classifications, or aggregates thereof as shown above, for purposes of determining compliance with its industry concentration policy. In addition, in cases where a holding has been judged to be misclassified by GICS, or has not been classified by GICS, the Fund uses a Fund-determined GICS framework classification.

The Global Industry Classification Standard (GICS®) was developed by and/or is the exclusive property of MSCI, Inc. and Standard & Poor Financial Services LLC (“S&P”). GICS is a service mark of MSCI and S&P and has been licensed for use by U.S. Bancorp Fund Services, LLC.

The accompanying notes are an integral part of these financial statements.

**Aegis Value Fund**  
**Statement of Assets and Liabilities**  
**December 31, 2018**

**Assets**

Investments in unaffiliated securities, at value (cost \$99,287,192) . . . . .	\$ 75,515,015
Investments in affiliated securities*, at value (cost \$21,483,268) . . . . .	18,843,232
Cash . . . . .	4,403,276
Interest and dividends receivable . . . . .	6,060
Receivable for fund shares sold . . . . .	28,262
Prepaid assets . . . . .	29,499
<b>Total Assets</b> . . . . .	<u>98,825,344</u>

**Liabilities**

Foreign currency payable, at value (cost \$2,656) . . . . .	2,718
Payable for investment securities purchased . . . . .	225,274
Payable for fund shares redeemed . . . . .	104,473
Payable for distribution fees . . . . .	5,889
Payable to investment adviser . . . . .	102,302
Accrued trustee and chief compliance officer fees . . . . .	9,768
Other payables . . . . .	10,668
<b>Total Liabilities</b> . . . . .	<u>461,092</u>

<b>Net Assets</b> . . . . .	<u>\$ 98,364,252</u>
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**Net assets consist of:**

Paid-in capital . . . . .	\$125,172,887
Total distributable earnings (deficit) . . . . .	<u>(26,808,635)</u>

<b>Net Assets</b> . . . . .	<u>\$ 98,364,252</u>
-----------------------------	----------------------

**Class A Shares**

<b>Net Assets</b> . . . . .	<u>\$ 644,089</u>
-----------------------------	-------------------

Authorized (Par value \$0.001 per share) . . . . .	100,000,000
--	-------------

Outstanding Shares . . . . .	<u>42,123</u>
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Net asset value, redemption price per share . . . . .	<u>\$ 15.29</u>
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Maximum offering price per share, after sales load (96.25/100) . . . . .	<u>\$ 15.89**</u>
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**Class I Shares**

<b>Net Assets</b> . . . . .	<u>\$ 97,720,163</u>
-----------------------------	----------------------

Authorized (Par value \$0.001 per share) . . . . .	100,000,000
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Outstanding Shares . . . . .	<u>6,328,123</u>
------------------------------	------------------

Net asset value, redemption price and offering price per share . . . . .	<u>\$ 15.44</u>
--	-----------------

\* Please refer to Note 7 for additional details.

\*\* Reflects a maximum sales charge of 3.75%. A contingent deferred sales charge (CDSC) of 1.00% may be charged on shares redeemed within two years of purchase.

The accompanying notes are an integral part of these financial statements.

**Aegis Value Fund**  
**Statement of Operations**  
**For The Year Ended December 31, 2018**

**Investment Income**

Dividends from unaffiliated companies#	\$ 786,900
Interest income	428,401
<b>Total investment income</b>	<u>1,215,301</u>

**Expenses**

Investment advisory fees (Note 3)	1,574,510
Fund servicing fees	100,358
Transfer agent & custody fees	104,078
Printing and postage fees	15,765
Registration fees	46,765
Director & chief compliance officer fees	33,343
Audit fees	23,446
Insurance fees	25,312
Legal fees	67,564
Distribution fees – Class A (Note 4)	—
Miscellaneous fees	—

<b>Gross Expenses</b>	1,991,141
Expenses waived (Note 3)	(34,060)
Expenses recouped (Note 3)	12,895
<b>Net Expenses</b>	<u>1,969,976</u>
<b>Net Investment Loss</b>	<u>(754,675)</u>

**Realized and unrealized gain (loss) on investments  
and foreign currency transactions:**

Net realized gain (loss) from:

Investments in unaffiliated companies	11,695,224
Investments in affiliated companies (Note 7)	5,366,246
Investments in foreign currency	(19,206)

Net realized gain on investments and foreign currency transactions

17,042,264

Change in unrealized appreciation/depreciation on:

Investments in unaffiliated companies	(39,065,001)
Investments in affiliated companies (Note 7)	1,754,056
Investments in foreign currency	(196)

Net change in unrealized appreciation/depreciation on investments

and foreign currency transactions

(37,311,141)

**Net realized and unrealized loss on investments  
and foreign currency transactions**

(20,268,877)

**Net decrease in net assets resulting from operations**

\$(21,023,552)

# Net of foreign taxes withholding of \$5,604.

The accompanying notes are an integral part of these financial statements.

**Aegis Value Fund**  
**Statements of Changes in Net Assets**

	<u>Year Ended December 31, 2018</u>	<u>Year Ended December 31, 2017</u>
<b>Operations:</b>		
Net investment loss . . . . .	\$ (754,675)	\$ (1,608,317)
Net realized gain on investments and foreign currency transactions . . . . .	17,042,264	5,014,071
Net change in unrealized appreciation/depreciation on investments and foreign currency transactions . . . . .	<u>(37,311,141)</u>	<u>14,602,858</u>
Net increase (decrease) in net assets resulting from operations . . . . .	<u>(21,023,552)</u>	<u>18,008,612</u>
<b>Distributions</b>		
Net dividends and distributions to shareholders – Class A . . . . .	(38,060)	—
Net dividends and distributions to shareholders – Class I . . . . .	<u>(5,816,716)</u>	<u>—</u>
Net decrease in net assets resulting from distributions paid . . . . .	<u>(5,854,776)</u>	<u>—</u>
<b>Capital share transactions</b>		
Subscriptions – Class A . . . . .	556,811	358,306
Subscriptions – Class I . . . . .	29,829,077	11,186,988
Distributions reinvested – Class A . . . . .	33,299	—
Distributions reinvested – Class I . . . . .	4,498,044	—
Redemptions – Class A . . . . .	(339,567)	(4,440,601)
Redemptions – Class I . . . . .	<u>(39,995,283)</u>	<u>(37,883,264)</u>
Net decrease in net assets resulting from capital share transactions . . . . .	<u>(5,417,619)</u>	<u>(30,778,571)</u>
<b>Total Decrease in Net Assets</b> . . . . .	<u>(32,295,947)</u>	<u>(12,769,959)</u>
<b>Net Assets</b>		
Beginning of year . . . . .	<u>130,660,199</u>	<u>143,430,158</u>
End of year . . . . .	<u>\$ 98,364,252</u>	<u>\$130,660,199*</u>

\* Includes accumulated net investment loss of \$(2,098,913).

The accompanying notes are an integral part of these financial statements.

**Aegis Value Fund**  
**Statements of Changes in Net Assets**

	Year Ended December 31, 2018	Year Ended December 31, 2017
<b>Share information – Class A</b>		
Subscriptions . . . . .	27,900	21,080
Distributions reinvested . . . . .	2,011	—
Redemptions . . . . .	(17,202)	(266,957)
Net increase (decrease) in shares . . . . .	12,709	(245,877)
Beginning shares . . . . .	29,414	275,291
Ending shares . . . . .	42,123	29,414
<b>Share information – Class I</b>		
Subscriptions . . . . .	1,478,568	627,767
Distributions reinvested . . . . .	269,022	—
Redemptions . . . . .	(2,033,175)	(2,299,587) <sup>(1)</sup>
Net decrease in shares . . . . .	(285,585)	(1,671,820)
Beginning shares . . . . .	6,613,708	8,285,528
Ending shares . . . . .	6,328,123	6,613,708

(1) In the second quarter of 2017, the Aegis Value Fund satisfied redemption requests made by Class I shareholders in the amount of \$2,135,465 by distributing the Fund's portfolio securities in kind to the redeeming shareholders. The realized gain associated with this transaction was \$680,843.

The accompanying notes are an integral part of these financial statements.

## Aegis Value Fund – Class A Financial Highlights

The table below sets forth financial data for a share outstanding in Class A throughout each period:

	Years Ended December 31,				For the Period from February 26, 2014 (Commencement of Operations) to December 31, 2014
	2018	2017	2016	2015	
<b>Per Share Data</b>					
Net asset value, beginning of period . . . . .	\$ 19.53	\$ 16.67	\$ 9.92	\$ 13.09	\$ 21.29
<b>Income from investment operations:</b>					
Net investment loss <sup>(1)</sup> . . . . .	(0.15)	(0.27)	(0.20)	(0.10)	(0.16)
Net realized and unrealized gain (loss) on investments . . . . .	(3.14)	3.13	7.18	(3.07)	(5.26)
<b>Total from investment operations . . . . .</b>	<b>(3.29)</b>	<b>2.86</b>	<b>6.98</b>	<b>(3.17)</b>	<b>(5.42)</b>
<b>Less distributions to shareholders from:</b>					
Net investment income . . . . .	—	—	(0.23)	—	—
Net realized capital gains . . . . .	(0.95)	—	—	—	(2.78)
<b>Total distributions . . . . .</b>	<b>(0.95)</b>	<b>—</b>	<b>(0.23)</b>	<b>—</b>	<b>(2.78)</b>
<b>Net asset value, end of period . . . . .</b>	<b>\$ 15.29</b>	<b>\$ 19.53</b>	<b>\$ 16.67</b>	<b>\$ 9.92</b>	<b>\$ 13.09</b>
<b>Total investment return<sup>(2)</sup> . . . . .</b>	<b>(17.20)%</b>	<b>17.16%</b>	<b>70.41%</b>	<b>-24.22%</b>	<b>-26.01%<sup>(3)</sup></b>
<b>Ratios (to average net assets)/Supplemental data:</b>					
Expenses after reimbursement/ recapture and fees paid . . . . .	1.75%	1.75%	1.75% <sup>(5)</sup>	1.75% <sup>(5)</sup>	1.75% <sup>(4)(5)</sup>
Expenses before reimbursement/ recapture and fees paid . . . . .	1.53%	1.70%	1.76%	1.78%	1.79% <sup>(4)</sup>
Net investment loss . . . . .	(0.75)% <sup>(7)</sup>	(1.62)%	(1.35)%	(0.67)%	(1.04)% <sup>(4)</sup>
Portfolio turnover <sup>(6)</sup> . . . . .	62%	15%	37%	30%	32% <sup>(3)</sup>
Net assets at end of period (000's) . . . . .	\$644	\$575	\$4,590	\$140	\$258

- (1) Per share net investment loss was calculated prior to tax adjustment, using average shares method.
- (2) Based on net asset value, which does not reflect the sales charge. With sales charge included, the return is -20.30%, 12.76%, 63.97%, -27.06% and -28.79%, respectively.
- (3) Not Annualized
- (4) Annualized
- (5) Net expense ratio is less than gross ratio due to an expense limitation agreement being in place.
- (6) Portfolio turnover is calculated on the basis of the Fund as a whole without distinguishing between the classes of shares issued.
- (7) Resolute Forest Products, Inc. paid a special dividend on 12/6/18 in the amount of \$611,550. The net investment loss excluding this special dividend would have been (1.21)% for Class A.

The accompanying notes are an integral part of these financial statements.



## Aegis Value Fund – Class I Financial Highlights

The table below sets forth financial data for a share outstanding in Class I throughout each year:

	Years Ended December 31,				
	2018	2017	2016	2015	2014
<b>Per Share Data</b>					
Net asset value, beginning of year . . . . .	\$ 19.67	\$ 16.76	\$ 9.96	\$ 13.12	\$ 21.28
<b>Income from</b>					
<b>investment operations:</b>					
Net investment loss <sup>(1)</sup> . . . . .	(0.11)	(0.22)	(0.15)	(0.05)	(0.15)
Net realized and unrealized gain (loss) on investments . .	(3.17)	3.13	7.19	(3.11)	(5.23)
<b>Total from</b>					
<b>investment operations</b> . . . . .	(3.28)	2.91	7.04	(3.16)	(5.38)
<b>Less distributions to</b>					
<b>shareholders from:</b>					
Net investment income . . . . .	—	—	(0.24)	— <sup>(2)</sup>	—
Net realized capital gains . . .	(0.95)	—	—	—	(2.78)
<b>Total distributions</b> . . . . .	(0.95)	—	(0.24)	—	(2.78)
<b>Net asset value, end of year</b> . . .	<u>\$ 15.44</u>	<u>\$ 19.67</u>	<u>\$ 16.76</u>	<u>\$ 9.96</u>	<u>\$ 13.12</u>
<b>Total investment return</b> . . . . .	(17.02)% <sup>(3)</sup>	17.36% <sup>(3)</sup>	70.81% <sup>(3)</sup>	-24.00%	-25.82% <sup>(3)</sup>
<b>Ratios (to average net assets)/</b>					
<b>Supplemental data:</b>					
Expenses after reimbursement . . . . .	1.50%	1.50%	1.50%	1.50%	1.46%
Expenses before reimbursement . . . . .	1.52%	1.53%	1.50%	1.53%	1.47%
Net investment loss . . . . .	(0.57)% <sup>(5)</sup>	(1.31)%	(1.10)%	(0.42)%	(0.76)%
Portfolio turnover <sup>(4)</sup> . . . . .	62%	15%	37%	30%	32%
Net assets at end of year (000's) . . . . .	\$97,720	\$130,086	\$138,840	\$103,529	\$160,507

(1) Per share net investment loss was calculated prior to tax adjustments, using average shares method.

(2) Less than 0.01 per share.

(3) Includes adjustments made to the NAV in accordance with accounting principles generally accepted in the United States and, consequently, the net asset value for financial reporting purposes and the returns based upon those net asset values may differ from the net asset values and returns for shareholder transactions.

(4) Portfolio turnover is calculated on the basis of the Fund as a whole without distinguishing between the classes of shares issued.

(5) Resolute Forest Products, Inc. paid a special dividend on 12/6/18 in the amount of \$611,550. The net investment loss excluding this special dividend would have been (1.04)% for Class I.

The accompanying notes are an integral part of these financial statements.

## Notes to Financial Statements December 31, 2018

### 1. The Organization

The Aegis Funds (comprised of the Aegis Value Fund) (the “Fund”) is registered under the Investment Company Act of 1940 (the “1940 Act”) as a diversified open-end management investment company. The shares of the Aegis Funds are issued in multiple series, with each series, in effect, representing a separate fund.

The Fund’s principal investment goal is to seek long-term capital appreciation by investing primarily in common stocks that are believed to be significantly undervalued relative to the market based on a company’s book value, revenues, or cash flow.

The Fund currently offers Class A and Class I shares. The Fund’s Class A shares commenced operations February 26, 2014. The Fund’s Class I commenced operations May 15, 1998. Each share class represents an equal pro rata interest in the Fund and provides the shareholder equal voting rights regarding any matters relating solely to that particular class. The Fund’s Class A shares are subject to a 3.75% front end sales load and 1.00% contingent deferred sales charge for redemptions made within 2 years of purchase date.

### 2. Summary of Significant Accounting Policies

As an investment company, as defined in Financial Accounting Standards Board (“FASB”) Accounting Standards Update 2013-08, the Fund follows accounting and reporting guidance under FASB Accounting Standards Codification Topic 946, “Financial Services – Investment Companies”.

**Security valuation.** Investments in securities are valued based on market quotations or on data furnished by an independent pricing service. Investments in securities traded on a national securities exchange (or reported on the NASDAQ National Market) are stated at the last reported sales price or a market’s official close price on the day of valuation; other securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are stated at the last close price, or the average of bid and ask price for NASDAQ National Market securities. Short-term (less than 60 days maturity) notes are stated at amortized cost, which is equivalent to value. Restricted securities, securities for which market quotations are not readily available, and securities with market quotations that Aegis Financial Corporation (the “Advisor”) does not believe are reflective of market value are valued at fair value as determined by the Advisor under the supervision of the Board of Trustees (the “Board”). In determining fair value, the Board procedures consider all relevant qualitative and quantitative factors available. These factors are subject to change over time and are reviewed periodically. The values assigned to fair value investments are based on available information and do not necessarily represent amounts that might ultimately be realized, since such amounts depend on future developments inherent in long-term investments. Further, because of the inherent

**Notes to Financial Statements**  
**December 31, 2018**

**2. Summary of Significant Accounting Policies – (continued)**

uncertainty of valuation, those estimated values may differ significantly from the values that would have been used had a ready market for the investments existed, and the differences could be material. Where a security is traded in more than one market, which may include foreign markets, the securities are generally valued on the market considered by the Advisor to be the primary market. The Fund will value its foreign securities in U.S. dollars on the basis of the then-prevailing currency exchange rates.

In accordance with accounting principles generally accepted in the United States of America (“GAAP”), fair value is defined as the price that the Fund would receive to sell an investment or pay to transfer a liability in an orderly transaction with an independent buyer in the principal market, or in the absence of a principal market, the most advantageous market for the investment or liability. GAAP establishes a three-tier hierarchy to distinguish between (1) inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity’s own assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs) and to establish classification of fair value measurements for disclosure purposes. Various inputs are used in determining the value of the Fund’s investments. The inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical securities. An active market for the security is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. A quoted price in an active market provides the most reliable evidence of fair value.
- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.), quoted prices for identical or similar assets in markets that are not active, and inputs that are derived principally from or corroborated by observable market data. An adjustment to any observable input that is significant to the fair value may render the measurement a Level 3 measurement.
- Level 3 – significant unobservable inputs, including the Fund’s own assumptions in determining the fair value of investments.

*Common stocks, preferred stocks and warrants.* Securities traded or dealt in one or more domestic securities exchanges, excluding the National Association of Securities Dealers’ Automated Quotation System (“NASDAQ”), and not subject to restrictions against resale shall be valued on the business day as of which such value is being determined at the close of the exchange representing the principal market for such

**Notes to Financial Statements**  
**December 31, 2018**

**2. Summary of Significant Accounting Policies – (continued)**

securities at the last quoted sales price or in the absence of a sale, at the mean of the last bid and asked prices. Securities traded or dealt in the NASDAQ and not subject to restrictions against resale shall be valued in accordance with the NASDAQ Official Closing Price. Securities traded on the NASDAQ Stock Market for which there were no transactions on a particular day are valued at the mean of the last bid and asked prices. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy. Stocks traded on inactive markets or valued by reference to similar instruments are categorized in Level 2.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following is a summary of the inputs used to value the Fund's investments as of December 31, 2018:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Common Stocks</b>				
Communication Services . . . . .	\$ 3,791,464	\$ —	\$ —	\$ 3,791,464
Consumer Discretionary . . . . .	7,532,566	—	—	7,532,566
Consumer Staples . . . . .	1,954,860	—	—	1,954,860
Energy . . . . .	13,561,639	3,898,069	184,412	17,644,120
Financials . . . . .	4,752,803	—	—	4,752,803
Industrials . . . . .	8,154,614	—	—	8,154,614
Materials . . . . .	50,125,691	—	—	50,125,691
Real Estate . . . . .	—	—	27,890	27,890
<b>Warrants</b>				
Materials . . . . .	—	—	374,239	374,239
<b>Total</b> . . . . .	<u><u>\$89,873,637</u></u>	<u><u>\$3,898,069</u></u>	<u><u>\$586,541</u></u>	<u><u>\$94,358,247</u></u>

When market quotations are not readily available, any security or other asset is valued at its fair value as determined in good faith under procedures approved by the Board. If events occur that will affect the value of the Fund's portfolio securities before the net asset value ("NAV") has been calculated (a "significant event"), the security will generally be priced using a fair value procedure. The Board has adopted specific procedures for valuing portfolio securities and delegated the responsibility of fair value determinations to the Valuation Committee. Some of the factors that may be considered by the Valuation Committee in determining fair value are fundamental analytical data relating to the investment; the nature and duration of any restriction on disposition; trading in similar securities of the same issuer or comparable companies; information from broker-dealers; and an evaluation of the forces that influence the market in which the securities are purchased or sold.

**Notes to Financial Statements**  
**December 31, 2018**

**2. Summary of Significant Accounting Policies – (continued)**

The following is a summary of quantitative information about significant unobservable valuation inputs for the Fund approved by the Valuation Committee for Level 3 Fair Value Measurements for investments held as of December 31, 2018:

<u>Investments</u>	<u>Fair Value as of 12/31/2018</u>	<u>Valuation Technique</u>	<u>Unobservable Inputs</u>	<u>Weighted Average</u>	<u>Range</u>
Alio Gold / Rye Patch Gold Corp., Exercise Price: \$3.44, 01/31/2020 .....	\$3,868	Black Scholes Option Pricing Model	Pricing Model	N/A	\$0.0161
Aveda Transportation & Energy Services Inc. ....	\$184,412	Fair Valuation by Advisor	Merger Agreement and Stale Last Trade Price	N/A	\$0.1025
Leagold Mining Corp., Exercise Price: C\$3.70, 05/24/2020 .....	\$40,330	Black Scholes Option Pricing Model	Pricing Model	N/A	\$0.0450
Public Service Properties Investments Ltd. ....	\$27,890	Issuer Press Release and Stale Last Trade Price	Net Asset Value or Liquidation Value	N/A	\$4.9960
SilverCrest Metals, Inc., Exercise Price: C\$3.00, 12/19/2019 .....	\$330,041	Black Scholes Option Pricing Model	Pricing Model	N/A	\$1.8860

The following is a reconciliation of the Fund's Level 3 assets for which significant unobservable inputs were used to determine fair value for the year ended December 31, 2018:

<u>Fair Value Measurement Using Significant Unobservable Inputs (Level 3)</u>	<u>Investments in Securities Year Ended 12/31/2018</u>
Beginning Balance as of 12/31/17 .....	\$ 167,252
Unrealized gain included in earnings .....	621,294
Realized losses included in earnings .....	(202,005)
Ending Balance as of 12/31/2018 .....	<u>\$ 586,541</u>
The amount of total gains or losses for the period included in net increase (decrease) in net assets applicable to outstanding shares attributed to the change in unrealized gains or losses relating to assets still held at the reporting date .....	<u>\$ 419,289</u>

During the year ended December 31, 2018, there were no transfers into or out of Level 3 for the Fund.

**Notes to Financial Statements**  
**December 31, 2018**

**2. Summary of Significant Accounting Policies – (continued)**

In August 2018, FASB issued ASU 2018-13, Fair Value Measurement (Topic 820): *Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement* (“ASU 2018-13”). The primary focus of ASU 2018-13 is to improve the effectiveness of the disclosure requirements for fair value measurements. The changes affect all companies that are required to include fair value measurement disclosures. In general, the amendments in ASU 2018-13 are effective for all entities for fiscal years and interim periods within those fiscal years, beginning after December 15, 2019. An entity is permitted to early adopt the removed or modified disclosures upon the issuance of ASU 2018-13 and may delay adoption of the additional disclosures, which are required for public companies only, until their effective date. Management is currently evaluating the impact these changes will have on the Fund’s financial statements and disclosures.

**Foreign risk and currency translation.** The Fund may invest directly in foreign securities. Financial market fluctuations in any country where the Fund has investments will likely affect the value of the securities that the Fund owns in that country. These movements will affect the Fund’s share price and investment performance. The political, economic, and social structures of some countries may be less stable and more volatile than those in the United States. The risks of foreign markets include currency fluctuations, possible nationalization or expropriation of assets, extraordinary taxation or exchange controls, political or social instability, unfavorable diplomatic developments, and certain custody and settlement risks. In addition to these risks, many foreign markets have less trading volume and less liquidity than the U.S. markets, and therefore prices in foreign markets can be highly volatile.

Foreign markets may also have less protection for investors than the U.S. markets. Foreign issuers may be subject to less government supervision. It may also be difficult to enforce legal and shareholder/bondholder rights in foreign countries. There is no assurance that the Fund will be able to anticipate these risks or counter their effects.

The accounting records of the Fund are maintained in U.S. dollars. Foreign currency amounts are translated into U.S. dollars at the current rate of exchange to determine the value of investments, assets and liabilities. Purchases and sales of securities, and income and expenses are translated at the prevailing rate of exchange on the respective date of these transactions. The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from fluctuations arising from changes in market prices of securities held. These fluctuations are included with the net realized and unrealized gains or losses from investments.

**Notes to Financial Statements**  
**December 31, 2018**

**2. Summary of Significant Accounting Policies – (continued)**

Reported net realized foreign exchange gains or losses arise from sales and maturities of short-term securities, sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions and the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign currency gains and losses arise from changes in the fair values of assets and liabilities, other than investments in securities at each reporting period, resulting from changes in the exchange rate. These fluctuations are included with the net realized and unrealized gains or losses from investments.

**Federal income and excise taxes.** The Fund's policy is to comply with the requirements of Subchapter M of the Internal Revenue Code that are applicable to regulated investment companies and to distribute substantially all investment company taxable income and net capital gain to shareholders in a manner that results in no tax cost to the Fund. Therefore, no federal income tax provision is required.

**Distributions to shareholders.** Distributions to the Fund's shareholders, which are determined in accordance with income tax regulations, are recorded on the ex-dividend date. Distributions of net investment income, if any, are made at least annually for the Fund. Net realized gains from investment transactions, if any, will be distributed to shareholders annually.

The character of distributions made during the year from net investment income or net realized gain may differ from the characterization for federal income tax purposes due to differences in the recognition of income, expense and gain/(loss) items for financial statement and tax purposes. Where appropriate, reclassifications between net asset accounts are made for such differences that are permanent in nature.

**Use of estimates.** The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Security Transactions, Income and Expenses.** The Fund records security transactions based on the trade date. Interest income is recognized on the accrual basis and includes accretion of discounts and amortization of premiums. The specific identification method is used to determine book and tax cost basis when calculating realized gains and losses. Dividend income is recognized on the ex-dividend date, and interest income is recognized on the accrual basis and includes accretion of discounts and amortization of premiums. Withholding taxes on foreign dividends have been provided for in accordance with the Fund's understanding of the applicable country's tax rules and rates.

**Notes to Financial Statements**  
**December 31, 2018**

**2. Summary of Significant Accounting Policies – (continued)**

The Fund's class-specific expense is charged to the operations of that class of shares. Income and expenses (other than expenses attributable to a specific class) and realized and unrealized gains and losses on investments are allocated to each class of shares based on the class respective net assets to the total net assets of the Fund.

**Indemnifications.** In the normal course of business, the Fund enters into contracts that contain a variety of representations, which provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, based on experience, the Fund expects the risk of loss to be remote.

**Significant Concentrations.** The Fund maintains a demand deposit in excess of Federal Deposit Insurance Company ("FDIC") Insurance limits. As a result, the Fund is exposed to credit risk in the event of insolvency or other failure of the institution to meet its obligations. The Fund manages this risk by dealing with a major financial institution and monitoring its credit worthiness.

**3. Advisory Fees and Other Transactions with Affiliates**

The Fund entered into an investment management and advisory services agreement (the "Agreement") with the Advisor that provides for fees to be computed at an annual rate of 1.20% of the Fund's average daily net assets. The Agreement shall remain in force through December 31, 2018 and may be renewed for additional one-year periods thereafter if approved annually by a majority of the independent members of the Board. The Agreement may be terminated at any time, without penalty, by the Fund on sixty (60) days' written notice or by the Advisor on ninety (90) days' written notice. During the year ended December 31, 2018, the Fund incurred \$1,574,510 in investment advisory fees. The Fund and the Advisor have also entered into an expense limitation agreement which shall remain in force through April 30, 2019, that provides for an advisory fee waiver and expense reimbursement from the Advisor if the Fund's expenses, exclusive of taxes, interest, fees incurred in acquiring or disposing of portfolio securities, and extraordinary expenses, exceed 1.75% for Class A and 1.50% for Class I, of the Fund's average daily net assets. During the year ended December 31, 2018, the Advisor waived fees in the amount of \$34,060 and recouped fees in the amount of \$12,895 for the Fund.

The Fund has agreed to repay the Advisor for amounts waived or reimbursed by the Advisor pursuant to the expense limitation agreement provided that such repayment does not cause the Fund's expenses, exclusive of taxes, interest, fees incurred in acquiring or disposing of portfolio securities and extraordinary expenses, to exceed 1.75% for Class A and 1.50% for Class I and the repayment is made within three



**Notes to Financial Statements**  
**December 31, 2018**

**3. Advisory Fees and Other Transactions with Affiliates – (continued)**

years from the month in which the Advisor incurred the expense. As of December 31, 2018, there was \$105,977 of fees available to be recovered no later than December 31, 2021, of which, \$14,018, \$57,899 and \$34,060 are recoverable no later than December 31, 2019, 2020 and 2021, respectively for the Fund.

Certain officers and Trustees of the Fund are also officers of the Advisor. The Fund pays each Trustee not an officer of the Advisor fees in cash or Fund shares of \$1,000 for each attended board meeting for the Fund and \$500 for each attended audit committee meeting for the Fund. In addition, the Fund reimburses the Advisor for chief compliance officer services, a yearly amount of \$20,000 paid on a quarterly basis.

**4. Distribution and Service Plan**

The Fund has adopted a distribution and service plan (the “Plan”) pursuant to Rule 12b-1 under the 1940 Act for its Class A Shares. Rule 12b-1 provides that an investment company that bears any direct or indirect expense of distributing its shares must do so only in accordance with the Plan permitted by Rule 12b-1. Pursuant to the Plan, the Fund makes payments to Quasar Distributors, LLC, the Fund’s distributor (the “Distributor”), the Advisor, financial intermediaries or others to reimburse such parties for distribution and/or shareholder servicing activity in an amount not to exceed 0.25% of its Class A shares average daily net assets on an annual basis. The distribution fees are “asset based” sales charges and, therefore, long-term shareholders may pay more in total sales charges than the economic equivalent of the maximum front-end sales charge permitted by the Financial Industry Regulatory Authority (FINRA). The Class A shares incurred \$0 in expenses pursuant to the 12b-1 Plan for the year ended December 31, 2018.

**5. Investment Transactions**

Purchases and sales of long-term investment securities (excluding short-term investments) for the Fund are presented below for the year ended December 31, 2018.

	<u>Purchases</u>	<u>Sales</u>
U.S. Government	\$138,003,209	\$153,407,842
Other	\$ 73,254,661	\$ 64,309,277

**Notes to Financial Statements**  
**December 31, 2018**

**6. Distributions to Shareholders and Tax Components of Net Assets**

As of December 31, 2018, the components of accumulated earnings (losses) for income tax purposes were as follows:

Tax cost of Investments .....	<u>\$121,040,512</u>
Unrealized appreciation of Investments .....	8,887,517
Unrealized depreciation of Investments .....	<u>(35,569,782)</u>
Net unrealized depreciation .....	<u>(26,682,265)</u>
Unrealized depreciation of foreign currency .....	(196)
Undistributed ordinary income .....	—
Undistributed long term gain .....	<u>118,761</u>
Distributable earnings (deficit) .....	<u>118,761</u>
Other accumulated loss .....	<u>(244,935)</u>
Total accumulated loss .....	<u><u>\$(26,808,635)</u></u>

*The difference between cost amounts for financial statement and federal income tax purposes is due primarily to timing differences in recognizing certain gains and losses in security transactions.*

*The differences between book-basis and tax-basis unrealized appreciations are attributable primarily to the tax deferral of losses on wash sales and PFIC mark to market adjustments.*

*Other accumulated gain/(loss) is generally comprised of capital loss carryforwards, and qualified late-year loss deferrals.*

As of December 31, 2018, the Fund did not have any capital loss carryforwards. The Fund utilized \$5,795,788 in short-term capital loss carryovers and \$2,151,396 in long-term capital loss carryovers during the year ended December 31, 2018.

At December 31, 2018, the Fund deferred, on a tax basis, \$244,935 in qualified late year losses.

On the statement of assets and liabilities, as a result of permanent book to tax differences, certain amounts have been reclassified for the year ended December 31, 2018. The reclassifications were primarily a result of equalization, net operating losses and prior year tax return true-up amounts.

Distributable earnings (deficit) .....	\$ 697,658
Paid in capital .....	\$(697,658)

**Notes to Financial Statements**  
**December 31, 2018**

**6. Distributions to Shareholders and Tax Components of Net Assets – (continued)**

The tax components of dividends paid during the year ended December 31, 2018 and the year ended December 31, 2017 were as follows:

Year Ended December 31, 2018		Year Ended December 31, 2017	
Ordinary Income	Long-Term Capital Gains	Ordinary Income	Long-Term Capital Gains
\$ —	\$5,854,776	\$ —	\$ —

GAAP requires an evaluation of tax positions taken (or expected to be taken) in the course of preparing the Fund’s tax returns to determine whether these positions meet a “more-likely-than-not” standard that, based on technical merits, have a more than fifty percent likelihood of being sustained by a taxing authority upon examination. A tax position that meets the “more-likely-than-not” recognition threshold is measured to determine the amount of benefit to recognize in the financial statements. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as an interest expense in the Statement of Operations.

GAAP requires management of the Fund to analyze all open tax years, as defined by IRS statute of limitations for all major jurisdictions, including federal tax authorities and certain state tax authorities. Open tax years include the tax years ended December 31, 2015 through December 31, 2018. As of and during the year ended December 31, 2018, the Fund did not have a liability for any unrecognized tax benefits. The Fund files U.S. Federal income and excise tax returns, as required. The Fund’s Federal income tax returns are subject to examination by the IRS for a period of three fiscal years after they are filed. The Fund has no examination in progress and are not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

**Notes to Financial Statements**  
**December 31, 2018**

**7. Investments in Affiliated Companies\***

Investments representing 5% or more of the outstanding voting securities of a portfolio company result in that company being considered an affiliated company, as defined in the 1940 Act. The aggregate value of all securities of affiliated companies held in the Fund as of December 31, 2018 amounted to \$18,843,232, representing 19.16% of net assets. A summary of affiliated transactions for the year ended December 31, 2018 is as follows:

	Share Balance December 31, 2017	Additions	Deductions	Share Balance December 31, 2018
Amerigo Resources Ltd. ....	9,417,889	1,538,485	—	\$10,956,374
Conifer Holdings, Inc. ....	673,631	69,410	—	743,041
Deep Down, Inc.** ....	587,774	178,810	—	766,584
Geodrill Ltd. ....	3,379,330	462,452	—	3,841,782
Strad Energy Services Ltd.** ....	216,074	4,612,143	—	4,828,217
Alaska Communications Systems Group, Inc.*** ....	2,768,124	—	135,163	2,632,961
Alliance One International, Inc.*** ....	775,648	198,420	809,240	164,828
Mitcham Industries, Inc.*** ....	777,434	—	179,200	598,234

**Notes to Financial Statements**  
**December 31, 2018**

**7. Investments in Affiliated Companies\* – (continued)**

	Value			
	December 31, 2017	Acquisitions	Dispositions	
Amerigo Resources Ltd. ....	\$ 8,201,098	\$1,085,634	\$ —	
Conifer Holdings, Inc. ....	3,907,060	321,490	—	
Deep Down, Inc.** ....	546,630	153,093	—	
Geodrill Ltd. ....	5,591,891	694,433	—	
Strad Energy Services Ltd.** ....	288,786	5,428,766	—	
Alaska Communications Systems Group, Inc.*** ....	7,418,572	—	336,426	
Alliance One International, Inc.*** ....	10,277,336	2,936,228	26,308,675	
Mitcham Industries, Inc.*** ....	2,464,466	—	722,871	
		<b>Change in Unrealized Appreciation/ Depreciation</b>	<b>Value December 31, 2018</b>	<b>Dividend Income</b>
Amerigo Resources Ltd. ....	\$ —	\$(2,144,062)	\$ 7,142,670	\$ —
Conifer Holdings, Inc. ....	—	(1,627,907)	2,600,643	—
Deep Down, Inc.** ....	—	(51,960)	647,763	—
Geodrill Ltd. ....	—	(2,290,331)	3,995,993	—
Strad Energy Services Ltd.** ....	—	(1,261,389)	4,456,163	—
Total .....			<u>\$18,843,232</u>	
Alaska Communications Systems Group, Inc.*** ....	49,660	(3,340,342)	3,791,464	—
Alliance One International, Inc.*** ....	6,881,166	8,168,805	1,954,860	—
Mitcham Industries, Inc.*** ....	(1,564,580)	1,354,464	1,531,479	—
Total .....	<u>\$ 5,366,246</u>	<u>\$(1,192,722)</u>		<u>\$ —</u>

\* As a result of the Aegis Value Fund's beneficial ownership of common stock of these companies, regulators require that the Fund state that it may be deemed an affiliate of the respective issuer. The Fund disclaims that the "affiliated persons" are affiliates of the Distributor, Advisor, Funds or any other client of the Advisor.

\*\* These securities were not affiliated as of 12/31/2017.

\*\*\* These securities were no longer affiliated as of 12/31/2018. Alliance One International, Inc. changed its name to Pyxus International, Inc. effective September 12, 2018, and was not considered an affiliate as of 12/31/2018.

**8. Regulatory Matters**

In August 2018, the Securities and Exchange Commission issued Final Rule Release No. 33-10532, Disclosure Update and Simplification, which in part amends certain disclosure requirements of Regulation S-X that have become redundant, duplicative, overlapping, outdated, or superseded, in light of other Commission disclosure requirements, U.S. Generally Accepted Accounting Principles, or changes in the information environment. The amendments are intended to facilitate the disclosure of information to investors and simplify compliance without significantly altering the total mix of information provided to investors. The effective date for these

**Notes to Financial Statements**  
**December 31, 2018**

**8. Regulatory Matters – (continued)**

disclosures was November 5, 2018. Management has adopted these amendments as currently required and these are reflected in the Fund's financial statements and related disclosures. Certain prior year information has been adjusted to conform with these amendments.

**9. Subsequent Events**

In connection with the preparation of the financial statements of the Fund as of and for the year ended December 31, 2018, events and transactions subsequent to December 31, 2018 have been evaluated by management for possible adjustment and/or disclosure. Management has determined that there were no material events that would require disclosure in the Fund's financial statements.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM  
To the Board of Trustees of The Aegis Funds  
and the Shareholders of Aegis Value Fund**

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Aegis Value Fund, a series of shares of beneficial interest in The Aegis Funds (the “*Fund*”), including the schedule of portfolio investments, as of December 31, 2018, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended and the financial highlights for each of the years in the five-year period then ended for Class I, and for each of the years in the four-year period then ended and for the period February 26, 2014 (commencement of operations) to December 31, 2014 for Class A, and the related notes (collectively referred to as the “*financial statements*”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2018, and the results of its operations for the year then ended, the changes in its net assets for each of the years in the two-year period then ended and its financial highlights for each of the years in the five-year period then ended for Class I, and for each of the years in the four-year period then ended and for the period February 26, 2014 (commencement of operations) to December 31, 2014 for Class A, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“*PCAOB*”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities law and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risk of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2018 by correspondence with the custodian and brokers. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.



**BBD, LLP**

*We have served as the auditor of The Aegis Funds since 2004.*

**Philadelphia, Pennsylvania  
February 28, 2019**

**Trustees and Officers  
(Unaudited)**

<u>Name, Year of Birth, and Address</u>	<u>Position(s) Held with the Fund</u>	<u>Term of Office and Length of Time Served</u>	<u>Principal Occupation During Past 5 Years</u>	<u>Number of Portfolios in Fund Complex Overseen by Trustee</u>	<u>Other Directorships Held by Trustee During the Past 5 Years</u>
<b>Independent Trustees*</b>					
Eskander Matta Born: 1970 c/o Aegis Financial Corporation 6862 Elm Street, Suite 830 McLean, VA 22101	Trustee	Since 2003	Chief Executive Officer of Tasharina Corporation (an eCommerce business services firm) since 2012; Vice President of ebusiness, Blue Shield of California (2008 – 2012).	1	Director of Aegis Value Fund, Inc. (1997 – 2014).
Andrew R. Bacas** Born: 1958 c/o Aegis Financial Corporation 6862 Elm Street, Suite 830 McLean, VA 22101	Trustee	Since August 2016	President, Jefferson Management Consultants, Inc. (a commercial real estate investment and advisory firm) since 2006.	1	Director of The Bacas Family Foundation (2003 – 2015).



**Trustees and Officers  
(Unaudited)**

<u>Name, Year of Birth, and Address</u>	<u>Position(s) Held with the Fund</u>	<u>Term of Office and Length of Time Served</u>	<u>Principal Occupation During Past 5 Years</u>	<u>Number of Portfolios in Fund Complex Overseen by Trustee</u>	<u>Other Directorships Held by Trustee During the Past 5 Years</u>
Jordan F. Nasir Born: 1969 c/o Aegis Financial Corporation 6862 Elm Street, Suite 830 McLean, VA 22101	Trustee	Since February 2018	Fund Manager of Gulf Capital Partners (a private equity firm) since September 2017; Managing Partner of Catalyst Partners Ltd (a private equity firm) (2015 – 2017); Partner of The Carlyle Group (a private equity firm) (2007 – 2015).	1	Board Member, Mizuho Gulf Capital Partners, Ltd., (2017 – present); Board Member, Gulf Japan Food Fund (2017 – present); Board Member, Carlyle MENA Investment Advisors, Ltd. (2008 – 2015); Board Member, General Lighting Company, Ltd. (2010 – 2014); Board Member, Alamar Foods, Ltd. (2011 – 2016); Board Member, Nabil Foods, Ltd. (2013 – 2016); Board Member, Penti A.S. (2013 – 2015); Board Member, Davex Lighting SDN BHD (2012 – 2014)

**Trustees and Officers  
(Unaudited)**

<u>Name, Year of Birth, and Address</u>	<u>Position(s) Held with the Fund</u>	<u>Term of Office and Length of Time Served</u>	<u>Principal Occupation During Past 5 Years</u>	<u>Number of Portfolios in Fund Complex Overseen by Trustee</u>	<u>Other Directorships Held by Trustee During the Past 5 Years</u>
<b>Interested Trustee***</b>					
Scott L. Barbee Born: 1971 c/o Aegis Financial Corporation 6862 Elm Street, Suite 830 McLean, VA 22101	President	Since 2009	President of Aegis Financial Corporation	1	Director of Aegis Value Fund, Inc. (1997 – 2014);
	Trustee	Since 2003	since 2009; President of Aegis Value Fund, Inc. (2009 – 2014);		Director of Donald Smith & Co. (SEC-registered investment adviser) since 2014; Director of The Barbee Family Foundation since 2012;
	Treasurer	2003 – 2008	Treasurer, Secretary and Managing Director of Aegis Financial Corporation (1997 – 2008); Treasurer of Aegis Value Fund, Inc. (1997 – 2009);		Director of The Donald & Paula Smith Family Foundation since 2014.
	Secretary	2006 – 2008	Secretary of Aegis Value Fund, Inc. (2006 – 2008).		
David A. Giannini Born: 1953 c/o Aegis Financial Corporation 6862 Elm Street, Suite 830 McLean, VA 22101	Trustee	Since 2006	Vice President of Scarsdale Equities, LLC (institutional equity sales and research team) since 2006.	1	Director of Select Sands Corporation (industrial silica product company) since November 2016; Director of Aegis Value Fund, Inc. (2006 – 2014).

**Trustees and Officers  
(Unaudited)**

<u>Name, Year of Birth, and Address</u>	<u>Position(s) Held with the Fund</u>	<u>Term of Office and Length of Time Served</u>	<u>Principal Occupation During Past 5 Years</u>	<u>Number of Portfolios in Fund Complex Overseen by Trustee</u>	<u>Other Directorships Held by Trustee During the Past 5 Years</u>
<b>Officer of the Fund who is not also a Trustee</b>					
Justin P. Harrison Born: 1973 c/o Aegis Financial Corporation 6862 Elm Street, Suite 830 McLean, VA 22101	Chief Compliance Officer Treasurer and Secretary	Since November 2018	Chief Operating Officer and Chief Compliance Officer of Aegis Financial Corporation since 2018; Interim Chief Financial Officer of SquirrelWerkz (a cyber-economic threat intelligence products and services company) (2018); Senior Analyst, Sheffield Asset Management, LLC (an investment management firm) (2017 – 2018); Partner & Senior Analyst, Ramsey Asset Management, LLC (an employee-owned hedge fund sponsor) (2007 – 2016).	N/A	N/A

\* *The “Independent Trustees” are those Trustees that are not considered “interested persons” of the Trust, as that term is defined in the 1940 Act.*

\*\* *Mr. Bacas’ son was a summer intern with the Advisor from May 17, 2016 to August 12, 2016.*

\*\*\* *Mr. Barbee is considered to be an “Interested Trustee” because of his affiliation with the Advisor. Mr. Giannini is considered to be an “Interested Trustee” due to his employer’s business relationship with the Advisor.*

The Fund’s Statement of Additional Information includes additional information about Fund Trustees and is available, without charge, by calling the Fund’s toll-free phone number, (800) 528-3780.

## **Other Information (Unaudited)**

### **Proxy Voting**

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available by request, without charge, by calling the Fund's toll-free telephone number, 800-528-3780. Information regarding how the Fund voted proxies, if any, relating to portfolio securities during the most recent 12-month period ended June 30 is available upon request, without charge, by calling 800-528-3780. The Fund's proxy voting policies and procedures and voting record are also available on the U.S. Securities and Exchange Commission ("SEC") website at <http://www.sec.gov>.

### **Code of Ethics**

The Fund has adopted a code of ethics applicable to its principal executive officer and principal financial officer. A copy of this code is available, without charge, by calling the Fund's toll-free phone number, 800-528-3780.

### **Fund Holdings**

The complete schedules of the Fund's holdings for the second and fourth quarters of each fiscal year are contained in the Fund's semi-annual and annual shareholder reports, respectively. The Fund files complete schedules of the Fund's holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q within 60 days after the end of the period. Copies of the Fund's Form N-Q are available without charge, upon request, by contacting the Fund at 800-528-3780 and on the SEC's website at <http://www.sec.gov>. You may also review and copy Form N-Q at the SEC's Public Reference Room in Washington, DC. For more information about the operation of the Public Reference Room, please call the SEC at 1-800-SEC-0330.

**The Aegis Funds Privacy Notice**  
(This information is not part of the Report)

<b>FACTS</b>	<b>WHAT DOES AEGIS FUNDS DO WITH YOUR PERSONAL INFORMATION?</b>	
<b>WHY?</b>	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
<b>WHAT?</b>	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> <li>• Social Security number and other information including address and date of birth</li> <li>• Asset and income</li> <li>• Account balances and account transactions</li> </ul> <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p>	
<b>HOW?</b>	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons The Aegis Funds chooses to share; and whether you can limit this sharing.	
<i>Reasons we can share your personal information.</i>	<i>Does The Aegis Funds share?</i>	<i>Can you limit this sharing?</i>
<b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes—</b> to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	No	We don't share
<b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences	Yes	No
<b>For our affiliates' everyday business purposes—</b> information about your creditworthiness	No	We don't share
<b>For nonaffiliates to market to you</b>	No	We don't share
<b>Questions?</b>	<b>Call 800-528-3780 or go to <a href="http://www.aegisfunds.com">www.aegisfunds.com</a></b>	

**The Aegis Funds Privacy Notice**  
(This information is not part of the Report)

<b>Who we are</b>	
<b>Who is providing this Notice?</b>	The Aegis Funds
<b>What we do</b>	
<b>How does The Aegis Funds protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
<b>How does The Aegis Funds collect your personal information?</b>	We collect your personal information, for example, when you <ul style="list-style-type: none"> <li>• open an account or perform transactions</li> <li>• make a transfer or tell us where to send money</li> <li>• tell us about your personal financial information</li> </ul>
<b>Why can't I limit all sharing?</b>	Federal law gives you the right to limit only <ul style="list-style-type: none"> <li>• sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>• affiliates from using your information to market to you</li> <li>• sharing for nonaffiliates to market to you</li> </ul> State laws and individual companies may give you additional rights to limit sharing.
<b>Definitions</b>	
<b>Affiliates</b>	Companies related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> <li>• <i>Our affiliates include Aegis Financial Corporation.</i></li> </ul>
<b>Nonaffiliates</b>	Companies not related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> <li>• <i>The Aegis Funds does not share with nonaffiliates so they can market to you.</i></li> </ul>
<b>Joint marketing</b>	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> <li>• <i>See Other important information.</i></li> </ul>
<b>Other important information</b>	
Non-affiliates with whom we may share information (except to permit them to market to you) can include financial companies, such as custodians, transfer agents, registered representatives and financial advisors, and nonfinancial companies, such as fulfillment, proxy voting and class action service providers.	

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**The Aegis Funds**

c/o U.S. Bancorp Fund Services, LLC  
615 East Michigan Street  
Milwaukee, Wisconsin 53202  
Phone: (800) 528-3780  
[www.aegisfunds.com](http://www.aegisfunds.com)

**Board of Trustees**

Scott L. Barbee  
David A. Giannini  
Eskander Matta  
Jordan F. Nasir  
Andrew Bacas

**Officers**

Scott L. Barbee, President  
Justin P. Harrison, Treasurer/Secretary/  
Chief Compliance Officer

**Investment Advisor**

Aegis Financial Corporation  
6862 Elm Street, Suite 830  
McLean, Virginia 22101

**Custodian**

U.S. Bank, N.A.  
Custody Operations  
1555 North RiverCenter Drive, Suite 302  
Milwaukee, Wisconsin 53212

**Administrator, Transfer Agent and  
Fund Accountant**

U.S. Bancorp Fund Services, LLC  
615 East Michigan Street  
Milwaukee, Wisconsin 53202

**Independent Registered Public  
Accounting Firm**

BBD, LLP  
1835 Market Street, 3rd Floor  
Philadelphia, Pennsylvania 19103

**Counsel**

Seward & Kissel, LLP  
901 K Street N.W.  
Washington, DC 20001