



# AEGIS VALUE FUND CLASS I (AVALX)

ANNUAL REPORT  
December 31, 2021

Portfolio Manager's Letter  
Year Ended December 31, 2021  
(Unaudited)

January 31, 2022

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, 2021.

**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.*

	<b>Annualized</b>				
<b>Performance as of 12/31/21</b>	<b>One Year</b>	<b>Three Year</b>	<b>Five Year</b>	<b>Ten Year</b>	<b>Since Inception</b>
Aegis Value Fund (AVALX) .....	37.67%	27.11%	14.88%	12.53%	10.99%
S&P SmallCap 600 Pure Value Index (Launched 12/16/05)* .....	46.50%	20.01%	7.16%	11.74%	N/A
S&P 500 Index .....	28.71%	26.07%	18.47%	16.55%	8.38%

\* The S&P SmallCap 600 Pure Value Index performance prior to December 16, 2005 cannot be shown since it relies on back-tested data. 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 has an annualized gross expense ratio of 1.55% and net annualized expense ratio, after fee waivers, of 1.50%. 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, 2022.*

*The table does not reflect the deduction of taxes that a Shareholder would pay on Fund distributions or the redemption of Fund shares.*

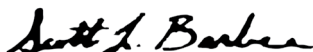
**Aegis Value Fund**

	<b>Class I</b>
Net Assets .....	\$179.6 Million
NAV / Share .....	\$28.98
Net Expense Ratio .....	1.50%
Management Fee .....	1.20%
Distribution Fee (12b-1) .....	None
Redemption Fee .....	None
Income & capital gain distributions per share .....	None

From inception of the Aegis Value Fund's Class I shares on May 15, 1998 through December 31, 2021, the Fund Class I shares have posted a cumulative gain of 1,074.57%. During the same period, the S&P 500 Index of large cap stocks posted a cumulative gain of 569.21%. For the twelve-month period ending December 31, 2021, the Fund Class I shares gained 37.67%, underperforming the S&P SmallCap 600 Pure Value Index, which increased 46.50%, while the S&P Index increased 28.71% over the same period.

Fund performance was most positively impacted by Resolute Forest Products (RFP), Amerigo Resources Ltd. (ARG.TO), and Interfor Corp. (IFP.TO), which contributed an estimated 10.0%, 7.7%, and 5.3% to Fund returns for the full year of 2021. Equinox Gold Corp. (EQX.TO), Minera Alamos Inc. (MAI.TO), and Fortuna Silver Mines Inc. (FVI.TO) most negatively impacted 2021 performance, costing the Fund an estimated 2.0%, 1.1%, and 0.9%.

**A more in-depth review of the Fund's performance, outlook and general market commentary can be found in the second half 2021 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 Semi-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.**

**S&P SmallCap 600 Pure Value Index:** An index that seeks to measure stocks that exhibit strong value characteristics, and weights them by score. Constituents are drawn from the S&P SmallCap 600 Index, a market capitalization weighted index that seeks to measure the small-cap segment of the U.S. equity market.

**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.*

**Quasar Distributors, LLC is the distributor for the Aegis Value Fund. No other products mentioned in the commentary are distributed by Quasar.**

**About Your Fund's Expenses**  
**December 31, 2021**  
**(Unaudited)**

**Important Note**

As a shareholder of the Fund, you incur ongoing costs, including advisory fees and other Fund expenses. 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, 2021 – December 31, 2021, for the Aegis Value Fund Class I.

**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.

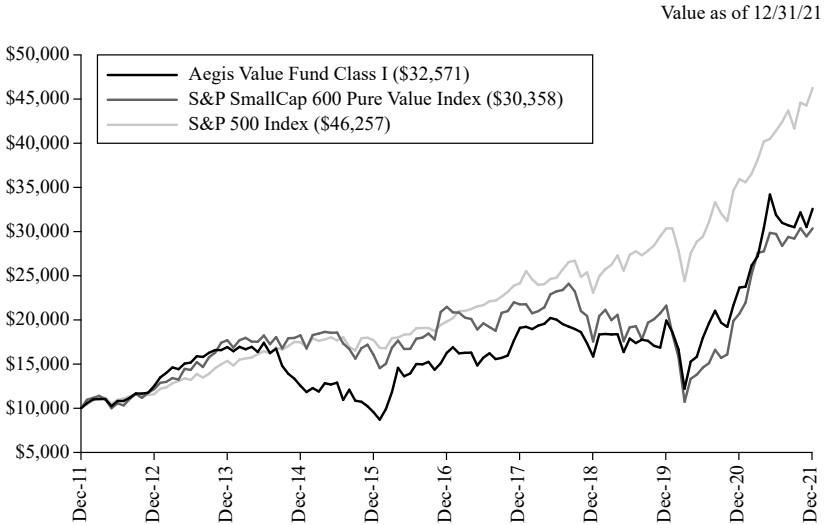
	Actual			Hypothetical (5% annual return before expenses)	
	Beginning Account Value 7/1/21	Ending Account Value 12/31/21	Expenses Paid During Period	Ending Account Value 12/31/21	Expenses Paid During Period
	Aegis Value Fund Class I . . . . .	\$1,000.00	\$1,021.90 <sup>(1)</sup>	\$7.65 <sup>(2)</sup>	\$1,017.64

<sup>(1)</sup> The ending account value is based on the actual total return of the Fund for the period July 1, 2021 to December 31, 2021 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 (1.50%) multiplied by the average account value over the period, multiplied by 184/365 (to reflect the period between 7/1/2021 – 12/31/2021).

## Key Statistics (Unaudited)

### Result of a Hypothetical \$10,000 Investment in Aegis Value Fund (assumes investment made on December 31, 2011)



The growth of \$10,000 chart reflects the performance of a hypothetical \$10,000 investment made in the Fund for the period noted. It assumes the reinvestment of dividends and capital gains but does not reflect the deduction of taxes that a shareholder would pay on dividends or capital gain distributions. This chart does not imply any future 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.

**Aegis Value Fund**  
**Portfolio Characteristics**  
**December 31, 2021**  
**(Unaudited)**

**Industry Breakdown**

	<b>% of the Fund's Net Assets</b>	
<b>Common Stocks</b> .....		97.6%
Consumer Discretionary .....	0.7%	
Textiles, Apparel & Luxury Goods .....	0.7%	
Energy .....		23.5%
Energy Equipment & Services .....	6.4%	
Oil, Gas & Consumable Fuels .....	17.1%	
Financials .....		3.8%
Banks .....	0.8%	
Consumer Finance .....	2.4%	
Insurance .....	0.6%	
Industrials .....		0.1%
Commercial Services & Supplies .....	0.1%	
Materials .....		69.5%
Metals & Mining		
Diversified Metals & Mining .....	20.4%	
Gold, Silver & Precious Metals & Minerals .....	23.6%	
Mining Services .....	6.3%	
Steel .....	0.6%	
Paper & Forest Products .....	18.6%	
<b>Warrants</b> .....		0.1%
Materials .....		0.1%
Metals & Mining		
Gold, Silver & Precious Metals & Minerals .....	0.1%	
<b>Other Assets in Excess of Liabilities</b> .....		2.3%
<b>Total Net Assets</b> .....		100.0%

**Aegis Value Fund**  
**Schedule of Portfolio Investments**  
**December 31, 2021**

	<u>Country</u>	<u>Shares</u>	<u>Value</u>
<b>Common Stocks — 97.6%</b>			
<b>Consumer Discretionary — 0.7%</b>			
<b>Textiles, Apparel &amp; Luxury Goods — 0.7%</b>			
Delta Apparel, Inc. <sup>(1)</sup> .....		43,159	\$ 1,283,549
<b>Energy — 23.5%</b>			
<b>Energy Equipment &amp; Services — 6.4%</b>			
AKITA Drilling Ltd. - Class A <sup>(1)</sup> .....	CAD	5,945,285	4,418,015
Deep Down, Inc. <sup>(1)(3)</sup> .....		766,584	475,282
Essential Energy Services Ltd. <sup>(1)</sup> .....	CAD	1,428,583	440,450
Exterran Corp. <sup>(1)</sup> .....		500,549	1,491,636
Tidewater, Inc. <sup>(1)</sup> .....		118,102	1,264,873
Valaris Ltd. <sup>(1)(2)</sup> .....		87,363	3,145,068
Wolverine Energy & Infrastructure, Inc. <sup>(1)</sup> .....	CAD	795,692	122,661
			<u>11,357,985</u>
<b>Oil, Gas &amp; Consumable Fuels — 17.1%</b>			
Adams Resources & Energy, Inc. ....		135,976	3,781,492
ARC Resources Ltd. ....	CAD	311,558	2,832,457
Ardmore Shipping Corp. <sup>(1)(2)</sup> .....		333,082	1,125,817
Hallador Energy Company <sup>(1)</sup> .....		742,434	1,826,388
International Petroleum Corp. <sup>(1)</sup> .....	CAD	1,558,870	8,712,764
MEG Energy Corp. <sup>(1)</sup> .....	CAD	999,584	9,245,530
Seplat Petroleum Development Company plc <sup>(4)</sup> .....	GBP	2,761,270	3,133,668
			<u>30,658,116</u>
Total Energy .....			<u>42,016,101</u>
<b>Financials — 3.8%</b>			
<b>Banks — 0.8%</b>			
Bank of Cyprus Holdings plc <sup>(1)</sup> .....	GBP	1,315,577	1,517,152
<b>Consumer Finance — 2.4%</b>			
EZCORP, Inc. <sup>(1)</sup> .....		589,504	4,344,644
<b>Insurance — 0.6%</b>			
Conifer Holdings, Inc. <sup>(1)</sup> .....		430,026	997,660
Total Financials .....			<u>6,859,456</u>
<b>Industrials — 0.1%</b>			
<b>Commercial Services &amp; Supplies — 0.1%</b>			
Green Impact Partners, Inc. <sup>(1)</sup> .....	CAD	37,006	175,529

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



**Aegis Value Fund**  
**Schedule of Portfolio Investments**  
**December 31, 2021**

	<u>Country</u>	<u>Shares</u>	<u>Value</u>
<b>Materials — 69.5%</b>			
<b>Metals &amp; Mining — 50.9%</b>			
<b>Diversified Metals &amp; Mining — 20.4%</b>			
Amerigo Resources Ltd. <sup>(3)</sup> . . . . .	CAD	17,032,738	\$ 19,659,115
Base Resources Ltd. . . . .	AUD	2,581,525	629,191
Excelsior Mining Corp. <sup>(1)</sup> . . . . .	CAD	2,483,258	804,882
Kenmare Resources plc . . . . .	GBP	2,148,598	13,494,173
Solitario Zinc Corp. <sup>(1)</sup> . . . . .		620,433	310,154
Trevali Mining Corp. <sup>(1)</sup> . . . . .	CAD	1,371,632	1,865,060
			<u>36,762,575</u>
<b>Gold, Silver &amp; Precious Metals &amp; Minerals — 23.6%</b>			
African Gold Group, Inc. <sup>(1)</sup> . . . . .	CAD	3,900,000	400,806
Argonaut Gold, Inc. <sup>(1)</sup> . . . . .	CAD	2,218,224	4,208,655
Big River Gold Ltd. <sup>(1)(4)</sup> . . . . .	AUD	1,493,339	247,743
Dundee Precious Metals, Inc. . . . .	CAD	556,525	3,440,472
Equinox Gold Corp. <sup>(1)(7)</sup> . . . . .	CAD	738,563	4,997,904
Erdene Resource Development Corp. <sup>(1)</sup> . . . . .	CAD	5,192,386	1,765,071
GoldQuest Mining Corp. <sup>(1)</sup> . . . . .	CAD	2,849,300	292,825
IAMGOLD Corp. <sup>(1)(2)</sup> . . . . .		1,458,328	4,564,567
Lion One Metals Ltd. <sup>(1)(7)</sup> . . . . .	CAD	1,589,524	1,319,420
Loncor Gold, Inc. <sup>(1)(7)</sup> . . . . .	CAD	2,142,858	1,118,057
Minera Alamos, Inc. <sup>(1)(7)</sup> . . . . .	CAD	18,954,538	8,016,663
Mundoro Capital, Inc. <sup>(1)(7)</sup> . . . . .	CAD	1,851,852	300,114
Orezone Gold Corp. <sup>(1)</sup> . . . . .	CAD	6,251,618	5,930,623
Revival Gold, Inc. <sup>(1)</sup> . . . . .	CAD	2,801,405	1,373,075
Superior Gold, Inc. <sup>(1)</sup> . . . . .	CAD	4,715,639	2,833,223
TriStar Gold, Inc. <sup>(1)</sup> . . . . .	CAD	351,164	56,910
Troilus Gold Corp. <sup>(1)(6)</sup> . . . . .	CAD	2,773,220	1,622,343
			<u>42,488,471</u>
<b>Mining Services — 6.3%</b>			
Capital Ltd. <sup>(4)</sup> . . . . .	GBP	4,046,698	4,639,039
Geodrill Ltd. <sup>(3)</sup> . . . . .	CAD	3,956,698	6,599,971
			<u>11,239,010</u>
<b>Steel — 0.6%</b>			
Universal Stainless & Alloy Products, Inc. <sup>(1)</sup> . . . . .		133,238	1,051,248
Total Metals & Mining . . . . .			<u>91,541,304</u>
<b>Paper &amp; Forest Products — 18.6%</b>			
Canfor Pulp Products, Inc. <sup>(1)</sup> . . . . .	CAD	174,467	922,712
Confifex Timber, Inc. <sup>(1)(3)</sup> . . . . .	CAD	2,246,913	3,676,912
Interfor Corp. . . . .	CAD	461,500	14,779,529
Mercer International, Inc. . . . .		264,447	3,170,720
Resolute Forest Products, Inc. . . . .		602,559	9,201,076

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

**Aegis Value Fund**  
**Schedule of Portfolio Investments**  
**December 31, 2021**

	Country	Shares	Value
<b>Materials — 69.5% (Continued)</b>			
<b>Paper &amp; Forest Products — 18.6% (Continued)</b>			
West Fraser Timber Co Ltd. <sup>(2)</sup> .....		17,101	\$ 1,630,751
			33,381,700
Total Materials .....			124,923,004
<b>Total Common Stocks (Cost \$132,201,965)</b> .....			<b>175,257,639</b>
 <b>Warrants — 0.1%</b>			
<b>Materials — 0.1%</b>			
<b>Metals &amp; Mining — 0.1%</b>			
<b>Gold, Silver &amp; Precious Metals &amp; Minerals — 0.1%</b>			
Loncor Gold, Inc. -			
Exercise Price: C\$0.95, 07/14/2022 <sup>(5)(6)(7)</sup> .....	CAD	1,071,429	50,906
Troilus Gold Corp. -			
Exercise Price: C\$1.50, 06/28/2023 <sup>(4)(6)</sup> .....	CAD	850,000	104,154
<b>Total Warrants (Cost \$0)</b> .....			<b>155,060</b>
 <b>Total Investments — 97.7%</b>			
<b>(Cost \$132,201,965)</b> .....			175,412,699
<b>Other Assets in Excess of Liabilities — 2.3%</b> .....			4,151,743
<b>Net Assets — 100.0%</b> .....			<b>\$ 179,564,442</b>

*Percentages are stated as a percent of net assets.*

<sup>(1)</sup> *Non-income producing security.*

<sup>(2)</sup> *Foreign security denominated in U.S. Dollars.*

<sup>(3)</sup> *Affiliated Company - The fund is owner of more than 5% of the outstanding voting securities. See Note 6 for additional information.*

<sup>(4)</sup> *Level 2 Security.*

<sup>(5)</sup> *Level 3 Security which was fair valued in accordance with the policies and procedures approved by the Board of Trustees. As of December 31, 2021, the value of these securities was \$50,906 which represents 0.0% of total net assets.*

<sup>(6)</sup> *Illiquid Security. As of December 31, 2021, the value of these securities was \$155,060, which represents 0.1% of total net assets.*

<sup>(7)</sup> *All or a portion of this security may be deemed restricted under Rule 144A.*

*AUD - Australian Dollar*

*CAD - Canadian Dollar*

*GBP - British Pound Sterling*

*plc - Public Limited Company*

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

**Aegis Value Fund**  
**Schedule of Portfolio Investments**  
**December 31, 2021**

*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. Bank Global Fund Services.*

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

**Aegis Value Fund**  
**Statement of Assets and Liabilities**  
**December 31, 2021**

**Assets**

Investments in unaffiliated securities, at value (cost \$112,236,706) .....	\$ 145,001,419
Investments in affiliated securities*, at value (cost \$19,965,259) .....	30,411,280
Total investments in securities, at value (cost \$132,201,965) .....	175,412,699
Cash .....	17,629
Receivable for Fund shares sold .....	4,337,350
Receivable for investments securities sold .....	330,275
Interest and dividends receivable .....	73,277
Prepaid assets .....	40,735
<b>Total Assets</b> .....	<b>180,211,965</b>

**Liabilities**

Payable for investment securities purchased .....	390,115
Payable to Investment Adviser .....	139,222
Payable for Fund shares redeemed .....	14,649
Accrued Trustee and chief compliance officer fees .....	14,004
Other payables .....	89,533
<b>Total liabilities</b> .....	<b>647,523</b>

**Net Assets** ..... **\$ 179,564,442**

**Net assets consist of:**

Paid-in capital .....	137,290,201
Total distributable earnings .....	42,274,241

**Net Assets** ..... **\$ 179,564,442**

<b>Net Assets</b> .....	<b><u><u>179,564,442</u></u></b>
Authorized (Par value \$0.001 per share) .....	100,000,000
Outstanding Shares .....	6,196,403
<b>Net asset value per share</b> .....	<b>\$ 28.98</b>

\* Please refer to Note 6 for additional details.

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

**Aegis Value Fund**  
**Statement of Operations**  
**For the Year Ended December 31, 2021**

**Investment Income**

Dividends from unaffiliated companies <sup>#</sup> .....	\$ 2,887,324
Dividends from affiliated companies (Note 6) <sup>###</sup> .....	289,390

<b>Total investment income</b> .....	<b>3,176,714</b>
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**Expenses**

Investment advisory fees (Note 3) .....	2,184,755
Fund servicing fees .....	163,098
Transfer agent & custody fees .....	112,217
Printing and postage fees .....	37,877
Registration fees .....	41,513
Legal fees .....	56,513
Director fees .....	14,000
Chief compliance officer fees (Note 3) .....	40,038
Audit fees .....	23,498
Insurance fees .....	28,243

<b>Gross Expenses</b> .....	<b>2,701,752</b>
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Expenses recouped (Note 3) .....	97,287
Expenses waived (Note 3) .....	(68,095)

<b>Net Expenses</b> .....	<b>2,730,944</b>
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<b>Net Investment Income</b> .....	<b>445,770</b>
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**Realized and Unrealized Gain on Investments  
and Foreign Currency Transactions**

Net realized gain (loss) from:

Investments in unaffiliated companies .....	14,971,919
Investments in affiliated companies (Note 6) .....	(212,558)
Investments in foreign currency transactions .....	(14,072)

Net realized gain on investments and foreign currency transactions .....	14,745,289
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Change in unrealized appreciation on:

Investments in unaffiliated companies .....	10,786,758
Investments in affiliated companies (Note 6) .....	11,404,092
Investments in foreign currency translations .....	279

Net change in unrealized appreciation on investments .....	22,191,129
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**Net Realized and Unrealized Gain on Investments and Foreign Currency  
Transactions** .....

	36,936,418
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<b>Net Increase in Net Assets Resulting from Operations</b> .....	<b>\$ 37,382,188</b>
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<sup>#</sup> Net of foreign taxes withholding of \$154,016.

<sup>###</sup> Net of foreign taxes withholding of \$40,017.

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

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

	<b>Year Ended December 31, 2021</b>	<b>Year Ended December 31, 2020</b>
	<u>          </u>	<u>          </u>
<b>Operations:</b>		
Net investment gain (loss) .....	\$ 445,770	\$ (852,166)
Net realized gain (loss) on investments and foreign currency transactions .....	14,745,289	(14,520,119)
Net change in unrealized appreciation on investments .....	<u>22,191,129</u>	<u>32,959,733</u>
Net increase in net assets resulting from operations .....	<u>37,382,188</u>	<u>17,587,448</u>
<b>Distributions</b>		
Net dividends and distributions to shareholders .....	<u>—</u>	<u>(7,790,854)</u>
Net decrease in assets resulting from distributions paid .....	<u>—</u>	<u>(7,790,854)</u>
<b>Capital share transactions</b>		
Subscriptions .....	136,487,354	9,993,633
Distributions reinvested .....	—	5,970,772
Redemptions .....	<u>(117,854,713)</u>	<u>(17,325,352)</u>
Net Increase (Decrease) in net assets resulting from capital share transactions .....	<u>18,632,641</u>	<u>(1,360,947)</u>
Total Increase in Net Assets .....	<u>56,014,829</u>	<u>8,435,647</u>
<b>Net Assets</b>		
Beginning of year .....	<u>123,549,613</u>	<u>115,113,966</u>
End of year .....	<u>\$ 179,564,442</u>	<u>\$ 123,549,613</u>
<b>Share information</b>		
Subscriptions .....	4,649,937	554,996
Distributions reinvested .....	—	292,255
Redemptions .....	<u>(4,322,524)</u>	<u>(1,056,212)</u>
Net increase (decrease) in shares .....	327,413	(208,961)
Beginning shares .....	<u>5,868,990</u>	<u>6,077,951</u>
Ending shares .....	<u>6,196,403</u>	<u>5,868,990</u>

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

## Aegis Value Fund Financial Highlights

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

	Years Ended December 31,				
	2021	2020	2019	2018	2017
<b>Per Share Data</b>					
Net asset value, beginning of year . . . . .	\$ 21.05	\$ 18.94	\$ 15.44	\$ 19.67	\$ 16.76
<b>Income from investment operations:</b>					
Net investment income (loss) <sup>(1)</sup> . . . . .	0.07	(0.15)	(0.20)	(0.11)	(0.22)
Net realized and unrealized gain (loss) on investments . . . . .	7.86	3.65	4.15	(3.17)	3.13
<b>Total from investment operations . . . . .</b>	<b>7.93</b>	<b>3.50</b>	<b>3.95</b>	<b>(3.28)</b>	<b>2.91</b>
<b>Less distributions to shareholders from:</b>					
Net investment income . . . . .	—	(0.44)	(0.05)	—	—
Net realized capital gains . . . . .	—	(0.95)	(0.40)	(0.95)	—
<b>Total distributions . . . . .</b>	<b>—</b>	<b>(1.39)</b>	<b>(0.45)</b>	<b>(0.95)</b>	<b>—</b>
<b>Net asset value, end of year . . . . .</b>	<b>\$ 28.98</b>	<b>\$ 21.05</b>	<b>\$ 18.94</b>	<b>\$ 15.44</b>	<b>\$ 19.67</b>
<b>Total investment return . . . . .</b>	<b>37.67%</b>	<b>18.72%</b>	<b>25.66%</b>	<b>(17.02)%<sup>(2)</sup></b>	<b>17.36%<sup>(2)</sup></b>
<b>Ratios (to average net assets)/</b>					
<b>Supplemental data:</b>					
Expenses after reimbursement/recovery . . . . .	1.50%	1.50%	1.50%	1.50%	1.50%
Expenses before reimbursement/recovery . . . . .	1.48%	1.55%	1.63%	1.52%	1.53%
Net investment gain (loss) . . . . .	0.25%	(0.86)%	(1.18)%	(0.57)% <sup>(3)</sup>	(1.31)%
Portfolio turnover . . . . .	40%	41%	30%	62%	15%
Net assets at end of year (000's) . . . . .	\$ 179,564	\$ 123,550	\$ 115,114	\$ 97,720	\$ 130,086

- (1) Per share net investment loss was calculated prior to tax adjustments, using average shares method.
- (2) 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.
- (3) Resolute Forest Products, Inc. paid a special dividend on December 6, 2018 in the amount of \$611,550. The net investment loss excluding this special dividend would have been (1.04)%.

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

**Notes to Financial Statements**  
**December 31, 2021**

**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 openend management investment company. The Fund currently offers one class of shares, Class I shares. The Fund’s Class I shares commenced operations May 15, 1998. 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.

**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 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.



**Notes to Financial Statements**  
**December 31, 2021**

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

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 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

**Notes to Financial Statements**  
**December 31, 2021**

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

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.

**Rule 2a-5.** In December 2020, the SEC adopted a new rule providing a framework for fund valuation practices (“Rule 2a-5”). Rule 2a-5 establishes requirements for determining fair value in good faith for purposes of the 1940 Act. Rule 2a-5 will permit fund boards to designate certain parties to perform fair value determinations, subject to board oversight and certain other conditions. Rule 2a-5 also defines when market quotations are “readily available” for purposes of the 1940 Act and the threshold for determining whether a fund must fair value a security. In connection with Rule 2a-5, the SEC also adopted related recordkeeping requirements and is rescinding previously issued guidance, including with respect to the role of a board in determining fair value and the accounting and auditing of fund investments. The Funds will be required to comply with the rules by September 8, 2022. Management is currently assessing the potential impact of the new rules on the Fund’s financial statements.

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, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Common Stocks</b>				
Consumer Discretionary . . . . .	\$ 1,283,549	\$ —	\$ —	\$ 1,283,549
Energy . . . . .	38,882,433	3,133,668	—	42,016,101
Financials . . . . .	6,859,456	—	—	6,859,456
Industrials . . . . .	175,529	—	—	175,529
Materials . . . . .	120,036,222	4,886,782	—	124,923,004
<b>Warrants</b>				
Materials . . . . .	—	104,154	50,906	155,060
<b>Total</b> . . . . .	<u><b>\$167,237,189</b></u>	<u><b>\$ 8,124,604</b></u>	<u><b>\$ 50,906</b></u>	<u><b>\$175,412,699</b></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

**Notes to Financial Statements**  
**December 31, 2021**

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

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.

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, 2021:

<u>Investments</u>	<u>Fair Value as of December 31, 2021</u>	<u>Valuation Technique</u>	<u>Unobservable Inputs</u>	<u>Weighted Average</u>	<u>Range</u>
Loncor Gold, Inc. - Warrant, Exercise Price: C\$0.95, 07/14/2022 .....	\$ 50,906	Black Scholes Option Pricing Model	Pricing Model	N/A	\$0.0475

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, 2021:

<u>Fair Value Measurement Using Significant Unobservable Inputs (Level 3)</u>	<u>Investments in Securities</u>
Beginning Balance as of December 31, 2020 .....	\$ 63,794
Change in unrealized appreciation .....	<u>(12,888)</u>
Ending Balance as of December 31, 2021 .....	<u>\$ 50,906</u>
Change in unrealized appreciation still held as of December 31, 2021 .....	<u>\$ 50,906</u>

**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.

**Notes to Financial Statements**  
**December 31, 2021**

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

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.

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.

**Notes to Financial Statements**  
**December 31, 2021**

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

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.

**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.

**Covid-19.** The global outbreak of COVID-19 (commonly referred to as "coronavirus") has disrupted economic markets and the prolonged economic impact is uncertain. The ultimate economic fallout from the pandemic, and the long-term impact on economies, markets, industries and individual issuers, are not known. The operational and financial performance of the issuers of securities in which the Fund invests depends on future developments, including the duration and spread of the outbreak, and such uncertainty may in turn adversely affect the value and liquidity of the Fund's investments, impair the Fund's ability to satisfy redemption requests, and negatively impact the Fund's performance.

**Notes to Financial Statements**  
**December 31, 2021**

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

**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.

**Rule 18f-4.** On October 28, 2020, the SEC adopted new regulations governing the use of derivatives by registered investment companies (“Rule 18f-4”). Rule 18f-4 will impose limits on the amount of derivatives a Fund can enter into, eliminate the asset segregation framework currently used by funds to comply with Section 18 of the 1940 Act, and require funds whose use of derivatives is greater than a limited specified amount to establish and maintain a comprehensive derivatives risk management program and appoint a derivatives risk manager. Funds will be required to comply with Rule 18f-4 by August 19, 2022. Management currently anticipates Rule 18f-4 will not have a material impact on the Fund.

**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, 2021 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, 2021, the Fund incurred \$2,184,755 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, 2022, 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, exceeds 1.50% for the Class I Shares, of the Fund’s average daily net assets. During the year ended December 31, 2021, the Advisor waived fees in the amount of \$68,095 and recovered fees of \$97,287.

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 1.50% for Class I Shares and the repayment is made within three years from the month in which the Advisor incurred the expense. As of December 31, 2021, there

**Notes to Financial Statements**  
**December 31, 2021**

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

was \$225,486 waiver of fees available to be recovered no later than December 31, 2024, of which, \$79,773, \$77,618, and \$68,095 are recoverable no later than December 31, 2022, 2023 and 2024, 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 \$40,000 paid on a quarterly basis.

**4. 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, 2021.

	Purchases	Sales
Aegis Value Fund .....	\$ 89,333,455	\$ 66,837,726

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

As of December 31, 2021, the components of accumulated earnings (losses) for income tax purposes were as follows:

Tax cost of Investments .....	<u>\$132,360,509</u>
Unrealized appreciation of Investments .....	62,485,624
Unrealized depreciation of Investments .....	<u>(19,433,155)</u>
Net unrealized appreciation .....	43,052,469
Unrealized depreciation of foreign currency .....	—
Undistributed ordinary income .....	431,698
Undistributed long term gain .....	<u>—</u>
Distributable earnings .....	<u>431,698</u>
Other accumulated loss .....	<u>(1,209,926)</u>
Total accumulated earnings .....	<u>\$ 42,274,241</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 securities transactions.*

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

**Notes to Financial Statements**  
**December 31, 2021**

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

As of December 31, 2021, the Fund has capital loss carryforwards in the amount of \$1,209,926, of which short-term capital loss carryforwards amounts to \$808,536 and long-term capital loss carryforwards amounts to \$401,390. The Fund did utilize short-term capital loss carryovers in the amount of \$2,681,321, and long-term capital loss carryovers of \$10,963,995 during the year ended December 31, 2021.

As of December 31, 2021, the Fund did not defer on a tax basis, any 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, 2021. The reclassifications were primarily a result of net operating losses and prior year tax return true-up amounts.

Total Distributable Earnings .....	\$ 165,194
Paid In Capital .....	\$ (165,194)

The tax components of dividends paid during the year ended December 31, 2021 and the year ended December 31, 2020 were as follows:

Year Ended December 31, 2021			Year Ended December 31, 2020		
Ordinary Income	Long-Term Capital Gains	Total	Ordinary Income	Long-Term Capital Gains	Long-Term Capital Gains
\$ —	\$ —	\$ —	\$ 2,597,700	\$ 5,193,154	\$ 7,790,854

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, 2018 through December 31, 2021. As of and during the year ended December 31, 2021, 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



**Notes to Financial Statements**  
**December 31, 2021**

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

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 is 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.

**6. 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 Aegis Value Fund as of December 31, 2021 amounted to \$30,411,280, representing 16.94% of net assets. A summary of affiliated transactions for the period ended December 31, 2021 is as follows:*

	<b>Share Balance December 31, 2020</b>	<b>Additions</b>	<b>Deductions</b>	<b>Share Balance December 31, 2021</b>
Amerigo Resources Ltd. . . . .	17,032,738	—	—	17,032,738
Conifex Timber, Inc. <sup>(1)</sup> . . . . .	N/A	797,000	—	2,246,913
Deep Down, Inc. . . . .	766,584	—	—	766,584
Geodrill Ltd. . . . .	3,956,698	—	—	3,956,698
Conifer Holdings, Inc. <sup>(2)</sup> . . . . .	499,321	20,420	(89,715)	N/A
	<b>Value December 31, 2020</b>	<b>Acquisitions</b>	<b>Dispositions</b>	<b>Corporate Actions</b>
Amerigo Resources Ltd. . . . .	10,704,840	—	—	—
Conifex Timber, Inc. <sup>(1)</sup> . . . . .	N/A	1,378,476	—	—
Deep Down, Inc. . . . .	328,098	—	—	—
Geodrill Ltd. . . . .	4,849,123	—	—	—
Conifer Holdings, Inc. <sup>(2)</sup> . . . . .	1,642,766	59,189	(373,946)	—
Total . . . . .	\$17,524,827	\$ 1,437,665	\$ (373,946)	\$ —

**Notes to Financial Statements**  
**December 31, 2021**

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

	Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Value December 31, 2021	Dividend Income
Amerigo Resources Ltd. . . . .	—	8,954,275	\$ 19,659,115	226,765
Conifex Timber, Inc. <sup>(1)</sup> . . . . .	—	669,576	3,676,912	—
Deep Down, Inc. . . . .	—	147,184	475,282	—
Geodrill Ltd. . . . .	—	1,750,848	6,599,971	62,625
Conifer Holdings, Inc. <sup>(2)</sup> . . . . .	(212,558)	(117,791)	N/A	—
<b>Total</b> . . . . .	<b>\$ (212,558)</b>	<b>\$ 11,404,092</b>	<b>\$ 30,411,280</b>	<b>\$ 289,390</b>

\* 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.

<sup>(1)</sup> This security was not affiliated at December 31, 2020.

<sup>(2)</sup> This security was no longer affiliated as of December 31, 2021.

**7. Control Ownership**

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of a fund creates presumption of control of the fund pursuant to Section 2(a) (9) of the 1940 Act. As of December 31, 2021, Pershing LLC. held approximately 33.26% of the Aegis Value Fund for the benefit of its customers.

**8. Subsequent Events**

In connection with the preparation of the financial statements of the Fund as of and for the year ended December 31, 2021, events and transactions subsequent to December 31, 2021 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, 2021, 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, 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, 2021, 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, 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 included 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, 2021 by correspondence with the custodian, brokers, or by other appropriate auditing procedures where replies from brokers were not received. 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

**BBD, LLP**

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

**Philadelphia, Pennsylvania**

**February 25, 2022**

**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;	1	
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	
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 Mizuho Gulf Capital Partners (a private equity firm) since September 2017; Managing Partner of Catalyst Partners Ltd (a private equity firm) (2015-2017).	1	Board Member, Mizuho Gulf Capital Partners, Ltd., (2017 – present); Board Member, Gulf Japan Food Fund (2017 – present).

**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 Trustee Treasurer Secretary	Since 2009 Since 2003 2003 – 2008 2006 – 2008	President of Aegis Financial Corporation since 2009.	1	Director of Donald Smith & Co. (SEC-registered investment adviser) since 2014; Director of The Barbee Family Foundation since 2012; Director of The Donald & Paula Smith Family Foundation since 2014.
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 Petrowolf Resources (2013 – Present). Director of Select Sands Corporation (industrial silica product company) (2016 – 2018).

**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).	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. 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-PORT Part F within 60 days after the end of the period. Copies of the Fund's Form N-PORT Part F 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-PORT Part F 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.

### **Tax Designation**

For the year ended December 31, 2021, certain dividends paid by the Fund may be subject to a maximum tax rate of 15%, as provided for by the Jobs and Growth Tax Relief Reconciliation Act of 2003. The percentage of dividends declared from ordinary income designated as qualified dividend income was as follows:

Aegis Value Fund .....	0.00%
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For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividends received deduction for the year ended December 31, 2021 was as follows:

Aegis Value Fund .....	0.00%
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**Other Information  
(Unaudited)**

The percentage of income that is designated as qualified interest income which may be exempt from U.S tax withholding when paid to non-U.S. Shareholders was as follows:

Aegis Value Fund .....	0.00%
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**Operation and Effectiveness of Liquidity Risk Management Program  
(Unaudited)**

*Draft disclosure regarding the operation and effectiveness of the Program during the Review Period, to be included in the Fund's next report to shareholders:*

Pursuant to Rule 22e-4 under the Investment Company Act of 1940, the Fund has adopted and implemented a liquidity risk management program (the "Program") designed to assess and manage the risk that the Fund could not meet requests to redeem Fund shares without significant dilution of remaining investors' interests in the Fund. In assessing, managing and reviewing liquidity risk under the Program, the Fund considers a variety of factors, including its investment strategy, portfolio investments, portfolio concentration, cash flow projections, redemption policy and redemption history.

The Program requires the Fund to, among other things, (1) periodically classify (no less frequently than monthly) its investments into specific liquidity categories; (2) determine and monitor compliance with a minimum level of Fund net assets invested in "highly liquid investments" (as defined under Rule 22e-4); (3) monitor compliance with a 15% limit for the acquisition of "illiquid investments" (as defined under Rule 22e-4); and (4) periodically assess (no less frequently than annually) the Fund's liquidity risk based on certain factors.

During the 12-month period ended September 30, 2021 (the "Review Period"), there were no liquidity events that materially affected the Fund's performance or ability to timely meet redemptions without dilution to remaining investors' interests in the Fund.

The Chief Compliance Officer of the Fund, which the Board has designated to administer the Program, prepared a written report that addressed the operation of the Program and assessed the Program's adequacy and effectiveness of implementation during the Review Period (the "Report"). The Board reviewed and accepted the Report, which reflected that the Program is reasonably designed to assess and manage the Fund's liquidity risk and that during the Review Period the Program operated adequately and effectively in managing the Fund's liquidity risk.

**Aegis Mutual 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>
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<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.
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<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>
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<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.
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<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>	

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

Who we are	
<b>Who is providing this Notice?</b>	The Aegis Funds
What we do	
<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> <p>State laws and individual companies may give you additional rights to limit sharing.</p>
Definitions	
<b>Affiliates</b>	Companies related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> <li>• <b><i>Our affiliates include Aegis Financial Corporation.</i></b></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>• <b><i>The Aegis Funds does not share with nonaffiliates so they can market to you.</i></b></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>• <b><i>See Other important information.</i></b></li> </ul>
Other important information	
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.	

**The Aegis Funds**

c/o U.S. Bank Global 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. Bank Global 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