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# LKCM FUNDS

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**LKCM Small Cap Equity Fund**  
**LKCM Small-Mid Cap Equity Fund**  
**LKCM Equity Fund**  
**LKCM Balanced Fund**  
**LKCM Fixed Income Fund**  
**LKCM International Equity Fund**

**Semi-Annual Report**  
**June 30, 2021**

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the LKCM Funds' shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports from the LKCM Funds (if you hold your Fund shares directly with the LKCM Funds) or from your financial intermediary, such as a broker-dealer or bank (if you hold your Fund shares through a financial intermediary). Instead, the reports will be made available on a website, 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. If you hold your Fund shares directly with the LKCM Funds, you may elect to receive shareholder reports and other communications electronically from the LKCM Funds by calling 1-800-688-LKCM or, if you hold your Fund shares through a financial intermediary, by contacting your financial intermediary.

You may elect to receive all future reports on paper free of charge. If you hold your Fund shares directly with the LKCM Funds, you can inform the LKCM Funds that you wish to continue receiving paper copies of your shareholder reports by calling 1-800-688-LKCM or, if you hold your Fund shares through a financial intermediary, contacting your financial intermediary. Your election to receive reports in paper will apply to all of the LKCM Funds you hold directly with LKCM Funds or all of the funds you hold through your financial intermediary, as applicable.

## Dear Fellow Shareholders:

We report the following performance information for the LKCM Funds for indicated periods ended June 30, 2021:

Funds	Inception Date	NAV @ 6/30/21	Net Expense Ratio*, **	Gross Expense Ratio**	Six Month Total Return Ended 6/30/21	One Year Total Return Ended 6/30/21	Five Year Average Annualized Return Ended 6/30/21	Ten Year Average Annualized Return Ended 6/30/21	Avg. Annual Total Return Since Incept.
LKCM Small Cap Equity Fund Russell 2000 <sup>(R)</sup> Index <sup>(1)</sup>	07/14/1994	\$25.60	1.00%	1.07%	17.59%	67.06%	18.48%	11.16%	11.53%
LKCM Small-Mid Cap Equity Fund Russell 2500 <sup>(R)</sup> Index <sup>(2)</sup>	05/02/2011	\$12.62	1.00%	1.98%	13.18%	49.53%	17.93%	10.64%	10.30%
LKCM Equity Fund S&P 500 <sup>(R)</sup> Index <sup>(3)</sup>	01/03/1996	\$38.46	0.81%	0.99%	13.99%	39.91%	17.84%	13.59%	9.82%
LKCM Balanced Fund S&P 500 <sup>(R)</sup> Index <sup>(3)</sup>	12/30/1997	\$28.89	0.80%	0.99%	8.33%	26.24%	12.15%	10.28%	7.43%
Bloomberg Barclays U.S. Intermediate Government/Credit Bond Index <sup>(4)</sup>					-0.90%	0.19%	2.63%	2.76%	4.42%
LKCM Fixed Income Fund Bloomberg Barclays U.S. Intermediate Government/Credit Bond Index <sup>(4)</sup>	12/30/1997	\$11.03	0.50%	0.79%	-0.76%	0.40%	2.39%	2.50%	4.13%
LKCM International Equity Fund MSCI/EAFE <sup>(R)</sup> Index <sup>(5)</sup>	05/01/2019	\$14.17	1.01%	1.89%	13.91%	41.12%	N/A	N/A	17.61%
					9.17%	32.92%	N/A	N/A	11.94%

*Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Current performance of the Funds may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-800-688-LKCM. The Funds impose a 1.00% redemption fee on shares held less than 30 days. If reflected, the fee would reduce performance shown.*

\* Luther King Capital Management Corporation, the Funds' investment adviser, has contractually agreed to waive all or a portion of its management fee and/or reimburse expenses of each Fund to maintain the expense ratios designated in the Funds' prospectus through May 1, 2022. This expense limitation excludes interest, taxes, brokerage commissions, indirect fees and expenses related to investments in other investment companies, including money market funds, and extraordinary expenses. Investment performance, which is based on the net expense ratio, reflects fee waivers, if any, in effect during the relevant period. In the absence of such waivers, total return would be reduced. Investment performance is based upon the net expense ratio. LKCM waived management fees and/or reimbursed expenses for each Fund during the six months ended June 30, 2021.

\*\* Expense ratios above are as reported in the Funds' current prospectus dated May 1, 2021. Expense ratios reported for other periods in the financial highlights of this report may differ.

- (1) The Russell 2000<sup>®</sup> Index is an unmanaged index which measures the performance of the 2,000 smallest companies in the Russell 3000<sup>®</sup> Index.
- (2) The Russell 2500<sup>®</sup> Index is an unmanaged index which measures the performance of the 2,500 smallest companies in the Russell 3000<sup>®</sup> Index.
- (3) The S&P 500<sup>®</sup> Index is an unmanaged capitalization-weighted index of 500 selected stocks that is generally considered representative of the performance of large capitalization companies in the U.S. stock market.
- (4) The Bloomberg Barclays U.S. Intermediate Government/Credit Bond Index is an unmanaged market value weighted index measuring both the principal price changes of, and income provided by, the underlying universe of securities that comprise the index. Securities included in the index must meet the following criteria: fixed as opposed to variable rate; remaining maturity of one to ten years; minimum outstanding par value of \$250 million; rated investment grade or higher by Moody's Investors Service or equivalent; must be dollar denominated and non-convertible; and must be publicly issued.
- (5) The Morgan Stanley Capital International Europe, Australia, Far East Index ("MSCI/EAFE<sup>®</sup> Index") is an unmanaged index composed of large-cap and mid-cap securities across 21 European and Pacific Basin countries. The MSCI/EAFE<sup>®</sup> Index is a recognized international index and is weighted by market capitalization.

*Note: The indices defined above are not available for direct investment and the index performance therefore does not include fees, expenses or taxes.*

## 1H2021 Review

The current economic cycle has been turbocharged through a unique combination of market behaviors. First, policymakers reacted strongly to threats posed by the pandemic to households and businesses. These actions resulted in an increase of approximately 27% in the money supply since March of 2020, and the U.S. government engaged in significant deficit spending. Similarly, businesses curtailed operations, not to combat a normal economic downturn, but instead to survive an existential threat presented by the pandemic. These decisions contributed to the largest ever quarterly decline in Gross Domestic Product (GDP), a rapid increase in joblessness, and extensive liquidation of inventory. Finally, households hoarded savings, establishing a new record level of savings to income, much of which currently remains in the form of personal savings. In the current economic cycle, GDP has recovered to its prior peak after only a year. In contrast, it took three-and-a-half years for economic output to recover following the Global Financial Crisis, which ended in 2009.

We believe the rapid pace of economic growth is accentuating supply and demand imbalances created by the recession, and the situation is compounded by the logistical and production challenges of smoothly restarting the global supply chain. This dynamic has given rise to

labor shortages and rising inflation in 2021. More than half of the increase in the Consumer Price Index (CPI) in April and May 2021 resulted from higher vehicle prices, in tandem with a rebound in pandemic-affected prices for flying and hotel accommodations. Input costs such as those for lumber, steel, and microchips have all recently peaked following a multifold increase. In terms of labor, aside from a few lower-wage sectors such as retail and hospitality, overall wage growth remains constrained. On the surface, these data points thus far appear to remain consistent with Federal Reserve Bank Chairman Jerome Powell's message that inflation will likely be "transitory." However, we believe the degree to which inflationary pressures broaden and become persistent will likely have a significant impact on how investors view the likely path of monetary policy and corollary implications for the stock market.

With the economic recovery in full motion, we believe that investors face a much different set of questions this year versus last year. For example, how long will it take the economy to return to full employment, and what happens to inflation in the interim and beyond? In our view, there is a great deal of uncertainty and debate surrounding these two questions, as they are central to shaping the path of monetary policy, which remains extremely accommodative even as the economy begins to heat up. We believe that the analysis is unusually complex for three reasons. First, economic data are very volatile as year-over-year comparisons produce extreme outputs for series such as GDP and CPI. Second, extraordinary fiscal and monetary policy, such as supplemental unemployment benefits and large-scale asset purchases by the Federal Reserve, continues to support the economy. Third, both the demand side (how fast will consumer spending recover?) and the supply side (how much labor market slack is there and how quickly will it dissipate?) have been impacted, making the forecasting of a new equilibrium challenging. As a result, we believe economic activity and data are likely to remain volatile and challenging for investors to digest.

Higher costs are returning as companies grapple with supply chain shortages and surging demand as the economy continues to reopen. Inflation also continues to rise compared to last year, based on the latest CPI readings. However, we believe a mix of temporary shortages, supply chain disruptions, and rebounds in transportation prices have driven the spike in CPI readings. In our view, elevated inflation readings are likely to persist until markets resolve supply chain constraints and other post-pandemic disruptions. Therefore, we think there may be sustained higher inflation readings over the following several months and possibly into the year-end. We believe it is important not to be overly dismissive of headline inflation. Market imbalances often emerge first in faster-moving prices such as gasoline, auto prices, hotel prices, and apparel, but can eventually creep into more moderate increases in a broader basket of slower-moving prices.

Beyond short-term price volatility in goods that are subject to dramatic swings in supply and demand, we continue to closely monitor the labor market for signs of wage pressure. We believe the employment dynamic exiting the pandemic-induced recession is very different from what followed the 2007—2009 recession. At the conclusion of the previous recession, labor was plentiful relative to demand, which contributed to relatively minimal inflation pressures. Abundant labor last cycle was also partly responsible for a decade of low productivity growth. In our view, there is a greater risk today that wage growth could rise at a faster pace than last cycle if current signs of labor market tightness prove more dogged than anticipated.

Regarding the labor market, there were approximately 4.3% fewer people employed at the end of the second quarter of 2021 than in January of 2021, which to us implies that meaningful slack resides in the labor market. However, company survey data, such as the National Federation of Independent Business (NFIB) small business survey, suggests a different story. The most recent survey indicated that approximately 48% of firms reported difficulty filling vacant positions in May 2021, the highest level in the 46-year history of the survey. The reopening-driven recovery in labor demand has tightened the labor market at a time when labor supply is still constrained by supplemental unemployment benefits and the lingering effects of social distancing. There were 9.5 million unemployed workers as of the end of June 2021. Therefore, the ratio of unemployed workers to job openings has fallen to a level usually associated with tight labor markets. This is particularly true in lower-wage services that face greater competition from unemployment benefits. We believe that we are unlikely to get a clear view of the health of the labor market until this fall when supplemental unemployment benefits expire, and schools across the country open for in-person learning.

While we believe investors are rightly focused on inflation and the health of the labor market, there is another key aspect of the business cycle which we believe deserves attention—business investment, which is emerging as a powerful source of economic growth that will likely help sustain the economic recovery. Although business investment accounts for only approximately 18% of GDP, it carries important implications, because rising business investment helps fuel economic output. These types of expenditures are important because they can lift worker productivity, or output per hour. While productivity was very sluggish during the prior economic expansion, capital goods orders are now beginning to show signs of growth. Business investment is also important because it drives job creation and can mitigate wage pressures.

## **2H2021 Outlook**

Supply and demand imbalances have led to a spike in inflation readings; however, we believe much of the underlying cause is directly linked to unique circumstances such as auto and travel prices, which we believe will moderate as the year-end approaches. Turning to the labor market, while the pace of hiring has quickened, we believe there is also a rational speed limit to which the matching of workers with employers can naturally occur. In our view, pronounced labor market churn is due in part to the need for workers to change jobs to reach the marginal bid for new workers, which is around \$15 per hour and may include a signing bonus. Excess savings and the ongoing unemployment trends in many states give workers more bargaining power, while also allowing the unemployed to be more selective in finding the right match. However, we believe these constraints should ease in the second half of 2021 as supplemental benefits expire

and schools open for in-person learning. We currently anticipate that the economy will lurch forward in 2021 in conjunction with strong corporate earnings. We believe that accompanying inflation readings are anticipated to moderate by the end of the year.

We believe there are two prominent risks to our current outlook. The first is a pandemic resurgence sparked by the spread of more powerful virus variants against which existing vaccines are substantially less effective. In our view, such a development would likely negatively impact global economies more substantially than the domestic economy due to differences in vaccination levels and health care infrastructure. Under this potential scenario, global supply and demand imbalances would persist, rather than correcting. The second key risk is that strong inflation readings in a narrow set of goods and services bleed over into a broader basket of goods and services. If the seemingly tight labor market constricts further and wage growth is not offset by productivity improvements, we believe further cost pressures could build in the economy. As a result, the Federal Reserve Bank could conclude it is behind the curve and move quickly to tighten monetary policy to dampen inflation. We believe such an action could startle capital markets. Neither of these more visible risks should be overlooked, but our current view anticipates economic momentum to carry over into next year and monetary policy to tighten very slowly, both of which continue to create an economic backdrop that is supportive of equity values.

### **LKCM Equity Fund**

The LKCM Equity Fund returned 13.99% for the six months ended June 30, 2021, as compared to the 15.25% return for the S&P 500® Index, the Fund's benchmark. The Fund's relative performance benefited from stock selection decisions, particularly in the Industrials, Information Technology and Communication Services sectors, which was partially offset by stock selection decisions in the Materials sector. The Fund's underweight position in the Financials and Communication Services sectors detracted from the Fund's relative performance, which was partially offset by the Fund's overweight position in the Industrials sector. We remain committed to our investment strategy for the Fund that focuses on investments in companies that we believe are high quality and have solid balance sheets and cash flows, particularly with the potential for rising interest rates.

### **LKCM Balanced Fund**

The LKCM Balanced Fund returned 8.33% for the six months ended June 30, 2021, as compared to the 15.25% return for the S&P 500® Index and the -0.90% return for the Bloomberg Barclays Intermediate Government/Credit Bond Index. The Fund's equity portfolio benefited from strong stock selection in the Healthcare and Financials sectors relative to the benchmark and by maintaining a lack of exposure to the underperforming Utilities sector. Stock selection in the Information Technology and Industrials sectors detracted from the Fund's relative performance during the period. The Fund's fixed income portfolio generated slightly negative returns during the period as interest rates lifted off the lows from earlier in the year. The Fund's fixed income portfolio remains focused on investments in high quality corporate bonds with intermediate maturities. We believe that Fund remains well-positioned for the anticipated economic and capital market environment.

### **LKCM Fixed Income Fund**

The LKCM Fixed Income Fund returned -0.76% on a total return basis during the six months ended June 30, 2021, as compared to the -0.90% return of the Fund's benchmark, the Bloomberg Barclays Intermediate Government/Credit Bond Index. During the period, Treasury yields rose sharply, and the yield curve steepened, as measured by the yield differential between the 3-month T-bill and the 10-year Treasury. This steepening of the curve was largely the result of the continuing economic recovery that officially transitioned into expansion in the first quarter as GDP surpassed its previous peak in the fourth quarter of 2019 and the reopening of the economy broadened to encompass those sectors that were more negatively impacted by the pandemic-induced shutdown. Within this backdrop both monetary and fiscal policy remained extraordinarily accommodative to support the recovery and achieve sustainable economic growth. However, while GDP has recovered, payroll employment and labor force participation remain well off their pre-pandemic levels. In addition, inflation has increased substantially due to base effects relative to deflation last spring, and supply-chain bottlenecks as a result of the reopening of the economy. The Federal Reserve views this increase in inflation as "transitory" and continues to deploy accommodative policies to focus on the maximum sustainable employment part of their dual mandate. In this environment where fixed income securities were negatively impacted by rising interest rates, shorter-duration securities outperformed their longer-duration counterparts and lower-quality issues outperformed higher-quality issues as credit spreads tightened. The Fund's shorter duration of 2.9 years relative to the 4.2-year duration of the benchmark as well as the Fund's overweight in corporate bonds were additive to the Fund's relative performance in this volatile environment. Most of the Fund remains focused in the short-to-intermediate sector in an effort to reduce interest rate risk and in investment-grade corporate bonds with strong underlying fundamentals in an effort to mitigate credit risk and achieve a sustainable cash flow stream.

### **LKCM International Equity Fund**

The LKCM International Equity Fund returned 13.91% for the six months ended June 30, 2021, as compared to the 9.17% return for the MSCI EAFE® Index, the Fund's benchmark. The Fund benefited from an underweight position in the Utilities sector relative to the benchmark, although the Fund's underweight positions in the Financials and Materials sectors detracted slightly from the Fund's relative performance. The Fund's overweight positions in the Industrials and Energy sectors also contributed to the Fund's relative performance, while the Fund's overweight position in the Information Technology sector detracted slightly from the Fund's relative performance. The

Fund also benefited from stock selection decisions in the Industrials, Financials and Information Technology sectors relative to the benchmark, which were partially offset by stock selection decisions in the Consumer Staples and Communication Services sectors.

We believe that the Fund is well-positioned to generate attractive returns for Fund shareholders by investing in competitively advantaged companies that we believe generate returns in excess of their cost of capital and have good opportunities for earnings growth. We continue to maintain an elevated weighting in the Financials sector, though still an underweight allocation relative to the benchmark, and an overweight position in the Industrials sector relative to the benchmark in an effort to be positioned for the continued cyclical rebound. The Fund has benefited from the rotation towards more cyclical names during the fourth quarter of 2020 and the first quarter of 2021. Though there was a retracement during June, we still believe that strong economic activity will persist, in the absence of further restrictions due to new, vaccine-resistant COVID strains. We believe fiscal and monetary support will provide ample stimulus to push economic output past pre-COVID levels. However, we remain wary of the potential for inflationary pressures in the United States short-circuiting a global rebound.

#### **LKCM Small Cap Equity Fund**

The LKCM Small Cap Equity Fund returned 17.59% for the six months ended June 30, 2021, as compared to the 17.54% return for the Russell 2000® Index, the Fund's benchmark. Stock selection decisions in the Healthcare, Industrials and Consumer Discretionary sectors benefited the Fund's relative performance, which were partially offset by stock selection decisions in the Information Technology, Communication Services and Financials sectors. The Fund's relative performance benefited from an overweight position in the Communication Services sector, which was partially offset by an overweight position in the Information Technology sector. The Fund benefited from our investment strategy that focuses on companies that we believe are high quality, and we believe our investment strategy has the Fund well-positioned for the remainder of 2021.

#### **LKCM Small-Mid Cap Equity Fund**

The LKCM Small-Mid Cap Equity Fund returned 13.18% for the six months ended June 30, 2021, as compared to the 16.97% return for the Russell 2500® Index, the Fund's benchmark. Stock selection decisions in the Consumer Discretionary, Information Technology and Financials sectors detracted from the Fund's relative performance, which was partially offset by strong stock selection in the Healthcare sector. The Fund's overweight position in the Healthcare sector detracted from the Fund's relative performance, which was partially offset by the Fund's overweight position in the Energy sector. The Fund benefited from our investment strategy that focuses on companies that we believe are high quality, and we believe our investment strategy has the Fund well-positioned for the remainder of 2021.



J. Luther King, Jr., CFA, CIC  
July 12, 2021

The information provided herein represents the opinion of J. Luther King, Jr., CFA, CIC and is not intended to be a forecast of future events, a guarantee of future results, nor investment advice.

Please refer to the Schedule of Investments found on pages 9-23 of the report for more information on Fund holdings. Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any securities.

***Mutual fund investing involves risk. Principal loss is possible. Past performance is not a guarantee of future results. Investments in equity securities are subject to market risks and significant fluctuations in value. Small and medium capitalization funds typically carry additional risks, since smaller companies generally have a higher risk of failure, and, historically, their stocks have experienced a greater degree of market volatility than stocks on average. Investments in debt securities typically decrease in value when interest rates rise. This risk is greater for longer-term debt securities. Investments in mortgage backed securities include additional risks that investors should be aware of such as credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. These risks are discussed in the Funds' summary and statutory prospectuses.***

**Earnings growth is not a measure of future performance.**

***Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of a Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-800-688-LKCM. Returns would have been lower if LKCM had not waived a portion of its management fee and/or reimbursed certain expenses of a Fund. Please see Note B to the Notes to the Financial Statements for specific information regarding management fee waiver and/or expense reimbursement arrangements for a Fund.***

Duration is a measure of the sensitivity of the price of a bond or other debt instrument to a change in interest rates. Securities with a longer duration generally have more volatile prices than securities of comparable quality with a shorter duration.

Spread is the percentage point difference between yields of various classes of bonds compared to treasury bonds.

Yield curve is a line that plots yields (interest rates) of bonds having equal credit quality but differing maturity dates. The slope of the yield curve gives an idea of future interest rate changes and economic activity.

Bond ratings are grades given to bonds that indicate their credit quality as determined by a private independent rating service such as S&P Global. The firm evaluates a bond issuer's financial strength, or its ability to pay a bond's principal and interest in a timely fashion. Ratings are expressed as letters ranging from 'AAA', which is the highest grade, to 'D', which is the lowest grade. In limited situations when the rating agency has not issued a formal rating, the rating agency will classify the security as nonrated.

Cash flow is the net amount of cash and cash-equivalents being transferred into and out of a business.

***Investors should consider the investment objective, risks and charges and expenses of a Fund carefully before investing. Each Fund's summary prospectus and the prospectus contain this and other information about the Fund. Investors can obtain a summary prospectus and the prospectus by calling 1-800-688-LKCM. The summary prospectus and the prospectus should be read carefully before investing in a Fund.***

Quasar Distributors, LLC, distributor.

## LKCM Funds Expense Example — June 30, 2021 (Unaudited)

As a shareholder of the Funds, you incur two types of costs: (1) transaction costs, including redemption fees; and (2) ongoing costs, including management fees, distribution and/or service (12b-1) fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Funds 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 (01/01/2021-6/30/2021).

### ACTUAL EXPENSES

The third and fourth columns of the table below provide information about actual account values and actual expenses. You may use the information in these columns, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the fourth column under the heading entitled “Expenses Paid During Period” to estimate the expenses you paid on your account during this period. Although the Funds charge no sales load, you will be assessed fees for outgoing wire transfers, returned checks and stop payment orders at prevailing rates charged by U.S. Bancorp Fund Services, LLC (doing business as U.S. Bank Global Fund Services), the Funds’ transfer agent. If you request that a redemption be made by wire transfer, currently a \$15.00 fee is charged by the Funds’ transfer agent. You will be charged a redemption fee equal to 1.00% of the net amount of the redemption if you redeem your shares of the LKCM Small Cap Equity, Small-Mid Cap Equity, Equity, Balanced, Fixed Income, and International Equity Funds within 30 days of purchase, unless otherwise determined by the Funds in their discretion. To the extent the Funds invest in shares of other investment companies as part of their investment strategies, you will indirectly bear your proportionate share of any fees and expenses charged by the underlying funds in which the Funds invest in addition to the expenses of the Funds. Actual expenses of the underlying funds are expected to vary among the various underlying funds. These expenses are not included in the example below. The example below includes management fees, registration fees and other expenses. However, the example below does not include portfolio trading commissions and related expenses and other extraordinary expenses as determined under generally accepted accounting principles.

### HYPOTHETICAL EXAMPLES FOR COMPARISON PURPOSES

The fifth and sixth columns of the table below provide information about hypothetical account values and hypothetical expenses based on the Funds’ actual expense ratios and an assumed rate of return of 5% per year before expenses, which are not the Funds’ actual returns. 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 Funds 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 costs, such as redemption fees. Therefore, the fifth and sixth columns of the table are useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactions costs were included, your costs would have been higher.

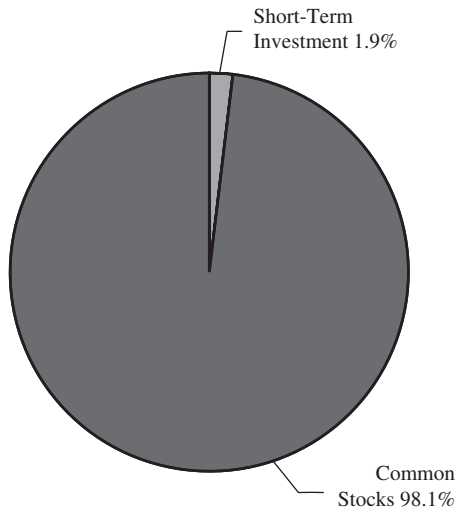
	Fund’s Annualized Expense Ratio <sup>(1)</sup>	Beginning Account Value 01/01/2021	Actual		Hypothetical (5% return before expenses)	
			Ending Account Value 06/30/2021	Expenses Paid During Period <sup>(1)</sup>	Ending Account Value 06/30/2021	Expenses Paid During Period <sup>(1)</sup>
<b>LKCM Small Cap Equity Fund</b> .....	1.00%	\$1,000.00	\$1,175.90	\$5.40	\$1,019.84	\$5.01
<b>LKCM Small-Mid Cap Equity Fund</b> .....	1.00%	\$1,000.00	\$1,131.80	\$5.29	\$1,019.84	\$5.01
<b>LKCM Equity Fund</b> .....	0.80%	\$1,000.00	\$1,139.90	\$4.24	\$1,020.83	\$4.01
<b>LKCM Balanced Fund</b> .....	0.80%	\$1,000.00	\$1,083.30	\$4.13	\$1,020.83	\$4.01
<b>LKCM Fixed Income Fund</b> .....	0.50%	\$1,000.00	\$ 992.40	\$2.47	\$1,022.32	\$2.51
<b>LKCM International Equity Fund</b> .....	1.00%	\$1,000.00	\$1,139.10	\$5.30	\$1,019.84	\$5.01

(1) Expenses are equal to the annualized net expense ratio for the Fund, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).

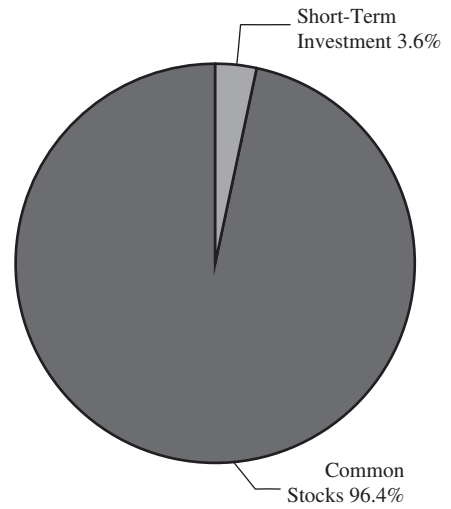
**ALLOCATION OF PORTFOLIO HOLDINGS — LKCM Funds — June 30, 2021 (Unaudited)**

Percentages represent market value as a percentage of total investments.

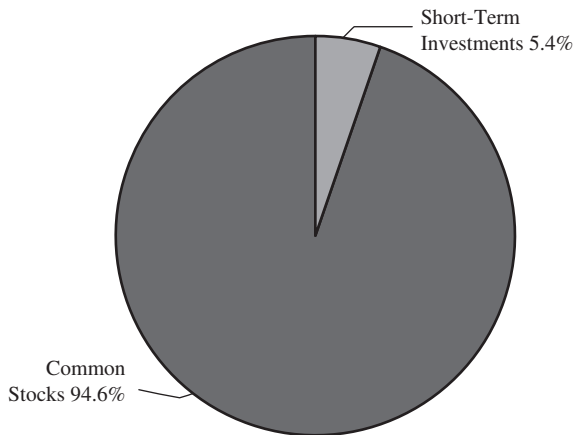
**LKCM Small Cap Equity Fund**



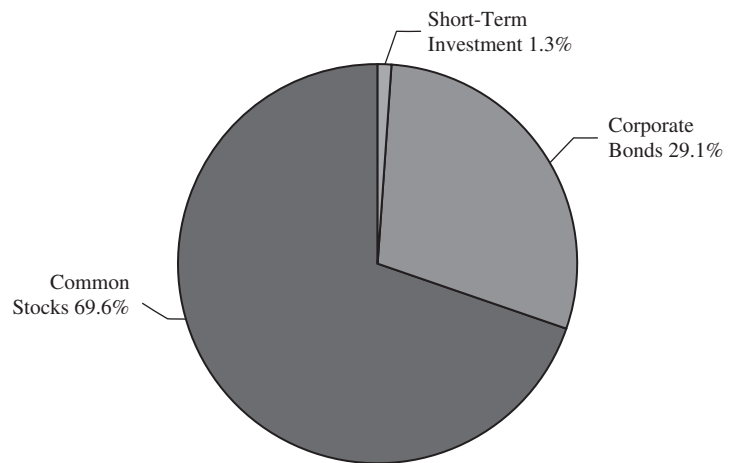
**LKCM Small-Mid Cap Equity Fund**



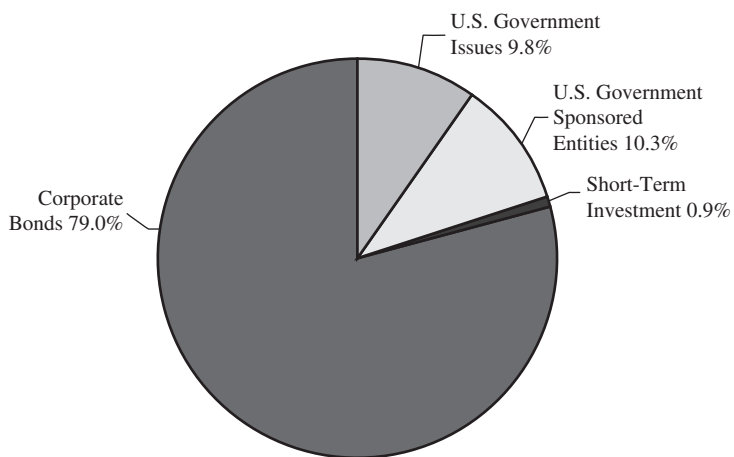
**LKCM Equity Fund**



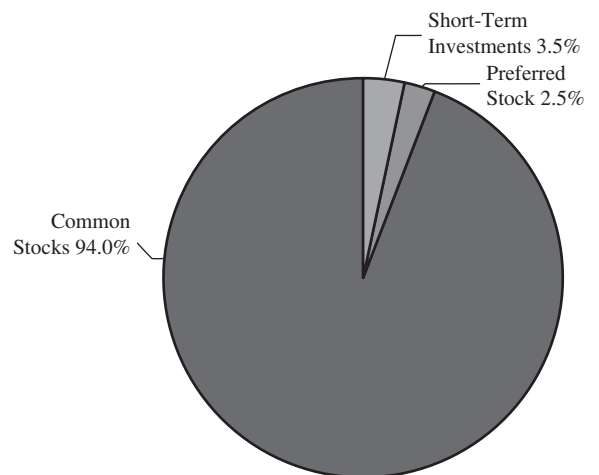
**LKCM Balanced Fund**



**LKCM Fixed Income Fund**



**LKCM International Equity Fund**





**LKCM SMALL CAP EQUITY FUND**

**SCHEDULE OF INVESTMENTS**

**June 30, 2021 (Unaudited)**

<b>COMMON STOCKS - 98.4%</b>	<b>Shares</b>	<b>Value</b>	<b>COMMON STOCKS</b>	<b>Shares</b>	<b>Value</b>
<b>Aerospace &amp; Defense - 2.5%</b>			<b>Health Care Equipment &amp; Supplies - 6.6%, Continued</b>		
Hexcel Corp. (a)	35,325	\$ 2,204,280	SmileDirectClub, Inc. (a)	195,545	\$ 1,697,331
Mercury Systems, Inc. (a)	21,605	1,431,979	STAAR Surgical Co. (a)	34,765	5,301,662
Triumph Group, Inc. (a)	111,098	2,305,284	TransMedics Group, Inc. (a)	57,090	1,894,246
		5,941,543	ViewRay, Inc. (a)	306,205	2,020,953
					15,878,981
<b>Auto Components - 1.1%</b>			<b>Health Care Providers &amp; Services - 6.8%</b>		
Fox Factory Holding Corp. (a)	16,290	2,535,701	HealthEquity, Inc. (a)	24,350	1,959,688
			Medpace Holdings, Inc. (a)	23,765	4,197,612
<b>Banks - 6.4%</b>			Omniceil, Inc. (a)	18,320	2,774,564
BancorpSouth Bank	89,529	2,536,357	Progyny, Inc. (a)	53,370	3,148,830
Comerica, Inc.	31,215	2,226,878	R1 RCM, Inc. (a)	106,100	2,359,664
Cullen/Frost Bankers, Inc.	21,375	2,394,000	U.S. Physical Therapy, Inc.	16,015	1,855,658
Glacier Bancorp, Inc.	43,655	2,404,517			16,296,016
Pinnacle Financial Partners, Inc.	35,705	3,152,394			
Seacoast Banking Corp. of Florida	72,945	2,491,072	<b>Health Care Technology - 1.2%</b>		
		15,205,218	Inovalon Holdings, Inc. - Class A (a)	84,190	2,869,195
<b>Beverages - 1.3%</b>			<b>Hotels, Restaurants &amp; Leisure - 6.4%</b>		
Celsius Holdings, Inc. (a)	40,451	3,077,917	Bally's Corp. (a)	42,795	2,315,637
			Everi Holdings, Inc. (a)	197,622	4,928,693
<b>Biotechnology - 4.7%</b>			Playa Hotels & Resorts NV (a)(b)	269,190	2,000,082
CareDx, Inc. (a)	32,945	3,015,126	Red Rock Resorts, Inc. - Class A (a)	95,550	4,060,875
Castle Biosciences, Inc. (a)	34,275	2,513,386	Wingstop, Inc.	12,855	2,026,334
DermTech, Inc. (a)	31,535	1,310,910			15,331,621
Iovance Biotherapeutics, Inc. (a)	93,550	2,434,171	<b>Household Durables - 1.5%</b>		
Neogen Corp. (a)	40,790	1,877,972	GoPro, Inc. - Class A (a)	167,375	1,949,919
		11,151,565	Sonos, Inc. (a)	49,570	1,746,351
<b>Building Products - 2.9%</b>					3,696,270
Builders FirstSource, Inc. (a)	51,015	2,176,300	<b>Insurance - 2.6%</b>		
CSW Industrials, Inc.	24,550	2,908,193	Argo Group International Holdings, Ltd. (b)	54,285	2,813,592
PGT Innovations, Inc. (a)	77,046	1,789,779	Goosehead Insurance, Inc. - Class A	10,595	1,348,743
		6,874,272	Palomar Holdings, Inc. (a)	27,300	2,060,058
<b>Chemicals - 2.0%</b>					6,222,393
Ferroglobe Representation & Warranty Insurance Trust (a)(c)	302,970	—	<b>Internet &amp; Catalog Retail - 1.8%</b>		
PQ Group Holdings, Inc.	163,335	2,508,825	Magnite, Inc. (a)	129,000	4,365,360
Quaker Chemical Corp.	9,340	2,215,355			
		4,724,180	<b>IT Consulting &amp; Services - 2.8%</b>		
<b>Commercial Services &amp; Supplies - 0.7%</b>			LiveRamp Holdings, Inc. (a)	38,026	1,781,518
Deluxe Corp.	34,495	1,647,826	Perficient Inc. (a)	46,145	3,710,981
<b>Construction &amp; Engineering - 0.9%</b>			Repay Holdings Corp. (a)	49,010	1,178,200
NV5 Global, Inc. (a)	23,342	2,206,053			6,670,699
<b>Construction Materials - 1.4%</b>			<b>IT Services - 0.6%</b>		
Eagle Materials, Inc.	24,020	3,413,482	Brightcove, Inc. (a)	100,000	1,435,000
<b>Electronic Equipment &amp; Instruments - 0.9%</b>			<b>Leisure Equipment &amp; Products - 2.4%</b>		
Novanta, Inc. (a)(b)	16,290	2,195,240	Callaway Golf Company (a)	99,600	3,359,508
<b>Food Products - 1.5%</b>			YETI Holdings, Inc. (a)	25,535	2,344,624
Freshpet, Inc. (a)	22,240	3,624,230			5,704,132
<b>Health Care Equipment &amp; Supplies - 6.6%</b>			<b>Machinery - 6.0%</b>		
Alphatec Holdings, Inc. (a)	127,135	1,947,708	Alamo Group, Inc.	10,360	1,581,765
Cerus Corp. (a)	100,000	591,000	Colfax Corp. (a)	56,635	2,594,449
NeoGenomics, Inc. (a)	53,710	2,426,081			

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

**LKCM SMALL CAP EQUITY FUND**  
**SCHEDULE OF INVESTMENTS, CONTINUED**  
**June 30, 2021 (Unaudited)**

COMMON STOCKS	Shares	Value	COMMON STOCKS	Shares	Value
<b>Machinery - 6.0%, Continued</b>			<b>Specialty Retail - 1.6%</b>		
Evoqua Water Technologies Corp. (a)	45,775	\$ 1,546,279	Leslie's, Inc. (a)	58,665	\$ 1,612,701
Helios Technologies, Inc.	35,295	2,754,775	Petco Health & Wellness Co, Inc. (a)	96,000	2,151,360
ITT, Inc.	16,730	1,532,301			3,764,061
Rexnord Corp.	60,995	3,052,190	<b>Technology Hardware, Storage &amp; Peripherals - 1.4%</b>		
Watts Water Technologies, Inc. - Class A	9,275	1,353,315	Avid Technology, Inc. (a)	84,585	3,311,503
		14,415,074	<b>Thriffs &amp; Mortgage Finance - 1.1%</b>		
<b>Marine - 1.2%</b>			Home BancShares, Inc.	106,661	2,632,394
Kirby Corp. (a)	46,370	2,811,877	<b>Trading Companies &amp; Distributors - 2.3%</b>		
<b>Media &amp; Entertainment - 2.4%</b>			Global Industrial Co.	65,265	2,395,878
Nexstar Media Group, Inc. - Class A	24,920	3,685,169	Textainer Group Holdings Ltd. (a)(b)	89,758	3,031,128
Sinclair Broadcast Group, Inc. - Class A	64,940	2,157,307			5,427,006
		5,842,476	<b>TOTAL COMMON STOCKS</b>		
<b>Multiline Retail - 0.5%</b>			(Cost \$131,682,971)		234,704,727
Ollie's Bargain Outlet Holdings, Inc. (a)	13,230	1,113,040	<b>SHORT-TERM INVESTMENT - 1.9%</b>		
<b>Oil &amp; Gas &amp; Consumable Fuels - 1.0%</b>			<b>Money Market Fund - 1.9%</b>		
Magnolia Oil & Gas Corp. - Class A (a)	154,525	2,415,226	Invesco Short-Term Investments Trust -		
<b>Oil, Gas &amp; Consumable Fuels - 2.5%</b>			Government & Agency Portfolio -		
CNX Resources Corp. (a)	213,025	2,909,921	Institutional Shares, 0.03% (d)	4,621,447	4,621,447
HollyFrontier Corp.	91,625	3,014,463	<b>TOTAL SHORT-TERM INVESTMENT</b>		
		5,924,384	(Cost \$4,621,447)		4,621,447
<b>Personal Products - 1.0%</b>			<b>Total Investments - 100.3%</b>		
BellRing Brands, Inc. - Class A (a)	73,135	2,292,051	(Cost \$136,304,418)		239,326,174
<b>Pharmaceuticals - 0.7%</b>			Liabilities in Excess of Other Assets - (0.3)%		(724,237)
Reata Pharmaceuticals, Inc. - Class A (a)	11,410	1,614,857	<b>TOTAL NET ASSETS - 100.0%</b>		
<b>Professional Services - 3.1%</b>					\$238,601,937
Upwork, Inc. (a)	125,760	7,330,550	(a) Non-income producing security.		
<b>Real Estate Development - 2.5%</b>			(b) Security issued by non-U.S. incorporated company.		
FirstService Corp. (b)	9,995	1,711,744	(c) Securities for which market quotations are not readily available. These securities have been valued at their fair value under procedures approved by the Fund's Board of Trustees. Level 3 security.		
Newmark Group, Inc. - Class A	358,143	4,301,297	(d) The rate quoted is the annualized seven-day yield of the Fund at period end.		
		6,013,041	<i>Investments are classified by industry pursuant to the Global Industry Classification Standard (GICS®), which was developed by and/or is the exclusive property of Morgan Stanley Capital International, Inc. ("MSCI") and Standard &amp; Poor's Financial Services LLC ("S&amp;P"). GICS is a service mark of MSCI and S&amp;P and has been licensed for use by U.S. Bancorp Fund Services, LLC.</i>		
<b>Real Estate Investment Trusts - 1.1%</b>					
SL Green Realty Corp.	32,145	2,571,600			
<b>Software - 10.2%</b>					
ACI Worldwide, Inc. (a)	58,125	2,158,762			
Alkami Technology, Inc. (a)	75,530	2,694,155			
Altair Engineering, Inc. - Class A (a)	36,190	2,496,024			
Blackbaud, Inc. (a)	31,815	2,436,075			
Cloudera, Inc. (a)	182,750	2,898,415			
Model N, Inc. (a)	63,650	2,181,285			
OneSpan Inc. (a)	111,115	2,837,877			
Q2 Holdings, Inc. (a)	11,905	1,221,215			
Sprout Social, Inc. - Class A (a)	29,135	2,605,252			
Workiva Inc. (a)	24,520	2,729,812			
		24,258,872			
<b>Software &amp; Services - 0.8%</b>					
Alarm.com Holdings, Inc. (a)	22,430	1,899,821			

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

**LKCM SMALL-MID CAP EQUITY FUND**
**SCHEDULE OF INVESTMENTS**
**June 30, 2021 (Unaudited)**

<b>COMMON STOCKS - 96.5%</b>	<b>Shares</b>	<b>Value</b>	<b>COMMON STOCKS</b>	<b>Shares</b>	<b>Value</b>
<b>Aerospace &amp; Defense - 4.1%</b>			<b>Insurance - 2.1%</b>		
Axon Enterprise, Inc. (a)	2,935	\$ 518,908	Argo Group International Holdings, Ltd. (b)	3,090	\$ 160,155
Mercury Systems, Inc. (a)	2,580	171,002	Palomar Holdings, Inc. (a)	2,535	191,291
		689,910			351,446
<b>Banks - 6.1%</b>			<b>Internet &amp; Catalog Retail - 1.3%</b>		
Comerica, Inc.	4,340	309,615	Magnite, Inc. (a)	6,640	224,698
Cullen/Frost Bankers, Inc.	3,180	356,160	<b>IT Consulting &amp; Services - 1.7%</b>		
Zions Bancorp N.A.	6,860	362,620	Perficient Inc. (a)	3,525	283,481
		1,028,395	<b>Leisure Equipment &amp; Products - 4.2%</b>		
<b>Biotechnology - 6.9%</b>			Brunswick Corp.	3,175	316,293
Charles River Laboratories International, Inc. (a)	1,500	554,880	Pool Corp.	865	396,741
Natera, Inc. (a)	2,990	339,455			713,034
Neogen Corp. (a)	5,960	274,398	<b>Machinery - 5.8%</b>		
		1,168,733	Colfax Corp. (a)	6,385	292,497
<b>Building Products - 5.5%</b>			ITT, Inc.	3,840	351,706
Builders FirstSource, Inc. (a)	7,475	318,884	Rexnord Corp.	6,560	328,262
CSW Industrials, Inc.	2,380	281,935			972,465
Trex Co., Inc. (a)	3,245	331,671	<b>Marine - 1.8%</b>		
		932,490	Kirby Corp. (a)	4,900	297,136
<b>Capital Markets - 3.3%</b>			<b>Media &amp; Entertainment - 1.9%</b>		
LPL Financial Holdings, Inc.	2,280	307,755	Nexstar Media Group, Inc. - Class A	2,215	327,554
SEI Investments Co.	4,160	257,795	<b>Metals &amp; Mining - 2.4%</b>		
		565,550	Teck Resources Ltd. - Class B (b)	17,535	404,006
<b>Construction Materials - 1.2%</b>			<b>Multiline Retail - 2.0%</b>		
Eagle Materials, Inc.	1,450	206,059	Five Below, Inc. (a)	1,790	345,953
<b>Diversified Consumer Services - 1.2%</b>			<b>Office REIT - 2.2%</b>		
Chegg, Inc. (a)	2,425	201,542	SL Green Realty Corp.	4,515	361,200
<b>Electronic Equipment &amp; Instruments - 2.2%</b>			<b>Oil, Gas &amp; Consumable Fuels - 5.2%</b>		
Trimble, Inc. (a)	4,605	376,827	CNX Resources Corp. (a)	18,040	246,427
<b>Food Products - 2.4%</b>			Diamondback Energy Inc.	3,625	340,351
Freshpet, Inc. (a)	2,445	398,437	HollyFrontier Corp.	8,840	290,836
<b>Health Care Equipment &amp; Supplies - 4.9%</b>					877,614
NeoGenomics, Inc. (a)	5,540	250,242	<b>Pharmaceuticals - 2.0%</b>		
SmileDirectClub, Inc. (a)	10,475	90,923	Horizon Therapeutics PLC (a)(b)	3,580	335,231
STAAR Surgical Co. (a)	3,205	488,762	<b>Professional Services - 3.8%</b>		
		829,927	Upwork, Inc. (a)	10,955	638,567
<b>Health Care Providers &amp; Services - 4.9%</b>			<b>Real Estate Development - 2.8%</b>		
Medpace Holdings, Inc. (a)	1,850	326,765	FirstService Corp. (b)	1,645	281,723
Omniceil, Inc. (a)	2,370	358,937	Newmark Group, Inc. - Class A	15,985	191,980
R1 RCM, Inc. (a)	6,570	146,117			473,703
		831,819	<b>Software - 9.8%</b>		
<b>Hotels, Restaurants &amp; Leisure - 1.1%</b>			Alkami Technology, Inc. (a)	5,595	199,574
Wingstop, Inc.	1,205	189,944	Appian Corp. (a)	1,240	170,810
<b>Household Durables - 1.3%</b>			Fair Isaac Corp. (a)	445	223,693
Newell Brands, Inc.	7,740	212,618	Five9, Inc. (a)	2,105	386,036
			Nutanix, Inc. - Class A (a)	6,710	256,456
			OneSpan Inc. (a)	9,315	237,905

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

**LKCM SMALL-MID CAP EQUITY FUND**  
**SCHEDULE OF INVESTMENTS, CONTINUED**  
**June 30, 2021 (Unaudited)**

COMMON STOCKS	Shares	Value
<b>Software - 9.8%, Continued</b>		
Q2 Holdings, Inc. (a)	1,780	\$ 182,592
		<u>1,657,066</u>
<b>Specialty Retail - 1.4%</b>		
Petco Health & Wellness Co, Inc. (a)	10,700	239,787
<b>Trading Companies &amp; Distributors - 1.0%</b>		
Watsco, Inc.	600	171,984
<b>TOTAL COMMON STOCKS</b>		<u>16,307,176</u>
(Cost \$9,857,223)		
<b>SHORT-TERM INVESTMENTS - 3.6%</b>		
<b>Money Market Funds - 3.6%</b>		
Invesco Short-Term Investments Trust - Government & Agency Portfolio - Institutional Shares, 0.03% (c)	510,385	510,385
Morgan Stanley Institutional Liquidity Funds - Government Portfolio - Institutional Shares, 0.03% (c)	105,061	105,061
		<u>615,446</u>
<b>TOTAL SHORT-TERM INVESTMENTS</b>		<u>615,446</u>
(Cost \$615,446)		
<b>Total Investments - 100.1%</b>		16,922,622
(Cost \$10,472,669)		
Liabilities in Excess of Other Assets - (0.1)%		(8,709)
<b>TOTAL NET ASSETS - 100.0%</b>		<u>\$16,913,913</u>

(a) Non-income producing security.

(b) Security issued by non-U.S. incorporated company.

(c) The rate quoted is the annualized seven-day yield of the Fund at period end.

*Investments are classified by industry pursuant to the Global Industry Classification Standard (GICS®), which was developed by and/or is the exclusive property of Morgan Stanley Capital International, Inc. ("MSCI") and Standard & Poor's 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.*

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**LKCM EQUITY FUND**  
**SCHEDULE OF INVESTMENTS**  
**June 30, 2021 (Unaudited)**

COMMON STOCKS - 94.8%	Shares	Value	COMMON STOCKS	Shares	Value
<b>Aerospace &amp; Defense - 3.8%</b>			<b>Health Care Equipment &amp; Supplies - 5.9%, Continued</b>		
Honeywell International, Inc.	50,000	\$ 10,967,500	Stryker Corp.	20,000	\$ 5,194,600
Teledyne Technologies Inc. (a)	20,000	8,376,600	Thermo Fisher Scientific, Inc.	18,000	9,080,460
		19,344,100			30,566,860
<b>Banks - 4.7%</b>			<b>Household Durables - 1.2%</b>		
Bank of America Corp.	160,000	6,596,800	Newell Brands, Inc.	230,000	6,318,100
Comerica, Inc.	100,000	7,134,000	<b>Household Products - 2.1%</b>		
Cullen/Frost Bankers, Inc.	65,000	7,280,000	Kimberly-Clark Corp.	50,000	6,689,000
Glacier Bancorp, Inc.	60,000	3,304,800	The Procter & Gamble Co.	30,000	4,047,900
		24,315,600			10,736,900
<b>Beverages - 3.0%</b>			<b>Internet &amp; Catalog Retail - 3.3%</b>		
The Coca-Cola Co.	95,000	5,140,450	Amazon.com, Inc. (a)	5,000	17,200,800
Keurig Dr Pepper, Inc.	100,000	3,524,000	<b>IT Consulting &amp; Services - 3.4%</b>		
PepsiCo, Inc.	45,000	6,667,650	PayPal Holdings, Inc. (a)	60,000	17,488,800
		15,332,100	<b>Machinery - 8.5%</b>		
<b>Biotechnology - 1.3%</b>			Generac Holdings, Inc. (a)	35,000	14,530,250
Amgen, Inc.	28,000	6,825,000	IDEX Corp.	20,000	4,401,000
<b>Chemicals - 6.8%</b>			The Toro Co.	74,000	8,131,120
Air Products & Chemicals, Inc.	30,200	8,687,936	Valmont Industries, Inc.	40,000	9,442,000
DuPont de Nemours, Inc.	95,000	7,353,950	Xylem, Inc.	60,000	7,197,600
Ecolab, Inc.	45,000	9,268,650			43,701,970
FMC Corp.	90,000	9,738,000	<b>Media &amp; Entertainment - 4.3%</b>		
		35,048,536	Alphabet, Inc. - Class A (a)	5,500	13,429,845
<b>Commercial Services &amp; Supplies - 3.5%</b>			Facebook, Inc. - Class A (a)	25,000	8,692,750
Cintas Corp.	16,000	6,112,000			22,122,595
Waste Connections, Inc. (b)	97,500	11,644,425	<b>Metals &amp; Mining - 1.6%</b>		
		17,756,425	Newmont Goldcorp Corp.	130,000	8,239,400
<b>Computers &amp; Peripherals - 2.7%</b>			<b>Oil &amp; Gas &amp; Consumable Fuels - 3.1%</b>		
Apple, Inc.	100,000	13,696,000	Cabot Oil & Gas Corp.	375,000	6,547,500
<b>Construction Materials - 1.2%</b>			Chevron Corp.	31,500	3,299,310
Martin Marietta Materials, Inc.	18,000	6,332,580	ConocoPhillips	100,000	6,090,000
<b>Diversified Financials - 2.1%</b>					15,936,810
JPMorgan Chase & Co.	68,000	10,576,720	<b>Personal Products - 1.6%</b>		
<b>Electrical Equipment &amp; Instruments - 4.6%</b>			The Estee Lauder Cos., Inc. - Class A	25,000	7,952,000
Franklin Electric Co., Inc.	85,000	6,852,700	<b>Pharmaceuticals - 4.1%</b>		
Rockwell Automation, Inc.	25,000	7,150,500	Merck & Co., Inc.	80,000	6,221,600
Roper Technologies, Inc.	20,000	9,404,000	Pfizer, Inc.	130,000	5,090,800
		23,407,200	Zoetis, Inc.	53,500	9,970,260
<b>Electronic Equipment &amp; Instruments - 2.8%</b>					21,282,660
National Instruments Corp.	55,000	2,325,400	<b>Road &amp; Rail - 1.0%</b>		
Trimble, Inc. (a)	150,000	12,274,500	Union Pacific Corp.	24,000	5,278,320
		14,599,900	<b>Semiconductor &amp; Semiconductor Equipment - 1.1%</b>		
<b>Food Products - 0.7%</b>			Intel Corp.	100,000	5,614,000
Mondelez International, Inc. - Class A	54,000	3,371,760	<b>Software - 10.9%</b>		
<b>Health Care Equipment &amp; Supplies - 5.9%</b>			Adobe, Inc. (a)	28,000	16,397,920
Alcon, Inc. (b)	60,000	4,215,600	Microsoft Corp.	80,000	21,672,000
Danaher Corp.	45,000	12,076,200	OneSpan Inc. (a)	150,000	3,831,000
			Oracle Corp.	120,000	9,340,800

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

**LKCM EQUITY FUND**  
**SCHEDULE OF INVESTMENTS, CONTINUED**  
**June 30, 2021 (Unaudited)**

COMMON STOCKS	Shares	Value
<b>Software - 10.9%, Continued</b>		
Sprout Social, Inc. - Class A (a)	55,000	\$ 4,918,100
		56,159,820
<b>Software &amp; Services - 2.0%</b>		
Akamai Technologies, Inc. (a)	90,000	10,494,000
<b>Specialty Retail - 1.9%</b>		
The Home Depot, Inc.	30,000	9,566,700
<b>Textiles, Apparel &amp; Luxury Goods - 1.6%</b>		
VF Corp.	100,000	8,204,000
<b>TOTAL COMMON STOCKS</b>		487,469,656
(Cost \$210,672,834)		
<b>SHORT-TERM INVESTMENTS - 5.4%</b>		
<b>Money Market Funds - 5.4%</b>		
Invesco Short-Term Investments Trust - Government & Agency Portfolio - Institutional Shares, 0.03% (c)	15,421,285	15,421,285
Morgan Stanley Institutional Liquidity Funds - Government Portfolio - Institutional Shares, 0.03% (c)	12,292,225	12,292,225
		27,713,510
<b>TOTAL SHORT-TERM INVESTMENTS</b>		27,713,510
(Cost \$27,713,510)		
<b>Total Investments - 100.2%</b>		515,183,166
(Cost \$238,386,344)		
Liabilities in Excess of Other Assets - (0.2)%		(825,216)
<b>TOTAL NET ASSETS - 100.0%</b>		\$514,357,950

(a) Non-income producing security.

(b) Security issued by non-U.S. incorporated company.

(c) The rate quoted is the annualized seven-day yield of the Fund at period end.

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**LKCM BALANCED FUND**  
**SCHEDULE OF INVESTMENTS**  
**June 30, 2021 (Unaudited)**

COMMON STOCKS - 69.5%	Shares	Value	COMMON STOCKS	Shares	Value
<b>Aerospace &amp; Defense - 2.5%</b>			<b>Electronic Equipment &amp; Instruments - 1.5%</b>		
Honeywell International, Inc.	6,100	\$ 1,338,035	National Instruments Corp.	12,800	\$ 541,184
L3Harris Technologies, Inc.	6,300	1,361,745	Trimble, Inc. (a)	18,100	1,481,123
Teledyne Technologies Inc. (a)	1,700	712,011			2,022,307
		3,411,791	<b>Food &amp; Drug Retailing - 0.8%</b>		
<b>Banks - 3.5%</b>			Walmart, Inc.	7,900	1,114,058
Bank of America Corp.	55,000	2,267,650	<b>Health Care Equipment &amp; Supplies - 4.3%</b>		
Cullen/Frost Bankers, Inc.	11,900	1,332,800	Alcon, Inc. (b)	20,800	1,461,408
Zions Bancorp N.A.	23,500	1,242,210	Danaher Corp.	6,000	1,610,160
		4,842,660	PerkinElmer, Inc.	10,100	1,559,541
<b>Beverages - 1.8%</b>			Thermo Fisher Scientific, Inc.	2,400	1,210,728
The Coca-Cola Co.	28,100	1,520,491			5,841,837
PepsiCo, Inc.	6,700	992,739	<b>Household Products - 1.6%</b>		
		2,513,230	Colgate-Palmolive Co.	11,900	968,065
<b>Biotechnology - 1.5%</b>			Kimberly-Clark Corp.	6,000	802,680
Charles River Laboratories International, Inc. (a)	5,700	2,108,544	The Procter & Gamble Co.	3,500	472,255
					2,243,000
<b>Chemicals - 5.5%</b>			<b>Internet &amp; Catalog Retail - 1.1%</b>		
Air Products and Chemicals, Inc.	5,000	1,438,400	Amazon.com, Inc. (a)	450	1,548,072
Corteva, Inc.	20,358	902,877	<b>IT Consulting &amp; Services - 4.7%</b>		
DuPont de Nemours, Inc.	13,658	1,057,266	Black Knight, Inc. (a)	18,400	1,434,832
Ecolab, Inc.	5,900	1,215,223	Broadridge Financial Solutions, Inc.	10,200	1,647,606
FMC Corp.	12,600	1,363,320	PayPal Holdings, Inc. (a)	6,600	1,923,768
Linde PLC (b)	5,200	1,503,320	Visa, Inc. - Class A	6,100	1,426,302
		7,480,406			6,432,508
<b>Commercial Services &amp; Supplies - 2.6%</b>			<b>Machinery - 1.5%</b>		
Cintas Corp.	4,000	1,528,000	Fortive Corp.	10,100	704,374
Waste Connections, Inc. (b)	9,500	1,134,585	Xylem, Inc.	11,000	1,319,560
Waste Management, Inc.	6,000	840,660			2,023,934
		3,503,245	<b>Media &amp; Entertainment - 5.8%</b>		
<b>Communications Equipment - 1.6%</b>			Alphabet, Inc. - Class C (a)	875	2,193,030
QUALCOMM, Inc.	15,300	2,186,829	The Walt Disney Co. (a)	9,500	1,669,815
<b>Computers &amp; Peripherals - 1.9%</b>			Facebook, Inc. - Class A (a)	4,700	1,634,237
Apple, Inc.	19,200	2,629,632	Pinterest, Inc. - Class A (a)	31,050	2,451,398
					7,948,480
<b>Construction Materials - 1.1%</b>			<b>Metals &amp; Mining - 0.7%</b>		
Martin Marietta Materials, Inc.	4,100	1,442,421	Newmont Goldcorp Corp.	15,000	950,700
<b>Diversified Financials - 2.3%</b>			<b>Oil &amp; Gas &amp; Consumable Fuels - 3.6%</b>		
JPMorgan Chase & Co.	11,500	1,788,710	Cabot Oil & Gas Corp.	25,900	452,214
Moody's Corp.	3,800	1,377,006	Chevron Corp.	11,295	1,183,038
		3,165,716	ConocoPhillips	17,900	1,090,110
<b>Diversified Telecommunication Services - 1.3%</b>			EOG Resources, Inc.	5,800	483,952
AT&T, Inc.	32,189	926,400	Kinder Morgan, Inc.	40,000	729,200
Verizon Communications, Inc.	15,841	887,571	Pioneer Natural Resources Co.	6,100	991,372
		1,813,971			4,929,886
<b>Electrical Equipment &amp; Instruments - 1.9%</b>			<b>Personal Products - 0.9%</b>		
Emerson Electric Co.	13,400	1,289,616	The Estee Lauder Cos., Inc. - Class A	4,000	1,272,320
Rockwell Automation, Inc.	4,500	1,287,090	<b>Pharmaceuticals - 3.5%</b>		
		2,576,706	Abbott Laboratories	10,800	1,252,044
			Merck & Co., Inc.	16,400	1,275,428

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

**LKCM BALANCED FUND**  
**SCHEDULE OF INVESTMENTS, CONTINUED**  
**June 30, 2021 (Unaudited)**

COMMON STOCKS	Shares	Value	CORPORATE BONDS	Principal Amount	Value
<b>Pharmaceuticals - 3.5%, Continued</b>			<b>Banks - 2.0%, Continued</b>		
Pfizer, Inc.	18,100	\$ 708,796	The Bank of New York Mellon Corp.		
Zoetis, Inc.	8,626	1,607,541	2.200%, 08/16/2023		
		4,843,809	Callable 06/16/2023	\$ 200,000	\$ 207,190
<b>Real Estate Investment Trusts - 1.2%</b>			Truist Bank:		
American Tower Corp.	5,900	1,593,826	3.200%, 04/01/2024		
<b>Road &amp; Rail - 0.9%</b>			Callable 03/01/2024	250,000	267,650
Union Pacific Corp.	5,700	1,253,601	4.050%, 11/03/2025		
<b>Software - 5.3%</b>			Callable 09/03/2025	385,000	433,074
Adobe, Inc. (a)	2,500	1,464,100	3.300%, 05/15/2026		
Microsoft Corp.	9,800	2,654,820	Callable 04/15/2026	400,000	438,885
Oracle Corp.	17,800	1,385,552			2,689,808
salesforce.com, Inc. (a)	7,400	1,807,598	<b>Beverages - 1.3%</b>		
		7,312,070	Keurig Dr Pepper, Inc.		
<b>Software &amp; Services - 1.2%</b>			2.550%, 09/15/2026		
Akamai Technologies, Inc. (a)	13,800	1,609,080	Callable 06/15/2026	800,000	849,756
<b>Specialty Retail - 1.2%</b>			PepsiCo, Inc.:		
The Home Depot, Inc.	5,300	1,690,117	3.000%, 08/25/2021	415,000	416,738
<b>Textiles, Apparel &amp; Luxury Goods - 2.2%</b>			2.375%, 10/06/2026		
NIKE, Inc. - Class B	10,800	1,668,492	Callable 07/06/2026	435,000	463,709
VF Corp.	16,700	1,370,068			1,730,203
		3,038,560	<b>Biotechnology - 1.5%</b>		
<b>TOTAL COMMON STOCKS</b>			AbbVie, Inc.:		
(Cost \$50,187,390)		95,343,316	2.850%, 05/14/2023		
			Callable 03/14/2023	250,000	260,207
			3.200%, 05/14/2026		
			Callable 02/14/2026	600,000	651,411
			Amgen, Inc.:		
			2.700%, 05/01/2022		
			Callable 03/01/2022	325,000	329,479
			3.625%, 05/22/2024		
			Callable 02/22/2024	250,000	269,234
			2.600%, 08/19/2026		
			Callable 05/19/2026	450,000	478,282
					1,988,613
			<b>Chemicals - 0.9%</b>		
			Air Products and Chemicals, Inc.		
			1.850%, 05/15/2027		
			Callable 03/15/2027	675,000	694,176
			Ecolab, Inc.		
			3.250%, 01/14/2023		
			Callable 11/14/2022	500,000	520,971
					1,215,147
			<b>Communications Equipment - 1.0%</b>		
			Cisco Systems, Inc.		
			2.200%, 09/20/2023		
			Callable 07/20/2023	750,000	778,966
			QUALCOMM, Inc.		
			2.900%, 05/20/2024		
			Callable 03/20/2024	600,000	638,099
					1,417,065

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



**LKCM BALANCED FUND**  
**SCHEDULE OF INVESTMENTS, CONTINUED**  
**June 30, 2021 (Unaudited)**

CORPORATE BONDS	Principal Amount	Value	CORPORATE BONDS	Principal Amount	Value
<b>Computers &amp; Peripherals - 0.2%</b>			<b>Food &amp; Drug Retailing - 0.8%, Continued</b>		
Apple, Inc.:			3.550%, 06/26/2025		
2.500%, 02/09/2025	\$ 250,000	\$ 265,570	Callable 04/26/2025	\$ 700,000	\$ 773,063
3.200%, 05/13/2025	55,000	60,052			1,081,858
		<u>325,622</u>			
<b>Consumer Finance - 0.6%</b>			<b>Food &amp; Staples Retailing - 0.5%</b>		
American Express Co.:			Costco Wholesale Corp.		
3.400%, 02/27/2023			1.375%, 06/20/2027		
Callable 01/27/2023	125,000	130,882	Callable 04/20/2027	690,000	695,361
3.700%, 08/03/2023					
Callable 07/03/2023	300,000	319,564	<b>Health Care Equipment &amp; Supplies - 0.2%</b>		
3.000%, 10/30/2024			Danaher Corp.		
Callable 09/29/2024	350,000	375,605	3.350%, 09/15/2025		
		<u>826,051</u>	Callable 06/15/2025	250,000	274,130
<b>Diversified Financials - 0.6%</b>			<b>Hotels, Restaurants &amp; Leisure - 0.4%</b>		
JPMorgan Chase & Co.:			McDonald's Corp.		
3.250%, 09/23/2022	100,000	103,619	1.450%, 09/01/2025		
3.375%, 05/01/2023	225,000	236,931	Callable 08/01/2025	500,000	510,500
3.875%, 02/01/2024	275,000	297,987	<b>Internet &amp; Catalog Retail - 0.6%</b>		
3.200%, 06/15/2026			Amazon.com, Inc.		
Callable 03/15/2026	200,000	218,183	2.400%, 02/22/2023		
		<u>856,720</u>	Callable 01/22/2023	550,000	568,528
<b>Diversified Telecommunication Services - 1.2%</b>			1.200%, 06/03/2027	260,000	259,471
AT&T, Inc.			Callable 04/03/2027		<u>827,999</u>
3.400%, 05/15/2025			<b>IT Services - 0.4%</b>		
Callable 02/15/2025	750,000	817,519	Visa, Inc.		
Verizon Communications, Inc.			1.900%, 04/15/2027		
3.500%, 11/01/2024			Callable 02/15/2027	500,000	516,932
Callable 08/01/2024	750,000	811,893	<b>Machinery - 0.6%</b>		
		<u>1,629,412</u>	Illinois Tool Works, Inc.		
<b>Electrical Equipment &amp; Instruments - 1.1%</b>			3.500%, 03/01/2024		
Emerson Electric Co.:			Callable 12/01/2023	715,000	765,957
2.625%, 02/15/2023			<b>Media &amp; Entertainment - 1.1%</b>		
Callable 11/15/2022	400,000	412,756	Alphabet, Inc.:		
3.150%, 06/01/2025			3.375%, 02/25/2024	600,000	645,444
Callable 03/01/2025	200,000	216,699	1.998%, 08/15/2026		
Roper Technologies, Inc.:			Callable 05/15/2026	200,000	209,459
2.800%, 12/15/2021			The Walt Disney Co.		
Callable 11/15/2021	600,000	605,743	1.750%, 08/30/2024		
1.000%, 09/15/2025			Callable 07/30/2024	665,000	687,918
Callable 08/15/2025	250,000	248,591			<u>1,542,821</u>
		<u>1,483,789</u>	<b>Oil &amp; Gas &amp; Consumable Fuels - 3.3%</b>		
<b>Electronic Equipment &amp; Instruments - 0.4%</b>			Chevron Corp.:		
Trimble, Inc.			2.411%, 03/03/2022		
4.150%, 06/15/2023			Callable 01/03/2022	500,000	505,777
Callable 05/15/2023	500,000	531,796	1.995%, 05/11/2027		
<b>Food &amp; Drug Retailing - 0.8%</b>			Callable 03/11/2027	400,000	413,337
Walmart, Inc.:			ConocoPhillips		
2.350%, 12/15/2022			2.400%, 12/15/2022		
Callable 11/15/2022	300,000	308,795	Callable 09/15/2022	490,000	501,945
			Enterprise Products Operating, LLC		
			3.750%, 02/15/2025		
			Callable 11/15/2024	300,000	327,518

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

**LKCM BALANCED FUND**  
**SCHEDULE OF INVESTMENTS, CONTINUED**  
**June 30, 2021 (Unaudited)**

CORPORATE BONDS	Principal Amount	Value	CORPORATE BONDS	Principal Amount	Value
<b>Oil &amp; Gas &amp; Consumable Fuels - 3.3%, Continued</b>			<b>Semiconductor Equipment &amp; Products - 0.4%</b>		
EOG Resources, Inc. 2.625%, 03/15/2023 Callable 12/15/2022	\$ 600,000	\$ 619,499	Intel Corp. 3.700%, 07/29/2025 Callable 04/29/2025	\$ 500,000	\$ 553,178
Exxon Mobil Corp.: 2.709%, 03/06/2025 Callable 12/06/2024	255,000	271,448	<b>Software - 1.9%</b>		
3.043%, 03/01/2026 Callable 12/01/2025	400,000	434,725	Adobe, Inc. 1.900%, 02/01/2025 Callable 01/01/2025	700,000	728,114
Kinder Morgan Energy Partners, L.P. 3.950%, 09/01/2022 Callable 06/01/2022	400,000	412,840	Fortinet, Inc. 1.000%, 03/15/2026 Callable 02/15/2026	860,000	852,918
Kinder Morgan, Inc. 3.150%, 01/15/2023 Callable 12/15/2022	500,000	520,532	Microsoft Corp.: 2.375%, 02/12/2022 Callable 01/12/2022	400,000	404,795
Schlumberger Investment SA (b) 3.650%, 12/01/2023 Callable 09/01/2023	500,000	533,571	3.125%, 11/03/2025 Callable 08/03/2025	230,000	251,142
		<u>4,541,192</u>	Oracle Corp. 2.500%, 04/01/2025 Callable 03/01/2025	300,000	315,390
<b>Personal Products - 0.6%</b>					<u>2,552,359</u>
The Estee Lauder Cos., Inc. 2.000%, 12/01/2024 Callable 11/01/2024	805,000	841,878	<b>Specialty Retail - 1.2%</b>		
<b>Pharmaceuticals - 2.9%</b>			Lowe's Cos, Inc. 2.500%, 04/15/2026 Callable 01/15/2026	800,000	849,528
Abbott Laboratories: 3.400%, 11/30/2023 Callable 09/30/2023	480,000	512,603	The Home Depot, Inc.: 2.625%, 06/01/2022 Callable 05/01/2022	290,000	295,964
3.875%, 09/15/2025 Callable 06/15/2025	255,000	284,467	2.800%, 09/14/2027 Callable 06/14/2027	500,000	541,628
Bristol-Myers Squibb Co.: 2.750%, 02/15/2023 Callable 01/15/2023	650,000	674,483			<u>1,687,120</u>
3.625%, 05/15/2024 Callable 02/15/2024	250,000	269,912	<b>TOTAL CORPORATE BONDS</b>		
Johnson & Johnson 0.550%, 09/01/2025 Callable 08/01/2025	735,000	729,017	(Cost \$38,835,655)		
Merck & Co., Inc. 2.350%, 02/10/2022	650,000	658,516	<b>SHORT-TERM INVESTMENT - 1.3%      Shares</b>		
Pfizer, Inc. 0.800%, 05/28/2025 Callable 04/28/2025	800,000	803,495	<b>Money Market Fund - 1.3%</b>		
		<u>3,932,493</u>	Invesco Short-Term Investments Trust - Government & Agency Portfolio - Institutional Shares, 0.03% (c)		
<b>Real Estate Investment Trusts - 0.8%</b>			1,790,307	1,790,307	<u>1,790,307</u>
American Tower Corp.: 2.400%, 03/15/2025 Callable 02/15/2025	400,000	418,385	<b>TOTAL SHORT-TERM INVESTMENT</b>		
3.375%, 10/15/2026 Callable 07/15/2026	635,000	692,870	(Cost \$1,790,307)		
		<u>1,111,255</u>	<b>Total Investments - 99.9%</b>		
<b>Road &amp; Rail - 0.6%</b>			(Cost \$90,813,352)		
Burlington Northern Santa Fe, LLC 3.000%, 03/15/2023 Callable 12/15/2022	600,000	624,082	Other Assets in Excess of Liabilities - 0.1%		
Union Pacific Corp. 3.750%, 07/15/2025 Callable 05/15/2025	200,000	221,943	<b>TOTAL NET ASSETS - 100.0%</b>		
		<u>846,025</u>	<u>\$137,107,434</u>		

- (a) Non-income producing security.  
(b) Security issued by non-U.S. incorporated company.  
(c) The rate quoted is the annualized seven-day yield of the Fund at period end.

*Investments are classified by industry pursuant to the Global Industry Classification Standard (GICS®), which was developed by and/or is the exclusive property of Morgan Stanley Capital International, Inc. ("MSCI") and Standard & Poor's 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.

**LKCM FIXED INCOME FUND**

**SCHEDULE OF INVESTMENTS**

**June 30, 2021 (Unaudited)**

<b>CORPORATE BONDS - 78.5%</b>	<b>Principal Amount</b>	<b>Value</b>	<b>CORPORATE BONDS</b>	<b>Principal Amount</b>	<b>Value</b>
<b>Aerospace &amp; Defense - 5.1%</b>			<b>Chemicals - 2.1%, Continued</b>		
Honeywell International, Inc.:			Ecolab, Inc.		
2.300%, 08/15/2024			2.375%, 08/10/2022		
Callable 07/15/2024	\$3,105,000	\$ 3,265,906	Callable 07/10/2022	\$1,925,000	\$ 1,965,647
1.350%, 06/01/2025					6,065,712
Callable 05/01/2025	3,000,000	3,059,818	<b>Communications Equipment - 1.5%</b>		
L3Harris Technologies, Inc.			<b>QUALCOMM, Inc.</b>		
3.850%, 06/15/2023			2.900%, 05/20/2024		
Callable 05/15/2023	6,245,000	6,639,967	Callable 03/20/2024	4,000,000	4,253,995
Raytheon Technologies Corp.			<b>Computers &amp; Peripherals - 2.1%</b>		
3.700%, 12/15/2023			Apple, Inc.:		
Callable 09/15/2023	1,750,000	1,871,404	2.400%, 05/03/2023	3,250,000	3,372,752
		14,837,095	2.500%, 02/09/2025	2,515,000	2,671,634
<b>Air Freight &amp; Logistics - 1.1%</b>					6,044,386
United Parcel Service, Inc.			<b>Consumer Finance - 3.9%</b>		
2.450%, 10/01/2022	3,000,000	3,082,179	American Express Co.:		
<b>Banks - 5.6%</b>			2.500%, 08/01/2022		
Bank of America Corp.:			Callable 07/01/2022	3,000,000	3,064,905
3.300%, 01/11/2023	2,000,000	2,087,502	3.400%, 02/27/2023		
4.450%, 03/03/2026	2,000,000	2,267,577	Callable 01/27/2023	2,500,000	2,617,626
Comerica, Inc.			2.500%, 07/30/2024		
3.700%, 07/31/2023			Callable 06/30/2024	1,063,000	1,120,894
Callable 06/30/2023	2,000,000	2,127,150	3.000%, 10/30/2024		
The Bank of New York Mellon Corp.			Callable 09/29/2024	2,000,000	2,146,316
2.800%, 05/04/2026			4.200%, 11/06/2025		
Callable 02/04/2026	300,000	323,745	Callable 10/06/2025	2,000,000	2,268,899
Truist Bank:					11,218,640
3.200%, 04/01/2024			<b>Containers &amp; Packaging - 3.0%</b>		
Callable 03/01/2024	2,500,000	2,676,495	Ball Corp.:		
3.300%, 05/15/2026			5.000%, 03/15/2022	3,750,000	3,853,519
Callable 04/15/2026	4,333,000	4,754,221	5.250%, 07/01/2025	4,252,000	4,811,691
Wells Fargo & Co.					8,665,210
4.125%, 08/15/2023	2,000,000	2,151,730	<b>Diversified Financials - 4.2%</b>		
		16,388,420	JPMorgan Chase & Co.:		
<b>Beverages - 0.8%</b>			3.375%, 05/01/2023		
Keurig Dr Pepper, Inc.			2.700%, 05/18/2023	3,788,000	3,988,873
2.550%, 09/15/2026			Callable 03/18/2023	1,855,000	1,929,263
Callable 06/15/2026	2,225,000	2,363,382	3.875%, 02/01/2024	1,750,000	1,896,278
<b>Biotechnology - 2.0%</b>			3.300%, 04/01/2026		
AbbVie, Inc.			Callable 01/01/2026	3,500,000	3,831,572
2.900%, 11/06/2022	2,115,000	2,185,105	3.200%, 06/15/2026		
Amgen, Inc.:			Callable 03/15/2026	636,000	693,823
2.250%, 08/19/2023					12,339,809
Callable 06/19/2023	2,350,000	2,431,222	<b>Diversified Telecommunication Services - 7.9%</b>		
2.600%, 08/19/2026			AT&T, Inc.:		
Callable 05/19/2026	1,000,000	1,062,850	3.000%, 06/30/2022		
		5,679,177	Callable 04/30/2022	2,230,000	2,280,510
<b>Chemicals - 2.1%</b>			1.700%, 03/25/2026		
Air Products and Chemicals, Inc.			Callable 03/25/2023	1,450,000	1,465,822
1.500%, 10/15/2025			3.800%, 02/15/2027		
Callable 09/15/2025	4,000,000	4,100,065	Callable 11/15/2026	2,000,000	2,233,027

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

**LKCM FIXED INCOME FUND**  
**SCHEDULE OF INVESTMENTS, CONTINUED**  
**June 30, 2021 (Unaudited)**

CORPORATE BONDS	Principal Amount	Value	CORPORATE BONDS	Principal Amount	Value
<b>Diversified Telecommunication Services - 7.9%, Continued</b>			<b>Oil &amp; Gas &amp; Consumable Fuels - 5.4%, Continued</b>		
4.250%, 03/01/2027 Callable 12/01/2026	\$4,000,000	\$ 4,543,714	2.355%, 12/05/2022 Callable 09/05/2022	\$1,000,000	\$ 1,024,198
4.100%, 02/15/2028 Callable 11/15/2027	2,000,000	2,286,262	2.954%, 05/16/2026 Callable 02/16/2026	1,870,000	2,029,389
Verizon Communications, Inc.:			Enterprise Products Operating, LLC		
3.500%, 11/01/2024 Callable 08/01/2024	1,750,000	1,894,416	3.750%, 02/15/2025 Callable 11/15/2024	2,963,000	3,234,792
4.125%, 03/16/2027	2,000,000	2,277,374	Kinder Morgan Energy Partners, L.P.		
2.100%, 03/22/2028 Callable 01/22/2028	6,000,000	6,132,903	4.250%, 09/01/2024 Callable 06/01/2024	3,000,000	3,301,627
		<u>23,114,028</u>	Kinder Morgan, Inc.		
			3.150%, 01/15/2023 Callable 12/15/2022	4,350,000	4,528,625
<b>Electrical Equipment &amp; Instruments - 2.4%</b>					<u>15,585,384</u>
Emerson Electric Co.			<b>Personal Products - 0.2%</b>		
3.150%, 06/01/2025 Callable 03/01/2025	5,000,000	5,417,487	The Estee Lauder Cos., Inc.		
Rockwell Automation, Inc.			2.000%, 12/01/2024 Callable 11/01/2024	556,000	581,471
2.875%, 03/01/2025 Callable 12/01/2024	1,440,000	1,529,599	<b>Pharmaceuticals - 4.5%</b>		
		<u>6,947,086</u>	Abbott Laboratories:		
<b>Electronic Equipment &amp; Instruments - 1.6%</b>			3.400%, 11/30/2023 Callable 09/30/2023	1,750,000	1,868,866
Trimble, Inc.			2.950%, 03/15/2025 Callable 12/15/2024	3,925,000	4,224,328
4.150%, 06/15/2023 Callable 05/15/2023	4,500,000	4,786,161	Bristol-Myers Squibb Co.		
<b>Health Care Equipment &amp; Supplies - 3.6%</b>			3.625%, 05/15/2024 Callable 02/15/2024	4,750,000	5,128,324
Danaher Corp.			Zoetis, Inc.		
3.350%, 09/15/2025 Callable 06/15/2025	5,500,000	6,030,866	3.250%, 02/01/2023 Callable 11/01/2022	1,664,000	1,728,491
Thermo Fisher Scientific, Inc.					<u>12,950,009</u>
2.950%, 09/19/2026 Callable 06/19/2026	4,000,000	4,320,737	<b>Real Estate Investment Trusts - 4.1%</b>		
		<u>10,351,603</u>	American Tower Corp.:		
<b>Household Products - 0.3%</b>			2.250%, 01/15/2022	1,000,000	1,010,465
The Procter & Gamble Co.			3.500%, 01/31/2023	3,500,000	3,667,395
8.000%, 09/01/2024	775,000	948,410	5.000%, 02/15/2024	2,500,000	2,773,671
<b>Internet &amp; Catalog Retail - 0.9%</b>			3.375%, 10/15/2026 Callable 07/15/2026	4,030,000	4,397,270
Amazon.com, Inc.					<u>11,848,801</u>
2.500%, 11/29/2022 Callable 08/29/2022	2,500,000	2,569,606	<b>Road &amp; Rail - 4.7%</b>		
<b>Media &amp; Entertainment - 2.1%</b>			Burlington Northern Santa Fe, LLC:		
Alphabet, Inc.:			3.000%, 03/15/2023 Callable 12/15/2022	4,695,000	4,883,440
3.375%, 02/25/2024	4,000,000	4,302,957	3.000%, 04/01/2025 Callable 01/01/2025	2,250,000	2,425,955
1.998%, 08/15/2026 Callable 05/15/2026	1,725,000	1,806,588	Union Pacific Corp.:		
		<u>6,109,545</u>	2.950%, 03/01/2022	1,390,000	1,415,556
<b>Oil &amp; Gas &amp; Consumable Fuels - 5.4%</b>			3.250%, 01/15/2025 Callable 10/15/2024	1,500,000	1,617,776
Chevron Corp.:			3.750%, 07/15/2025 Callable 05/15/2025	3,025,000	3,356,889
2.411%, 03/03/2022 Callable 01/03/2022	1,450,000	1,466,753			<u>13,699,616</u>

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

**LKCM FIXED INCOME FUND**  
**SCHEDULE OF INVESTMENTS, CONTINUED**  
**June 30, 2021 (Unaudited)**

<b>CORPORATE BONDS</b>	<b>Principal Amount</b>	<b>Value</b>	<b>U.S. GOVERNMENT SPONSORED ENTITIES - 10.2%</b>	<b>Principal Amount</b>	<b>Value</b>
<b>Semiconductor Equipment &amp; Products - 0.8%</b>			<b>Fannie Mae - 0.6%</b>		
Intel Corp. 3.700%, 07/29/2025 Callable 04/29/2025	\$2,250,000	\$ 2,489,300	0.500%, 06/17/2025	\$1,852,000	\$ 1,841,817
<b>Semiconductors &amp; Semiconductor Equipment - 1.4%</b>			<b>Federal Home Loan Bank - 8.4%</b>		
NVIDIA Corp. 1.550%, 06/15/2028 Callable 04/15/2028	4,000,000	3,992,650	0.300%, 01/27/2026 (a) Callable 07/27/2021	3,000,000	2,988,139
<b>Software - 5.1%</b>			2.375%, 03/13/2026	3,575,000	3,828,277
Adobe, Inc. 1.900%, 02/01/2025 Callable 01/01/2025	4,280,000	4,451,897	0.500%, 03/30/2026 (a) Callable 03/30/2022	3,000,000	2,996,767
Oracle Corp.: 2.500%, 10/15/2022	3,000,000	3,082,240	0.500%, 05/26/2026 (a) Callable 11/26/2021	2,500,000	2,498,173
2.650%, 07/15/2026 Callable 04/15/2026	2,000,000	2,112,943	0.650%, 01/27/2028 (a) Callable 07/27/2021	4,000,000	3,978,159
3.250%, 11/15/2027 Callable 08/15/2027	2,000,000	2,180,013	2.820%, 06/27/2029 Callable 06/27/2022	4,000,000	4,100,994
2.300%, 03/25/2028 Callable 01/25/2028	3,000,000	3,083,712	1.000%, 01/27/2031 (a) Callable 07/27/2021	4,000,000	3,942,091
		14,910,805			24,332,600
<b>Specialty Retail - 2.1%</b>			<b>Freddie Mac - 1.2%</b>		
Lowe's Cos, Inc. 2.500%, 04/15/2026 Callable 01/15/2026	1,000,000	1,061,910	0.750%, 05/28/2025 Callable 05/28/2021	3,500,000	3,492,405
The Home Depot, Inc.: 2.625%, 06/01/2022 Callable 05/01/2022	2,125,000	2,168,704	<b>TOTAL U.S. GOVERNMENT SPONSORED ENTITIES</b> (Cost \$29,763,606)		29,666,822
2.700%, 04/01/2023 Callable 01/01/2023	2,750,000	2,851,349			
		6,081,963	<b>SHORT-TERM INVESTMENT - 0.9%</b>	<b>Shares</b>	
<b>TOTAL CORPORATE BONDS</b> (Cost \$219,436,271)		227,904,443	<b>Money Market Fund - 0.9%</b>		
<b>U.S. GOVERNMENT ISSUES - 9.7%</b>			Invesco Short-Term Investments Trust - Government & Agency Portfolio - Institutional Shares, 0.03% (b)	2,538,570	2,538,570
<b>U.S. Treasury Inflation Indexed Bonds - 1.4%</b>			<b>TOTAL SHORT-TERM INVESTMENT</b> (Cost \$2,538,570)		2,538,570
0.625%, 01/15/2024	4,005,855	4,315,168	<b>Total Investments - 99.3%</b> (Cost \$279,533,141)		288,538,926
<b>U.S. Treasury Notes - 8.3%</b>			Other Assets in Excess of Liabilities - 0.7%		1,898,896
1.500%, 11/30/2021	5,000,000	5,029,792	<b>TOTAL NET ASSETS - 100.0%</b>		\$290,437,822
2.000%, 12/31/2021	1,175,000	1,186,275			
1.125%, 02/28/2022	4,000,000	4,028,259			
1.750%, 07/15/2022	2,000,000	2,034,168			
1.375%, 02/15/2023	2,000,000	2,038,633			
2.000%, 02/15/2023	2,000,000	2,058,711			
2.000%, 02/15/2025	2,000,000	2,100,703			
2.000%, 08/15/2025	1,000,000	1,052,851			
1.625%, 02/15/2026	2,000,000	2,074,375			
1.250%, 04/30/2028	2,500,000	2,510,156			
		24,113,923			
<b>TOTAL U.S. GOVERNMENT ISSUES</b> (Cost \$27,794,694)		28,429,091			

- (a) Step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate as of period end.  
(b) The rate quoted is the annualized seven-day yield of the Fund at period end.

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**LKCM INTERNATIONAL EQUITY FUND**
**SCHEDULE OF INVESTMENTS**
**June 30, 2021 (Unaudited)**

<b>COMMON STOCKS - 94.1%</b>	<b>Shares</b>	<b>Value</b>	<b>COMMON STOCKS</b>	<b>Shares</b>	<b>Value</b>
<b>AUSTRALIA - 4.1%</b>			<b>Food &amp; Drug Retailing - 1.5%</b>		
<b>Diversified Operations - 2.0%</b>			Tsuruha Holdings, Inc.	6,500	\$ 756,504
BHP Billiton Ltd.	27,363	\$ 995,476	<b>Media &amp; Entertainment - 2.7%</b>		
<b>Pharmaceuticals - 2.1%</b>			Nintendo Co., Ltd.	2,320	1,342,522
CSL Ltd.	5,025	1,074,691	<b>Personal Products - 1.6%</b>		
<b>Total Australia</b>		<u>2,070,167</u>	Shiseido Co., Ltd.	11,000	811,346
<b>FRANCE - 13.4%</b>			<b>Total Japan</b>		<u>4,259,928</u>
<b>Capital Markets - 1.2%</b>			<b>NETHERLANDS - 7.9%</b>		
Euronext NV	5,320	578,753	<b>Banks - 2.0%</b>		
<b>Chemicals - 2.3%</b>			ING Groep NV	75,500	1,002,211
Air Liquide SA	6,739	1,181,681	<b>Professional Services - 2.2%</b>		
<b>Electrical Equipment &amp; Instruments - 2.8%</b>			Wolters Kluwer NV	11,200	1,125,753
Schneider Electric SA	8,950	1,410,915	<b>Semiconductor Equipment &amp; Products - 3.7%</b>		
<b>IT Consulting &amp; Services - 2.6%</b>			ASML Holding NV	2,721	1,878,354
Cap Gemini	6,856	1,318,499	<b>Total Netherlands</b>		<u>4,006,318</u>
<b>Oil &amp; Gas &amp; Consumable Fuels - 1.4%</b>			<b>SPAIN - 4.9%</b>		
TOTAL SA	15,000	679,525	<b>Banks - 1.4%</b>		
<b>Specialty Retail - 3.1%</b>			CaixaBank SA	230,000	708,101
LVMH Moet Hennessy Louis Vuitton SE	2,015	1,585,111	<b>Machinery - 3.5%</b>		
<b>Total France</b>		<u>6,754,484</u>	Fluidra SA	45,000	1,787,826
<b>GERMANY - 11.0%</b>			<b>Total Spain</b>		<u>2,495,927</u>
<b>Insurance - 1.8%</b>			<b>SWEDEN - 4.7%</b>		
Allianz SE	3,560	888,421	<b>Banks - 2.2%</b>		
<b>Machinery - 2.5%</b>			Nordea Bank Abp	99,000	1,102,455
KION Group AG	12,000	1,281,123	<b>Hotels, Restaurants &amp; Leisure - 1.0%</b>		
<b>Semiconductor Equipment &amp; Products - 2.4%</b>			Evolution AB	3,040	480,874
Infinion Technologies AG	30,403	1,222,905	<b>Oil &amp; Gas &amp; Consumable Fuels - 1.5%</b>		
<b>Software - 2.1%</b>			Lundin Petroleum AB	21,675	768,433
SAP SE	7,600	1,067,492	<b>Total Sweden</b>		<u>2,351,762</u>
<b>Textiles, Apparel &amp; Luxury Goods - 2.2%</b>			<b>SWITZERLAND - 14.1%</b>		
Adidas AG	3,000	1,119,471	<b>Banks - 2.2%</b>		
<b>Total Germany</b>		<u>5,579,412</u>	Julius Baer Group Ltd.	17,000	1,110,325
<b>IRELAND - 2.6%</b>			<b>Electrical Equipment &amp; Instruments - 2.5%</b>		
<b>Construction Materials - 2.6%</b>			ABB Ltd.	37,125	1,261,309
CRH PLC	25,792	1,304,333	<b>Health Care Equipment &amp; Supplies - 2.1%</b>		
<b>Total Ireland</b>		<u>1,304,333</u>	Alcon, Inc.	15,200	1,066,091
<b>ITALY - 1.8%</b>			<b>Pharmaceuticals - 5.0%</b>		
<b>Textiles, Apparel &amp; Luxury Goods - 1.8%</b>			Lonza Group AG	1,750	1,240,674
Moncler SpA	13,750	932,082	Roche Holding AG	3,400	1,281,250
<b>Total Italy</b>		<u>932,082</u>			<u>2,521,924</u>
<b>JAPAN - 8.5%</b>			<b>Software - 2.3%</b>		
<b>Building Products - 0.6%</b>			Temenos AG	7,094	1,140,535
Daikin Industries Ltd.	1,520	283,252	<b>Total Switzerland</b>		<u>7,100,184</u>
<b>Computers &amp; Peripherals - 2.1%</b>			<b>UNITED KINGDOM - 21.1%</b>		
Nidec Corp.	9,273	1,066,304	<b>Banks - 2.8%</b>		
			Barclays PLC	412,475	978,833

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**LKCM INTERNATIONAL EQUITY FUND**  
**SCHEDULE OF INVESTMENTS, CONTINUED**  
**June 30, 2021 (Unaudited)**

COMMON STOCKS	Shares	Value	SHORT-TERM INVESTMENTS - 3.5%	Shares	Value
<b>UNITED KINGDOM - 21.1%, Continued</b>			<b>Money Market Funds - 3.5%</b>		
<b>Banks - 2.8%, Continued</b>			Invesco Short-Term Investments Trust -		
Lloyds Banking Group PLC	700,000	\$ 452,800	Government & Agency Portfolio -		
		1,431,633	Institutional Shares, 0.03% (b)		
			1,531,827		\$ 1,531,827
<b>Beverages - 2.5%</b>			Morgan Stanley Institutional Liquidity		
Diageo PLC	26,000	1,246,140	Funds - Government Portfolio -		
			252,487		252,487
<b>Commercial Services &amp; Supplies - 2.1%</b>			Institutional Shares, 0.03% (b)		
Rentokil Initial Plc	155,000	1,061,622			
			<b>TOTAL SHORT-TERM INVESTMENTS</b>		
<b>Hotels, Restaurants &amp; Leisure - 2.3%</b>			(Cost \$1,784,314)		
Compass Group PLC (a)	14,000	294,950	<b>Total Investments - 100.0%</b>		
InterContinental Hotels Group PLC (a)	13,050	869,789	(Cost \$40,648,964)		
		1,164,739	Liabilities in Excess of Other Assets - 0.0%		
			<b>TOTAL NET ASSETS - 100.0%</b>		
<b>Household Products - 0.9%</b>			<b>\$50,521,471</b>		
Reckitt Benckiser Group PLC	4,900	432,915			
<b>Insurance - 1.7%</b>					
Prudential PLC	44,000	837,133			
<b>Oil &amp; Gas &amp; Consumable Fuels - 1.3%</b>					
Royal Dutch Shell PLC - A Shares	34,000	681,627			
<b>Personal Products - 2.3%</b>					
Unilever PLC	19,700	1,151,140			
<b>Specialty Retail - 1.4%</b>					
Burberry Group PLC	24,750	707,829			
<b>Trading Companies &amp; Distributors - 3.8%</b>					
Ashtead Group PLC	21,375	1,588,765			
Ferguson PLC	2,500	347,818			
		1,936,583			
<b>Total United Kingdom</b>		<b>10,651,361</b>			
<b>TOTAL COMMON STOCKS</b>		<b>47,505,958</b>			
(Cost \$38,186,371)					
<b>PREFERRED STOCK - 2.4%</b>					
<b>GERMANY - 2.4%</b>					
<b>Health Care Equipment &amp; Supplies - 2.4%</b>					
Sartorius AG	2,375	1,236,204			
<b>TOTAL PREFERRED STOCK</b>		<b>1,236,204</b>			
(Cost \$678,279)					

(a) Non-income producing security.

(b) The rate quoted is the annualized seven-day yield of the Fund at period end.

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**STATEMENT OF ASSETS AND LIABILITIES**

**June 30, 2021 (Unaudited)**

	<b>LKCM Small Cap Equity Fund</b>	<b>LKCM Small-Mid Cap Equity Fund</b>	<b>LKCM Equity Fund</b>	<b>LKCM Balanced Fund</b>	<b>LKCM Fixed Income Fund</b>	<b>LKCM International Equity Fund</b>
<b>Assets</b>						
Investments, at value* . . . . .	\$239,326,174	\$16,922,622	\$515,183,166	\$136,977,517	\$288,538,926	\$50,526,476
Cash . . . . .	—	529	—	—	—	—
Dividends and interest receivable . . . . .	60,179	6,140	440,208	312,065	1,994,226	75,679
Receivable for Fund shares sold . . . . .	470	—	49,000	109,554	324,985	—
Prepaid expenses and other assets . . . . .	22,991	14,007	34,001	11,774	20,354	17,519
<b>Total assets</b> . . . . .	<u>239,409,814</u>	<u>16,943,298</u>	<u>515,706,375</u>	<u>137,410,910</u>	<u>290,878,491</u>	<u>50,619,674</u>
<b>Liabilities</b>						
Payable for securities purchased . . . . .	—	—	433,790	—	—	—
Payable for investment advisory fees (Note B) . . . . .	424,820	2,968	672,146	162,403	154,305	67,964
Payable for administrative fees . . . . .	21,235	7,881	59,416	17,088	44,605	6,657
Payable for accounting and transfer agent fees and expenses . . . . .	14,740	8,024	22,973	14,525	27,869	6,315
Payable for professional fees . . . . .	25,306	8,468	51,043	19,800	42,322	14,601
Payable for custody fees and expenses . . . . .	3,858	970	5,597	1,741	4,831	—
Payable for trustees' fees and officer compensation (Note B) . . . . .	15,963	1,023	26,410	7,125	16,360	2,575
Payable for Fund shares redeemed . . . . .	301,372	—	75,337	80,244	148,715	—
Accrued expenses and other liabilities . . . . .	583	51	1,713	550	1,662	91
<b>Total liabilities</b> . . . . .	<u>807,877</u>	<u>29,385</u>	<u>1,348,425</u>	<u>303,476</u>	<u>440,669</u>	<u>98,203</u>
<b>Net assets</b> . . . . .	<u>\$238,601,937</u>	<u>\$16,913,913</u>	<u>\$514,357,950</u>	<u>\$137,107,434</u>	<u>\$290,437,822</u>	<u>\$50,521,471</u>
<b>Net assets consist of:</b>						
Paid-in capital . . . . .	\$108,908,501	\$ 8,542,446	\$209,916,419	\$ 89,137,826	\$281,390,376	\$40,697,655
Total distributable earnings . . . . .	129,693,436	8,371,467	304,441,531	47,969,608	9,047,446	9,823,816
<b>Net assets</b> . . . . .	<u>\$238,601,937</u>	<u>\$16,913,913</u>	<u>\$514,357,950</u>	<u>\$137,107,434</u>	<u>\$290,437,822</u>	<u>\$50,521,471</u>
Shares of beneficial interest outstanding (unlimited shares of no par value authorized) . . . . .	9,321,924	1,339,918	13,374,407	4,746,262	26,333,734	3,564,700
Net asset value per share (offering and redemption price) . . . . .	<u>\$ 25.60</u>	<u>\$ 12.62</u>	<u>\$ 38.46</u>	<u>\$ 28.89</u>	<u>\$ 11.03</u>	<u>\$ 14.17</u>
* Cost of Investments . . . . .	<u>\$136,304,418</u>	<u>\$10,472,669</u>	<u>\$238,386,344</u>	<u>\$ 90,813,352</u>	<u>\$279,533,141</u>	<u>\$40,648,964</u>

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



**STATEMENT OF OPERATIONS**  
**Six Months Ended June 30, 2021 (Unaudited)**

	LKCM Small Cap Equity Fund	LKCM Small-Mid Cap Equity Fund	LKCM Equity Fund	LKCM Balanced Fund	LKCM Fixed Income Fund	LKCM International Equity Fund
<b>Investment Income:</b>						
Dividends*	\$ 228,636	\$ 48,030	\$ 2,952,263	\$ 637,578	\$ —	\$ 400,458
Interest	846	45	8,968	354,161	2,700,582	293
Total investment income	<u>229,482</u>	<u>48,075</u>	<u>2,961,231</u>	<u>991,739</u>	<u>2,700,582</u>	<u>400,751</u>
<b>Expenses:</b>						
Investment advisory fees (Note B)	846,083	61,595	1,665,817	420,427	719,009	188,063
Administrative fees	93,294	22,088	198,344	57,400	131,604	21,949
Accounting and transfer agent fees and expenses	72,064	31,493	130,925	58,903	96,106	32,522
Professional fees	33,849	4,836	77,211	23,660	57,206	3,706
Trustees' fees and officer compensation (Note B)	52,889	3,938	117,370	32,862	81,991	6,710
Federal and state registration	16,629	10,583	25,979	11,617	17,803	9,448
Custody fees and expenses	12,008	3,050	22,240	6,322	14,831	20,687
Reports to shareholders	4,891	417	11,256	3,315	8,591	448
Other	2,931	236	7,724	2,281	6,785	364
Total expenses	1,134,638	138,236	2,256,866	616,787	1,133,926	283,897
Less, expense waiver and/or reimbursement (Note B)	(6,528)	(56,110)	(353,075)	(99,338)	(414,917)	(74,938)
Net expenses	<u>1,128,110</u>	<u>82,126</u>	<u>1,903,791</u>	<u>517,449</u>	<u>719,009</u>	<u>208,959</u>
Net investment income (loss)	<u>(898,628)</u>	<u>(34,051)</u>	<u>1,057,440</u>	<u>474,290</u>	<u>1,981,573</u>	<u>191,792</u>
<b>Realized and Unrealized Gain (Loss):</b>						
Net realized gain (loss) on:						
Investments	\$23,961,909	\$1,561,803	\$26,586,416	\$ 1,790,473	\$ 1,360,353	\$ 361,046
Foreign currency translation	—	1	(3)	(1)	—	(26,173)
Net change in unrealized appreciation (depreciation) on:						
Investments	12,676,054	479,160	35,245,758	8,223,580	(5,553,063)	4,859,565
Foreign currency translation	—	(1)	(20)	(7)	—	11
<b>Net Realized and Unrealized Gain (Loss)</b>	<u>36,637,963</u>	<u>2,040,963</u>	<u>61,832,151</u>	<u>10,014,045</u>	<u>(4,192,710)</u>	<u>5,194,449</u>
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<u>\$35,739,335</u>	<u>\$2,006,912</u>	<u>\$62,889,591</u>	<u>\$10,488,335</u>	<u>\$(2,211,137)</u>	<u>\$5,386,241</u>
* Net of foreign taxes withheld and/or issuance fees	<u>\$ 649</u>	<u>\$ 303</u>	<u>\$ 9,151</u>	<u>\$ 1,121</u>	<u>\$ —</u>	<u>\$ 51,821</u>

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

## STATEMENTS OF CHANGES IN NET ASSETS

	LKCM Small Cap Equity Fund		LKCM Small-Mid Cap Equity Fund	
	<i>Six Months Ended June 30, 2021 (Unaudited)</i>	<i>Year Ended December 31, 2020</i>	<i>Six Months Ended June 30, 2021 (Unaudited)</i>	<i>Year Ended December 31, 2020</i>
<b>Operations:</b>				
Net investment loss .....	\$ (898,628)	\$ (188,879)	\$ (34,051)	\$ (32,152)
Net realized gain .....	23,961,909	11,511,516	1,561,804	1,174,753
Net change in unrealized appreciation .....	12,676,054	37,360,816	479,159	2,453,932
Net increase in net assets resulting from operations .....	<u>35,739,335</u>	<u>48,683,453</u>	<u>2,006,912</u>	<u>3,596,533</u>
<b>Net Dividends and Distributions to Shareholders</b> .....	<u>—</u>	<u>(7,270,969)</u>	<u>—</u>	<u>(936,700)</u>
<b>Net increase (decrease) in net assets from Fund share transactions</b> .....	<u>184,188</u>	<u>(19,416,505)</u>	<u>(201,354)</u>	<u>(141,824)</u>
Total increase in net assets .....	35,923,523	21,995,979	1,805,558	2,518,009
<b>Net Assets:</b>				
Beginning of period .....	<u>202,678,414</u>	<u>180,682,435</u>	<u>15,108,355</u>	<u>12,590,346</u>
End of period .....	<u>\$238,601,937</u>	<u>\$202,678,414</u>	<u>\$16,913,913</u>	<u>\$15,108,355</u>

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

## STATEMENTS OF CHANGES IN NET ASSETS

	LKCM Equity Fund		LKCM Balanced Fund	
	<i>Six Months Ended June 30, 2021 (Unaudited)</i>	<i>Year Ended December 31, 2020</i>	<i>Six Months Ended June 30, 2021 (Unaudited)</i>	<i>Year Ended December 31, 2020</i>
<b>Operations:</b>				
Net investment income .....	\$ 1,057,440	\$ 2,114,794	\$ 474,290	\$ 1,068,531
Net realized gain .....	26,586,413	22,432,961	1,790,472	4,042,398
Net change in unrealized appreciation .....	35,245,738	58,658,948	8,223,573	11,490,886
Net increase in net assets resulting from operations .....	<u>62,889,591</u>	<u>83,206,703</u>	<u>10,488,335</u>	<u>16,601,815</u>
<b>Net Dividends and Distributions to Shareholders</b> .....	<u>—</u>	<u>(23,899,115)</u>	<u>(459,312)</u>	<u>(5,072,763)</u>
<b>Net increase in net assets resulting from Fund share transactions</b> .....	<u>1,815,425</u>	<u>9,038,373</u>	<u>1,571,413</u>	<u>10,153,339</u>
Total increase in net assets .....	64,705,016	68,345,961	11,600,436	21,682,391
<b>Net Assets:</b>				
Beginning of period .....	449,652,934	381,306,973	125,506,998	103,824,607
End of period .....	<u>\$514,357,950</u>	<u>\$449,652,934</u>	<u>\$137,107,434</u>	<u>\$125,506,998</u>

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

## STATEMENTS OF CHANGES IN NET ASSETS

	LKCM Fixed Income Fund		LKCM International Equity Fund	
	<i>Six Months Ended June 30, 2021 (Unaudited)</i>	<i>Year Ended December 31, 2020</i>	<i>Six Months Ended June 30, 2021 (Unaudited)</i>	<i>Year Ended December 31, 2020</i>
<b>Operations:</b>				
Net investment income .....	\$ 1,981,573	\$ 5,020,682	\$ 191,792	\$ 57,733
Net realized gain (loss) .....	1,360,353	(872,810)	334,873	(579,799)
Net change in unrealized appreciation (depreciation) .....	(5,553,063)	7,939,510	4,859,576	4,041,643
Net increase (decrease) in net assets resulting from operations .....	<u>(2,211,137)</u>	<u>12,087,382</u>	<u>5,386,241</u>	<u>3,519,577</u>
<b>Net Dividends and Distributions to Shareholders:</b>				
Net investment income .....	(1,959,306)	(5,026,453)	—	(55,491)
Return of capital .....	—	—	—	(6,140)
Total Net Dividends and Distributions to Shareholders .....	<u>(1,959,306)</u>	<u>(5,026,453)</u>	<u>—</u>	<u>(61,631)</u>
<b>Net increase in net assets from</b>				
<b>Fund share transactions</b> .....	<u>4,751,678</u>	<u>6,878,886</u>	<u>12,840,549</u>	<u>18,191,405</u>
Total increase in net assets .....	581,235	13,939,815	18,226,790	21,649,351
<b>Net Assets:</b>				
Beginning of period .....	<u>289,856,587</u>	<u>275,916,772</u>	<u>32,294,681</u>	<u>10,645,330</u>
End of period .....	<u>\$290,437,822</u>	<u>\$289,856,587</u>	<u>\$50,521,471</u>	<u>\$32,294,681</u>

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

**FINANCIAL HIGHLIGHTS**  
**SELECTED DATA FOR EACH SHARE OF CAPITAL STOCK OUTSTANDING**

	<b>LKCM Small Cap Equity Fund</b>					
	<i>Six Months Ended June 30, 2021 (Unaudited)</i>	<i>Year Ended December 31, 2020</i>	<i>Year Ended December 31, 2019</i>	<i>Year Ended December 31, 2018</i>	<i>Year Ended December 31, 2017</i>	<i>Year Ended December 31, 2016</i>
<b>Net Asset Value – Beginning of Period</b> . . . . .	\$ 21.77	\$ 16.78	\$ 14.39	\$ 18.44	\$ 18.82	\$ 19.86
Net investment loss . . . . .	(0.10) <sup>(1)</sup>	(0.02) <sup>(1)</sup>	(0.02) <sup>(1)</sup>	(0.03) <sup>(2)</sup>	(0.04) <sup>(1)</sup>	(0.03) <sup>(1)</sup>
Net realized and unrealized gain (loss) on investments . . .	3.93	5.85	3.29	(1.05)	3.27	1.88
Total from investment operations . . . . .	3.83	5.83	3.27	(1.08)	3.23	1.85
Distributions from net realized gains . . . . .	—	(0.84)	(0.88)	(2.97)	(3.61)	(2.89)
<b>Net Asset Value – End of Period</b> . . . . .	<u>\$ 25.60</u>	<u>\$ 21.77</u>	<u>\$ 16.78</u>	<u>\$ 14.39</u>	<u>\$ 18.44</u>	<u>\$ 18.82</u>
<b>Total Return</b> . . . . .	17.59% <sup>(3)</sup>	34.79%	22.70%	-5.70%	17.04%	9.27%
<b>Ratios and Supplemental Data:</b>						
Net assets, end of period (thousands) . . . . .	\$238,602	\$202,678	\$180,682	\$160,322	\$201,139	\$281,790
Ratio of expenses to average net assets:						
Before expense waiver and/or reimbursement . . . . .	1.01% <sup>(4)</sup>	1.07%	1.07%	1.08%	1.10%	1.05%
After expense waiver and/or reimbursement . . . . .	1.00% <sup>(4)</sup>	1.00%	1.00%	1.00%	1.00%	1.00%
Ratio of net investment loss to average net assets:						
Before expense waiver and/or reimbursement . . . . .	(0.80)% <sup>(4)</sup>	(0.20)%	(0.20)%	(0.25)%	(0.28)%	(0.18)%
After expense waiver and/or reimbursement . . . . .	(0.79)% <sup>(4)</sup>	(0.13)%	(0.13)%	(0.17)%	(0.18)%	(0.13)%
Portfolio turnover rate . . . . .	30% <sup>(3)</sup>	60%	63%	45%	42%	50%

(1) Net investment loss per share represents net investment loss divided by the average shares outstanding throughout the period.

(2) Net investment loss per share is calculated using the ending balance of undistributed net investment loss prior to considerations of adjustments for permanent book and tax differences.

(3) Not annualized.

(4) Annualized.

	<b>LKCM Small-Mid Cap Equity Fund</b>					
	<i>Six Months Ended June 30, 2021 (Unaudited)</i>	<i>Year Ended December 31, 2020</i>	<i>Year Ended December 31, 2019</i>	<i>Year Ended December 31, 2018</i>	<i>Year Ended December 31, 2017</i>	<i>Year Ended December 31, 2016</i>
<b>Net Asset Value – Beginning of Period</b> . . . . .	\$ 11.15	\$ 9.09	\$ 7.92	\$ 10.60	\$ 9.56	\$ 11.15
Net investment loss . . . . .	(0.03) <sup>(1)</sup>	(0.02) <sup>(1)</sup>	(0.02) <sup>(1)</sup>	(0.03) <sup>(2)</sup>	(0.01) <sup>(1)</sup>	(0.05) <sup>(1)</sup>
Net realized and unrealized gain (loss) on investments . . .	1.50	2.80	2.48	(0.93)	2.32	0.19
Total from investment operations . . . . .	1.47	2.78	2.46	(0.96)	2.31	0.14
Distributions from net realized gains . . . . .	—	(0.72)	(1.29)	(1.72)	(1.27)	(1.73)
<b>Net Asset Value – End of Period</b> . . . . .	<u>\$ 12.62</u>	<u>\$ 11.15</u>	<u>\$ 9.09</u>	<u>\$ 7.92</u>	<u>\$ 10.60</u>	<u>\$ 9.56</u>
<b>Total Return</b> . . . . .	13.18% <sup>(3)</sup>	30.66%	31.05%	-8.89%	24.13%	1.17%
<b>Ratios and Supplemental Data:</b>						
Net assets, end of period (thousands) . . . . .	\$ 16,914	\$ 15,108	\$ 12,590	\$ 12,162	\$ 19,378	\$ 20,419
Ratio of expenses to average net assets:						
Before expense waiver and/or reimbursement . . . . .	1.68% <sup>(4)</sup>	1.98%	1.95%	1.75%	1.76%	1.23%
After expense waiver and/or reimbursement . . . . .	1.00% <sup>(4)</sup>	1.00%	1.00%	1.00%	1.00%	1.00%
Ratio of net investment loss to average net assets:						
Before expense waiver and/or reimbursement . . . . .	(1.10)% <sup>(4)</sup>	(1.25)%	(1.20)%	(1.05)%	(0.94)%	(0.68)%
After expense waiver and/or reimbursement . . . . .	(0.42)% <sup>(4)</sup>	(0.27)%	(0.25)%	(0.30)%	(0.18)%	(0.45)%
Portfolio turnover rate . . . . .	36% <sup>(3)</sup>	76%	68%	56%	63%	80%

(1) Net investment loss per share represents net investment loss divided by the average shares outstanding throughout the period.

(2) Net investment loss per share is calculated using the ending balance of undistributed net investment loss prior to considerations of adjustments for permanent book and tax differences.

(3) Not annualized.

(4) Annualized.

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

**FINANCIAL HIGHLIGHTS**  
**SELECTED DATA FOR EACH SHARE OF CAPITAL STOCK OUTSTANDING**

	<b>LKCM Equity Fund</b>					
	<i>Six Months Ended June 30, 2021 (Unaudited)</i>	<i>Year Ended December 31, 2020</i>	<i>Year Ended December 31, 2019</i>	<i>Year Ended December 31, 2018</i>	<i>Year Ended December 31, 2017</i>	<i>Year Ended December 31, 2016</i>
<b>Net Asset Value – Beginning of Period</b> . . . . .	\$ 33.74	\$ 29.02	\$ 23.34	\$ 26.02	\$ 22.42	\$ 21.40
Net investment income . . . . .	0.08 <sup>(1)</sup>	0.17 <sup>(1)</sup>	0.22 <sup>(1)</sup>	0.21	0.17	0.19 <sup>(1)</sup>
Net realized and unrealized gain (loss) on investments . . .	4.64	6.44	6.75	(1.08)	4.69	2.32
Total from investment operations . . . . .	4.72	6.61	6.97	(0.87)	4.86	2.51
Dividends from net investment income . . . . .	—	(0.17)	(0.23)	(0.21)	(0.17)	(0.20)
Distributions from net realized gains . . . . .	—	(1.72)	(1.06)	(1.60)	(1.09)	(1.29)
Total dividends and distributions . . . . .	—	(1.89)	(1.29)	(1.81)	(1.26)	(1.49)
<b>Net Asset Value – End of Period</b> . . . . .	<u>\$ 38.46</u>	<u>\$ 33.74</u>	<u>\$ 29.02</u>	<u>\$ 23.34</u>	<u>\$ 26.02</u>	<u>\$ 22.42</u>
<b>Total Return</b> . . . . .	13.99% <sup>(2)</sup>	22.83%	29.85%	-3.28%	21.69%	11.66%
<b>Ratios and Supplemental Data:</b>						
Net assets, end of period (thousands) . . . . .	\$514,358	\$449,653	\$381,307	\$308,667	\$340,601	\$286,508
Ratio of expenses to average net assets:						
Before expense waiver and/or reimbursement . . . . .	0.95% <sup>(3)</sup>	0.98%	0.99%	0.98%	0.99%	0.98%
After expense waiver and/or reimbursement . . . . .	0.80% <sup>(3)</sup>	0.80%	0.80%	0.80%	0.80%	0.80%
Ratio of net investment income to average net assets:						
Before expense waiver and/or reimbursement . . . . .	0.29% <sup>(3)</sup>	0.37%	0.61%	0.56%	0.50%	0.69%
After expense waiver and/or reimbursement . . . . .	0.44% <sup>(3)</sup>	0.55%	0.80%	0.74% <sup>(3)</sup>	0.69%	0.87%
Portfolio turnover rate . . . . .	8% <sup>(2)</sup>	10%	9%	16%	11%	16%

<sup>(1)</sup> Net investment income per share represents net investment income divided by the average shares outstanding throughout the period.

<sup>(2)</sup> Not annualized.

<sup>(3)</sup> Annualized.

	<b>LKCM Balanced Fund</b>					
	<i>Six Months Ended June 30, 2021 (Unaudited)</i>	<i>Year Ended December 31, 2020</i>	<i>Year Ended December 31, 2019</i>	<i>Year Ended December 31, 2018</i>	<i>Year Ended December 31, 2017</i>	<i>Year Ended December 31, 2016</i>
<b>Net Asset Value – Beginning of Period</b> . . . . .	\$ 26.76	\$ 24.22	\$ 21.07	\$ 22.18	\$ 20.46	\$ 19.60
Net investment income . . . . .	0.10 <sup>(1)</sup>	0.24 <sup>(1)</sup>	0.27 <sup>(1)</sup>	0.23	0.20	0.20 <sup>(1)</sup>
Net realized and unrealized gain (loss) on investments . . .	2.13	3.42	4.32	(0.70)	2.43	1.69
Total from investment operations . . . . .	2.23	3.66	4.59	(0.47)	2.63	1.89
Dividends from net investment income . . . . .	(0.10)	(0.24)	(0.27)	(0.23)	(0.20)	(0.18)
Distributions from net realized gains . . . . .	—	(0.88)	(1.17)	(0.41)	(0.71)	(0.85)
Total dividends and distributions . . . . .	(0.10)	(1.12)	(1.44)	(0.64)	(0.91)	(1.03)
<b>Net Asset Value – End of Period</b> . . . . .	<u>\$ 28.89</u>	<u>\$ 26.76</u>	<u>\$ 24.22</u>	<u>\$ 21.07</u>	<u>\$ 22.18</u>	<u>\$ 20.46</u>
<b>Total Return</b> . . . . .	8.33% <sup>(2)</sup>	15.28%	21.85%	-2.15%	12.88%	9.70%
<b>Ratios and Supplemental Data:</b>						
Net assets, end of period (thousands) . . . . .	\$137,107	\$125,507	\$103,825	\$ 85,907	\$ 83,430	\$63,192
Ratio of expenses to average net assets:						
Before expense waiver and/or reimbursement . . . . .	0.95% <sup>(3)</sup>	0.99%	1.00%	1.00%	1.02%	1.03%
After expense waiver and/or reimbursement . . . . .	0.80% <sup>(3)</sup>	0.80%	0.80%	0.80%	0.80%	0.80%
Ratio of net investment income to average net assets:						
Before expense waiver and/or reimbursement . . . . .	0.58% <sup>(3)</sup>	0.78%	0.95%	0.83%	0.73%	0.73%
After expense waiver and/or reimbursement . . . . .	0.73% <sup>(3)</sup>	0.97%	1.15%	1.03%	0.95%	0.96%
Portfolio turnover rate . . . . .	5% <sup>(2)</sup>	18%	17%	17%	15%	16%

<sup>(1)</sup> Net investment income per share represents net investment income divided by the average shares outstanding throughout the period.

<sup>(2)</sup> Not annualized.

<sup>(3)</sup> Annualized.

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

**FINANCIAL HIGHLIGHTS**  
**SELECTED DATA FOR EACH SHARE OF CAPITAL STOCK OUTSTANDING**

	<b>LKCM Fixed Income Fund</b>					
	<i>Six Months Ended June 30, 2021 (Unaudited)</i>	<i>Year Ended December 31, 2020</i>	<i>Year Ended December 31, 2019</i>	<i>Year Ended December 31, 2018</i>	<i>Year Ended December 31, 2017</i>	<i>Year Ended December 31, 2016</i>
<b>Net Asset Value – Beginning of Period</b> .....	\$ 11.19	\$ 10.92	\$ 10.47	\$ 10.68	\$ 10.67	\$ 10.50
Net investment income .....	0.08 <sup>(1)</sup>	0.19 <sup>(1)</sup>	0.25 <sup>(1)</sup>	0.24	0.21	0.23
Net realized and unrealized gain (loss) on investments .....	(0.16)	0.27	0.45	(0.21)	0.02	0.17
Total from investment operations .....	(0.08)	0.46	0.70	0.03	0.23	0.40
Dividends from net investment income .....	(0.08)	(0.19)	(0.25)	(0.24)	(0.21)	(0.23)
Distributions from net realized gains .....	—	—	—	—	(0.01)	(0.00) <sup>(2)</sup>
Total dividends and distributions .....	(0.08)	(0.19)	(0.25)	(0.24)	(0.22)	(0.23)
<b>Net Asset Value – End of Period</b> .....	\$ 11.03	\$ 11.19	\$ 10.92	\$ 10.47	\$ 10.68	\$ 10.67
<b>Total Return</b> .....	-0.76% <sup>(3)</sup>	4.29%	6.70%	0.26%	2.15%	3.83%
<b>Ratios and Supplemental Data:</b>						
Net assets, end of period (thousands) .....	\$290,438	\$289,857	\$275,917	\$249,286	\$248,976	\$226,862
Ratio of expenses to average net assets:						
Before expense waiver and/or reimbursement .....	0.79% <sup>(4)</sup>	0.79%	0.79%	0.78%	0.80%	0.78%
After expense waiver and/or reimbursement .....	0.50% <sup>(4)</sup>	0.50%	0.50%	0.50%	0.50%	0.50%
Ratio of net investment income to average net assets:						
Before expense waiver and/or reimbursement .....	1.09% <sup>(4)</sup>	1.46%	2.02%	1.96%	1.66%	1.86%
After expense waiver and/or reimbursement .....	1.38% <sup>(4)</sup>	1.75%	2.31%	2.24%	1.96%	2.14%
Portfolio turnover rate .....	25% <sup>(3)</sup>	46%	37%	23%	28%	59%

(1) Net investment income per share represents net investment income divided by the average shares outstanding during the period.

(2) Less than \$(0.005).

(3) Not annualized.

(4) Annualized.

	<b>LKCM International Equity Fund</b>		
	<i>Six Months Ended June 30, 2021 (Unaudited)</i>	<i>Year Ended December 31, 2020</i>	<i>May 1, 2019<sup>(1)</sup> through December 31, 2019</i>
<b>Net Asset Value – Beginning of Period</b> .....	\$ 12.44	\$ 10.89	\$ 10.00
Net investment income .....	0.06 <sup>(2)</sup>	0.03 <sup>(2)</sup>	0.02 <sup>(2)</sup>
Net realized and unrealized gain on investments .....	1.67	1.54	0.88
Total from investment operations .....	1.73	1.57	0.90
Dividends from net investment income .....	—	(0.02)	(0.01)
Distributions from return of capital .....	—	(0.00) <sup>(3)</sup>	—
Distributions from net realized gains .....	—	—	(0.00) <sup>(3)</sup>
Total dividends and distributions .....	—	(0.02)	(0.01)
<b>Net Asset Value – End of Period</b> .....	\$ 14.17	\$ 12.44	\$ 10.89
<b>Total Return</b> .....	13.91% <sup>(4)</sup>	14.45%	8.97% <sup>(4)</sup>
<b>Ratios and Supplemental Data:</b>			
Net assets, end of period (thousands) .....	\$ 50,521	\$ 32,295	\$ 10,645
Ratio of expenses to average net assets:			
Before expense waiver and/or reimbursement .....	1.36% <sup>(5)</sup>	1.88%	4.09% <sup>(5)</sup>
After expense waiver and/or reimbursement .....	1.00% <sup>(5)</sup>	1.00%	1.00% <sup>(5)</sup>
Ratio of net investment income (loss) to average net assets:			
Before expense waiver and/or reimbursement .....	0.56% <sup>(5)</sup>	(0.55)%	(2.76)% <sup>(5)</sup>
After expense waiver and/or reimbursement .....	0.92% <sup>(5)</sup>	0.33%	0.33% <sup>(5)</sup>
Portfolio turnover rate .....	6% <sup>(4)</sup>	6%	2% <sup>(4)</sup>

(1) Commencement of operations.

(2) Net investment income per share represents net investment income divided by the average shares outstanding during the period.

(3) Less than \$(0.005).

(4) Not annualized.

(5) Annualized.

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

**A. Organization and Significant Accounting Policies:** LKCM Funds (the “Trust”) is registered under the Investment Company Act of 1940 (“1940 Act”) as an open-end, management investment company. The Trust was organized as a Delaware statutory trust on February 10, 1994 and consists of seven diversified series as of June 30, 2021, six of which are presented herein: the LKCM Small Cap Equity Fund, LKCM Small-Mid Cap Equity Fund, LKCM Equity Fund, LKCM Balanced Fund, LKCM Fixed Income Fund and LKCM International Equity Fund (collectively, the “Funds”). The assets of the Funds are invested in separate, independently managed portfolios. Investment operations of the Funds began on July 14, 1994 (LKCM Small Cap Equity Fund), January 3, 1996 (LKCM Equity Fund), December 30, 1997 (LKCM Balanced Fund and LKCM Fixed Income Fund), May 2, 2011 (LKCM Small-Mid Cap Equity Fund) and May 1, 2019 (LKCM International Equity Fund). The LKCM Small Cap Equity Fund, LKCM Small-Mid Cap Equity Fund and LKCM Equity Fund previously had two share classes—Institutional Class shares and Adviser Class shares. The Board of Trustees of the Trust approved the (i) liquidation and termination of Adviser Class shares of the LKCM Small Cap Equity Fund, which took place on October 31, 2018, and (ii) termination of Adviser Class shares of the LKCM Equity Fund and LKCM Small-Mid Cap Equity Fund, which had not commenced operations and had no assets or shareholders, on September 24, 2018. Each Fund charges a 1% redemption fee for redemptions of Fund shares held for less than 30 days, unless otherwise determined by a Fund in its discretion.

The LKCM Small Cap Equity Fund seeks to maximize long-term capital appreciation by investing under normal circumstances at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of smaller companies (those with market capitalizations at the time of investment between \$600 million and \$5 billion) which Luther King Capital Management Corporation (the “Adviser”) believes are likely to have above-average growth in revenue and/or earnings and potential for above-average capital appreciation. The LKCM Small-Mid Cap Equity Fund seeks to maximize long-term capital appreciation by investing under normal circumstances at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of small-mid capitalization companies (those with market capitalizations at the time of investment between \$1.25 billion and \$12 billion) which the Adviser believes are likely to have above-average growth in revenue and/or earnings and potential for above-average capital appreciation. The LKCM Equity Fund seeks to maximize long-term capital appreciation by investing under normal circumstances at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of companies which the Adviser believes are likely to have above-average growth in revenue and/or earnings, above-average returns on shareholders’ equity, potential for above-average capital appreciation and/or companies that the Adviser believes have attractive relative valuations. The LKCM Balanced Fund seeks current income and long-term capital appreciation by investing primarily in a portfolio of equity and fixed income securities with at least 25% of the Fund’s total assets invested in fixed income securities under normal circumstances. The LKCM Fixed Income Fund seeks current income by investing under normal circumstances at least 80% of its net assets (plus any borrowings for investment purposes) in a portfolio of investment grade corporate and U.S. Government fixed income securities. The LKCM International Equity Fund seeks to maximize long-term capital appreciation by investing primarily in equity securities of non-U.S. companies and invests under normal circumstances at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities.

The following is a summary of significant accounting policies followed by the Funds in preparation of the financial statements. The Funds are investment companies and, accordingly, follow the investment company accounting and reporting guidance of the Financial Accounting Standards Board Accounting Standards Codification Topic 946, *Investment Companies*.

**1. Security Valuation:** Equity securities listed or traded on a U.S. securities exchange for which market quotations are readily available are valued at the last quoted sale price on the exchange on which the security is primarily traded. Nasdaq Global Market securities are valued at the Nasdaq Official Closing Price (“NOCP”). Unlisted U.S. equity securities and listed U.S. equity securities not traded on a particular valuation date are valued at the mean of the most recent quoted bid and ask price on the relevant exchanges or markets. Equity securities listed on a foreign exchange for which market quotations are readily available are valued at the last quoted sales price on the exchange on which the security is primarily traded. Debt securities are normally valued at the mean of the closing bid and ask price and/or by using a combination of broker quotations or evaluated prices provided by an independent pricing service. Futures and options on futures are valued at the settlement prices established each day on the principal exchange on which they are traded. Forward contracts are valued based on the forward rate using information provided by an independent pricing service. Other assets and securities for which no market or broker quotations or evaluated prices are readily available are valued in good faith at fair value using guidelines approved by the Board of Trustees. The Board of Trustees has established policies and procedures that authorize the Adviser to fair value a security in good faith under certain circumstances. The Funds may use prices provided by independent pricing services to assist in the fair valuation of the Funds’ portfolio securities. For foreign securities held by the LKCM International Equity Fund, such fair value prices generally will be based on such independent pricing services’ proprietary multi-factor models that measure movements in relevant indices, market indicators or other factors between the time the relevant foreign markets have closed and the time the Fund calculates its net asset value, and therefore may differ from quoted or official closing prices for such foreign securities in such foreign markets.

The Trust has adopted accounting standards which establish an authoritative definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various inputs and valuation techniques used to develop the measurements of fair value and a discussion of changes in valuation techniques and related inputs during the period. These standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly



transaction between market participants at the measurement date. The fair value hierarchy is organized into three levels based upon the assumptions (referred to as “inputs”) used in pricing the asset or liability. These standards state that “observable inputs” reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from independent sources and “unobservable inputs” reflect an entity’s own assumptions about the assumptions market participants would use in pricing the asset or liability. These inputs are summarized in the three broad levels listed below.

- Level 1 – Quoted unadjusted prices for identical instruments in active markets to which the Trust has access at the date of measurement.
- Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets. Level 2 inputs are those in markets for which there are few transactions, the prices are not current, little public information exists or instances where prices vary substantially over time or among brokered market makers.
- Level 3 – Model derived valuations in which one or more significant inputs or significant value drivers are unobservable. Unobservable inputs are those inputs that reflect the Trust’s own assumptions that market participants would use to price the asset or liability based on the best available information.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. As of June 30, 2021, the Funds’ assets carried at fair value were classified as follows:

### LKCM Small Cap Equity Fund

Description	Level 1	Level 2	Level 3	Total
Common Stocks	\$ 234,704,727	\$ —	\$ 0 <sup>(1)</sup>	\$234,704,727
Short-Term Investment	4,621,447	—	—	4,621,447
Total Investments*	\$ 239,326,174	\$ —	\$ 0	\$239,326,174

### LKCM Small-Mid Cap Equity Fund

Description	Level 1	Level 2	Level 3	Total
Common Stocks	\$ 16,307,176	\$ —	\$—	\$ 16,307,176
Short-Term Investment	615,446	—	—	615,446
Total Investments*	\$ 16,922,622	\$ —	\$—	\$ 16,922,622

### LKCM Equity Fund

Description	Level 1	Level 2	Level 3	Total
Common Stocks	\$ 487,469,656	\$ —	\$—	\$487,469,656
Short-Term Investments	27,713,510	—	—	27,713,510
Total Investments*	\$ 515,183,166	\$ —	\$—	\$515,183,166

### LKCM Balanced Fund

Description	Level 1	Level 2	Level 3	Total
Common Stocks	\$ 95,343,316	\$ —	\$—	\$ 95,343,316
Corporate Bonds	—	39,843,894	—	39,843,894
Short-Term Investments	1,790,307	—	—	1,790,307
Total Investments*	\$ 97,133,623	\$ 39,843,894	\$—	\$136,977,517

### LKCM Fixed Income Fund

Description	Level 1	Level 2	Level 3	Total
Corporate Bonds	\$ —	\$227,904,443	\$—	\$227,904,443
U.S. Government Issues	—	28,429,091	—	28,429,091
U.S. Government Sponsored Entities	—	29,666,822	—	29,666,822
Short-Term Investment	2,538,570	—	—	2,538,570
Total Investments*	\$ 2,538,570	\$286,000,356	\$—	\$288,538,926

### LKCM International Equity Fund

Description	Level 1	Level 2	Level 3	Total
Common Stocks	\$ —	\$ 47,505,958	\$—	\$ 47,505,958
Preferred Stock	—	1,236,204	—	1,236,204
Short-Term Investments	1,784,314	—	—	1,784,314
Total Investments*	\$ 1,784,314	\$ 48,742,162	\$—	\$ 50,526,476

<sup>(1)</sup> Level 3 security valued at \$0.

\* Additional information regarding the industry classifications of these investments is disclosed in the Schedule of Investments.

Below is a reconciliation of Level 3 assets held by the LKCM Small Cap Equity Fund for which significant observable inputs were used to determine fair value.

<u>Description</u>	<u>Level 3</u> <u>Common Stocks</u>
Balance as of December 31, 2020	\$ 0
Purchases	—
Accreted discounts, net	
Realized gain (loss)	—
Change in unrealized appreciation/depreciation	—
Transfers into/(out of) Level 3	—
	<u>—</u>
Balance as of June 30, 2021	<u>\$ 0</u>
Change in unrealized appreciation/depreciation during the period for Level 3 investments held at June 30, 2021	<u>\$ —</u>

**2. Federal Income Taxes:** The Funds have elected to be treated as “regulated investment companies” under Subchapter M of the Internal Revenue Code and each Fund intends to distribute all of its investment company net taxable income and net capital gains to shareholders. Therefore, no federal income tax provision is recorded.

**3. Distributions to Shareholders:** The LKCM Small Cap Equity Fund, LKCM Small-Mid Cap Equity Fund, LKCM Equity Fund and LKCM International Equity Fund generally intend to declare and pay income dividends and distribute net capital gains, if any, at least on an annual basis. The LKCM Balanced Fund and LKCM Fixed Income Fund generally intend to declare and pay income dividends on a quarterly basis and distribute net capital, if any, at least on an annual basis.

**4. Foreign Securities:** Investing in securities of foreign companies and foreign governments involves special risks and considerations not typically associated with investing in securities of U.S. issuers. These risks include devaluation of currencies and future adverse political and economic developments. Moreover, securities of many foreign companies and foreign governments and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. companies and securities of the U.S. government.

**5. Expense Allocation:** Expenses incurred by the Funds in the Trust are allocated among the Funds based upon (i) relative average net assets, (ii) a specific identification basis as incurred, or (iii) evenly among the Funds, depending on the nature of the expense.

**6. Use of Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

**7. Guarantees and Indemnifications:** In the normal course of business, the Funds enter into contracts with service providers that contain general indemnification clauses. The Funds’ maximum exposure under these arrangements is unknown as this would involve future claims against the Funds that have not yet occurred. Based on experience, the Funds expect the risk of loss to be remote.

**8. Security Transactions and Investment Income:** Security and shareholder transactions are recorded on the trade date. Realized gains and losses on sales of investments are calculated on the identified cost basis. Dividend income and dividends and distributions to shareholders are recorded on the ex-dividend date. Withholding taxes on foreign dividends have been provided for in accordance with the Funds’ understanding of the applicable jurisdiction’s tax rules and rates. Interest income is recognized on the accrual basis. All discounts and premiums are amortized based on the effective interest method for tax and financial reporting purposes. The Funds may hold the securities of real estate investment trusts (“REITs”). Distributions from such investments may include income, capital gains and return of capital.

**9. Other:** Distributions from net investment income and realized capital gains are determined in accordance with income tax regulations, which may differ from U.S. GAAP. Certain capital accounts in the consolidated financial statements are periodically adjusted for permanent differences in order to reflect their tax character. These permanent differences are primarily due to the varying treatment of income and gain/loss on portfolio securities held by the Fund and have no impact on net assets or NAV per share.

**10. Restricted and Illiquid Securities:** The Funds are permitted to invest in securities that are subject to legal or contractual restrictions on resale including investments considered by the Funds to be illiquid. Restricted securities generally may be resold in transactions exempt from registration. Illiquid investments are investments that the Funds reasonably expect cannot be sold or disposed of in current market conditions within seven calendar days or less in the ordinary course of business without the sale or disposition significantly changing the market value of the investment. A security may be considered illiquid if it lacks a readily available market or if its valuation has not changed for a certain period of time. Disposal of these securities may involve time-consuming negotiations and expense, and prompt sale at the current valuation may be difficult.

**B. Investment Advisory and Other Agreements:** The Adviser serves as the investment adviser to the Funds under an Investment Advisory Agreement (the “Agreement”). The Adviser receives a fee, computed daily and payable quarterly, at the annual rates presented below as applied to each Fund’s average daily net assets. The Adviser has contractually agreed to waive all or a portion of its management fee and/or reimburse expenses of the Funds through May 1, 2022 in order to limit each Fund’s operating expenses to the annual cap rates presented below. This expense limitation excludes interest, taxes, brokerage commissions, indirect fees and expenses relating to investments in other investment companies, including money market funds, and extraordinary expenses.

For the six months ended June 30, 2021, the Adviser waived the following management fees and/or reimbursed expenses to meet its expense cap obligations:

	<u>LKCM Small Cap Equity Fund</u>	<u>LKCM Small-Mid Cap Equity Fund</u>	<u>LKCM Equity Fund</u>	<u>LKCM Balanced Fund</u>	<u>LKCM Fixed Income Fund</u>	<u>LKCM International Equity Fund</u>
Annual Management Fee Rate	0.75%	0.75%	0.70%	0.65%	0.50%	0.90%
Annual Cap on Expenses	1.00%	1.00%	0.80%	0.80%	0.50%	1.00%
Fees Waived and/or Expenses Reimbursed for the Six Months Ended June 30, 2021	\$6,528	\$56,110	\$353,075	\$99,338	\$414,917	\$74,938

The Trust reimburses the Adviser for a portion of compensation paid to the Trust’s Chief Compliance Officer. This compensation is reported as part of the “Trustees’ fees and officer compensation” expense on the Statement of Operations.

U.S. Bancorp Fund Services, LLC (“U.S. Bancorp”), doing business as U.S. Bank Global Fund Services, serves as transfer agent and administrator for the Trust and serves as accounting services agent for the Trust. U.S. Bank, N.A. serves as custodian for the Funds.

Distribution services are performed pursuant to a distribution contract with Quasar Distributors, LLC (“Quasar”), the Trust’s principal underwriter.

On July 7, 2021, Foreside Financial Group, LLC (“Foreside”), the parent company of Quasar, announced that it had entered into a definitive purchase and sale agreement with an affiliate of Genstar Capital (“Genstar”) pursuant to which Genstar would acquire a majority stake in Foreside (the “Transaction”). The Transaction is deemed to constitute a change in control of Foreside under the 1940 Act. As a result, the Transaction, which is expected to close at the end of the third quarter of 2021, will result in the assignment and termination of the distribution contract with Quasar. Quasar is expected to remain the Funds’ distributor after the close of the Transaction, subject to approval of the Board of Trustees of a new distribution agreement between the Funds, Quasar and the Adviser.

The Funds have adopted a Distribution Plan, under which each Fund may pay an annualized fee of up to 0.75% of its average daily net assets for distribution and other services. Currently, the Board of Trustees has not authorized payments under this plan and, as a result, the Funds currently neither accrue nor pay any fees under the plan.

**C. Fund Shares:** At June 30, 2021, there was an unlimited number of shares of beneficial interest, no par value, authorized, for each Fund. The following table summarizes the activity in shares of each Fund:

**LKCM Small Cap Equity Fund**

	<u>Six Months Ended June 30, 2021</u>		<u>Year Ended December 31, 2020</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
Shares sold	310,970	\$ 7,468,176	762,251	\$ 14,229,157
Shares issued to shareholders in reinvestment of distributions	—	—	318,189	6,876,068
Shares redeemed	(300,646)	(7,283,988)	(2,536,430)	(40,521,730)
Redemption fee	—	—	—	—
Net increase (decrease)	10,324	<u>\$ 184,188</u>	(1,455,990)	<u>\$(19,416,505)</u>
<b>Shares Outstanding:</b>				
Beginning of period	9,311,600		10,767,590	
End of period	<u>9,321,924</u>		<u>9,311,600</u>	

**LKCM Small-Mid Cap Equity Fund**

	Six Months Ended June 30, 2021		Year Ended December 31, 2020	
	Shares	Amount	Shares	Amount
Shares sold	49,849	\$ 601,340	3,152	\$ 29,921
Shares issued to shareholders in reinvestment of distributions	—	—	71,406	791,182
Shares redeemed	(65,037)	(802,694)	(104,924)	(965,072)
Other	—	—	—	2,145 <sup>(1)</sup>
Net decrease	(15,188)	<u>\$(201,354)</u>	(30,366)	<u>\$(141,824)</u>
<b>Shares Outstanding:</b>				
Beginning of period	1,355,106		1,385,472	
End of period	<u>1,339,918</u>		<u>1,355,106</u>	

<sup>(1)</sup> Reimbursement from U.S. Bancorp Fund Services, LLC to correct shareholder transaction.

**LKCM Equity Fund**

	Six Months Ended June 30, 2021		Year Ended December 31, 2020	
	Shares	Amount	Shares	Amount
Shares sold	461,003	\$ 16,705,468	842,802	\$ 24,542,333
Shares issued to shareholders in reinvestment of distributions	—	—	681,511	22,830,617
Shares redeemed	(413,222)	(14,890,131)	(1,336,997)	(38,335,179)
Redemption fee	—	88	—	602
Net increase	47,781	<u>\$ 1,815,425</u>	187,316	<u>\$ 9,038,373</u>
<b>Shares Outstanding:</b>				
Beginning of period	13,326,626		13,139,310	
End of period	<u>13,374,407</u>		<u>13,326,626</u>	

**LKCM Balanced Fund**

	Six Months Ended June 30, 2021		Year Ended December 31, 2020	
	Shares	Amount	Shares	Amount
Shares sold	157,974	\$ 4,360,282	940,460	\$ 22,052,533
Shares issued to shareholders in reinvestment of distributions	15,916	447,872	190,194	4,942,296
Shares redeemed	(117,514)	(3,237,063)	(727,140)	(16,842,672)
Redemption fee	—	322	—	1,182
Net increase	56,376	<u>\$ 1,571,413</u>	403,514	<u>\$ 10,153,339</u>
<b>Shares Outstanding:</b>				
Beginning of period	4,689,886		4,286,372	
End of period	<u>4,746,262</u>		<u>4,689,886</u>	

**LKCM Fixed Income Fund**

	Six Months Ended June 30, 2021		Year Ended December 31, 2020	
	Shares	Amount	Shares	Amount
Shares sold	1,232,579	\$ 13,660,332	3,423,810	\$ 38,000,779
Shares issued to shareholders in reinvestment of distributions	161,796	1,782,167	402,793	4,445,623
Shares redeemed	(965,997)	(10,690,821)	(3,198,954)	(35,567,807)
Redemption fee	—	—	—	291
Net increase	428,378	<u>\$ 4,751,678</u>	627,649	<u>\$ 6,878,886</u>
<b>Shares Outstanding:</b>				
Beginning of period	25,905,356		25,277,707	
End of period	<u>26,333,734</u>		<u>25,905,356</u>	

## LKCM International Equity Fund

	Six Months Ended June 30, 2021		Year Ended December 31, 2020	
	Shares	Amount	Shares	Amount
Shares sold	973,498	\$12,890,922	1,640,644	\$18,432,932
Shares issued to shareholders in reinvestment of distributions		—	3,036	37,889
Shares redeemed	(3,848)	(50,373)	(26,307)	(279,416)
Net increase	969,650	\$12,840,549	1,617,373	\$18,191,405
<b>Shares Outstanding:</b>				
Beginning of period	2,595,050		977,677	
End of period	3,564,700		2,595,050	

**D. Security Transactions:** Purchases and sales of investment securities, other than short-term investments, for the six months ended June 30, 2021 were as follows:

	Purchases		Sales	
	U.S. Government	Other	U.S. Government	Other
LKCM Small Cap Equity Fund	\$ —	\$68,768,930	\$ —	\$64,763,242
LKCM Small-Mid Cap Equity Fund	—	5,707,748	—	6,509,289
LKCM Equity Fund	—	37,032,499	4,300,000	37,677,077
LKCM Balanced Fund	—	8,531,432	—	6,589,920
LKCM Fixed Income Fund	2,505,273	71,244,594	10,840,684	57,663,727
LKCM International Equity Fund	—	15,139,669	—	2,384,870

**E. Tax Information:** At December 31, 2020, the components of accumulated earnings (losses) on a tax basis were as follows:

	LKCM Small Cap Equity Fund	LKCM Small-Mid Cap Equity Fund	LKCM Equity Fund	LKCM Balanced Fund	LKCM Fixed Income Fund	LKCM International Equity Fund
Tax cost	\$112,583,596	\$9,153,360	\$208,096,697	\$87,629,082	\$272,993,377	\$27,648,527
Gross unrealized appreciation	\$ 90,597,375	\$5,989,952	\$244,361,423	\$38,857,872	\$ 14,678,119	\$ 5,749,783
Gross unrealized depreciation	(341,539)	(19,157)	(2,810,359)	(917,287)	(119,271)	(731,557)
Net unrealized appreciation	\$ 90,255,836	\$5,970,795	\$241,551,064	\$37,940,585	\$ 14,558,848	\$ 5,018,226
Undistributed ordinary income	—	—	876	—	—	—
Undistributed long-term capital gain	3,698,265	393,760	—	—	—	—
Distributable earnings	\$ 3,698,265	\$ 393,760	\$ 876	\$ —	\$ —	\$ —
Other accumulated losses	—	—	—	—	(1,340,959)	(580,651)
Total distributable earnings	\$ 93,954,101	\$6,364,555	\$241,551,940	\$37,940,585	\$ 13,217,889	\$ 4,437,575

The difference between book cost of investments and tax cost of investments is attributable primarily to the tax deferral of losses on wash sales.

Net investment income and realized gains and losses for federal income tax purposes may differ from that reported on the financial statements because of permanent book-to-tax differences. GAAP requires that permanent differences between financial reporting and tax reporting be reclassified between various components of net assets. These differences are primarily due to net operating losses, swap contract adjustments, dividend reclasses, and dividends on redemption adjustments with differing book and tax methods.

To the extent the Funds realize future net capital gains, taxable distributions will be reduced by any unused capital loss carryforwards as permitted by the Internal Revenue Code. At December 31, 2020, the capital loss carryforwards were as follows:

	Short-Term	Long-Term
LKCM Fixed Income Fund	\$ —	\$1,340,959
LKCM International Equity Fund	543,515	16,437

At December 31, 2020, the following Fund deferred, on a tax basis, late-year ordinary losses of:

LKCM International Equity Fund	\$20,699
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The tax components of dividends paid during the periods shown below were as follows:

	Six Months Ended June 30, 2021			Year Ended December 31, 2020		
	Ordinary Income	Return of Capital	Long-Term Capital Gains	Ordinary Income	Return of Capital	Long-Term Capital Gains
LKCM Small Cap Equity Fund	\$ —	\$—	\$—	\$ —	\$ —	\$ 7,270,969
LKCM Small-Mid Cap Equity Fund	—	—	—	—	—	936,700
LKCM Equity Fund	—	—	—	2,114,875	—	21,784,240
LKCM Balanced Fund	459,312	—	—	1,068,531	—	4,004,232
LKCM Fixed Income Fund	1,959,306	—	—	5,026,453	—	—
LKCM International Equity Fund	—	—	—	55,491	6,140	—

The Funds designated earnings and profits distributed to shareholders upon the redemption of shares during 2020 in determining undistributed net capital gains as of December 31, 2020.

The Trust has adopted financial reporting rules regarding recognition and measurement of tax positions taken or expected to be taken on a tax return. The Trust has reviewed all open tax years and major jurisdictions and concluded that there is no impact on the Funds' financial position or results of operations. Tax years that remain open to examination by major tax jurisdictions include tax years ended December 31, 2017 through December 31, 2020 (LKCM Small Cap Equity Fund, LKCM Small-Mid Cap Equity Fund, LKCM Equity Fund, LKCM Balanced Fund and LKCM Fixed Income Fund) and December 31, 2019 through December 31, 2020 (LKCM International Equity Fund). There is no tax liability resulting from unrecognized tax benefits relating to uncertain income tax positions taken or expected to be taken on tax returns as of December 31, 2020. The Funds 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. If applicable, the Funds would recognize interest accrued related to unrecognized tax benefits in "interest expense" and penalties in "other expense" on the statement of operations.

**F. Other Matters:** The global outbreak of COVID-19 and the ensuing pandemic has adversely impacted global economic and commercial activity and has contributed to significant volatility and uncertainty in global financial markets. The global impact of the COVID-19 pandemic continues to rapidly evolve and its long-term implications for economies, markets, sectors, industries and issuers remains uncertain. The financial and operational performance of the issuers of securities in which the Funds invest depends upon future developments with respect to the COVID-19 pandemic, including, without limitation, the scope, duration and spread of COVID-19 as well as the development, efficacy and administration of COVID-19 vaccines, and such future developments and uncertainties with respect thereto may adversely affect, among other things, the value and liquidity of the Funds' investment, the Funds' ability to satisfy redemption requests, and Funds' financial and operational performance.

**G. Accounting Pronouncement:** 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 Rule 2a-5 on the Funds' financial statements.

**H. Subsequent Events:** In preparing these financial statements, management has evaluated the Funds' related events and transactions that occurred subsequent to June 30, 2021 through the date the financial statements were issued and has determined that there were no significant subsequent events requiring recognition or disclosure in the financial statements.

**Availability of Proxy Voting Information:** A description of the policies and procedures that the Funds use to determine how to vote proxies relating to their portfolio securities, as well as information regarding how the Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30, is available without charge, upon request, by calling toll-free 1-800-688-LKCM or on the SEC website at <http://www.sec.gov>.

The actual voting records relating to portfolio securities during the twelve month period ended June 30 (as filed with the SEC on Form N-PX) are available without charge, upon request, by calling the Funds toll free at 1-800-688-LKCM or by accessing the SEC's website at [www.sec.gov](http://www.sec.gov).

**Availability of Quarterly Portfolio Schedule:** The Funds file a complete schedule of portfolio holdings with the U.S. Securities and Exchange Commission (the "SEC") for the first and third quarters of each fiscal year on Part F of Form N-PORT. The Funds' Part F of Form N-PORT is available on the SEC's website at [www.sec.gov](http://www.sec.gov) and may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 1-800-732-0330. The Funds' Part F of Form N-PORT may also be obtained by calling toll-free 1-800-688-LKCM.

**RENEWAL OF INVESTMENT ADVISORY AGREEMENT  
WITH RESPECT TO LKCM SMALL CAP EQUITY FUND, LKCM  
SMALL-MID CAP EQUITY FUND, LKCM EQUITY FUND, LKCM  
BALANCED FUND, LKCM FIXED INCOME FUND AND LKCM  
INTERNATIONAL EQUITY FUND**

Introduction. At a meeting held on February 24, 2021, the Board of Trustees of LKCM Funds, including the independent Trustees (the “Board”), approved the renewal of the Investment Advisory Agreement (the “Agreement”) between Luther King Capital Management Corporation (“LKCM”) and LKCM Funds, on behalf of the LKCM Small Cap Equity Fund (the “Small Cap Equity Fund”), LKCM Small-Mid Cap Equity Fund (the “Small-Mid Cap Equity Fund”), LKCM Equity Fund (the “Equity Fund”), LKCM Balanced Fund (the “Balanced Fund”), LKCM Fixed Income Fund (the “Fixed Income Fund”) and LKCM International Equity Fund (the “International Equity Fund” and collectively, the “Funds”).

In voting to approve the renewal of the Agreement, the Board considered information furnished throughout the year at regularly scheduled Board meetings, as well as information prepared specifically in connection with the annual renewal process. The Board also considered the overall fairness of the Agreement and factors it deemed relevant with respect to each Fund, including, but not limited to: (1) the nature, extent and quality of the services provided to each Fund; (2) the performance of each Fund as compared to a relevant benchmark, peer group of funds compiled by Lipper, Inc. (“Lipper”) and an account managed by LKCM pursuant to similar investment strategies (“Similar Account”) or a composite (“Composite”) of Similar Accounts; (3) the contractual advisory fee rate, actual advisory fee rate and net expense ratio of each Fund, how those compared to a peer group of funds compiled by Broadridge Financial Solutions, Inc. (“Broadridge”), and how each applicable Fund’s contractual advisory fee rate compared to the Similar Accounts; (4) the costs of services provided to the Funds and the profitability of LKCM with respect to such services; (5) the extent to which economies of scale would be realized by LKCM as a Fund grows and whether the fee levels reflect economies of scale for the benefit of investors; and (6) any other benefits derived by LKCM from its relationship with the Funds. The Board did not identify any single factor or item of information as controlling, and each Board member may have accorded different weights to the various factors in reaching his conclusions with respect to the Agreement.

In considering the renewal of the Agreement, the Board requested and considered a broad range of information provided by LKCM, including, but not limited to, reports relating to each Fund’s performance and expenses, information regarding the Similar Accounts, certain portfolio compliance policies and the background and experience of the portfolio managers. In addition, the Board considered a memorandum from its legal counsel regarding the Board’s legal duties in considering the renewal of the Agreement. The Board also meets each quarter to review the Funds’ performance and expenses and various aspects of the Funds’ operations.

Nature, Extent and Quality of Services. The Board reviewed and considered the nature, extent and quality of the advisory services provided by LKCM to each Fund under the Agreement. The Board considered that LKCM was established in 1979 and provides investment management services to private funds, foundations, endowments, pension plans, trusts, estates, high net worth individuals and other clients. The Board recognized that LKCM is responsible for managing the Funds, including identifying investments for the Funds, monitoring the Funds’ investment programs, executing trades and overseeing the Funds’ performance and compliance with applicable rules and regulations and the Funds’ investment policies. The Board considered LKCM’s financial resources, insurance coverage, culture of compliance and compliance operations that support the Funds. The Board also considered LKCM’s representation that it has invested considerable resources into the firm and its personnel to augment investment management and client service. The Board reviewed information regarding the portfolio managers and other key personnel who provide services to each Fund and considered LKCM’s representation that the firm historically has experienced low personnel turnover. The Board also considered LKCM’s representation that the firm has implemented a compensation structure designed to attract and retain highly qualified investment professionals.

The Board also reviewed the compliance services provided to the Funds by LKCM, including LKCM’s oversight of the Funds’ day-to-day operations. The Board considered the quality of LKCM’s compliance personnel. In addition, the Board considered LKCM’s summary of its oversight of the Funds’ key service providers. The Board also considered LKCM’s description of its best execution practices and noted LKCM’s representation that its soft-dollar and commission-sharing arrangements for client transactions (including those for the Funds) comply with the requirements of the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended.

Performance of the Funds. The Board considered the performance of each Fund compared to the Fund’s benchmark index (“benchmark”), peer groups of funds compiled by Broadridge and Lipper, and a Lipper peer group index (“Lipper Index”) for various time periods ended December 31, 2020. Additionally, the Board considered LKCM’s discussion of each Fund’s performance.

The Board noted LKCM’s representation that its investment strategy for the Funds focuses on investments in higher quality companies that meet LKCM’s stringent investment criteria, which LKCM believes have not been characteristics that have driven the performance of certain funds’ benchmarks in prior years, and considered that these factors had affected the performance of the Small Cap Equity Fund and Small-Mid Cap Equity Fund during the longer-term periods ended December 31, 2020. The Board also considered certain additional factors cited by LKCM as contributing to or detracting from a Fund’s performance during the prior year.



The Board noted that the Small Cap Equity Fund outperformed its benchmark, the Russell 2000 Index for the one-year, three-year, five-year and since-inception periods, but underperformed its benchmark for the ten-year period. The Board also noted that the Small Cap Equity Fund outperformed its Lipper Index for all relevant periods.

The Board noted that the Small-Mid Cap Equity Fund outperformed its benchmark, the Russell 2500 Index, for the one-year, three-year and five-year periods, but underperformed its benchmark for the since-inception period. The Board also noted that the Small-Mid Cap Equity Fund outperformed its Lipper Index for all relevant periods.

The Board noted that the Equity Fund outperformed its benchmark, the S&P 500 Index, for the one-year, three-year and five-year periods, but underperformed the benchmark for the ten-year and since-inception periods. The Board also noted that the Equity Fund outperformed its Lipper Index for all relevant periods.

The Board noted that the Balanced Fund had outperformed the Bloomberg Barclays U.S. Intermediate Government/Credit Bond Index and underperformed the S&P 500 Index for all relevant periods. The Board also compared the Balanced Fund's performance to a custom blended index that reflected the Fund's historical allocation to equity and fixed income securities ("Blended Index"). The Board noted that the Balanced Fund outperformed the Blended Index for the one-year and since-inception periods, but underperformed the Blended Index for the three-year, five-year and ten-year periods. The Board also noted that the Balanced Fund outperformed the Lipper Index for the three-year, five-year, ten-year and since-inception periods, but underperformed its Lipper Index for the one-year period.

The Board noted that the Fixed Income Fund underperformed its benchmark, the Bloomberg Barclays U.S. Intermediate Government/Credit Bond Index, for all relevant periods. The Board noted that the Fixed Income Fund underperformed its Lipper Index for the one-year, three-year and five-year periods, but outperformed its Lipper Index for the since-inception period and performed in line with its Lipper Index for the ten-year period.

The Board noted that the International Equity Fund outperformed its benchmark, the MSCI EAFE Index, and its Lipper Index, for the one-year and since-inception periods.

The Board also considered the performance of each Fund against its Similar Account or Composite, as applicable. The Board considered LKCM's explanation that underperformance, if any, generally was attributable to tax considerations attendant to the management of a Fund that do not apply to non-taxable portfolios included in the Composite as well as the timing of cash flows resulting from shareholder purchases and redemptions for a Fund. In the case of the International Equity Fund, the Board also considered that LKCM's explanation that the Fund's underperformance relative to a private investment partnership following LKCM's international equity strategy was attributable to the timing of cash flows associated with the investment of Fund assets, as the Fund realized net subscriptions during the year.

Fees and Expenses. The Board considered each Fund's contractual advisory fee rate, effective advisory fee rate (the contractual advisory fee rate net of fee waivers and/or expense reimbursements), total expense ratio and net expense ratio (the total expense ratio, including Rule 12b-1 fees and non-Rule 12b-1 service fees, after fee waivers and/or expense reimbursements). The Board also considered that LKCM had contractually agreed to continue the current fee waivers and expense caps in effect for each Fund through May 1, 2021, and that LKCM intends to propose at the upcoming Board meeting that it will contractually agree to continue the current fee waivers and expense caps for each Fund through May 1, 2022.

The Board compared the contractual advisory fee rate, effective advisory fee rate and net expense ratio of each Fund to a category of similar funds compiled by Broadridge ("Expense Group") and a broader category comprised of the Fund, the Expense Group and other similar retail funds ("Expense Universe"). The Broadridge reports did not include a comparison of a Fund's contractual advisory fee rate relative to the Expense Universe. For the Expense Group, contractual advisory fee rates were compared at a Fund's net asset level and did not include the Funds' administrative expenses. The first quartile in an Expense Group and Expense Universe represents those funds with the lowest fees or expenses.

The Board generally considered that, although certain of the Funds' contractual advisory fee rates are higher than those of their peers, the expense cap arrangements generally cause the Funds' effective advisory fee rates and overall net expense ratios to be lower than, or in line with, those of their peers.

The Board noted that the contractual advisory fee rate for the Small Cap Equity Fund was in the first quartile of its Expense Group and the Fund's effective advisory fee rate was in the first quartile of its Expense Group and second quartile of its Expense Universe. The Board also considered that the Small Cap Equity Fund's net expense ratio was in the first quartile of its Expense Group and Expense Universe. In this case, the Small Cap Equity Fund's contractual advisory fee rate was lower than the median of its Expense Group, and its effective advisory fee rate and net expense ratio were lower than the median of its Expense Group and Expense Universe, as applicable.

The Board noted that the contractual advisory fee rate for the Small-Mid Cap Equity Fund was in the first quartile of its Expense Group and the Fund's effective advisory fee rate was in the first quartile of its Expense Group and Expense Universe. The Board also considered that the Small-Mid Cap Equity Fund's net expense ratio was in the first quartile of its Expense Group and Expense Universe. In this case, the Small-Mid Cap Equity Fund's contractual advisory fee rate was lower than the median of its Expense Group, and its effective advisory fee rate and net expense ratio were lower than the median of its Expense Group and Expense Universe, as applicable.

The Board noted that the contractual advisory fee rate for the Equity Fund was in the second quartile of its Expense Group and the Fund's effective advisory fee rate was in the first quartile of its Expense Group and in the second quartile of its Expense Universe. The Board also considered that the Equity Fund's net expense ratio was in the first quartile of its Expense Group and second quartile of its Expense Universe. In this case, the Equity Fund's contractual advisory fee rate was lower than the median of its Expense Group, and its effective advisory fee rate and net expense ratio were lower than the median of its Expense Group and Expense Universe, as applicable.

The Board noted that the contractual advisory fee rate for the Balanced Fund was in the first quartile of its Expense Group and the Fund's effective advisory fee rate was in the first quartile of its Expense Group and Expense Universe. The Board also considered that the Balanced Fund's net expense ratio was in the first quartile of its Expense Group and in the second quartile in its Expense Universe. In this case, the Balanced Fund's contractual advisory fee rate was lower than the median of its Expense Group, and its effective advisory fee rate and net expense ratio were lower than the median of its Expense Group and Expense Universe, as applicable.

The Board noted that the contractual advisory fee rate for the Fixed Income Fund was in the fourth quartile of its Expense Group and the Fund's effective advisory fee rate was in the first quartile of its Expense Group and Expense Universe. The Board also considered that the Fixed Income Fund's net expense ratio was in the first quartile of its Expense Group and Expense Universe. In this case, the Fixed Income Fund's contractual advisory fee rate was higher than the median of its Expense Group and its effective advisory fee rate and net expense ratio were lower than the median of its Expense Group and Expense Universe, as applicable.

The Board noted that the contractual advisory fee rate for the International Equity Fund was in the fourth quartile of its Expense Group and the Fund's effective advisory fee rate was in the first quartile of its Expense Group and Expense Universe. The Board also considered that the International Equity Fund's net expense ratio was in the second quartile of its Expense Group and Expense Universe. In this case, the International Equity Fund's contractual advisory fee rate was higher than the median of its Expense Group, and its effective advisory fee rate and net expense ratio were lower than the median of its Expense Group and Expense Universe, as applicable.

The Board also considered the advisory fee rates generally charged by LKCM to Similar Accounts and noted LKCM's explanation that the fee rates charged by LKCM to the Funds and its Similar Accounts differ primarily as a result of the greater regulatory, compliance and related expenses incurred by LKCM in providing investment management services to the Funds as compared to the Similar Accounts.

Costs, Profitability and Economies of Scale. The Board considered LKCM's costs in rendering services to the Funds and the profitability of LKCM. The Board reviewed the fees paid by each Fund, except the International Equity Fund, to LKCM for the last three calendar years. The Board reviewed the fees paid by the International Equity Fund to LKCM for the last two calendar years. The Board also reviewed the estimated profit and loss analysis provided by LKCM on a Fund-by-Fund basis for the past calendar year, before and after any distribution payments made by LKCM. The Board noted that, during the year, LKCM had invested significant resources to cap the Funds' net expense ratios and facilitate the distribution of the Funds. With respect to economies of scale, the Board considered that the Funds generally benefit from competitive effective advisory fee rates and net expense ratios despite not having reached an asset size at which economies of scale traditionally would be considered to exist. The Board also considered that, while there are no breakpoints in the Funds' advisory fee rate schedules, LKCM waives fees and/or reimburses expenses to maintain the Funds' effective advisory fee rates and net expense ratios at competitive levels.

Benefits Derived by LKCM from Its Relationship with the Funds. The Board requested and considered information regarding the potential fall-out benefits to LKCM from its association with the Funds. The Board noted that LKCM believes that both LKCM and the Funds benefit from LKCM's soft-dollar and commission-sharing arrangements, which enhance the level of research that LKCM is able to perform on the Funds' portfolio companies. The Board also noted that LKCM believes its relationship with the Funds provides an indirect benefit to both parties in the form of enhanced recognition among institutional and other investors, consultants and other members of the financial community. The Board considered the indirect benefits to LKCM of this recognition, in the form of additional clients with separately managed portfolios or subadvisory relationships with other mutual funds, which also may attract additional investors to the Funds.

Conclusion. Based on its evaluation of these and other factors, the Board: (1) concluded that the fees paid to LKCM under the Agreement are fair and reasonable; (2) determined that shareholders would benefit from LKCM's continued management of the Funds; and (3) approved the renewal of the Agreement with respect to the Funds.

## ANNUAL REPORT REGARDING LIQUIDITY RISK MANAGEMENT PROGRAM

Pursuant to Rule 22e-4 under the Investment Company Act of 1940, as amended (the “Liquidity Rule”), LKCM Funds (the “Trust”) has adopted a liquidity risk management program (“Program”). The Program sets forth the Trust’s policies and procedures with respect to the management of liquidity risk for the separate series of the Trust (each, a “Fund”). Liquidity risk is generally defined as the risk that a Fund could not meet a request to redeem shares issued by the Fund without significant dilution of the interest of the remaining shareholders of the Fund.

As required by the Liquidity Rule, the Program addresses: (1) the assessment, management and periodic review of each Fund’s liquidity risk; (2) the liquidity classification of each Fund’s portfolio investments as a highly liquid, moderately liquid, less liquid or illiquid investment; (3) the determination of a highly liquid investment minimum (“HLIM”) for a Fund that does not primarily hold highly liquid investments, and procedures to respond to a shortfall in a Fund’s HLIM; (4) a limitation on each Fund’s investment in illiquid investments of 15% of the Fund’s net assets; and (5) redemptions in kind.

The Trust’s board of trustees (“Board”) has reviewed and approved the Program. The Board has designated Luther King Capital Management Corporation (“LKCM”), the Trust’s investment adviser, as the Program administrator (“Administrator”) with responsibility for administering the Program.

At a meeting of the Board held on May 25, 2021, the Board reviewed a written report (“Report”) from the Administrator addressing the operation of the Program and assessing the adequacy and effectiveness of its implementation, for the period April 1, 2020 through March 31, 2021 (the “Reporting Period”). The Report reflected that each Fund was invested primarily in highly liquid assets and had sufficient cash flows to manage its liquidity requirements, and no liquidity events impacting a Fund’s ability to timely meet redemption requests occurred during the Reporting Period. The Report stated that no material changes had been made to the Program during the Reporting Period, and concluded that the Program continues to be adequate and effective in managing the Funds’ liquidity risks and otherwise maintaining compliance with the Liquidity Rule.

## **LKCM FUNDS PRIVACY NOTICE**

### Our Commitment to Your Privacy

At LKCM Funds, we are committed to safeguarding the confidentiality and privacy of nonpublic personal information about our current and former shareholders. This privacy notice describes the types of nonpublic personal information we collect about you and the sources through which we obtain this information, the purposes for which we obtain and use your nonpublic information, and the policies and procedures we have implemented to protect the privacy of your nonpublic personal information.

### How We Protect Your Nonpublic Personal Information

Protecting your nonpublic personal information is an important priority at LKCM Funds. Accordingly, we have implemented policies and procedures designed to safeguard your nonpublic personal information, such as your tax identification number, account and investment history, account numbers, account balances and nonpublic contact information, from unauthorized access or use. Pursuant to these policies and procedures, we maintain various physical, technological, and administrative safeguards to protect the security and confidentiality of your nonpublic personal information, and we adapt these safeguards to respond to evolving technological and other standards.

We do not disclose nonpublic personal information about you to non-affiliated firms, organizations or individuals except as authorized by you or your representatives or as required or permitted by law. We may disclose nonpublic personal information about you to nonaffiliated third parties, such as custodians, brokers, auditors, accountants, and systems and administrative service providers, in connection with the services we provide to you or on your behalf. When we provide nonpublic personal information about you to nonaffiliated third parties for these purposes, we expect them to safeguard your nonpublic personal information, use your nonpublic personal information only for the intended purposes and otherwise abide by applicable law.

### How We Obtain Your Nonpublic Personal Information

We collect nonpublic personal information about you from various sources, including documents, new account applications and other information that you or your representatives, custodians, attorneys, accountants or similar parties provide to us, communications that we have with you or your representatives, custodians, attorneys, accountants or similar parties, and documents and other information related to your accounts or investment experience with us.

Please do not hesitate to contact Jacob D. Smith, our Chief Compliance Officer, if you have any questions regarding this privacy notice or the measures we have implemented to protect the privacy of your nonpublic personal information.

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U.S. Bancorp Fund Services, LLC  
P.O. Box 701  
Milwaukee, WI 53201-0701

**LKCM FUNDS**  
**P.O. Box 701**  
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