LKCM AQUINAS
CATHOLIC EQUITY FUND

LKCM Aquinas Catholic Equity Fund

Semi-Annual Report
June 30, 2022

Dear Fellow Shareholders:

We report the following performance information for the LKCM Aquinas Catholic Equity Fund for indicated periods ended June 30, 2022:

Fund	Inception Date	NAV @ 6/30/22	Net Expense Ratio*, **	Gross Expense Ratio**	Six Month Total Return Ended 6/30/22	One Year Total Return Ended 6/30/22	Five Year Average Annualized Return Ended 6/30/22	Ten Year Average Annualized Return Ended 6/30/22	Avg. Annual Total Return Since Incept.***
LKCM Aquinas Catholic Equity Fund(1)	07/11/2005	$15.60	1.00%	1.40%	-20.08%	-12.16%	10.80%	11.18%	8.09%
S&P 500 ® Index(2)					-19.96%	-10.62%	11.31%	12.96%	9.12%

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 Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-800-423-6369. Returns would have been lower if Luther King Capital Management Corporation, the Funds' investment adviser, had not waived a portion of its management fee and/or reimbursed certain expenses of the 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 the Fund. The Fund imposes 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 Fund's investment adviser, has contractually agreed to waive all or a portion of its management fee and/or reimburse expenses of the Fund to maintain an expense ratio of 1.00% per annum through May 1, 2023. 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. LKCM waived management fees and/or reimbursed expenses for the Fund during the six months ended June 30, 2022.

** Expense ratios above are as reported in the Fund's current prospectus dated May 1, 2022. Expense ratios reported for other periods in the financial highlights of this report may differ.

*** The assets of the Aquinas Value Fund, Aquinas Growth Fund and Aquinas Small-Cap Fund were acquired by the LKCM Aquinas Value Fund, LKCM Aquinas Growth Fund and LKCM Aquinas Small Cap Fund, respectively, on July 11, 2005. Due to the change in adviser and investment technique, performance is being quoted for the period after the merger. The LKCM Aquinas Small Cap Fund and LKCM Aquinas Growth Fund were reorganized into the LKCM Aquinas Value Fund effective upon the close of business on July 29, 2016, after which the LKCM Aquinas Value Fund's name, investment strategies and expenses changed to those of the LKCM Aquinas Catholic Equity Fund. The performance shown prior to August 1, 2016 is that of the LKCM Aquinas Value Fund.

(1) Effective upon the close of business on July 29, 2016, the LKCM Aquinas Small Cap Fund and the LKCM Aquinas Growth Fund reorganized into the LKCM Aquinas Value Fund (the "Reorganizations"). Immediately after the Reorganizations were completed, the LKCM Aquinas Value Fund changed its name to the LKCM Aquinas Catholic Equity Fund and its investment strategies and expenses, including the expense limitation agreement, changed to the investment strategies and expenses, including the expense limitation agreement, of the LKCM Aquinas Catholic Equity Fund. The Fund's performance prior to August 1, 2016 reflects the Fund's prior investment strategies.

(2) The S&P 500® 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.

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

1H2022 Review

The Federal Reserve is battling broad-based inflation and has indicated a willingness to take significant actions in an effort to restore price stability. Since the beginning of the year, financial conditions have been tightening as capital markets have internalized the Federal Reserve's anti-inflation campaign. We believe the tightening of financial conditions, including, among others, increased borrowing costs and a rising U.S. dollar, have amplified the risk of a potential recession. While the magnitude of the Federal Reserve's financial tightening may be historically smaller than that of other cycles, the pace of its tightening efforts has been rapid, contributing in part to the historically large swings in asset values observed during the first half of 2022.

Although we believe the need for more restrictive monetary policy that seeks to reduce inflation threatens the current economic expansion, the crucial underpinnings of the economy remain solid in our view. For example, we believe that most consumers have historically low household debt-to-income ratios, significantly higher bank deposits than in the period preceding the pandemic, and experienced rapid wage growth. Even as consumer pessimism towards the economy appears to grow, consumers in the aggregate appear relatively well positioned for an economic downturn in our view. In addition, we believe that companies are likely to post record earnings this year as many firms have passed along rising input costs to their customers. However, we believe the trajectory of future corporate earnings ultimately will depend heavily on whether or not the economy enters a recession.

The first half of 2022 has been marked by the worst start for the S&P 500® Index since 1970, declining 19.96% for the six months ended June 30, 2022. The NASDAQ Index, which is primarily comprised of growth-oriented companies, corrected even harder during the first half of 2022, declining 29.22% for the six months ended June 30, 2022 and marking its worst first half on record. We believe the performance of equities in the second half of 2022 will depend greatly on the shifting outlook for inflation, interest rates, and corporate profits.

These developments, among others, have caused many Americans to become increasingly worried about a potential recession. The closely watched monthly University of Michigan Consumer Sentiment Index dates to 1966 and seeks to assess near-time consumer attitudes on business climate, personal finance, and spending. The recent June 2022 reading of this index was the lowest reading on record. The University of Michigan commentary indicates that approximately 79% of consumers expect difficult times in the year ahead for business conditions. We believe that it is not only consumers who are anxious about the current economic environment, but also corporate executives and lawmakers who appear to be expressing similar concerns. Regardless of what economic data suggest about the current health of the economy, we believe that consumers are generally pessimistic about future business and market conditions.

We believe the odds that the current economic expansion falters have steadily increased during the past several months. The Federal Reserve has clearly and unequivocally declared its intent to fight inflation in our view, having increased its benchmark interest rate by 0.25% in March 2022, 0.50% in May 2022, and 0.75% in June 2022. The last time the Federal Reserve increased its benchmark rate by 0.75% was November 1994. Interestingly, we believe that period marked the last time the Federal Reserve successfully engineered a so-called soft economic landing, which generally involves the Federal Reserve increasing its benchmark interest rate to reduce inflation while not simultaneously triggering a recession.

Financial conditions have historically had a significant influence on the spending, saving, and investment plans of businesses and households. The Federal Reserve has historically used its monetary tools, primarily its benchmark interest rate, in an effort to influence financial conditions. In our view, four of the primary financial conditions the Federal Reserve seeks to influence are the level of interest rates at different maturities, credit spreads, the U.S. dollar, and equity market levels. We believe each of these items directly influences the economy, and the interplay of these elements collectively encourages or discourages economic behavior. For example, the overall level of interest rates is a key component of mortgage rates and corporate borrowing costs. With housing prices rapidly increasing year-over-year, the Federal Reserve appears anxious to cool the upward pressure on the housing component of inflation. We believe the recent rise in mortgage rates should cool the sharp increase in residential real estate activity and values.

The global energy crisis continues to spur headline inflation, and more critically, is applying further supply side pressure on the global economy in our view. We believe that manufacturing facilities in Europe that produce steel, fertilizer, and chemicals are facing significant challenges from surging electricity costs, and European natural gas futures have risen to levels roughly ten times higher than a year ago. In our view, energy rationing is likely in parts of Europe if Russia further curtails energy exports. Domestically, we have encountered similar challenges with gasoline prices rising over 60% over the past twelve months and high electricity costs contributing to pressure on consumers and businesses.

Examining the recessions that have occurred since World War II, we believe the equity market has historically begun to discount a recession on average seven months prior to the official start of the recession. In our view, the sequence of events each cycle is remarkably consistent with the equity market generally peaking prior to the recession and then generally bottoming prior to the end of the recession. A notable exception to this view was the 2000 recession when the market bottomed following the conclusion of the recession. During the first half of 2022, the decline in the S&P 500® Index appears based in part on the impact of both higher interest rates and mounting recession concerns. If a recession were to materialize, we would anticipate a decline in corporate earnings. In our view, the worst periods of earnings contractions have historically been accompanied by concentrated sector weakness, although major losses in specific sectors do not necessarily communicate the breadth or narrowness of the economic contraction. For example, only one sector of the market accounted for almost half of the earnings decline in 1990 (autos), 2001 (technology), and 2008 (financials). Today we do not believe that we currently see any one sector of the economy that could trigger the magnitude of earnings decline that occurred in these three earnings drawdown periods.

Many asset values have historically taken their cues from the anticipated direction of monetary policy. We believe these values certainly include the Treasury market, as yields on 1- to 3-year Treasury bonds historically have begun to rise ahead of the Federal Reserve's monetary policy actions. We believe the outlook for intermediate to longer-term bond yields is cloudier because inflation expectations are a key component of longer-term bond yields. In our view, the concern for inflation is the key reason why the return on the 10-Year Treasury note fell 11.34% during the first half of 2022.

2H2022 Outlook

High inflation is contributing to consumer uneasiness in our view. The record low June 2022 reading of the University of Michigan Consumer Sentiment Index eclipsed the previous low in November 2008. We believe the economy, however, faces the opposite set of problems it confronted in 2008. Fourteen years ago, we believe that demand was too weak, there were not enough jobs, and deflation was a concern. Today, we believe the economy is overheating, there are nearly two job openings per unemployed worker, and inflation is at a forty-year high. In our view, the challenge for policymakers is to strike a balance between the appropriate amount of tightening to lower inflation, while preserving the economic expansion. We believe the equity market has already digested the unfolding economic slowdown, and if the current slowdown presages a recession, then the equity market may have to reprice lower as corporate earnings will likely be at risk.

LKCM Aquinas Catholic Equity Fund

During the six months ended June 30, 2022, the LKCM Aquinas Catholic Equity Fund returned -20.08% against the -19.96% return for the Fund's benchmark, the S&P 500® Index. During the first half of 2022, the Fund's relative performance benefited from an overweight position in the Energy sector, which was partially offset by underweight positions in the Healthcare and Utilities sectors. The Fund's underweight position in the Healthcare sector was largely driven by the Fund’s Catholic values investing mandate, which restricts the Fund’s investments in various areas within the Healthcare sector. The Fund’s relative performance benefited from stock in the Communication Services and Financial sectors, which was offset by stock selection decisions in the Healthcare, Consumer Discretionary and Industrials sectors.

During the first half of 2022, the equity markets have been materially impacted by the extended fallout related to the Russian invasion of Ukraine. While the Fund’s direct exposure to the Russian invasion is very limited, we believe the negative resulting impacts on inflation, particularly energy and food prices, has contributed to the Federal Reserve becoming increasingly aggressive in its efforts to reduce the overall level of inflation. In our view, the Federal Reserve’s monetary policy efforts have in turn resulted in meaningful valuation compression (in the form of lower price-earnings ratios) as investors lost the support given by low interest rates which had prevailed since the onset of the COVID pandemic in 2020.

Our current view is that the guidance provided by management teams concerning corporate profit growth expectations will likely be negatively impacted by the economic impact of higher inflation in the months ahead. We also believe that the strong U.S. dollar, which impacts foreign earnings when converted into U.S. dollars, will also have a negative impact on corporate profit growth expectations. However, we believe the equity markets have largely discounted these factors, and we expect equity markets should stabilize once the Federal Reserve cuts back on its aggressive monetary policy efforts. In the event that inflation proves more persistent, we believe that higher and more persistent interest rates could further dampen the economy, which would negatively impact corporate profits more severely and likely result in further declines in the equity markets. However, in our view, we believe that it would be unlikely for any resulting recession to be severe or meaningfully extended.

We remain focused on the core tenets of our investment strategy for the Fund, and in particular having a long-term investment horizon with a focus on competitively advantaged companies with strong balance sheets and solid cash flow characteristics. The broad-based decline in equity valuations has allowed us to identify selective companies whose valuations were previously considered as fully valued in our view, and we have opportunistically added companies to the Fund’s portfolio where appropriate. We believe that the Fund is well-positioned for the anticipated economic and capital markets environment.

Luther King

J. Luther King, Jr., CFA, CIC
August 1, 2022

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, or investment advice.

Please refer to the Schedule of Investments found on pages 8-9 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. These and other risks are discussed in the Fund's summary and statutory prospectuses. Since the Fund practices socially responsible investing within the framework provided by the United States Conference of Catholic Bishops' Socially Responsible Investing Guidelines, the Fund may forego a profitable investment opportunity or sell a security when it may be disadvantageous to do so.

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 the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-800-423-6369. Returns would have been lower if LKCM had not waived a portion of its management fee and/or reimbursed certain expenses of the 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 the Fund.

Price-earnings ratio is the ratio of a company's share price to the company's earnings per share.

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 the Fund carefully before investing. The Fund's summary prospectus and prospectus contain this and other information about the Fund. Investors can obtain the summary prospectus and/or the prospectus by calling 1-800-423-6369. The summary prospectus and/or prospectus should be read carefully before investing in the Fund.

Quasar Distributors, LLC, distributor.

LKCM Aquinas Catholic Equity Fund Expense Example — June 30, 2022 (Unaudited)

As a shareholder of the Fund, 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 Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period (01/01/2022-06/30/2022).

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 Fund charges 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 Fund’s transfer agent. If you request that a redemption be made by wire transfer, currently a $15.00 fee is charged by the Fund’s 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 Fund within 30 days of purchase, unless otherwise determined by the Fund in its discretion. To the extent the Fund invests in shares of other investment companies as part of its investment strategy, you will indirectly bear your proportionate share of any fees and expenses charged by the underlying funds in which the Fund invests in addition to the expenses of the Fund. 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 Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional 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 transaction costs were included, your costs would have been higher.

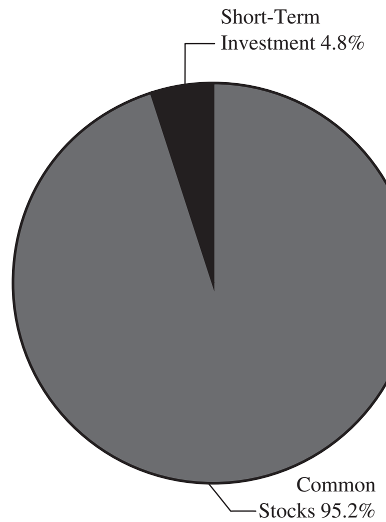
			Actual		Hypothetical (5% return before expenses)	
	Fund’s Annualized Expense Ratio[(1)]	Beginning Account Value 01/01/2022	Ending Account Value 06/30/2022	Expenses Paid During Period[(1)]	Ending Account Value 06/30/2022	Expenses Paid During Period[(1)]
LKCM Aquinas Catholic Equity Fund	1.00%	$1,000.00	$799.20	$4.46	$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 Aquinas Catholic Equity Fund — June 30, 2022 (Unaudited)

Percentages represent market value as a percentage of total investments.

LKCM Aquinas Catholic Equity Fund



Schedule of Investments

June 30, 2022 (Unaudited)

COMMON STOCKS - 95.5%	Shares	Value
Aerospace & Defense - 2.5%		
Honeywell International, Inc.	7,000	$ 1,216,670
Banks - 8.3%		
Comerica, Inc.	15,000	1,100,700
Cullen/Frost Bankers, Inc.	4,000	465,800
Truist Financial Corp.	32,375	1,535,546
Zions Bancorp N.A.	19,000	967,100
		4,069,146
Beverages - 5.3%		
Keurig Dr Pepper, Inc.	22,500	796,275
PepsiCo, Inc.	11,000	1,833,260
		2,629,535
Chemicals - 8.3%		
Air Products & Chemicals, Inc.	4,000	961,920
Corteva, Inc.	20,000	1,082,800
DuPont de Nemours, Inc.	14,500	805,910
Ecolab, Inc.	5,000	768,800
The Sherwin-Williams Co.	2,100	470,211
		4,089,641
Communications Equipment - 1.1%		
QUALCOMM, Inc.	4,200	536,508
Computers & Peripherals - 3.3%		
Apple, Inc.	12,000	1,640,640
Construction Materials - 1.2%		
Martin Marietta Materials, Inc.	2,000	598,480
Consumer Finance - 2.1%		
American Express Company	7,500	1,039,650
Electronic Equipment & Instruments - 2.7%		
Trimble, Inc. (a)	22,500	1,310,175
Electronic Equipment, Instruments & Components - 1.3%		
Teledyne Technologies, Inc. (a)	1,700	637,687
Food Products - 1.0%		
The Kraft Heinz Company	13,000	495,820
Health Care Equipment & Supplies - 3.6%		
Alcon, Inc.	15,000	1,048,350
Stryker Corp.	3,700	736,041
		1,784,391
Internet & Catalog Retail - 1.7%		
Amazon.com, Inc. (a)	8,000	849,680
IT Consulting & Services - 3.0%		
Black Knight, Inc. (a)	6,000	392,340
Broadridge Financial Solutions, Inc.	5,500	784,025
PayPal Holdings, Inc. (a)	4,200	293,328
		1,469,693

COMMON STOCKS	Shares	Value
Machinery - 1.6%		
Xylem, Inc.	10,000	$ 781,800
Marine - 2.0%		
Kirby Corp. (a)	16,500	1,003,860
Media & Entertainment - 4.4%		
Alphabet, Inc. - Class A (a)	1,000	2,179,260
Oil & Gas & Consumable Fuels - 10.7%		
Chevron Corp.	6,500	941,070
Devon Energy Corp.	32,000	1,763,520
Kinder Morgan, Inc.	52,500	879,900
Pioneer Natural Resources Co.	7,500	1,673,100
		5,257,590
Pharmaceuticals - 3.5%		
Zoetis, Inc.	10,000	1,718,900
Professional Services - 3.7%		
Dun & Bradstreet Holdings, Inc. (a)	45,000	676,350
Verisk Analytics, Inc.	6,500	1,125,085
		1,801,435
Real Estate Management & Development - 0.9%		
Zillow Group, Inc. (a)	14,000	445,340
Semiconductor & Semiconductor Equipment - 1.5%		
Intel Corporation	20,000	748,200
Software - 12.7%		
Adobe, Inc. (a)	3,700	1,354,422
Microsoft Corp.	7,500	1,926,225
Oracle Corp.	20,000	1,397,400
Roper Technologies, Inc.	4,000	1,578,600
		6,256,647
Software & Services - 2.3%		
Akamai Technologies, Inc. (a)	12,500	1,141,625
Specialty Retail - 5.2%		
The Home Depot, Inc.	4,000	1,097,080
Leslie's, Inc. (a)	44,500	675,510
Petco Health & Wellness Co, Inc. (a)	52,000	766,480
		2,539,070
Textiles, Apparel & Luxury Goods - 1.6%		
Tapestry, Inc.	25,000	763,000
TOTAL COMMON STOCKS		
(Cost $27,527,202)		47,004,443

SHORT-TERM INVESTMENTS - 4.8%	Shares	Value
Money Market Funds - 4.8%		
Invesco Short-Term Investments Trust - Government & Agency Portfolio - Institutional Shares, 1.38% (b)	1,490,548	$ 1,490,548
MSILF Government Portfolio, 1.39%	858,506	858,506
		2,349,054
TOTAL SHORT-TERM INVESTMENTS (Cost $2,349,054)		2,349,054
Total Investments - 100.3% (Cost $29,876,256)		49,353,497
Liabilities in Excess of Other Assets - (0.3)%		(160,718)
TOTAL NET ASSETS - 100.0%		$49,192,779

(a) Non-income producing security.
(b) 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.

Statement of Assets and Liabilities
June 30, 2022 (Unaudited)

	LKCM Aquinas Catholic Equity Fund
Assets	
Investments, at value*	$49,353,497
Dividends and interest receivable	35,226
Receivable for Fund shares sold	664
Prepaid expenses and other assets	14,596
Total assets	49,403,983
Liabilities	
Payable for investment advisory fees (Note B)	59,304
Payable for distribution expense (Note B)	61,601
Payable for administrative fees	33,914
Payable for accounting and transfer agent fees and expenses	30,272
Payable for professional fees	13,535
Payable for custody fees and expenses	3,249
Payable for reports to shareholders	4,596
Payable for trustees' fees and officer compensation (Note B)	4,212
Accrued expenses and other liabilities	521
Total liabilities	211,204
Net assets	$49,192,779
Net assets consist of:	
Paid-in capital	$24,768,645
Total distributable earnings	24,424,134
Net assets	$49,192,779
Shares of beneficial interest outstanding (unlimited shares of no par value authorized)	3,154,020
Net asset value per share (offering and redemption price)	$ 15.60
* Cost of Investments	$29,876,256

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

Statement of Operations

For the Six Months Ended June 30, 2022 (Unaudited)

	LKCM Aquinas Catholic Equity Fund
Investment Income:	
Dividends*	$ 521,603
Interest	3,237
Total investment income	524,840
Expenses:	
Investment advisory fees (Note B)	254,899
Administrative fees	38,943
Accounting and transfer agent fees and expenses	38,410
Distribution expense (Note B)	28,322
Professional fees	12,428
Trustees' fees and officer compensation (Note B)	14,914
Federal and state registration	12,963
Custody fees and expenses	3,418
Reports to shareholders	4,735
Other	1,238
Total expenses	410,270
Less, expense waiver and/or reimbursement (Note B)	(127,048)
Net expenses	283,222
Net investment income	241,618
Realized and Unrealized Gain (Loss):	
Net realized gain on:	
Investments	$ 4,811,667
Net change in unrealized depreciation on:	
Investments	(17,610,276)
Net Realized and Unrealized Loss	(12,798,609)
Net Decrease in Net Assets Resulting from Operations	$(12,556,991)

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

Statements of Changes in Net Assets

LKCM Aquinas Catholic Equity Fund

	Six Months Ended June 30, 2022 (Unaudited)	*Year Ended December 31, 2021*
Operations:		
Net investment income	$ 241,618	$ 147,922
Net realized gain on investments	4,811,667	6,253,404
Net change in unrealized appreciation (depreciation) on investments	(17,610,276)	6,910,981
Net increase (decrease) in net assets resulting from operations	(12,556,991)	13,312,307
Distributions to Shareholders	—	(7,216,137)
Net increase (decrease) in net assets from Fund share transactions (Note C)	(2,166,238)	3,957,949
Total increase (decrease) in net assets	(14,723,229)	10,054,119
Net Assets:		
Beginning of period	63,916,008	53,861,889
End of period	$ 49,192,779	$63,916,008

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

Financial Highlights
Selected Data for Each Share of Capital Stock Outstanding

	LKCM Aquinas Catholic Equity Fund					
	Six Months Ended June 30, 2022 (Unaudited)	*Year Ended December 31,*				
		2021	*2020*	*2019*	*2018*	*2017*
Net Asset Value – Beginning of Period	$ 19.52	$ 17.53	$ 15.06	$ 12.80	$ 17.19	$ 15.40
Net investment income	0.08[(1)]	0.05[(1)]	0.06[(1)]	0.07[(1)]	0.06	0.05
Net realized and unrealized gain (loss) on investments	(4.00)	4.40	3.59	3.92	(1.46)	3.16
Total from investment operations	(3.92)	4.45	3.65	3.99	(1.40)	3.21
Distributions from net investment income	—	(0.05)	(0.06)	(0.08)	(0.07)	(0.05)
Distributions from net realized gains	—	(2.41)	(1.12)	(1.65)	(2.92)	(1.37)
Total dividends and distributions	—	(2.46)	(1.18)	(1.73)	(2.99)	(1.42)
Net Asset Value – End of Period	$ 15.60	$ 19.52	$ 17.53	$ 15.06	$ 12.80	$ 17.19
Total Return	-20.08%[(2)]	25.34%	24.28%	31.16%	-7.96%	20.79%
Ratios and Supplemental Data:						
Net assets, end of period (thousands)	$ 49,193	$ 63,916	$ 53,862	$ 47,408	$ 45,332	$ 71,058
Ratio of expenses to average net assets:						
Before expense waiver and/or reimbursement	1.45%[(3)]	1.40%	1.48%	1.51%	1.44%	1.43%
After expense waiver and/or reimbursement	1.00%[(3)]	1.00%	1.00%	1.00%	1.00%	1.00%
Ratio of net investment income (loss) to average net assets:						
Before expense waiver and/or reimbursement	0.40%[(3)]	(0.15)%	(0.12)%	(0.05)%	(0.12)%	(0.14)%
After expense waiver and/or reimbursement	0.85%[(3)]	0.25%	0.36%	0.46%	0.32%	0.29%
Portfolio turnover rate	15%[(2)]	18%	17%	12%	14%	18%

(1) Net investment income per share represents net investment income divided by the average shares outstanding throughout the period.
(2) Not annualized.
(3) 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, 2022, one of which is presented herein: the LKCM Aquinas Catholic Equity Fund (the "Fund"). On July 11, 2005, the LKCM Aquinas Funds acquired the assets and assumed the liabilities of the Aquinas Funds. Effective upon the close of business on July 29, 2016, the LKCM Aquinas Small Cap Fund and the LKCM Aquinas Growth Fund reorganized into the LKCM Aquinas Value Fund, which changed its name immediately thereafter to the LKCM Aquinas Catholic Equity Fund and its investment strategies and expenses, including the expense limitation agreement, changed to the investment strategies and expenses, including the expense limitation agreement, of the LKCM Aquinas Catholic Equity Fund. The Fund is subject to expenses pursuant to the Rule 12b-1 plan described in Note B. The Fund charges a 1% redemption fee for redemptions of Fund shares held for less than 30 days, unless otherwise determined by the Fund in its discretion.

The LKCM Aquinas Catholic Equity Fund seeks to maximize long-term capital appreciation, while incorporating Catholic values investing principles in the investment process. The LKCM Aquinas Catholic Equity Fund seeks to achieve its investment objective by investing under normal circumstances at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of companies that Luther King Capital Management Corporation (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 the Adviser believes have attractive relative valuations.

The Fund practices socially responsible investing within the framework provided by the United States Conference of Catholic Bishops' Socially Responsible Investment Guidelines (the "Guidelines"). The Fund's investment approach incorporates the Guidelines through a combination of screening portfolio companies based on criteria set forth in the Guidelines, dialogue with companies whose policies and practices conflict with the Guidelines, and/or potentially excluding from the Fund's portfolio the securities of those companies that are unwilling to alter their policies and practices over a reasonable period of time. The Adviser monitors companies selected for the Fund for policies on various issues contemplated by the Guidelines. If the Fund invests in a company whose policies and practices are inconsistent with the Guidelines, the Adviser may attempt to influence the company, sell the company's securities or otherwise exclude future investments in such company.

The following is a summary of significant accounting policies followed by the Fund in preparation of the financial statements. The Fund is an investment company and, accordingly, follows 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 Fund may use prices provided by independent pricing services to assist in the fair valuation of the Fund's portfolio securities.

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, 2022, the Fund's assets carried at fair value were classified as follows:

LKCM Aquinas Catholic Equity Fund

Description	Level 1	Level 2	Level 3	Total
Common Stocks	$47,004,443	$ —	$ —	$47,004,443
Short-Term Investments	2,349,054	—	—	2,349,054
Total Investments*	$49,353,497	$ —	$ —	$49,353,497

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

2. Federal Income Taxes: The Fund has elected to be treated as a "regulated investment company" under Subchapter M of the Internal Revenue Code and the 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 Fund generally intends to declare and pay income dividends and distribute net capital gain, 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 Fund enters into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims against the Fund that have not yet occurred. Based on experience, the Fund expects 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 Fund's 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 Fund 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 Fund is permitted to invest in securities that are subject to legal or contractual restrictions on resale including investments considered by the Fund to be illiquid. Restricted securities generally may be resold in transactions exempt from registration. Illiquid investments are investments that the Fund reasonably expects 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 Fund under an Investment Advisory Agreement (the "Agreement"). The Adviser receives a fee, computed daily and payable quarterly, at the annual rate presented below as applied to the 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 Fund through May 1, 2023 in order to limit the Fund's operating expenses to the annual cap rate 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, 2022, the Adviser waived the following management fees and/or reimbursed expenses to meet its expense cap obligations:

	LKCM Aquinas Catholic Equity Fund
Annual Management Fee Rate	0.90%
Annual Cap on Expenses	1.00%
Fees Waived and/or Expenses Reimbursed in 2022	$127,048

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 Fund and serves as accounting services agent for the Fund. U.S. Bank, N.A. serves as custodian for the Fund.

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

The Trust has adopted a Distribution Plan pursuant to Rule 12b-1 of the 1940 Act the Fund, under which the Fund may pay an annualized fee of up to 1.00% of its average daily net assets for distribution and other services. However, the Board of Trustees has currently only authorized an annual fee of 0.10% of the average daily net assets for the Fund. Prior to August 1, 2016, the Fund assessed an annual Rule 12b-1 fee of 0.25% of the average daily net assets for the Fund. For the six months ended June 30, 2022, fees incurred by the Fund pursuant to the 12b-1 Plan were $28,322.

C. Fund Shares: At June 30, 2022, there was an unlimited number of shares of beneficial interest, no par value, authorized for the Fund. The following table summarizes the activity in shares of the Fund:

	Six Months Ended June 30, 2022		Year Ended December 31, 2021	
	Shares	Amount	Shares	Amount
Shares sold	51,503	$ 937,858	147,648	$ 2,968,608
Shares issued to shareholders in reinvestment of distributions	—	—	347,962	6,820,061
Shares redeemed	(171,207)	(3,104,303)	(293,618)	(5,830,731)
Redemption fee		207		11
Net decrease	(119,704)	$(2,166,238)	201,993	$ 3,957,949
Shares Outstanding:				
Beginning of period	3,273,724		3,071,731	
End of period	3,154,020		3,273,724	

D. Security Transactions: Purchases and sales of investment securities, other than short-term investments, for the Fund for the six months ended June 30, 2022 were as follows:

Purchases		Sales	
U.S. Government	Other	U.S. Government	Other
$ —	$4,494,178	$ —	$8,734,165

E. Tax Information: At December 31, 2021, the components of accumulated earnings (losses) on a tax basis for the Fund were as follows:

Tax cost	$26,964,909
Gross unrealized appreciation	37,254,567
Gross unrealized depreciation	(167,050)
Net unrealized appreciation	37,087,517
Undistributed ordinary income	5,437
Undistributed long-term capital gain	—
Distributable earnings	5,437
Other accumulated losses	(111,829)
Total distributable earnings	36,981,125

At December 31, 2021, the Fund deferred, on a tax basis, post-October capital losses of $111,829.

The tax components of dividends paid during the periods shown below for the Fund were as follows:

	Six Months Ended June 30, 2022		Year Ended December 31, 2021	
	Ordinary Income	**Long-Term Capital Gains**	**Ordinary Income**	**Long-Term Capital Gains**
LKCM Aquinas Catholic Equity Fund	$ —	$ —	$147,922	$7,068,215

The Fund designated earnings and profits distributed to shareholders upon the redemption of shares during 2021 in determining undistributed net capital gains as of December 31, 2021.

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 Fund's financial position or results of operations. Tax years that remain open to examination by major tax jurisdictions include tax years ended December 31, 2018 through December 31, 2021. 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, 2021. The Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. If applicable, the Fund 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 other variants 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 Fund invests 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 Fund's investment, the Fund's ability to satisfy redemption requests, and Fund's 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.

H. Subsequent Events: In preparing these financial statements, management has evaluated the Fund's related events and transactions that occurred subsequent to June 30, 2022 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.

ADDITIONAL INFORMATION

June 30, 2022 (Unaudited)

Availability of Proxy Voting Information: A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to its portfolio securities, as well as information regarding how the Fund 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 1-800-423-6369 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 Fund toll free at 1-800-423-6369 or by accessing the SEC's website at www.sec.gov.

Availability of Quarterly Portfolio Schedule: The Fund files 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 Fund's Part F of Form N-PORT is available on the SEC's website at 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 Fund's Part F of Form N-PORT may also be obtained by calling toll-free 1-800-423-6369.

RENEWAL OF INVESTMENT ADVISORY AGREEMENT WITH RESPECT TO LKCM AQUINAS CATHOLIC EQUITY FUND (Unaudited)

Introduction. At a meeting held on February 22, 2022, 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 Aquinas Catholic Equity Fund (the "Fund").

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 the Fund, including, but not limited to: (1) the nature, extent and quality of the services provided to the Fund; (2) the performance of the Fund as compared to a relevant benchmark and peer groups of funds compiled by Broadridge Financial Solutions, Inc. ("Broadridge") and Lipper, Inc. ("Lipper"); (3) the contractual advisory fee rate, actual advisory fee rate, total expense ratio, and net expense ratio of the Fund and how those compared to a peer group of funds compiled by Broadridge; (4) the costs of services provided to the Fund and the profitability of LKCM with respect to such services; (5) the extent to which economies of scale would be realized by LKCM as the 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 Fund. 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, the Fund's Catholic values investing mandate, reports relating to the Fund's performance and expenses, 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 Fund's performance and expenses and various aspects of the Fund's 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 the 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 Fund, including identifying investments for the Fund, monitoring the Fund's investment program, executing trades and overseeing the Fund's performance and compliance with applicable rules and regulations and the Fund's investment policies. The Board considered LKCM's financial resources, insurance coverage, culture of compliance and compliance operations that support the Fund. 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 services. The Board reviewed information regarding the portfolio managers and other key personnel who provide services to the 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 Fund by LKCM, including LKCM's oversight of the Fund's 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 Fund's 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 Fund) 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 Fund. The Board considered the performance of the Fund compared to the Fund's benchmark index, the S&P 500 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, 2021. The Board noted that, in 2016, upon the closing of the reorganizations of the LKCM Aquinas Small Cap Fund and LKCM Aquinas Growth Fund into the Fund (the "Reorganization"), the Fund's name, investment strategies, expenses, benchmark index and Lipper index changed and considered this in reviewing the Fund's longer-term performance against its current benchmark and Lipper Index. The Board also considered LKCM's discussion of the Fund's performance.

The Board noted that the Fund outperformed its current benchmark for the three-year period, but underperformed its benchmark for the one-year, five-year, ten-year and since-inception periods. The Board also noted that the Fund outperformed its Lipper Index for the three-year and five-year periods, but underperformed its Lipper Index for the one-year, ten-year and since-inception periods. In considering the comparative performance data, the Board noted that the Fund is managed in accordance with its Catholic values investing guidelines, which restrict the Fund's investments and generally are not applicable to the benchmark or the funds included in the Lipper Index. The Board noted LKCM's representation that the Fund's stringent investment criteria and value investing strategy prior to the Reorganization contributed to longer-term underperformance. The Board also considered certain additional factors cited by LKCM as contributing to or detracting from the Fund's performance during the prior year.

Fees and Expenses. The Board considered the 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) of the Fund. The Board also considered that LKCM had contractually agreed to continue the current fee waivers and expense caps in effect for the Fund through May 1, 2022, and that LKCM intends to propose at the upcoming Board meeting that it contractually agree to continue the current fee waiver through May 1, 2023.

The Board compared the Fund's contractual advisory fee rate, effective advisory fee rate, total expense ratio, and net expense ratio 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 the Fund's contractual advisory fee rate and total expense ratio relative to the Expense Universe. For the Expense Group, contractual advisory fee rates were compared at the Fund's asset level. The first quartile in an Expense Group and Expense Universe represents those funds with the lowest fees or expenses.

The Board noted that the Fund's contractual advisory fee rate was in the fourth quartile of its Expense Group and the Fund's effective advisory fee rate was in the second quartile of its Expense Group and Expense Universe. The Board also considered that the Fund's net expense ratio was in the second quartile of its Expense Group and third quartile of its Expense Universe. In this case, the Fund's contractual advisory fee rate was higher than the median of its Expense Group, its effective advisory fee rate was lower than the median of its Expense Group and Expense Universe, and its net expense ratio was equal to the median of its Expense Group and higher than the median of its Expense Universe.

The Board considered that, although the Fund's contractual advisory fee rate was higher than those of its peers, the expense cap arrangements caused the Fund's effective advisory fee rate to be lower than those of its peers.

Costs, Profitability and Economies of Scale. The Board considered LKCM's costs in rendering services to the Fund and the profitability of LKCM. The Board reviewed the fees paid by the Fund to LKCM for the last three calendar years. The Board also reviewed the estimated profit and loss statement provided by LKCM 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 Fund's net expense ratio and facilitate the distribution of the Fund. With respect to economies of scale, the Board considered that the Fund generally benefits from a competitive effective advisory fee rate and net expense ratio 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 Fund's advisory fee rate schedule, LKCM waives fees and/or reimburses expenses to maintain the Fund's effective advisory fee rate and net expense ratio at a competitive level.

Benefits Derived by LKCM from Its Relationship with the Fund. The Board requested and considered information regarding the potential fall-out benefits to LKCM from its association with the Fund. The Board noted that LKCM believes that both LKCM and the Fund benefit from LKCM's soft-dollar and commission-sharing arrangements, which enhance the level of research that LKCM performs on the Fund's portfolio companies. The Board also noted that LKCM believes its relationship with the Fund 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 potential 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 Fund.

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 Fund; and (3) approved the renewal of the Agreement with respect to the Fund.

ANNUAL REPORT REGARDING LIQUIDITY RISK MANAGEMENT PROGRAM
(Unaudited)

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 24, 2022, 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, 2021 through March 31, 2022 (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' potential 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.

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

LKCM FUNDS
P.O. Box 701
Milwaukee, WI 53201-0701

Investment Adviser

Luther King Capital Management Corporation
301 Commerce Street, Suite 1600
Fort Worth, TX 76102

Administrator, Transfer Agent, Dividend Paying Agent & Shareholder Servicing Agent

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

Custodian

U.S. Bank, N.A.
1555 N. River Center Drive, Suite 302
Milwaukee, WI 53212

Independent Registered Public Accounting Firm

Deloitte & Touche LLP
555 E. Wells St., Suite 1400
Milwaukee, WI 53202

Distributor

Quasar Distributors, LLC
111 East Kilbourn Avenue, Suite 2200
Milwaukee, WI 53202