

KraneShares Hedgeye Hedged Equity Index ETF



Ticker: KSPY

Principal Listing Exchange: NYSE Arca

Annual Shareholder Report: March 31, 2025

This annual shareholder report contains important information about the KraneShares Hedgeye Hedged Equity Index ETF (the "Fund") for the period from July 15, 2024 (commencement of operations) to March 31, 2025. You can find additional information about the Fund at <https://kraneshares.com/kspy/>. You can also request this information by contacting us at 1-855-857-2638.

What were the Fund costs for the period?

(based on a hypothetical \$10,000 investment)

Fund Name	Costs of a \$10,000 investment*	Costs paid as a percentage of a \$10,000 investment
KraneShares Hedgeye Hedged Equity Index ETF	\$50	0.69%

* Costs shown not annualized. If the Fund had been open for the full fiscal year, costs shown would have been higher for the period ended.

How did the Fund perform in the period?

For the Period from Fund inception to March 31, 2025 ("Period"), the Fund delivered the following returns:

Fund	NAV Return (%)	Market Price Return (%)	Underlying Index Return (%)	Morningstar Peer Group Median Return (%)
KSPY*	2.91	2.71	3.90 ^(a)	5.71 ^(b)

*Return since Fund inception on July 15, 2024 (less than one year)

(a) Hedgeye Hedged Equity Index

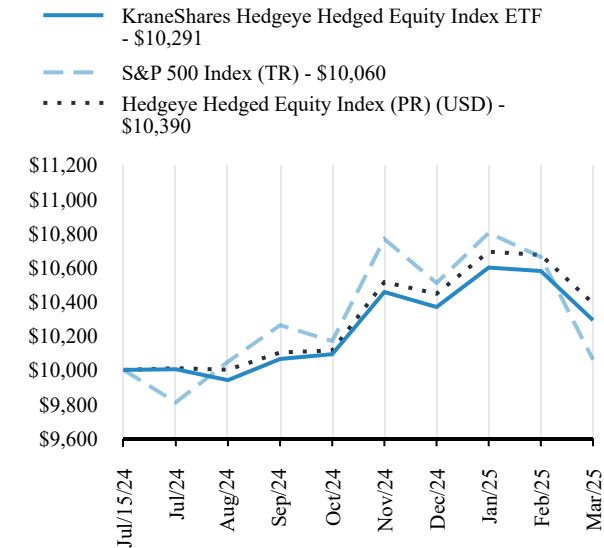
(b) The Fund is in the Morningstar U.S. ETF Equity Hedged Category.

The KraneShares Hedgeye Hedged Equity Index ETF seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the Hedgeye Hedged Equity Index (the "Underlying Index"). The Underlying Index is designed to track the performance of a portfolio of large-cap securities subject to downside hedging and seeking to exhibit less volatility than a portfolio of large-cap securities alone. The Underlying Index models an investment in the S&P 500 Index, the purchase and sale of put options on the S&P 500 Index and Flexible Exchange® Options ("FLEX Options") on an ETF that tracks the S&P 500 Index or a similar large-cap securities index, and the sale of call options on the S&P 500 Index. Fund assets not invested in options are invested in an ETF that seeks to track the S&P 500 Index.

The Fund underperformed the U.S. equity market, as measured by the S&P 500 Index, for most of the Period since its inception. However, the Fund began outperforming the U.S. equity market when U.S. equities entered a downtrend in mid-February 2025. At this point, widespread macroeconomic uncertainty spread among investors regarding tariffs, inflation, and the Federal Reserve's rate cut trajectory due to the Fund's use of a downside hedge against broader market declines. The deviation between the Fund's performance and that of the Underlying Index can be mainly attributed to management fees paid by the Fund.

How did the Fund perform since inception?

Total Return Based on \$10,000 Investment



Average Annual Total Returns as of March 31, 2025

Fund/Index Name	Cumulative Since Inception
KraneShares Hedgeye Hedged Equity Index ETF	2.91%
S&P 500 Index (TR)	0.60%
Hedgeye Hedged Equity Index (PR) (USD)	3.90%

The line graph represents historical performance of a hypothetical investment of \$10,000 in the Fund since its inception on July 15, 2024. Returns shown are total returns, which assume the reinvestment of dividends and capital gains. The table and graph presented above do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares. **Past performance is not indicative of future performance.** Call 1-855-857-2638 or visit <https://kraneshares.com/kspy/> for current month-end performance.

Key Fund Statistics as of March 31, 2025

Total Net Assets	Number of Holdings	Total Advisory Fees Paid	Portfolio Turnover Rate
\$13,967,769	4	\$40,811	2%

What did the Fund invest in?

S&P 500 Top Constituents*		Top Holdings	
		Holding Name	Percentage of Total Net Assets
APPLE INC	7.0%	SPDR S&P 500 ETF Trust	96.1%
MICROSOFT CORP	5.9%	Purchased Option - S&P 500 Index, \$5,780.00, 04/17/25 ⁽¹⁾	3.3%
NVIDIA CORP	5.6%	Written Option - SPDR S&P 500 Index, \$576.67, 04/17/25 ⁽¹⁾	-0.4%
AMAZON.COM INC	3.8%	Written Option - S&P 500 Index, \$5,520.00, 04/17/25 ⁽¹⁾	-1.1%
META PLATFORMS INC-CLASS A	2.7%		
BERKSHIRE HATHAWAY INC-CL B	2.1%		
ALPHABET INC-CL A	1.9%		
BROADCOM INC	1.7%		
ALPHABET INC-CL C	1.6%		
TESLA INC	1.5%		
JPMORGAN CHASE & CO	1.4%		
ELI LILLY & CO	1.4%		
VISA INC-CLASS A SHARES	1.3%		
EXXON MOBIL CORP	1.1%		
UNITEDHEALTH GROUP INC	1.0%		

* Percentages are calculated based on total net assets.

⁽¹⁾ At market value.

Material Fund Changes

There were no material changes during the reporting period.

Changes in and Disagreements with Accountants

There were no changes in or disagreements with accountants during the reporting period.

Additional Information

For additional information about the Fund, including its prospectus, financial information, holdings, and proxy voting information, visit <https://kranshares.com/kspy/>.

Householding

You may have consented to receive one copy of a shareholder report at your address if you and one or more individuals in your home have multiple accounts at the same address. This practice is commonly called "householding" and is intended to reduce expenses. If you wish to change your householding status or receive individual copies of your shareholder report, please contact us at 1-855-857-2638 or your financial intermediary.



KraneShares Trust
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KSPY-AR-2025