

KraneShares Asia Pacific High Income USD Bond ETF

Ticker: KHYB

Principal Listing Exchange: NYSE Arca

Annual Shareholder Report: March 31, 2026



This annual shareholder report contains important information about the KraneShares Asia Pacific High Income USD Bond ETF (the "Fund") for the period from April 1, 2025 to March 31, 2026. You can find additional information about the Fund at <https://kraneshares.com/khyb/>. You can also request this information by contacting us at 1-855-857-2638. **This annual shareholder report describes changes to the Fund that occurred during the reporting period.**

What were the Fund costs for the last year?

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

<u>Fund Name</u>	<u>Costs of a \$10,000 investment</u>	<u>Costs paid as a percentage of a \$10,000 investment</u>
KraneShares Asia Pacific High Income USD Bond ETF	\$71	0.69%

How did the Fund perform in the last year?

For the 12-month Period ended March 31, 2026 ("Period"), the Fund delivered the following returns:

Fund	NAV Return (%)	Market Price Return (%)	Underlying Index Return (%)
KHYB [^]	6.30	6.63	N/A

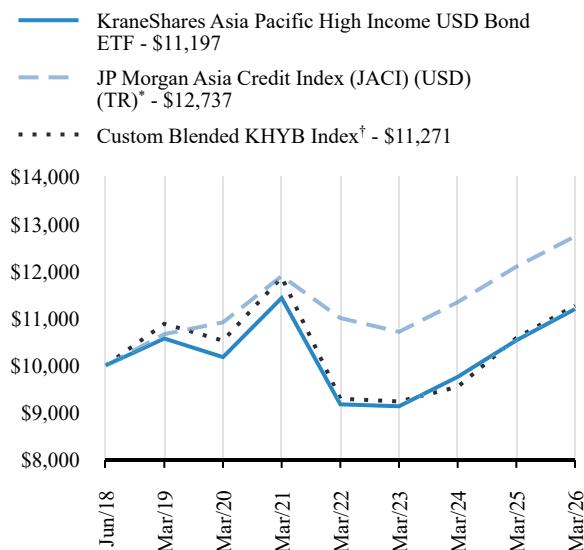
[^] Fund is actively managed and does not track an Underlying Index

The KraneShares Asia Pacific High Income U.S.D. Bond ETF seeks to provide a total return that, before fees and expenses, exceeds that of the JP Morgan Asia Credit Index (JACI) Non-Investment Grade Corporate (the "Benchmark Index") over a complete market cycle. The Benchmark Index is comprised of liquid U.S. dollar-denominated debt instruments issued out of Asia ex-Japan and is market capitalization weighted. The Underlying Index is limited to issuers classified as noninvestment grade based on the middle rating between Moody's, Fitch, and S&P.

The Asia ex-Japan U.S. dollar-denominated high yield bond market outperformed Asian fixed income more broadly, as measured by the JP Morgan Asia Credit Index, during the period. Asian high yield bonds demonstrated relative resilience in the wake of the oil price shock caused by Middle Eastern tensions in March and continued to benefit from a recovery in the bonds issued by China-based real estate developers.

How did the Fund perform since inception?

Total Return Based on \$10,000 Investment



Average Annual Total Returns as of March 31, 2026

<u>Fund/Index Name</u>	<u>1 Year</u>	<u>5 Years</u>	<u>Annualized Since Inception</u>
KraneShares Asia Pacific High Income USD Bond ETF	6.30%	-0.42%	1.47%
JP Morgan Asia Credit Index (JACI) (USD) (TR)*	5.31%	1.37%	3.16%
Custom Blended KHYB Index†	6.49%	-1.03%	1.55%

The line graph represents historical performance of a hypothetical investment of \$10,000 in the Fund since its inception on June 26, 2018. 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/khyb/> for current month-end performance.

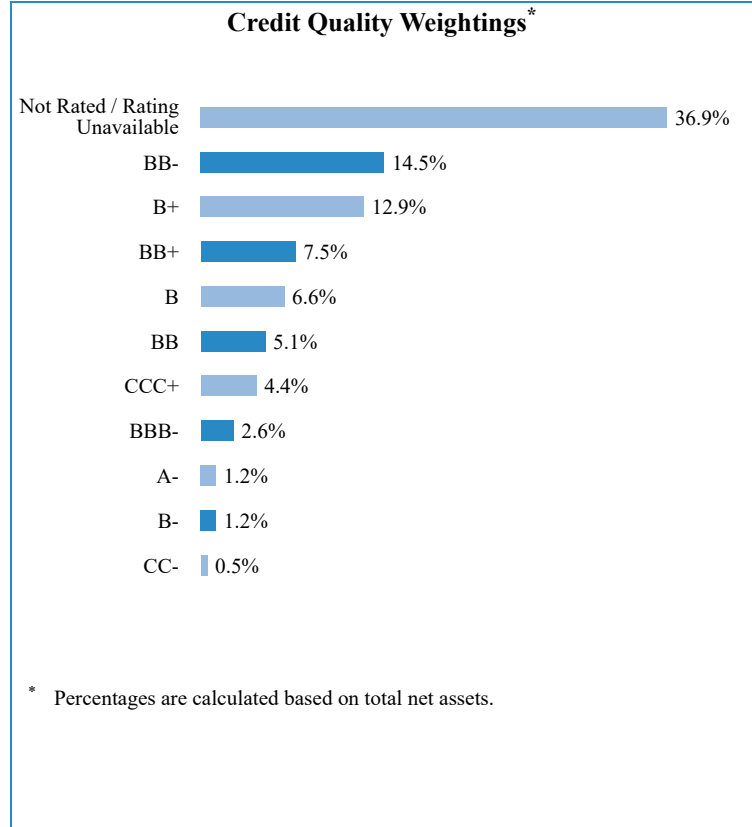
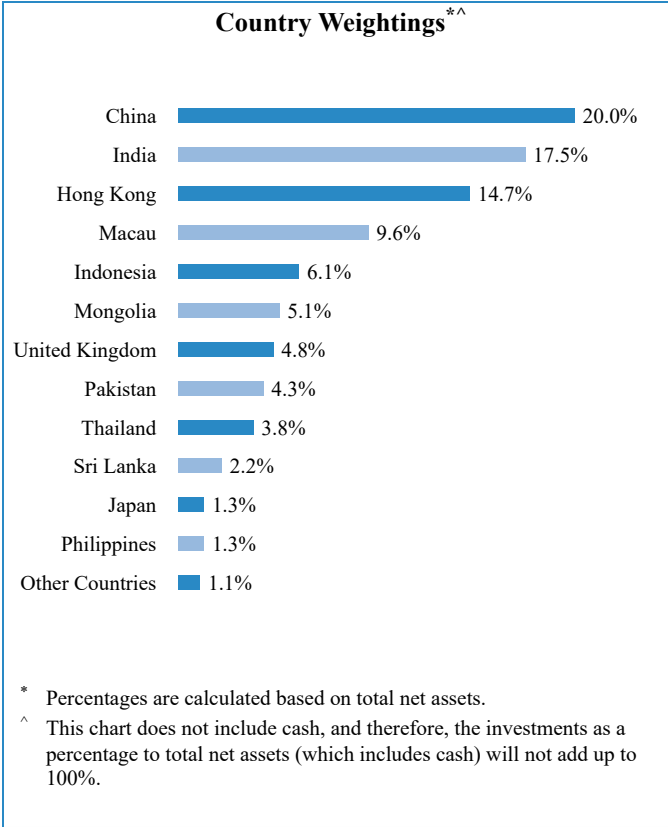
* Total Return (TR) - Reflects no deductions for fees, expenses or taxes.

† Custom Blended KHYB Index consist of: Solactive USD China Corporate High Yield Bond Index (Inception to July 31, 2021) and JP Morgan Asia Credit Index (JACI) Non-Investment Grade Corporate Index (August 1, 2021 to present.)

Key Fund Statistics as of March 31, 2026

Total Net Assets	Number of Holdings	Total Advisory Fees Paid	Portfolio Turnover Rate
\$15,375,176	66	\$148,775	198%

What did the Fund invest in?



Material Fund Changes

This is a summary of certain changes to the Fund since April 1, 2025. For more complete information, you may review the Fund’s prospectus, which is available at <https://kraneshares.com/khyb/#fund-documents> or upon request at 1-855-857-2638.

Effective September 1, 2025, the Fund’s sub-adviser, Nikko Asset Management Americas Inc., changed its name to Amova Asset Management Americas, Inc.

Krane Funds Advisors, LLC (“Krane” or the “Adviser”), the investment adviser to the Fund, entered into an agreement whereby its officers and employees, among others, through KFA Two Holdings, LLC, will acquire a majority interest in the Adviser from China International Capital Corporation (USA) Holdings Inc., a wholly-owned, indirect subsidiary of China International Capital Corporation Limited (the “Transaction”). Consummation of the Transaction will, under the Investment Company Act of 1940, result in the automatic termination of the Fund’s existing investment advisory and, if applicable, sub-advisory agreements. In anticipation of the Transaction, the Board approved new advisory and, if applicable, sub-advisory agreements on terms identical to the existing agreements (other than effective and termination dates), subject to shareholder approval of the new advisory agreement. The new sub-advisory agreement will take effect in reliance on a manager-of-managers exemptive order. To ensure continuity of management pending shareholder approval of the new advisory agreement, the Board also approved interim advisory and, if applicable, sub-advisory agreements, effective upon closing of the Transaction, each with terms substantially identical to the current agreements, to remain in effect for up to 150 days while shareholder approval is sought.

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://kraneshares.com/khyb/>.

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.

