

# KraneShares Hedgeye Hedged Equity Index ETF



Ticker: KSPY

Principal Listing Exchange: NYSE Arca

Annual Shareholder Report: March 31, 2026

This annual shareholder report contains important information about the KraneShares Hedgeye Hedged Equity Index 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/kspy/>. 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 Hedgeye Hedged Equity Index ETF	\$77	0.72%

## 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 (%)
KSPY	14.92	15.13	16.83 <sup>(a)</sup>

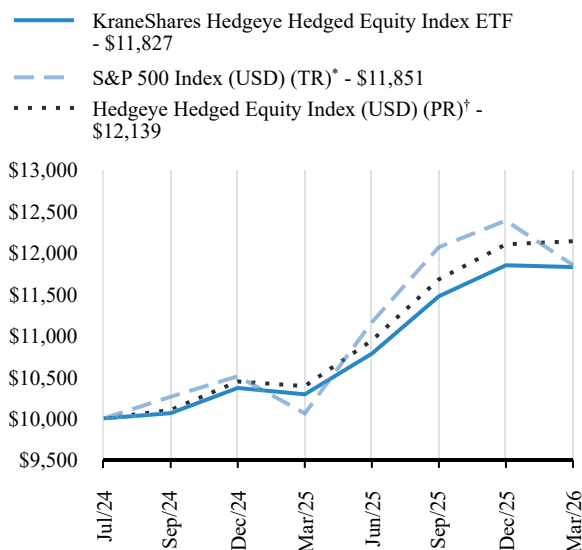
(a) Hedgeye Hedged Equity Index

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<sup>®</sup> 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 put options on the S&P 500 Index and the State Street SPDR S&P 500 Trust ETF held by the Fund detracted from its performance relative to the S&P 500 Index, which was up during the period.

## 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>Annualized Since Inception</u>
KraneShares Hedgeye Hedged Equity Index ETF	14.92%	10.31%
S&P 500 Index (USD) (TR)*	17.80%	10.45%
Hedgeye Hedged Equity Index (USD) (PR)†	16.83%	12.01%

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.

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

† Price Return (PR) - Reflects no deductions for fees, expenses or taxes.

## Key Fund Statistics as of March 31, 2026

Total Net Assets	Number of Holdings	Total Advisory Fees Paid	Portfolio Turnover Rate
\$76,784,891	4	\$279,350	30%

### What did the Fund invest in?

KSPY Sector Weightings*	Top Holdings																																		
<table style="width: 100%; margin-top: 10px;"> <caption>KSPY Sector Weightings*</caption> <thead> <tr> <th>Sector</th> <th>Weighting</th> </tr> </thead> <tbody> <tr><td>Information Technology</td><td>32.8%</td></tr> <tr><td>Financials</td><td>12.6%</td></tr> <tr><td>Communication Services</td><td>10.3%</td></tr> <tr><td>Consumer Discretionary</td><td>9.8%</td></tr> <tr><td>Health Care</td><td>9.4%</td></tr> <tr><td>Industrials</td><td>9.0%</td></tr> <tr><td>Consumer Staples</td><td>5.2%</td></tr> <tr><td>Energy</td><td>4.0%</td></tr> <tr><td>Utilities</td><td>2.5%</td></tr> <tr><td>Materials</td><td>2.1%</td></tr> <tr><td>Real Estate</td><td>2.0%</td></tr> <tr><td>Not Classified</td><td>0.3%</td></tr> </tbody> </table> <p style="font-size: small; margin-top: 10px;">* Percentages are calculated based on total net assets of SPY (SPDR S&amp;P 500 ETF), an investment in which the Fund holds shares. These securities are not direct holdings of the Fund itself.</p>	Sector	Weighting	Information Technology	32.8%	Financials	12.6%	Communication Services	10.3%	Consumer Discretionary	9.8%	Health Care	9.4%	Industrials	9.0%	Consumer Staples	5.2%	Energy	4.0%	Utilities	2.5%	Materials	2.1%	Real Estate	2.0%	Not Classified	0.3%	<table style="width: 100%; margin-top: 10px;"> <thead> <tr> <th style="text-align: left;"><u>Holding Name</u></th> <th style="text-align: right;"><u>Percentage of Total Net Assets</u></th> </tr> </thead> <tbody> <tr> <td>State Street SPDR S&amp;P 500 ETF Trust</td> <td style="text-align: right;">98.9%</td> </tr> <tr> <td>Purchased Option<sup>(1)</sup></td> <td style="text-align: right;">2.5%</td> </tr> <tr> <td>Written Options<sup>(1)</sup></td> <td style="text-align: right;">-1.8%</td> </tr> </tbody> </table> <p style="font-size: small; margin-top: 10px;">(1) At market value.</p>	<u>Holding Name</u>	<u>Percentage of Total Net Assets</u>	State Street SPDR S&P 500 ETF Trust	98.9%	Purchased Option <sup>(1)</sup>	2.5%	Written Options <sup>(1)</sup>	-1.8%
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### 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/etf/kspy/#fund-documents> or upon request at 1-855-857-2638.

The Board of the Trust approved the appointment of Hedgeye Asset Management, LLC (“HAM”) as sub-adviser to the Fund. In connection with this change, John McNamara was appointed as a portfolio manager of the Fund and the Adviser’s voluntary fee waiver was terminated.

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/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.

