Form **8937**
(December 2017)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-0123

Part I Reporting Issuer

1 Issuer's name	2 Issuer's employer identification number (EIN)
KraneShares Asia Pacific High Income USD Bond ETF	82-3633073

3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact
KraneShares	1-833-486-5383	

6 Number and street (or P.O. box if mail is not delivered to street address) of contact	7 City, town, or post office, state, and ZIP code of contact
280 PARK AVE. 32nd FLOOR	New York, NY 10017

8 Date of action	9 Classification and description
10/29/2026	Common Stock

10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
500767843		KHYB	

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ See attached statement.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The amount shown as a return of capital distribution in the attached statement represents a reduction of the shareholder's tax basis on shares held.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ See line 15 above.

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Pursuant to IRS Section 301(C)(1), the portion of a distribution which is a dividend (as defined under IRC Section 316) is includable in gross income. Pursuant to IRC Section 301(C)(2), the portion of the distribution which is not a dividend shall be applied against and reduce the adjusted basis of the stock.

18 Can any resulting loss be recognized? ▶ Not applicable to this transaction. No loss would be recognized on the return of capital distribution. The shareholder's cost basis should be adjusted to reflect the return on capital distribution which may affect realized gain or loss upon disposition of the shares.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ Pursuant to IRC Section 6045, as amended by the Emergency Economic Stabilization Act of 2008, brokers are required to reflect these adjustments in the cost basis reporting for covered securities. If a broker is not required to provide cost basis to a particular shareholder, the cost basis of the shareholder's shares should be adjusted as of the dividend date to reflect the return of capital described above.

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.				
	Signature ▶ John Bourgeois		Date ▶ 11/2/2018		
	Print your name ▶ John Bourgeois		Title ▶ ASST TREAS.		
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

KraneShares Asia Pacific High Income USD Bond ETF

Supplemental Attachment to Form 8937

Part II, Question 14

Detail of the distributions paid during the fiscal year ending October 29, 2026 is described below:

Ex-Date	Record Date	Payable Date	Amount	% Taxable Distribution	Taxable Dividend Amount	% Return of Capital Distribution	Return of Capital Amount
04/29/2026	04/29/2026	04/30/2026	$0.1938	83.94%	$0.1627	16.06%	$0.0311
05/28/2026	05/28/2026	05/29/2026	$0.1938	83.94%	$0.1627	16.06%	$0.0311
06/29/2026	06/29/2026	06/30/2026	$0.1938	83.94%	$0.1627	16.06%	$0.0311
07/30/2026	07/30/2026	07/31/2026	$0.1929	83.94%	$0.1619	16.06%	$0.0310
08/28/2026	08/28/2026	08/31/2026	$0.1938	83.94%	$0.1627	16.06%	$0.0311
09/29/2026	09/29/2026	09/30/2026	$0.1908	83.94%	$0.1602	16.06%	$0.0306