

KRANESHARES ICAV

Annual Report and Audited Financial Statements

For the year ended 30 September 2021

30 September 2021

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KRANESHARES ICAV

Directors and Other Information

For the year ended 30 September 2021

Directors

Feargal Dempsey (*Irish*)⁽¹⁾⁽²⁾
Jonathan Krane (*American*)
Lorcan Murphy (*Irish*)⁽¹⁾⁽²⁾
Xiaolin Chen (*British*)
Sjef Pieters (*Dutch*)⁽¹⁾⁽²⁾
Piers Wheeler (*British*)⁽¹⁾⁽²⁾⁽³⁾
Paolo Iurcotta (*Italian*)⁽⁴⁾

Manager

Waystone Management Company (IE) Limited⁽⁵⁾
3rd Floor
76 Lower Baggot Street
Dublin 2
Ireland

Administrator

SEI Investments – Global Fund Services Limited
Styne House
Upper Hatch Street
Dublin 2
Ireland

ICAV Secretary

Matsack Trust Limited
70 Sir John Rogerson's Quay
Dublin 2
Ireland

Legal Advisers and Listing Sponsor

Matheson
70 Sir John Rogerson's Quay
Dublin 2
Ireland

Sub-Custodian

Brown Brothers Harriman & Co.
50 Post Office Square
Boston, MA 02110
USA

Sub Distributor

Silcarv Consulting Limited
2nd Floor
201 Haverstock Hill
London, NW3
United Kingdom

⁽¹⁾ Non-executive

⁽²⁾ Independent

⁽³⁾ Resigned on 12 March 2021

⁽⁴⁾ Appointed on 29 July 2021

⁽⁵⁾ Name changed from DMS Investment Management Services (Europe) Limited to Waystone Management Company (IE) Limited effective 1 March 2021

Registered Office

70 Sir John Rogerson's Quay
Dublin 2
Ireland

Investment Manager

Krane Funds Advisors, LLC
280 Park Avenue, 32nd Floor
New York, New York 10017
USA

Depository

SEI Investments - Depository and Custodial Services
(Ireland) Limited
Styne House
Upper Hatch Street
Dublin 2
Ireland

Registrar

Brown Brothers Harriman Fund Administration Services
(Ireland) Limited
30 Herbert Street
Dublin 2
Ireland

Independent Auditors

KPMG Chartered Accountants
1 Harbourmaster Place
IFSC
Dublin 1
Ireland

Distributor

Krane Funds Advisors, LLC
280 Park Avenue, 32nd Floor
New York, New York 10017
USA

KRANESHARES ICAV

Directors' Report

For the year ended 30 September 2021

The Directors submit this report together with the Annual Report and the Audited Financial Statements of the Sub-Funds of KraneShares ICAV (the "ICAV"), in each case for the financial year ended 30 September 2021.

The ICAV

The ICAV was registered in Ireland, registration number C181441, pursuant to the Irish Collective Asset-management Vehicles Act 2015 and 2020 (the "ICAV Act") on 15 May 2018 and authorised by the Central Bank of Ireland (the "Central Bank") as an Undertaking for Collective Investment in Transferable Securities Regulations 2011 (S.I. No 352 of 2011), and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investments in Transferable Securities) Regulations 2019 (collectively the "UCITS Regulations"). The objective of the ICAV is the collective investment in transferrable securities and/or other liquid financial assets of capital raised from the public, operating on the principle of risk spreading in accordance with the UCITS regulations.

The ICAV is organised in the form of an umbrella fund with segregated liability between sub-funds. Each sub-fund has a distinct portfolio of investments and the investment objective and policy of each sub-fund is formulated by the investment manager. At 30 September 2021, the following funds ("Sub-Funds") were in operation:

Sub-Funds	Central Bank Authorisation Date	Launch date
KraneShares CSI China Internet UCITS ETF	11 October 2018	21 November 2018
KraneShares MSCI China A 50 Connect UCITS ETF (formerly KraneShares MSCI China A Share UCITS ETF)	14 June 2019	26 June 2019
KraneShares MSCI China ESG Leaders UCITS ETF	10 October 2019	4 February 2020
KraneShares Bloomberg China Bond Inclusion UCITS ETF (formerly KraneShares Bloomberg Barclays China Bond Inclusion UCITS ETF)	26 March 2020	25 May 2020
KraneShares MSCI All China Health Care Index UCITS ETF	19 October 2020	14 January 2021
KraneShares ICBCS SSE Star Market 50 Index UCITS ETF	28 April 2021	25 May 2021

The Sub-Funds

Investment Objective and Policies, and review of business developments

KraneShares CSI China Internet UCITS ETF

KraneShares CSI China Internet UCITS ETF ("the Sub-Fund") is listed on the Irish, London and Amsterdam Stock Exchanges. The Sub-Fund listed on the Dublin and London stock exchanges on 19 and 20 November 2018 respectively, on the Amsterdam Stock Exchange on 17 May 2019 and on the Italian Stock Exchange on 8 January 2021.

The objective of the Sub-Fund is to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the investable universe of publicly traded China-based companies whose primary business or businesses are in the Internet and Internet-related sectors and which are listed outside of China ("China Internet Companies"). The Schedule of Investments lists the investments by country of incorporation. In order to seek to achieve the Sub-Fund's investment objective, the Investment Manager will aim to replicate the CSI Overseas China Internet Index ("Index") by holding all of the constituents of the Index in a similar proportion to their weighting in the Index. The Sub-Fund follows a strategy of replicating the Index. The performance of the Sub-Fund is reviewed in detail on page 10 in the Investment Manager's Report.

KraneShares MSCI China A 50 Connect UCITS ETF (formerly KraneShares MSCI China A Share UCITS ETF)

KraneShares MSCI China A 50 Connect UCITS ETF ("the Sub-Fund") is listed on the Main Securities Market of Euronext Dublin and the London Stock Exchange. The Sub-Fund listed on the Dublin and London stock exchanges on 26 June 2019.

The objective of the Sub-Fund is to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the investable universe of Chinese Yuan Renminbi ("RMB") denominated equity securities listed on the Shenzhen or Shanghai Stock Exchanges ("A Shares") ("China Renminbi Companies"). The Schedule of Investments lists the investments by country of incorporation. In order to seek to achieve the Sub-Fund's investment objective, the Investment Manager will aim to replicate the MSCI China A Index ("Index") by holding all of the constituents of the Index in a similar proportion to their weighting in the Index. The Sub-Fund follows a strategy of replicating the Index. The performance of the Sub-Fund is reviewed in detail on page 11 in the Investment Manager's Report.

KRANESHARES ICAV

Directors' Report (continued)

For the year ended 30 September 2021

The Sub-Funds (continued)

Investment Objective and Policies, and review of business developments (continued)

KraneShares MSCI China ESG Leaders UCITS ETF

KraneShares MSCI China ESG leaders UCITS ETF ("the Sub-Fund") is listed on the Main Securities Market of Euronext Dublin and the London Stock Exchange. The Sub-Fund listed on the Dublin and London stock exchanges on 4 February 2020.

The objective of the Sub-Fund is to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the investable universe of Chinese companies listed on the Shanghai, Shenzhen or Hong Kong Stock Exchanges ("China Companies"). This Sub-Fund tracks the MSCI China ESG Leaders Index, which is comprised of securities which would have a strong focus on ESG integration. The Investment Manager will seek to have regard to relevant Sustainability Risks and their potential detrimental impact generally where possible, and where it appears to the Investment Manager to be appropriate to do so. The Schedule of Investments lists the investments by country of incorporation. In order to seek to achieve the Sub-Fund's investment objective, the Investment Manager will aim to replicate the MSCI China ESG Leaders Index ("Index") by holding all of the constituents of the Index in a similar proportion to their weighting in the Index. The Sub-Fund follows a strategy of replicating the Index. The performance of the Sub-Fund is reviewed in detail on page 12 in the Investment Manager's Report.

KraneShares Bloomberg China Bond Inclusion UCITS ETF (formerly KraneShares Bloomberg Barclays China Bond Inclusion UCITS ETF)

KraneShares Bloomberg China Bond Inclusion UCITS ETF ("the Sub-Fund") is listed on the Main Securities Market of Euronext Dublin and the London Stock Exchange. The Sub-Fund listed on the Dublin and London stock exchanges on 14 January 2021.

The objective of the Sub-Fund is to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the investable universe of publicly traded fixed income securities issued by the Chinese government and government-related Chinese banks (the "Issuers"). The Schedule of Investments lists the investments by country of incorporation. In order to seek to achieve the Sub-Fund's investment objective, the Investment Manager will use the optimisation methodology to select Index securities in order to build a representative portfolio that provides a return that is comparable to that of the Chinese onshore renminbi denominated government and government related bank fixed income market index ("Index"). Consequently, the Sub-Fund may only hold a certain sub-set of the components of the Index. The Sub-Fund follows a strategy of not replicating any Indexes. The performance of the Sub-Fund is reviewed in detail on page 13 in the Investment Manager's Report.

KraneShares MSCI All China Health Care Index UCITS ETF

KraneShares MSCI All China Health Care Index UCITS ETF ("the Sub-Fund") is listed on the Main Securities Market of Euronext Dublin and the London Stock Exchange. The Sub-Fund listed on the Dublin and London stock exchanges on 14 January 2021.

The objective of the Sub-Fund is to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the investable universe of publicly traded China-based companies, whose primary business or businesses are in the healthcare and healthcare-related sectors and whose securities are listed in Hong Kong, Shanghai, Shenzhen and outside of China ("China Healthcare Companies"). The Schedule of Investments lists the investments by country of incorporation. In order to seek to achieve the Sub-Fund's investment objective, the Investment Manager will aim to replicate the MSCI China All Shares Health Care 10/40 Index by holding all of the constituents of the Index in a similar proportion to their weighting in the Index. The Sub-Fund follows a strategy of replicating the Index. The performance of the Sub-Fund is reviewed in detail on page 14 in the Investment Manager's Report.

KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF

KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF ("the Sub-Fund") is listed on the Main Securities Market of Euronext Dublin and the London Stock Exchange. The Sub-Fund listed on the Dublin and London stock exchanges on 25 May 2021 and on the Italian Stock Exchange on 21 July 2021.

The objective of the Sub-Fund is to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the investable universe of publicly traded China-based companies whose primary business or businesses involve science and technology ("China Science and Technology Companies"). The Schedule of Investments lists the investments by country of incorporation. In order to seek to achieve the Sub-Fund's investment objective, the Investment Manager will aim to replicate the SSE Science and Technology Innovation Board 50 Index ("Index") by holding all of the constituents of the Index in a similar proportion to their weighting in the Index. The Sub-Fund follows a strategy of replicating the Index. The performance of the Sub-Fund is reviewed in detail on page 15 in the Investment Manager's Report.

KRANESHARES ICAV

Directors' Report (continued)

For the year ended 30 September 2021

Risk management objectives and policies

The Directors have identified certain risks arising from the ICAV's holdings. The principal risks and uncertainties which the ICAV faces relate to the use of financial instruments and are listed in Note 7 "Financial risk management".

Results

The results of operations of the ICAV for the financial year are set out in the Statement of Comprehensive Income on page 55. A review of the performance of the Sub-Funds for the financial year is included in the Investment Manager's report on pages 9 to 15.

Significant events during the reporting year

Significant events during the year under review are disclosed in Note 12 "Significant events during the reporting year".

Events after the reporting financial year

Subsequent events are disclosed in Note 13 "Events after the reporting year".

Directors

Feargal Dempsey, Lorcan Murphy, Xiaolin Chen and Jonathan Krane were appointed as Directors on 1 October 2018. Sjeff Pieters was appointed as a Director on 10 February 2020. Piers Wheeler was appointed as a Director on 3 June 2020, and subsequently resigned as a Director on 12 March 2021. Paolo Iurcotta was appointed as a Director on 29 July 2021.

Directors' and Secretary's Interests

None of the Directors, their families or the Secretary held any interest in the shares of the Sub-Funds during the financial year. Director Jonathan Krane is a principal of the Investment Manager. Accordingly, Jonathan Krane has an interest in the Investment Management Agreement.

Transactions involving Directors and ICAV Secretary

Contracts or arrangements of any significance in relation to the business of the ICAV in which the Directors or the ICAV Secretary had any interest as defined in the ICAV Act, at any time during the year ended 30 September 2021, are disclosed in Note 9 "Related Parties" in the notes to the financial statements.

Secretary

Mastack Trust Limited held the office of Secretary throughout the financial year.

Directors' Remuneration

The Manager shall be responsible for discharging any fees and expenses of the Directors' of the ICAV out of the fee which it receives from the ICAV. The fixed fee of the independent Directors of the Board will be commercially negotiated.

Segregated Liability

The ICAV is an umbrella fund with segregated liability between the Sub-Funds and as such, as a matter of Irish law, the assets of a Sub-Fund will not be exposed to the liabilities of the ICAV's other Sub-Funds.

Segregated liability ensures that the liabilities incurred on behalf of a Sub-Fund will be discharged solely out of the assets of that Sub-Fund and there can generally be no recourse to the other Sub-Funds to satisfy those liabilities.

Each Sub-Fund will be responsible for paying its fees and expenses regardless of the level of profitability. Notwithstanding the foregoing there can be no guarantee or assurance that, should an action be brought against the ICAV in a court of another jurisdiction, that the segregated nature of the Sub-Funds would necessarily be upheld.

For the year ended 30 September 2021

Connected Persons

In accordance with the requirements of the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, (the "Central Bank UCITS Regulations"), all transactions carried out with the ICAV by the Manager, Investment Manager, Depositary, delegates or sub-delegates of these parties (the "connected persons") must be conducted at arm's length and be in the best interests of shareholders of the ICAV. The Directors are satisfied that there are arrangements in place to ensure that the obligations set out in the Central Bank UCITS Regulations are applied to all transactions with connected persons and transactions with connected persons entered into during the financial year complied with the obligations set out in the Central Bank UCITS Regulations.

Shareholders should note that not all connected persons as defined by the Central Bank UCITS Regulations are deemed related parties as defined by IAS 24 'Related Party Disclosures'. Related parties include the board of Directors, the Manager, and the Investment Manager.

Transactions with related parties during the year ended 30 September 2021 are disclosed in Note 9 "Related Parties" in the notes to the financial statements.

Dividends

All the Sub-Funds have accumulating share classes, and with the exception of KraneShares Bloomberg China Bond Inclusion UCITS ETF, which has distributing share classes, intend to accumulate all net investment income and net realised capital gains. The KraneShares CSI China Internet UCITS ETF, KraneShares MSCI China A 50 Connect UCITS ETF and KraneShares MSCI China ESG Leaders UCITS ETF, KraneShares MSCI All China Health Care Index UCITS ETF and KraneShares ICBCS SSE Star Market 50 Index UCITS ETF do not intend to make distributions in respect of the accumulating share classes.

KraneShares Bloomberg China Bond Inclusion UCITS ETF have made distributions in respect of the distributing share class, with the first distribution declared in February 2021, and a second distribution declared in June 2021. Total distributions of \$118,570 on the distributing class were made by the Sub-Fund for the year ended 30 September 2021 (2020: Nil). The dividend ex-dates were 18 February 2021 and 17 June 2021, and the pay dates were 9 March 2021 and 30 June 2021 respectively.

Soft Commissions

There were no soft commission arrangements during the year (2020: Nil).

Security Lending

The ICAV entered into a securities lending agency agreement with the Sub-Custodian on 28 July 2020. A tri-party agreement was entered into between the ICAV, Sub-Custodian and BNY Mellon in February 2021. Securities lending commenced on KraneShares CSI China Internet UCITS ETF in August 2020. Securities lending commenced on KraneShares MSCI China ESG Leaders UCITS ETF in April 2021. As at 30 September 2021 the KraneShares CSI China Internet UCITS ETF was engaged in thirty securities lending arrangements with a combined value of \$41,811,766 (2020: \$2,099,563). As at 30 September 2021 the KraneShares MSCI China ESG Leaders UCITS ETF was engaged in two securities lending arrangements with a combined value of \$55,289 (2020: \$Nil). Further details on security lending are detailed in Note 2 (d)(xi) and Note 11 "Security Lending".

Impact of COVID-19

The impacts of the COVID-19 coronavirus outbreak have caused a significant deterioration in economic conditions for some businesses and an increase in economic uncertainty for others. The Directors of the ICAV are required to assess whether these events or conditions, either individually or collectively ('current events or conditions'), cast significant doubt on the ability of the Sub-Funds of the ICAV to continue as a going concern or, in severe cases, whether the going concern assumption is still appropriate as a basis for the preparation of the Sub-Funds financial statements.

The Directors of the ICAV have reviewed the impact of Covid-19 and do not believe it to cast a significant doubt on any Sub-Funds ability to continue as a going concern.

Going Concern

It is critical for the Directors of the ICAV to assess what impacts the current events and conditions have on the Sub-Funds operations with the key issue being whether the Sub-Funds have sufficient liquidity to continue to meet their obligations as they fall due. In this case, the Directors are of the view that the Sub-Funds have sufficient liquidity to cover its obligations for at least 12 months and they believe that the Sub-Funds will continue in operational existence for the foreseeable future. In making this assessment the Directors considered the level of redemptions post year end as disclosed in Note 13 "Events after the reporting year". The Investment Manager has agreed to bear the cost of certain fees and operational expenses which are over and above the total expense ratio or "TER" of each Sub-Fund. Please refer to Note 5 "Fees and Expenses" for further details.

As at 30 September 2021, the Directors believe that the ICAV and all of its Sub-Funds will continue in operational existence for the foreseeable future. For this reason, the going concern basis has been adopted in preparing the financial statements.

KRANESHARES ICAV

Directors' Report (continued)

For the year ended 30 September 2021

Employees

The ICAV had no employees throughout the year ended 30 September 2021 (2020: no employees).

Key Performance Indicators

The Directors consider that the change in net asset value (“NAV”) per share is a key indicator of the performance of the ICAV. Key performance indicators monitored by the Directors for each Sub-Fund include the month to month movement in the NAV per share, the tracking of each Sub-Fund’s performance to the performance of the relevant Index and the share capital movements.

Future Developments

The ICAV is planning to launch two new Sub-Funds, in February 2022. No further developments are expected as at the date of issue of the financial statements of the ICAV.

Updates to Legal Documents

An updated Prospectus was issued for the ICAV on 17 June 2021. Updated Supplements were issued for the Sub-Funds on 17 June 2021. The updates included:

- a new section on sustainable finance has been included in the prospectus;
- sections on collection account risk and sustainability risk have been added;
- passage of time updates for all supplements and prospectus.

Accounting Records

The Directors have ensured that adequate accounting record requirements under Sections 109 to 113 of the ICAV Act have been complied with by outsourcing this function to a specialist provider of such services. The accounting records are held by SEI Investments – Global Fund Services Limited in their office which is located at Styne House, Upper Hatch Street, Dublin 2, Ireland.

Directors' Responsibilities Statement

The Directors are responsible for preparing the Directors' Report and financial statements, in accordance with applicable law and regulations.

The ICAV Act requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union.

The financial statements are required to give a true and fair view of the assets, liabilities and financial position of each of the Sub-Funds at the end of the financial year and of the increase or decrease in net assets attributable to holders of redeemable participating shares in the Sub-Funds for the financial year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess each Sub-Fund’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Sub-Funds or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and increase or decrease in net assets attributable to holders of redeemable participating shares in the Sub-Funds and enable them to ensure that the financial statements comply with the ICAV Act and the UCITS Regulations. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Sub-Funds. In this regard they have entrusted the assets of the Sub-Funds to a depositary for safe-keeping. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a Directors' Report that complies with the requirements of the ICAV Act.

The financial statements are published on the Manager’s website: <https://waystone.com/funds/kranshares-icav/>. The Directors, together with the Investment Manager and Manager, are responsible for the maintenance and integrity of the corporate and financial information included on the Manager’s website. Legislation in the Republic of Ireland governing the presentation and dissemination of the financial statements may differ from legislation in other jurisdictions.

KRANESHARES ICAV

Directors' Report (continued)

For the year ended 30 September 2021

Corporate Governance

The ICAV is subject to compliance with the requirements of the ICAV Act and the Central Bank UCITS Regulations. During the year under review, the ICAV was subject to corporate governance imposed by:

- i. The ICAV Act which can be obtained at <http://www.irishstatutebook.ie>;
- ii. The Instrument of Incorporation of the ICAV which is available for inspection at the registered office of the ICAV at 70 Sir John Rogerson's Quay, Dublin 2, Ireland; and
- iii. The Central Bank UCITS Regulations which can be obtained from the Central Bank's website at: <http://www.centralbank.ie/regulation/industry-sectors/funds/ucits/Pages/default.aspx> and is available for inspection at the registered office of the ICAV.
- v. The Euronext Dublin through the Euronext Dublin Code of Listing Requirements and Procedures which can be obtained from the Euronext Dublin's website at <http://www.ise.ie/>. The Euronext Amsterdam through the Euronext Amsterdam Code of Listing Requirements and Procedures which can be obtained from the Euronext Amsterdam's website at <http://www.euronext.com/>. The London Stock Exchange through the London Stock Exchange Rule book which can be obtained from the London Stock Exchange's website at <http://www.londonstockexchange.com/>.
- vi. The Irish Funds, formally Irish Funds Industry Association, Corporate Governance Code for Collective Investment Schemes and Management Companies (December 2011) which can be found at <http://www.irishfunds.ie/regulatory-technical/corporate-governance>.

(a) Compliance with the Irish Corporate Governance Code

The Directors have adopted the voluntary Irish Funds (formerly Irish Funds Industry Association) ("IFIA") Corporate Governance Code for Irish domiciled Collective Investment Schemes and Management Companies, issued 14 December 2011 (the "Code"). The Directors have reviewed and assessed the measure included in the Code and consider its corporate governance practices and procedures since the adoption of the Code as consistent therewith.

The Code provides a framework for the organisation and operation of funds to ensure that funds operate efficiently and in the interests of shareholders.

The Board considers that the ICAV has complied with the main provisions contained in the Code throughout this accounting year and that it complies with the various other corporate governance requirements prescribed by the legislation noted above.

(b) Withdrawal of the UK from the EU

The Brexit process has been concluded and a final deal has been agreed by the United Kingdom ("UK") and the European Union ("EU"), which has taken effect on 1 January 2021.

The Directors continue to monitor the implications of the agreement, as there is still relative uncertainty and potential implications on the economy, legal and regulatory framework and potential impact on financial markets.

Relevant Audit Information

The Directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Company's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the Company's statutory auditors are unaware.

Independent Auditors

The auditor, KPMG, Chartered Accountants, were appointed statutory auditor on 6 November 2019 and have been re-appointed annually since that date, and pursuant to section 125 will continue in office.

On behalf of the Board of Directors:



Director

Date: 28 January 2022



Director

For the year ended 30 September 2021

2020 was an exceptional year in many respects, notwithstanding the occurrence of the worst pandemic in a century. 2020 was also exceptional in terms of the performance of the sub-funds of the KraneShares ICAV and we could not have reasonably expected such stellar performance to have been repeated in 2021. Alas, it was not. Regulatory uncertainty, profit taking, and geopolitical tensions led to deep drawdowns in the performance of a significant portion of our strategies during the reporting period. Nonetheless, we remain optimistic about the themes and asset classes captured by our sub-funds and wish to remind our investors to maintain a long-term view.

China capital market overview for the reporting period:

- China's Equity market, as measured by the MSCI China Index, was down for the period, returning -6.8%, while the global broad Equity market, as measured by the MSCI All Country World Index (ACWI), returned 27.3%
- China's Fixed Income market continued to offer high yields relative to developed markets. The 10-Year China Government Bond currently offers a 138 bps (as of Q3 2021) pick up in yield over the 10-Year US Treasury. China's currency, the Renminbi (CNY) appreciated by 3.7% versus the US Dollar for the reporting period.
- The MSCI China A Index tracks the performance of large and mid-cap companies listed on the Shanghai and Shenzhen stock exchanges. The index was up +18.3% for the reporting period compared to -6.8% for the broad China equity market, as measured by the MSCI China Index. The index's outperformance reflects the benefits of recent policy reforms to sectors that are mostly represented by Mainland-listed shares, as opposed to shares listed in Hong Kong and the US.
- The MSCI China ESG Leaders 10/40 Index is designed to provide exposure to large and mid-cap companies in China with high Environmental, Social, and Governance ratings relative to their sector peers. The index was up +14.6% for the reporting period compared to -6.8% for the broad China equity market, as measured by the MSCI China index.
- The CSI Overseas China Internet Index tracks the performance of Chinese internet companies listed in the United States and Hong Kong. The index was down -29.4% for the reporting period compared to -6.8% for the broad China equity market, as measured by the MSCI China Index. The index's underperformance reflects the devaluation of internet companies by international investors due to regulatory uncertainty during the period.
- Despite headline risks from US-China relations, especially the passage of the Holding Foreign Companies Accountable Act (HFCAA), we continue to see investors maturing in their understanding of China's capital markets and strong interest in China-focused investment solutions.
- The ICAV added two new sub-funds during the reporting period: 1) KraneShares MSCI All China Health Care Index UCITS ETF, which offers access to health care companies operating in China and 2) KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF, which offers access to the top 50 companies listed on the STAR Board, a special board within the Shanghai Stock Exchange that focuses on companies that are innovators in the fields of science and technology and was established in July, 2019.

KRANESHARES ICAV

Investment Manager's Report (continued)

For the year ended 30 September 2021

KraneShares CSI China Internet UCITS ETF (a sub-fund of KraneShares ICAV)

The KraneShares CSI China Internet UCITS ETF (the "Sub-Fund") seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the CSI Overseas China Internet Index (the "Underlying Index").

The Underlying Index is designed to measure the performance of the investable universe of publicly traded China-based companies whose primary business or businesses are in the Internet and Internet-related sectors ("China Internet Companies"), as defined by the index sponsor, China Securities Index Co., Ltd. ("CSI").

From the Sub-Fund's last reporting period to 30 September, 2021 (the "reporting period"), the NAV of the Sub-Fund decreased -30.0% while the Underlying Index decreased -29.4%, a performance difference of -0.6%. The performance difference was calculated as the deviation between the NAV of the Sub-Fund and the NAV of the underlying index. The realized difference for this reporting period is mainly driven by management fees.

Please see details for the Sub-Fund and the Underlying Index returns for the reporting period and since the Sub-Fund inception below:

Fund & Underlying Index	Ticker	1 October 2020 – 30 September 2021	Since Inception* (as of Q3 2021)
KraneShares CSI China Internet UCITS ETF	KWEB	-30.0%	17.4%
CSI Overseas China Internet Index	H1137	-29.4%	20.4%
MSCI China	MXCN	-6.8%	30.1%

*The Sub-Fund launched on 20 November 2018 at LSE

China Internet Market Review

By the beginning of the reporting period, China had mostly recovered from the covid-19 pandemic and the country's industrial and services sectors were operating at or near pre-pandemic capacity. As such, starting in late 2020, investors began to favour reopening themes and took some profits in companies that had been poised to benefit from work from home and other pandemic-induced digitalization trends.

In November 2020, Alibaba's financial services arm Ant Group's IPO was postponed by regulators due to a lack of disclosure around the potential for the company to be regulated as a bank and the fact that the company was not compliant with banking regulations. The postponement of the IPO marked the beginning of sweeping reforms to how the China internet sector is governed. In July, the Ministry of Industry and Information Technology (MIIT) announced a regulatory review and implementation period slated to last six months. New regulations addressed a wide range of issues including anticompetitive behaviour, cybersecurity risks, consumer data protection, the financial risks presented by online lending, and for-profit K-9 online education.

The rollout of new regulations for China's internet sector was swift and broad reaching, leading to investor uncertainty and a significant devaluation of internet stocks. Although many companies in China's internet sector continued to grow revenues during this period of regulatory uncertainty and fines imposed were often more than covered by companies' cash on hand, international investors sold off overseas-listed shares of China-based internet platforms en masse and volatility in these shares persisted throughout the reporting period.

MIIT announced that 68 leading Internet companies including Baidu, Alibaba, Tencent, ByteDance, Sina Weibo, and iQiyi had already come into compliance with new regulations as early as July. While we may see further policy implementation and enforcement actions, most new regulations were implemented and adopted by the companies by the end of the reporting period. Furthermore, many internet companies' fundamentals are more attractive than ever and we expect these companies to continue to grow revenues over the long term.

Krane Funds Advisors, LLC

28 January 2022

KRANESHARES ICAV

Investment Manager's Report (continued)

For the year ended 30 September 2021

KraneShares MSCI China A 50 Connect UCITS ETF (a sub-fund of KraneShares ICAV)

The KraneShares MSCI China A-Share UCITS ETF (the "Sub-Fund") seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the MSCI China A Index (the "Underlying Index").

The Underlying Index captures large and mid-cap companies' representation across China securities listed on the Shanghai and Shenzhen exchanges (A-Share). It is designed for global investors accessing the A-Share market using the Stock Connect framework and is calculated using China A Stock Connect listings based on the RMB exchange rate (CNY), as defined by the index sponsor, MSCI.

From the Sub-Fund's last reporting period to 30 September, 2021 (the "reporting period"), the NAV of the Sub-Fund increased 16.7% while the Underlying Index increased 18.3%, a performance difference of 1.6%. The performance difference was calculated as the deviation between the NAV of the Sub-Fund and the NAV of the underlying index. The realized difference for this reporting period is mainly driven by management fees.

Please see details for the Sub-Fund and the Underlying Index returns for the reporting period and since the Sub-Fund inception below:

Fund & Underlying Index	Ticker	1 October 2020 – 30 September 2021	Since Inception* (as of Q3 2021)
KraneShares MSCI China A 50 Connect UCITS ETF	KBA	16.7%	50.6%
MSCI China A Index	NU718708	18.3%	55.6%
MSCI China	MXCN	-6.8%	19.1%

*The Sub-Fund launched on 26 June 2019 at LSE

A Share Market Review

By the beginning of the reporting period, China had mostly recovered from the covid-19 pandemic and the country's industrial and services sectors were operating at or near pre-pandemic capacity. The successful recovery was positive for China's broad equity market, which continued to rise during the reporting period, albeit with a high level of volatility at the beginning of 2020, driven by policy reform. While overseas-listed internet firms have been deeply devalued by investors, China's Mainland markets have held their own as policy reforms continue to benefit sectors that are mostly represented by Mainland-listed equities.

Liquidity remained abundant in China during the reporting period, to the benefit of Mainland-listed equities. The People's Bank of China (PBOC), China's central bank, tightened fiscal conditions somewhat in mid-2021 as the demand recovery gained some steam. However, the central bank remains largely accommodative.

Aside from policy, Mainland-listed equities were supported throughout the reporting period by healthy consumer demand in China, a rise in export volume as global economies came back online, and an improving business environment in China following the covid-19 pandemic. The Markit/Caixin Services PMI for September was 53.4, indicating an expansion in services demand, compared to an estimated 49.1, which would have signalled a contraction, and August's lackluster reading of 46.7.

Recently, the China Securities Regulatory Commission (CSRC) allowed the listing of A-Shares futures on the Hong Kong exchange, allowing investors to hedge and manage the risk of their A-Share exposure. We believe this represents a significant breakthrough in the quest for full inclusion. Access to derivatives, which enables investors to hedge risk, was a top concern for MSCI to be addressed before further inclusion per MSCI's last China A inclusion consultation in February of 2019. Therefore, we believe another round of inclusion is likely in 2022.

Krane Funds Advisors, LLC

28 January 2022

KRANESHARES ICAV

Investment Manager's Report (continued)

For the year ended 30 September 2021

KraneShares MSCI China ESG Leaders UCITS ETF (a sub-fund of KraneShares ICAV)

The KraneShares MSCI China ESG Leaders UCITS ETF (the "Sub-Fund") seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the MSCI China ESG Leaders 10/40 Index (the "Underlying Index").

The Underlying Index captures large and mid-cap companies listed in China with a limit on individual constituent weights to 10% and sector weights to 40% of its composition to ensure satisfaction of the UCITS diversification rule. The Underlying Index is designed to provide exposure to companies with high Environmental, Social and Governance (ESG) ratings relative to their sector peers.

From the Sub-Fund's inception to 30 September, 2021 (the "reporting period"), the NAV of the Sub-Fund increased 14.0%, while the Underlying Index increased 14.6%, a performance difference of 0.6%. The performance difference was calculated as the deviation between the NAV of the Sub-Fund and the NAV of the underlying index. However, it requires at least one year of performance before an accurate calculation can be made. The expected performance difference estimate is mainly driven by management fees.

Please see details for the Sub-Fund and the Underlying Index returns for the reporting period and since the Sub-Fund inception below:

Fund & Underlying Index	Ticker	1 October 2020 – 30 September 2021	Since Inception* (as of Q3 2021)
KraneShares MSCI China ESG Leaders UCITS ETF	KESG	14.0%	39.8%
MSCI China ESG Leaders 10/40 Index	MXCNEL40	14.6%	42.54%
MSCI China	MXCN	-6.8%	13.9%

*The Sub-Fund launched on 2 February 2020

China ESG Market Review

Investor interest in ESG solutions continued to soar during the reporting period. We are pleased to have achieved a one-year performance track record for KESG during the period. The Sub-Fund's NAV increased by 14.0% for the reporting period compared to -6.8% for the broad China equity market, as measured by the MSCI China index, supporting our thesis that ESG considerations may lead to outperformance when investing in China.

President Xi's pledge to promote "common prosperity" in the government's oversight of private businesses led to investor enthusiasm for Chinese companies with high ESG rankings. Although the Sub-Fund had been invested in internet platforms whose share prices were negatively impacted by regulatory reforms during the period, the Sub-Fund's overall performance was supported by its investments in other industries including health care, electric vehicles, apparel, and financials.

Krane Funds Advisors, LLC

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KRANESHARES ICAV

Investment Manager's Report (continued)

For the year ended 30 September 2021

KraneShares Bloomberg China Bond Inclusion UCITS ETF (a sub-fund of KraneShares ICAV)

The KraneShares Bloomberg China Bond Inclusion UCITS ETF (the "Sub-Fund") seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the Bloomberg China Treasury and Policy Bank 9% Capped Index (the "Underlying Index").

The Underlying Index is designed to track the performance of China's onshore Renminbi-denominated fixed rate Treasury and Policy Banks securities that are listed on the China Interbank market, while capping the exposure of individual Policy Banks to 9%.

From the Sub-Fund's inception to September 30, 2021 (the "reporting period"), the NAV of the Sub-Fund increased 10.2%, while the Underlying Index increased 11.5%, a performance difference of 1.3%. The performance difference was calculated as the deviation between the NAV of the Sub-Fund and the NAV of the underlying index. The expected performance difference estimate is mainly driven by management fees.

Please see details for the Sub-Fund and the Underlying Index returns for the reporting period and since the Sub-Fund inception below:

Fund & Underlying Index	Ticker	1 October 2020 – 30 September 2021	Since Inception* (as of Q3 2021)
KraneShares Bloomberg China Bond Inclusion UCITS ETF	KBND	10.2%	11.4%
Bloomberg China Treasury and Policy Bank 9% Capped Index	I34735US	11.5%	13.3%

*The Sub-Fund was launched on 26 May 2020 at LSE

China Government Bond Market Review

China's government bonds offered a substantially higher yield compared to US treasuries (by 138 bps as of Q3 2021) and bonds offered by many European governments throughout the reporting period and despite the run-up in yields in the US. China's currency also continued to appreciate against the US dollar, by 3.7% for the reporting period, and the Euro, by 6.4% for the reporting period, thanks to strong demand for Chinese goods as evidenced by surging exports in 2020 and the beginning of 2021, which had a beneficial impact on the Sub-Fund's performance.

Moody's continues to rate China as an A1 sovereign issuer thanks to the country's steadily maintained foreign reserves, which currently total around \$3 trillion, and government debt to GDP ratio of around 70% (as of Q4 2020).

Krane Funds Advisors, LLC

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KRANESHARES ICAV

Investment Manager's Report (continued)

For the year ended 30 September 2021

KraneShares MSCI All China Health Care Index UCITS ETF (a sub-fund of KraneShares ICAV)

The KraneShares MSCI All China Health Care Index UCITS ETF (the "Sub-Fund") seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the MSCI All China Health Care Index (the "Underlying Index").

The Underlying Index is a free float adjusted market capitalization weighted index designed to track the equity market performance of Chinese companies engaged in the health care sector. The securities in the Index include all types of publicly issued shares of Chinese issuers, which are listed in Mainland China, Hong Kong, and the United States. Issuers eligible for inclusion must be classified under the Global Industry Classification Standard (GICS) as engaged in the healthcare sector. The issuers included in the Underlying Index may include small-cap, mid-cap and large-cap companies.

From the Sub-Fund's launch to 30 September, 2021 (the "reporting period"), the NAV of the Sub-Fund decreased -6.9% while the Underlying Index decreased -5.6%, a performance difference of -1.3%. The performance difference was calculated as the deviation between the NAV of the Sub-Fund and the NAV of the underlying index. The realized difference for this reporting period is mainly driven by management fees and the Sub-Fund's relatively short performance history.

Please see details for the Sub-Fund and the Underlying Index returns for the reporting period and since the Sub-Fund inception below:

Fund & Underlying Index	Ticker	1 October 2020 – 30 September 2021	Since Inception* (as of Q3 2021)
KraneShares MSCI All China Health Care Index UCITS ETF	KURE	N/A	-6.9%
MSCI China All Shares Health Care 10/40 Index	M1CXCAH	13.6%	-5.6%
MSCI China	MXCN	-6.8%	-20.8%

*The Sub-Fund launched on 14 January 2021 at LSE

China Health Care Market Review

The immediate health care needs stemming from the pandemic, together with the emergence of green shoots in biotech innovation, made 2020 a landmark year in the development of the country's health care system. Furthermore, government reforms are helping to set the sector on a path of long-term growth by encouraging innovation and technological advancement in the hope of building a globally competitive health care system that is accessible, affordable, and of high quality.

The Sub-Fund's underlying index returned nearly 70% in 2020. As such, many of the health care companies included in the Sub-Fund experienced profit taking in the first nine months of 2021, leading to the drawdown in the Sub-Fund's performance for the reporting period. However, given the Sub-Fund's relatively short performance history, we remain optimistic about the growth prospects for China's leading health care companies, which serve a rapidly aging population with rising incomes.

We believe that 2020's strong performance highlighted the industries that will define the growth and development of China's health care system over the long-term, all of which are included in the Sub-Fund: contract research, health tech, and biotechnology. Contract research organizations (CROs) use their state-of-the-art, turn-key labs with advanced technological capabilities and access to a deep bench of scientists to develop new drugs and treatments for companies that wish to outsource their R&D processes. They are thereby able to profit from the R&D process without bearing as much risk, which makes for a defensive business model.

2020 saw the rapid expansion and development of health care technology or health tech, which has become an essential part of China's health care system and is now receiving support from the highest levels of government. Health tech platforms offer telemedicine, online pharmacies, disease management, and health care cloud data services, among other services.

The transition from a generic health care model to one based on innovation and competition is being led by biotechnology and life science companies and is supported by public policy in China. We believe this tectonic shift is the most significant potential driver of long-term growth and has caught the attention of global investors and pharmaceutical companies. Foreign investor interest in Chinese biotechnology IPOs has resulted in \$8.1B in new funding in 2020 alone alongside strong private equity investment. Furthermore, the number of license-out deals, or deals to sell drugs developed in China outside of China, as a percentage of total China deals has risen substantially since 2017. This is a testament to the innovation and R&D prowess of China's biotechnology firms.

Krane Funds Advisors, LLC

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KRANESHARES ICAV

Investment Manager's Report (continued)

For the year ended 30 September 2021

KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF (a sub-fund of KraneShares ICAV)

The KraneShares SSE STAR Market 50 Index UCITS ETF (the "Sub-Fund") seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the SSE Science and Technology Innovation Board 50 Index (the "Underlying Index").

The Underlying Index is comprised of the 50 largest companies listed on the SSE Science and Technology Innovation Board (STAR Market) as determined by market capitalization and liquidity.

From the Sub-Fund's launch to 30 September, 2021 (the "reporting period"), the NAV of the Sub-Fund decreased by -0.8% while the Underlying Index decreased -0.8%, a performance difference of -0.0%. The performance difference was calculated as the deviation between the NAV of the Sub-Fund and the NAV of the underlying index.

Please see details for the Fund and the Underlying Index returns for the reporting period and since the Sub-Fund inception below:

Fund & Underlying Index	Ticker	1 October 2020 – 30 September 2021	Since Inception* (as of Q3 2021)
KraneShares SSE STAR Market 50 Index UCITS ETF	KSTR	N/A	-0.8%
SSE Science and Technology Innovation Board 50 Index	STAR50	N/A	-0.8%
MSCI China	MXCN	-6.8%	-15.2%

*The Sub-Fund launched on 26 May 2021 at LSE

STAR Market Review

The STAR Board of the Shanghai Stock Exchange was launched in 2019 to provide a listing venue for pre-profit technology companies within China's borders. To list on the special board, companies must meet at least one of five listing requirements: profitability, an R&D threshold, a revenue threshold, an operating cash flow threshold, or a minimum level of strategic importance to the Chinese government. The STAR Market has been dubbed "the Nasdaq of China." The market started out with a market capitalization of approximately \$100 billion, which is on par with where the Nasdaq started in 1971. We believe investing in the STAR Market today could be akin to having invested in the Nasdaq in 1971.

Growth stocks in China came under pressure starting in mid-2021 due to regulatory uncertainty and listings on the STAR market were not spared, leading to volatility and a slight drawdown in performance since the Sub-Fund's inception. However, given the Sub-Fund's relatively short performance history, we remain optimistic about the growth prospects of the top 50 companies listed on the STAR Market and believe that investing in the STAR Market requires a long-term investment horizon. The companies held in the Sub-Fund represent the forefront of science and technology innovation in China. The Sub-Fund captures long-term growth themes including 5G, artificial intelligence, cloud computing, internet of things (IoT), cutting-edge transportation infrastructure, and the electric vehicle (EV) ecosystem.

Krane Funds Advisors, LLC

28 January 2022

KRANESHARES ICAV

Depository's Report

For the year ended 30 September 2021

We, SEI Investments – Depository and Custodial Services (Ireland) Limited, appointed Depository to KraneShares ICAV (“the ICAV”) provide this report solely in favour of the investors of the ICAV as a body for the year ended 30 September 2021 (“the Accounting Period”). This report is provided in accordance with the UCITS Regulations – European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (SI No 352 of 2011) as amended, (“the UCITS Regulations”). We do not, in the provision of this report, accept nor assume responsibility for any other purpose or person to whom this report is shown.

In accordance with our Depository obligation as provided for under the UCITS Regulations, we have enquired into the conduct of the ICAV for the Accounting Period and we hereby report thereon to the investors of the ICAV as follows;

We are of the opinion that the ICAV has been managed during the Accounting Period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the ICAV by the constitutional documents and by the UCITS Regulations; and
- (ii) otherwise in accordance with the provisions of the constitutional document and the UCITS Regulations.



For and on behalf of SEI Investments - Depository and Custodial Services (Ireland) Limited

Date: 25 January 2022



KPMG
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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF KRANESHARES CSI CHINA INTERNET UCITS ETF, KRANESHARES MSCI CHINA A 50 CONNECT UCITS ETF (FORMERLY KRANESHARES MSCI CHINA A SHARE UCITS ETF), KRANESHARES MSCI CHINA ESG LEADERS UCITS ETF, KRANESHARES BLOOMBERG CHINA BOND INCLUSION UCITS ETF (FORMERLY KRANESHARES BLOOMBERG BARCLAYS CHINA BOND INCLUSION UCITS ETF), KRANESHARES MSCI ALL CHINA HEALTH CARE INDEX UCITS ETF and KRANESHARES ICBCCS SSE STAR MARKET 50 INDEX UCITS ETF.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of KraneShares CSI China Internet UCITS ETF, KraneShares MSCI China A 50 Connect UCITS ETF (formerly KraneShares MSCI China A Share UCITS ETF), KraneShares MSCI China ESG Leaders UCITS ETF, KraneShares Bloomberg China Bond Inclusion UCITS ETF (formerly KraneShares Bloomberg Barclays China Bond Inclusion UCITS ETF), KraneShares MSCI All China Health Care Index UCITS ETF, and KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF (collectively, "the Sub-Funds"), of KraneShares ICAV ("the ICAV") for the year ended 30 September 2021 set out on pages 25 to 97 which comprise in each case the Schedule of Investments, Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares, Statement of Cash Flows and related notes, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion:

- the financial statements of each of the Sub-Funds of the ICAV (the financial statements) give a true and fair view of the assets, liabilities and financial position of each of the Sub-Funds as at 30 September 2021 and of the increase / (decrease) in net assets attributable to holders of redeemable participating shares of each of the Sub-Funds for the year then ended;
- the financial statements have been properly prepared in accordance with IFRS as adopted by the European Union; and
- the financial statements have been properly prepared in accordance with the requirements of the Irish Collective Asset-management Vehicles Acts 2015 and 2020 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities section of our report. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the board of directors.

We were appointed as auditor by the directors on 6 November 2019. The period of total uninterrupted engagement is the 3 years ended 30 September 2021. We have fulfilled our ethical responsibilities under, and we remained independent of the ICAV in accordance with, ethical requirements applicable in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.



Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of each Sub-Fund's ability to continue to adopt the going concern basis of accounting included consideration of the inherent risks to the Sub-Funds' business model and analysing how those risks might affect the Sub-Funds' financial resources or ability to continue as a going concern over the twelve months from the date of when the financial statements are authorised for issue. The risks that we considered most likely to adversely affect the Sub-Funds available financial resources over this period included the value of assets under management, the Investment Manager's intention to continue to manage the portfolio and the directors' assessment of the operational resilience of the Sub-Funds.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on KraneShares CSI China Internet UCITS ETF, KraneShares MSCI China ESG Leaders UCITS ETF, KraneShares MSCI All China Health Care Index UCITS ETF, and KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Material uncertainty related to going concern (KraneShares MSCI China A 50 Connect UCITS ETF and KraneShares Bloomberg China Bond Inclusion UCITS ETF)

We draw attention to note 13 in the financial statements, which indicates that subsequent to the year-end date, KraneShares MSCI China A 50 Connect UCITS ETF experienced net redemptions of USD 19,239,585 and KraneShares Bloomberg China Bond Inclusion UCITS ETF experienced net redemptions of USD 3,854,475. In the event that these Sub-Funds continue to experience significant net redemptions the Sub-Funds may no longer be viable. As further noted in note 13, the redemptions experienced by KraneShares MSCI China A 50 Connect UCITS ETF and KraneShares Bloomberg China Bond Inclusion UCITS ETF therefore give rise to events or conditions that indicate that a material uncertainty exists that may cast significant doubt on the KraneShares MSCI China A 50 Connect UCITS ETF and KraneShares Bloomberg China Bond Inclusion UCITS ETF's ability to continue as a going concern. Our opinion is not modified in respect of these matters.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In arriving at our audit opinion above, the key audit matter, was as follows (unchanged from 2020 for KraneShares CSI China Internet UCITS ETF, KraneShares MSCI China A 50 Connect UCITS ETF, KraneShares MSCI China ESG Leaders UCITS ETF and KraneShares Bloomberg China Bond Inclusion UCITS ETF):

KRANESHARES CSI CHINA INTERNET UCITS ETF

Accuracy of the valuation of Financial Assets at Fair Value Through Profit or Loss USD 614.1 Million (2020: USD 185.5 Million)

Refer to note 2 (basis of preparation and significant accounting policies), note 7 (financial risk management) and note 8 (fair value measurement)



The key audit matter

The Sub-Fund's financial assets make up 99.93% of the net asset value and are considered to be the key driver of the Sub-Fund's results. While the nature of the Sub-Fund's financial assets do not require a significant level of judgement because they comprise of liquid, quoted investments, due to their significance in the context of the financial statements as a whole, the accuracy of the valuation of financial assets was identified as the matter which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.

How the matter was addressed in our audit

Our audit procedures over the accuracy of the valuation of the Sub-Fund's investment portfolio included but were not limited to:

- Obtaining an understanding of, and documenting, the process in place to record investment transactions and to value the portfolio of investments;
- Agreeing 100% of the year end portfolio prices to an independent source; and
- Assessing the disclosures of financial assets in accordance with the fair value hierarchy set out in IFRS as adopted by the EU.

No material misstatements were identified by our audit procedures.

Our application of materiality and an overview of the scope of our audit

The materiality for the Sub-Fund financial statements as a whole was set at USD 6.23 Million (2020: USD 1.89 Million). This has been calculated with reference to a benchmark of the Sub-Fund's total asset value, (of which it represents 100 basis points) as at 30 September 2021, which we consider to be one of the principal considerations for members of the Sub-Fund in assessing the financial performance of the Sub-Fund. We applied materiality to assist us determine what risks were significant risks and the procedures to be performed.

We report to the Board of Directors all corrected and uncorrected misstatements we identified through our audit with a value in excess of USD 311,349 (5 basis points of the Sub-Fund's total asset value), in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

KRANESHARES MSCI CHINA A 50 CONNECT UCITS ETF

Accuracy of the valuation of Financial Assets at Fair Value Through Profit or Loss USD 23.9 Million (2020: USD 12.3 Million)

Refer to note 2 (basis of preparation and significant accounting policies), note 7 (financial risk management) and note 8 (fair value measurement)

The key audit matter

The Sub-Fund's financial assets make up 99.87% of the net asset value and are considered to be the key driver of the Sub-Fund's results. While the nature of the Sub-Fund's financial assets do not require a significant level of judgement because they comprise of liquid, quoted investments, due to their significance in the context of the financial statements as a whole, the accuracy of the valuation of financial assets was identified as the matter which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.

How the matter was addressed in our audit

Our audit procedures over the accuracy of the valuation of the Sub-Fund's investment portfolio included but were not limited to:

- Obtaining an understanding of, and documenting, the process in place to record investment transactions and to value the portfolio of investments;
- Agreeing 100% of the year end portfolio prices to an independent source; and
- Assessing the disclosures of financial assets in accordance with the fair value hierarchy set out in IFRS as adopted by the EU.

No material misstatements were identified by our audit procedures.



Our application of materiality and an overview of the scope of our audit

The materiality for the Sub-Fund financial statements as a whole was set at USD 0.24 Million (2020: USD 0.16 Million). This has been calculated with reference to a benchmark of the Sub-Fund's total asset value, (of which it represents 100 basis points) as at 30 September 2021, which we consider to be one of the principal considerations for members of the Sub-Fund in assessing the financial performance of the Sub-Fund. We applied materiality to assist us determine what risks were significant risks and the procedures to be performed.

We report to the Board of Directors all corrected and uncorrected misstatements we identified through our audit with a value in excess of USD 12,018 (5 basis points of the Sub-Fund's total asset value), in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

KRANESHARES MSCI CHINA ESG LEADERS UCITS ETF

Accuracy of the valuation of Financial Assets at Fair Value Through Profit or Loss USD 30.3 Million (2020: USD 3.7 Million)

Refer to note 2 (basis of preparation and significant accounting policies), note 7 (financial risk management) and note 8 (fair value measurement)

The key audit matter

The Sub-Fund's financial assets make up 99.62% of the net asset value and are considered to be the key driver of the Sub-Fund's results. While the nature of the Sub-Fund's financial assets do not require a significant level of judgement because they comprise of liquid, quoted investments, due to their significance in the context of the financial statements as a whole, the accuracy of the valuation of financial assets was identified as the matter which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.

How the matter was addressed in our audit

Our audit procedures over the accuracy of the valuation of the Sub-Fund's investment portfolio included but were not limited to:

- Obtaining an understanding of, and documenting, the process in place to record investment transactions and to value the portfolio of investments;
- Agreeing 100% of the year end portfolio prices to an independent source; and
- Assessing the disclosures of financial assets in accordance with the fair value hierarchy set out in IFRS as adopted by the EU.

No material misstatements were identified by our audit procedures.

Our application of materiality and an overview of the scope of our audit

The materiality for the Sub-Fund financial statements as a whole was set at USD 0.3 Million (2020: USD 36,787). This has been calculated with reference to a benchmark of the Sub-Fund's total asset value, (of which it represents 100 basis points) as at 30 September 2021, which we consider to be one of the principal considerations for members of the Sub-Fund in assessing the financial performance of the Sub-Fund. We applied materiality to assist us determine what risks were significant risks and the procedures to be performed.

We report to the Board of Directors all corrected and uncorrected misstatements we identified through our audit with a value in excess of USD 15,212 (5 basis points of the Sub-Fund's total asset value), in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.



KRANESHARES BLOOMBERG CHINA BOND INCLUSION UCITS ETF

Valuation of Financial Assets at Fair Value Through Profit or Loss USD 5.6 million (2020: USD 6.0 Million)

Refer to note 2 (basis of preparation and significant accounting policies), note 7 (financial risk management) and note 8 (fair value measurement)

The key audit matter

The Sub-Fund's financial assets make up 89.82% of the net asset value and are considered to be the key driver of the Sub-Fund's results. There is a risk that the financial assets are valued incorrectly which could result in a material misstatement in valuation. This could occur through the application of an inappropriate valuation methodology or the use of inappropriate assumptions (price and vendor selection, etc) or data (i.e. exchange price, volume, etc).

How the matter was addressed in our audit

Our audit procedures over the valuation of the Sub-Fund's investment portfolio included but were not limited to:

- Obtaining an understanding of, and documenting, the process in place to record investment transactions and to value the portfolio of investments;
- Agreeing 100% of the year end portfolio prices to an independent source; and
- Assessing the disclosures of financial assets in accordance with the fair value hierarchy set out in IFRS as adopted by the EU.

No material misstatements were identified by our audit procedures.

Our application of materiality and an overview of the scope of our audit

The materiality for the Sub-Fund financial statements as a whole was set at USD 62,380 (2020: USD 63,161). This has been calculated with reference to a benchmark of the Sub-Fund's total asset value, (of which it represents 100 basis points) as at 30 September 2021, which we consider to be one of the principal considerations for members of the Sub-Fund in assessing the financial performance of the Sub-Fund. We applied materiality to assist us determine what risks were significant risks and the procedures to be performed.

We report to the Board of Directors all corrected and uncorrected misstatements we identified through our audit with a value in excess of USD 3,119 (5 basis points of the Sub-Fund's total asset value), in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

KRANESHARES MSCI ALL CHINA HEALTH CARE INDEX UCITS ETF

Accuracy of the valuation of Financial Assets at Fair Value Through Profit or Loss USD 6.98 million

Refer to note 2 (basis of preparation and significant accounting policies), note 7 (financial risk management) and note 8 (fair value measurement)

The key audit matter

The Sub-Fund's financial assets make up 99.97% of the net asset value and are considered to be the key driver of the Sub-Fund's results. While the nature of the Sub-Fund's financial assets do not require a significant level of judgement because they comprise of liquid, quoted investments, due to their significance in the context of the financial statements as a whole, the accuracy of the

How the matter was addressed in our audit

Our audit procedures over the accuracy of the valuation of the Sub-Fund's investment portfolio included but were not limited to:

- Obtaining an understanding of, and documenting, the process in place to record investment transactions and to value the portfolio of investments;



- valuation of financial assets was identified as the matter which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.
- Agreeing 100% of the year end portfolio prices to an independent source; and
 - Assessing the disclosures of financial assets in accordance with the fair value hierarchy set out in IFRS as adopted by the EU.

No material misstatements were identified by our audit procedures.

Our application of materiality and an overview of the scope of our audit

The materiality for the Sub-Fund financial statements as a whole was set at USD 69,886. This has been calculated with reference to a benchmark of the Sub-Fund's total asset value, (of which it represents 100 basis points) as at 30 September 2021, which we consider to be one of the principal considerations for members of the Sub-Fund in assessing the financial performance of the Sub-Fund. We applied materiality to assist us determine what risks were significant risks and the procedures to be performed.

We report to the Board of Directors all corrected and uncorrected misstatements we identified through our audit with a value in excess of USD 3,494 (5 basis points of the Sub-Fund's total asset value), in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

KRANESHARES ICBCCS SSE STAR MARKET 50 INDEX UCITS ETF

Accuracy of the valuation of Financial Assets at Fair Value Through Profit or Loss USD 3.76 million

Refer to note 2 (basis of preparation and significant accounting policies), note 7 (financial risk management) and note 8 (fair value measurement)

The key audit matter

The Sub-Fund's financial assets make up 99.38% of the net asset value and are considered to be the key driver of the Sub-Fund's results. While the nature of the Sub-Fund's financial assets do not require a significant level of judgement because they comprise of liquid, quoted investments, due to their significance in the context of the financial statements as a whole, the accuracy of the valuation of financial assets was identified as the matter which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.

How the matter was addressed in our audit

Our audit procedures over the accuracy of the valuation of the Sub-Fund's investment portfolio included but were not limited to:

- Obtaining an understanding of, and documenting, the process in place to record investment transactions and to value the portfolio of investments;
- Agreeing 100% of the year end portfolio prices to an independent source; and
- Assessing the disclosures of financial assets in accordance with the fair value hierarchy set out in IFRS as adopted by the EU.

No material misstatements were identified by our audit procedures.

Our application of materiality and an overview of the scope of our audit

The materiality for the Sub-Fund financial statements as a whole was set at USD 37,926. This has been calculated with reference to a benchmark of the Sub-Fund's total asset value, (of which it represents 100 basis points) as at 30 September 2021, which we consider to be one of the principal considerations for members of the Sub-Fund in assessing the financial performance of the Sub-Fund. We applied materiality to assist us determine what risks were significant risks and the procedures to be performed.



We report to the Board of Directors all corrected and uncorrected misstatements we identified through our audit with a value in excess of USD 1,896 (5 basis points of the Sub-Fund's total asset value), in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Our audit of the Sub-Funds was undertaken to the materiality levels specified above and was all performed by the one engagement team in Dublin.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in directors' and other information, the directors' report, investment manager's report, depositary's report and supplemental unaudited information including the Statement of Portfolio Changes, UCITS Manager's Report, Securities Financing Transactions Regulations Disclosures and Sustainable Finance Disclosure Regulation. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Opinion on other matter prescribed by the Irish Collective Asset-management Vehicles Act 2015 and 2020

In our opinion, the information given in the Directors' Report is consistent with the financial statements.

Matters on which we are required to report by exception

The Irish Collective Asset-management Vehicles Act 2015 and 2020 requires us to report to you, if in our opinion, the disclosures of Directors' remuneration specified by law are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing each Sub-Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Sub-Funds of the ICAV or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud, other irregularities or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud or other irregularities is higher than for one resulting from error, as they may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control and may involve any area of law and regulation and not just those directly affecting the financial statements.



A fuller description of our responsibilities is provided on IAASA's website at <http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/Description-of-the-auditor-s-responsibilities-for>.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the shareholders of the Sub-Funds, as a body, in accordance with Section 120 of the Irish Collective Asset-management Vehicles Act 2015. Our audit work has been undertaken so that we might state to the Sub-Funds' shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Sub-Funds of the ICAV and each of the Sub-Funds' shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'J. Casey', written over a light blue horizontal line.

James Casey
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place,
IFSC
Dublin 1

Date: 31 January 2022

KRANESHARES ICAV
Schedule of Investments

As at 30 September 2021
(Expressed in United States Dollars)

KraneShares CSI China Internet UCITS ETF

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to official stock exchange listing				
Equities (2020: 100.04%)				
<u>China</u>				
<i>Communications (2020: 67.60%)</i>				
21Vianet Group Inc	234,405	4,906,520	4,057,551	0.66%
51job Inc	54,648	3,921,516	3,799,675	0.62%
Alibaba Group Holding Ltd	361,765	70,818,712	53,559,308	8.72%
Autohome Inc	127,520	7,130,082	5,984,514	0.97%
Baidu Inc	174,169	30,033,056	26,778,484	4.36%
Baozun Inc	88,240	2,409,101	1,546,847	0.25%
China Literature Ltd*	844,000	6,949,701	6,440,058	1.05%
Chindata Group Holdings Ltd	300,783	4,178,180	2,529,585	0.41%
Dada Nexus Ltd	157,330	4,507,920	3,152,893	0.51%
Hello Group Inc	239,347	3,233,693	2,532,291	0.41%
iQIYI Inc	653,102	8,021,526	5,244,409	0.85%
JD.com Inc	694,482	52,683,498	50,169,380	8.16%
Kuaidashou Technology*	1,399,500	27,396,075	14,867,547	2.42%
Meituan	1,700,200	57,230,079	53,858,468	8.76%
Pinduoduo Inc	521,791	53,096,111	47,310,790	7.70%
Tencent Holdings Ltd	1,150,400	77,953,466	68,184,769	11.10%
Tencent Music Entertainment Group	1,156,161	12,586,576	8,382,167	1.36%
Tongcheng-Elong Holdings Ltd	2,174,400	4,652,739	5,256,782	0.86%
Trip.com Group Ltd	1,007,499	30,868,288	30,980,594	5.04%
Vipshop Holdings Ltd	789,680	13,287,392	8,797,035	1.43%
Weibo Corp	105,971	5,183,476	5,032,563	0.82%
Weimob Inc*	3,890,000	5,946,879	5,636,631	0.92%
Zhihu Inc*	798,869	8,568,724	7,373,561	1.20%
<i>Total Communications</i>		<u>495,563,310</u>	<u>421,475,902</u>	<u>68.58%</u>
<i>Consumer, cyclical (2020: Nil%)</i>				
JD Health International Inc	2,108,850	27,590,150	20,344,478	3.31%
Ping An Healthcare and Technology Co Ltd*	961,500	8,943,284	6,249,722	1.02%
<i>Total Consumer, cyclical</i>		<u>36,533,434</u>	<u>26,594,200</u>	<u>4.33%</u>
<i>Consumer, discretionary (2020: 4.09%)</i>				
TAL Education Group	844,608	15,941,094	4,087,903	0.67%
<i>Total Consumer, discretionary</i>		<u>15,941,094</u>	<u>4,087,903</u>	<u>0.67%</u>
<i>Consumer, Non-cyclical (2020: 0.67%)</i>				
Koolearn Technology Holding Ltd	842,000	1,173,391	455,360	0.07%
Yeahka Ltd*	480,800	2,164,500	1,553,329	0.25%
<i>Total Consumer, Non-cyclical</i>		<u>3,337,891</u>	<u>2,008,689</u>	<u>0.32%</u>
<i>Financial (2020: Nil%)</i>				
360 DigiTech Inc	202,345	5,826,686	4,111,650	0.67%
KE Holdings Inc	792,736	24,971,923	14,475,360	2.35%
Lufax Holding Ltd	1,194,795	12,933,690	8,339,669	1.36%
ZhongAn Online P&C Insurance Co Ltd*	1,176,900	5,531,485	4,845,387	0.79%
<i>Total Financial</i>		<u>49,263,784</u>	<u>31,772,066</u>	<u>5.17%</u>

* These securities are currently subject to stock lending agreements on a certain proportion of shares held, for further details please see note 2(d)(xi) and note 11.

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV
Schedule of Investments (continued)

As at 30 September 2021
(Expressed in United States Dollars)

KraneShares CSI China Internet UCITS ETF (continued)

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to official stock exchange listing (continued)				
Equities (2020: 100.04%) (continued)				
<u>China (continued)</u>				
<i>Real Estate (2020: 4.67%)</i>				
<i>Total Real Estate</i>		-	-	-
<i>Industrial (2020: Nil%)</i>				
Full Truck Alliance Co Ltd	1,872,338	29,612,072	28,702,942	4.67%
<i>Total Industrial</i>		29,612,072	28,702,942	4.67%
<i>Technology (2020: 15.96%)</i>				
17 Education & Technology Group Inc	224,372	499,691	201,957	0.03%
Agora Inc	148,827	5,328,882	4,315,983	0.70%
Archosaur Games Inc	469,000	826,374	589,213	0.10%
Bilibili Inc	305,370	22,865,026	20,206,333	3.29%
DouYu International Holdings Ltd	291,406	1,733,672	958,726	0.16%
Gaotu Techedu Inc*	241,402	4,174,207	741,104	0.12%
HUYA Inc	153,342	2,038,466	1,278,872	0.21%
Kingsoft Cloud Holdings Ltd	185,048	6,600,514	5,240,559	0.85%
Kingsoft Corp Ltd	1,753,600	7,703,629	6,994,442	1.14%
Ming Yuan Cloud Group Holdings Ltd*	2,036,000	8,986,293	7,061,589	1.15%
NetEase Inc	316,670	29,584,438	27,043,619	4.40%
XD Inc*	408,200	2,582,284	2,273,123	0.37%
Yidu Tech Inc*	929,100	4,291,719	3,085,204	0.50%
Youdao Inc	144,324	2,399,965	1,744,877	0.28%
<i>Total Technology</i>		99,615,160	81,735,601	13.30%
<u>Total China</u>		729,866,745	596,377,303	97.04%
<u>Hong Kong</u>				
<i>Consumer, Cyclical (2020: 0.82%)</i>				
Alibaba Health Information Technology Ltd	6,724,000	12,823,838	9,674,012	1.57%
Alibaba Pictures Group Ltd	21,530,000	2,580,794	2,433,815	0.40%
<i>Total Consumer, Cyclical</i>		15,404,632	12,107,827	1.97%
<i>Technology (2020: 6.23%)</i>				
<i>Total Technology</i>		-	-	-
<u>Total Hong Kong</u>		15,404,632	12,107,827	1.97%
<u>Slovenia</u>				
<i>Communications (2020: Nil%)</i>				
JOYY Inc	102,930	6,638,657	5,643,652	0.92%
<i>Total Communications</i>		6,638,657	5,643,652	0.92%
<u>Total Slovenia</u>		6,638,657	5,643,652	0.92%
Total Equities		751,910,034	614,128,782	99.93%
Total financial assets at fair value through profit or loss		751,910,034	614,128,782	99.93%

* These securities are currently subject to stock lending agreements on a certain proportion of shares held, for further details please see note 2(d)(xi) and note 11.

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV
Schedule of Investments (continued)

As at 30 September 2021
(Expressed in United States Dollars)

KraneShares CSI China Internet UCITS ETF (continued)

<u>Description</u>	<u>Maturity Date</u>	<u>Amount Bought</u>	<u>Amount Sold</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Unrealised Loss on Forward Foreign Currency Contracts (2020: 0.00%)						
(Counterparty: Brown Brothers Harriman)						
Buy HKD/Sell USD	04/10/2021	8,968,695	(1,152,181)		(60)	0.00%
Buy USD/Sell GBP	04/10/2021	1,134,190	(841,325)		(184)	0.00%
Buy USD/Sell EUR	04/10/2021	8,120,546	(7,007,720)		(1,541)	0.00%
Total Derivative Liabilities					<u>(1,785)</u>	<u>0.00%</u>
Total financial liabilities at fair value through profit or loss					<u>(1,785)</u>	<u>0.00%</u>
Total Financial Assets and Liabilities at Fair Value Through Profit or Loss				<u>751,910,034</u>	<u>614,126,997</u>	<u>99.93%</u>
Bank overdraft (2020: Cash and cash equivalents 0.01%)					(81,749)	(0.01%)
Other net assets (2020: (0.05%))					485,642	0.08%
Net asset value attributable to holders of redeemable participating shares					<u><u>614,530,890</u></u>	<u><u>100.00%</u></u>
					Fair Value USD	% of Total Assets
<u>Analysis of Total Assets</u>						
Transferable securities admitted to official stock exchange listing					614,128,782	98.62%
Other assets					8,568,781	1.38%
Total Assets					<u><u>622,697,563</u></u>	<u><u>100.00%</u></u>

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV

Schedule of Investments (continued)

As at 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI China A 50 Connect UCITS ETF**

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing				
Equities (2020: 98.96%)				
<u>China</u>				
<i>Basic Materials (2020: 4.84%)</i>				
Aluminum Corp of China Ltd	45,000	22,494	54,036	0.23%
Baoshan Iron & Steel Co Ltd	76,056	70,646	102,524	0.43%
Chifeng Jilong Gold Mining Co Ltd	6,100	16,030	14,508	0.06%
China Molybdenum Co Ltd	64,700	42,792	60,550	0.25%
China Northern Rare Earth Group High-Tech Co Ltd	12,300	23,048	84,370	0.35%
Fangda Carbon New Material Co Ltd	12,915	12,774	20,311	0.08%
Ganfeng Lithium Co Ltd	3,800	45,155	95,936	0.40%
Guangzhou Tinci Materials Technology Co Ltd	3,430	29,291	80,845	0.34%
Hangzhou Oxygen Plant Group Co Ltd	3,500	18,320	15,336	0.06%
Hengli Petrochemical Co Ltd	21,300	73,470	85,939	0.36%
Hesteel Co Ltd	38,300	12,555	16,497	0.07%
Huaфон Chemical Co Ltd	16,200	33,233	30,548	0.13%
Hunan Valin Steel Co Ltd	22,300	18,165	22,908	0.10%
Inner Mongolia BaoTou Steel Union Co Ltd	160,000	29,420	78,587	0.33%
Inner Mongolia Junzheng Energy & Chemical Industry Group Co Lt	29,700	25,333	26,322	0.11%
Jiangsu Shagang Co Ltd	8,100	12,927	8,610	0.04%
Jiangsu Yangnong Chemical Co Ltd	1,200	17,101	19,495	0.08%
Jiangsu Yoke Technology Co Ltd	1,800	19,739	21,297	0.09%
Jiangxi Copper Co Ltd	7,400	19,505	28,045	0.12%
Kingfa Sci & Tech Co Ltd	9,500	26,444	21,594	0.09%
LB Group Co Ltd	8,400	37,246	37,367	0.16%
Luxi Chemical Group Co Ltd	6,500	16,590	18,934	0.08%
Ningxia Baofeng Energy Group Co Ltd	22,500	52,377	56,058	0.23%
Pangang Group Vanadium Titanium & Resources Co Ltd	30,500	9,609	22,636	0.09%
Rongsheng Petrochemical Co Ltd	36,200	84,954	105,448	0.44%
Shandong Gold Mining Co Ltd	13,284	45,820	40,362	0.17%
Shandong Hualu Hengsheng Chemical Co Ltd	7,420	28,058	37,859	0.16%
Shandong Nanshan Aluminum Co Ltd	43,300	17,924	29,318	0.12%
Shandong Sun Paper Industry JSC Ltd	9,500	20,125	17,605	0.07%
Shanghai Putailai New Energy Technology Co Ltd	2,540	34,179	67,691	0.28%
Shanxi Taigang Stainless Steel Co Ltd	19,800	11,657	29,789	0.12%
Shenghe Resources Holding Co Ltd	6,000	16,054	18,686	0.08%
Shenzhen Capchem Technology Co Ltd	1,400	17,353	33,623	0.14%
Sinoma Science & Technology Co Ltd	5,800	16,882	31,813	0.13%
Sinopec Shanghai Petrochemical Co Ltd	22,100	11,394	14,553	0.06%
Skshu Paint Co Ltd	1,320	21,887	20,452	0.09%
Tongling Nonferrous Metals Group Co Ltd	37,400	13,424	22,658	0.10%
Wanhua Chemical Group Co Ltd	11,200	149,410	185,249	0.77%
Xiamen Tungsten Co Ltd	5,100	11,741	18,712	0.08%
Yunnan Aluminium Co Ltd	11,100	23,540	25,506	0.11%
Yunnan Energy New Material Co Ltd	3,220	54,225	139,756	0.58%
Zhejiang Huayou Cobalt Co Ltd	4,300	34,848	68,891	0.29%
Zhejiang Juhua Co Ltd	9,800	11,176	22,670	0.09%
Zhejiang Longsheng Group Co Ltd	11,900	25,040	24,928	0.10%

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV

Schedule of Investments (continued)

As at 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI China A 50 Connect UCITS ETF (continued)**

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (2020: 98.96%) (continued)				
<i>China (continued)</i>				
<i>Basic Materials (2020: 4.84%) (continued)</i>				
Zhejiang Satellite Petrochemical Co Ltd	6,120	30,713	37,010	0.15%
Zhongjin Gold Corp Ltd	17,500	25,091	22,695	0.09%
Zijin Mining Group Co Ltd	68,500	82,532	107,091	0.45%
<i>Total Basic Materials</i>		1,472,291	2,145,618	8.95%
<i>Communications (2020: 2.75%)</i>				
360 Security Technology Inc	26,000	53,048	47,859	0.20%
Beijing BDStar Navigation Co Ltd	1,900	13,536	11,896	0.05%
Beijing United Information Technology Co Ltd	1,200	17,651	21,218	0.09%
China South Publishing & Media Group Co Ltd	6,400	9,761	8,885	0.04%
China United Network Communications Ltd	112,100	72,865	71,387	0.30%
East Money Information Co Ltd	37,588	127,381	200,170	0.83%
Fiberhome Telecommunication Technologies Co Ltd	4,149	12,997	11,340	0.05%
Focus Media Information Technology Co Ltd	54,700	79,521	62,040	0.26%
Guangzhou Haige Communications Group Inc Co	8,300	13,155	13,169	0.05%
Hithink RoyalFlush Information Network Co Ltd	1,925	37,264	35,759	0.15%
Jiangsu Zhongtian Technology Co Ltd	10,700	16,987	15,087	0.06%
Kunlun Tech Co Ltd	4,100	12,882	10,768	0.04%
Leo Group Co Ltd	24,800	10,460	9,645	0.04%
NanJi E-Commerce Co Ltd	9,200	16,031	9,408	0.04%
Shenzhen Sunway Communication Co Ltd	3,600	19,509	12,573	0.05%
Tianjin 712 Communication & Broadcasting Co Ltd	2,800	16,106	15,948	0.07%
Yealink Network Technology Corp Ltd	3,200	32,094	40,285	0.17%
ZTE Corp	14,400	71,264	73,919	0.31%
<i>Total Communications</i>		632,512	671,356	2.80%
<i>Consumer, Cyclical (2020: 8.58%)</i>				
Air China Ltd	24,300	31,782	28,012	0.12%
Beijing Enlight Media Co Ltd	10,600	19,683	16,293	0.07%
Beijing Roborock Technology Co Ltd	256	36,139	28,041	0.12%
BYD Co Ltd	6,698	168,644	258,943	1.08%
China Eastern Airlines Corp Ltd	40,700	30,730	29,702	0.12%
China Southern Airlines Co Ltd	45,800	41,280	41,017	0.17%
China Tourism Group Duty Free Corp Ltd	7,090	225,614	285,621	1.19%
Chongqing Changan Automobile Co Ltd	22,460	43,279	58,116	0.24%
DaShenLin Pharmaceutical Group Co Ltd	2,940	30,854	19,319	0.08%
Ecovacs Robotics Co Ltd	1,900	34,524	44,718	0.19%
FAW Jiefang Group Co Ltd	11,300	20,336	18,822	0.08%
Fuyao Glass Industry Group Co Ltd	7,000	41,466	45,824	0.19%
Gotion High-tech Co Ltd	4,400	18,611	32,376	0.13%
Great Wall Motor Co Ltd	7,900	35,411	64,385	0.27%
Guangdong Xobao Electrical Appliances Holdings Co Ltd	3,100	17,718	8,824	0.04%
Haier Smart Home Co Ltd	23,300	94,485	94,406	0.39%
Hangzhou Robam Appliances Co Ltd	3,600	21,289	18,853	0.08%
Hengyi Petrochemical Co Ltd	13,390	24,669	23,859	0.10%

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV

Schedule of Investments (continued)

As at 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI China A 50 Connect UCITS ETF (continued)**

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (2020: 98.96%) (continued)				
<u>China (continued)</u>				
<i>Consumer, Cyclical (2020: 8.58%) (continued)</i>				
Huayu Automotive Systems Co Ltd	11,300	45,135	39,954	0.17%
Huizhou Desay Sv Automotive Co Ltd	1,700	28,775	22,147	0.09%
Jason Furniture Hangzhou Co Ltd	2,500	29,176	23,241	0.10%
Jiangsu Eastern Shenghong Co Ltd	11,300	31,827	49,234	0.20%
Joyoung Co Ltd	2,900	14,542	9,760	0.04%
Laobaixing Pharmacy Chain JSC	1,540	15,431	11,167	0.05%
Leyard Optoelectronic Co Ltd	9,200	9,921	14,768	0.06%
Liaoning Cheng Da Co Ltd	5,600	18,776	21,432	0.09%
Mango Excellent Media Co Ltd	7,150	74,224	48,291	0.20%
Midea Group Co Ltd	13,100	177,259	141,271	0.59%
Ningbo Joysun Electronic Corp	5,200	17,165	14,051	0.06%
Ningbo Tuopu Group Co Ltd	4,100	21,060	23,149	0.10%
Oppein Home Group Inc	1,800	35,237	36,499	0.15%
SAIC Motor Corp Ltd	27,500	87,045	81,298	0.34%
Sailun Group Co Ltd	10,700	18,008	18,999	0.08%
Shandong Linglong Tyre Co Ltd	5,200	26,666	28,409	0.12%
Shanghai Bailian Group Co Ltd	5,400	17,467	12,073	0.05%
Shanghai Jahwa United Co Ltd	2,500	16,283	16,986	0.07%
Shanghai Jinjiang International Hotels Co Ltd	3,400	28,009	23,943	0.10%
Shanghai M&G Stationery Inc	3,400	40,877	35,812	0.15%
Shanghai Pharmaceuticals Holding Co Ltd	6,800	21,002	20,156	0.08%
Shanghai Yuyuan Tourist Mart Group Co Ltd	11,800	17,068	18,667	0.08%
Songcheng Performance Development Co Ltd	9,020	23,772	19,678	0.08%
Spring Airlines Co Ltd	3,400	24,641	28,753	0.12%
Suning.com Co Ltd	34,000	39,483	26,288	0.11%
Suofeiya Home Collection Co Ltd	1,700	7,014	4,380	0.02%
TCL Technology Group Corp	50,900	52,132	49,370	0.20%
Tongkun Group Co Ltd	8,200	21,397	27,875	0.12%
Universal Scientific Industrial Shanghai Co Ltd	5,400	15,440	11,597	0.05%
Wangfujing Group Co Ltd	2,700	13,950	12,425	0.05%
Weichai Power Co Ltd	24,800	61,720	65,939	0.27%
Weifu High-Technology Group Co Ltd	3,100	11,701	9,933	0.04%
Wuchan Zhongda Group Co Ltd	18,700	14,592	18,775	0.08%
Yifeng Pharmacy Chain Co Ltd	2,602	28,172	20,997	0.09%
Yintai Gold Co Ltd	10,395	15,376	13,674	0.06%
Yixintang Pharmaceutical Group Co Ltd	2,200	13,235	10,267	0.04%
Youngor Group Co Ltd	16,700	17,780	16,586	0.07%
Yutong Bus Co Ltd	8,200	17,816	14,395	0.06%
Zhejiang Semir Garment Co Ltd	8,200	11,519	9,707	0.04%
Zhejiang Supor Co Ltd	2,100	22,876	15,198	0.06%
Zhongji Innolight Co Ltd	2,600	18,335	14,051	0.06%
<i>Total Consumer, Cyclical</i>		<u>2,158,418</u>	<u>2,218,326</u>	<u>9.25%</u>

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV

Schedule of Investments (continued)

As at 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI China A 50 Connect UCITS ETF (continued)**

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (2020: 98.96%) (continued)				
<u>China (continued)</u>				
<i>Consumer, Non-cyclical (2020: 28.16%)</i>				
Aier Eye Hospital Group Co Ltd	19,787	149,897	163,716	0.68%
Angel Yeast Co Ltd	3,200	26,150	24,875	0.10%
Anhui Gujing Distillery Co Ltd	1,400	47,310	51,740	0.22%
Anhui Kouzi Distillery Co Ltd	2,300	20,760	17,989	0.08%
Apeloa Pharmaceutical Co Ltd	4,200	14,878	24,846	0.10%
Asymchem Laboratories Tianjin Co Ltd	800	34,874	55,271	0.23%
Autobio Diagnostics Co Ltd	2,100	30,716	17,343	0.07%
Beijing Dabeinong Technology Group Co Ltd	14,900	18,732	17,453	0.07%
Beijing Shunxin Agriculture Co Ltd	2,700	22,709	14,784	0.06%
Beijing Tiantan Biological Products Corp Ltd	5,080	26,853	25,195	0.11%
Beijing Wantai Biological Pharmacy Enterprise Co Ltd	1,500	54,123	51,596	0.22%
Beijing Yanjing Brewery Co Ltd	10,100	11,848	10,250	0.04%
Beijing-Shanghai High Speed Railway Co Ltd	150,300	134,113	110,850	0.46%
Betta Pharmaceuticals Co Ltd	1,500	24,026	21,756	0.09%
BGI Genomics Co Ltd	1,600	31,763	21,694	0.09%
By-health Co Ltd	6,200	24,706	27,129	0.11%
C&S Paper Co Ltd	4,600	18,723	12,316	0.05%
CanSino Biologics Inc	304	27,683	15,958	0.07%
Chacha Food Co Ltd	1,900	15,695	13,683	0.06%
Changchun High & New Technology Industry Group Inc	1,500	84,283	63,835	0.27%
China National Medicines Corp Ltd	2,800	16,420	12,720	0.05%
China Resources Sanjiu Medical & Pharmaceutical Co Ltd	3,700	14,846	16,213	0.07%
China TransInfo Technology Co Ltd	5,600	15,543	12,824	0.05%
Chongqing Brewery Co Ltd	1,900	38,853	38,633	0.16%
Chongqing Fuling Zhacai Group Co Ltd	3,300	19,911	15,733	0.07%
Chongqing Zhifei Biological Products Co Ltd	5,400	115,635	133,025	0.56%
Daan Gene Co Ltd	5,228	15,660	15,042	0.06%
Dong-E-E-Jiao Co Ltd	2,400	14,230	13,023	0.05%
Foshan Haitian Flavouring & Food Co Ltd	12,834	245,902	218,739	0.91%
Fu Jian Anjoy Foods Co Ltd	900	26,060	26,773	0.11%
Fujian Sunner Development Co Ltd	4,700	16,873	15,730	0.07%
Guangdong Haid Group Co Ltd	6,100	58,578	63,703	0.27%
Guangzhou Baiyunshan Pharmaceutical Holdings Co Ltd	5,200	24,148	23,986	0.10%
Guangzhou Kingmed Diagnostics Group Co Ltd	1,800	27,963	28,565	0.12%
Guangzhou Wondfo Biotech Co Ltd	1,660	15,390	11,060	0.05%
Hangzhou Tigermed Consulting Co Ltd	1,400	24,703	37,744	0.16%
Heilongjiang Agriculture Co Ltd	6,400	16,082	15,023	0.06%
Henan Shuanghui Investment & Development Co Ltd	10,800	71,601	45,432	0.19%
Huadong Medicine Co Ltd	6,300	29,776	28,972	0.12%
Hualan Biological Engineering Inc	6,960	45,342	30,087	0.13%
Imeik Technology Development Co Ltd	600	54,638	55,111	0.23%
Inner Mongolia Yili Industrial Group Co Ltd	22,300	133,191	130,262	0.54%
Intco Medical Technology Co Ltd	1,950	24,879	17,714	0.07%
Jafron Biomedical Co Ltd	2,970	32,317	26,948	0.11%

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV

Schedule of Investments (continued)

As at 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI China A 50 Connect UCITS ETF (continued)**

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (2020: 98.96%) (continued)				
<u>China (continued)</u>				
<i>Consumer, Non-cyclical (2020: 28.16%) (continued)</i>				
Jiangsu Hengrui Medicine Co Ltd	22,936	254,655	178,506	0.74%
Jiangsu King's Luck Brewery JSC Ltd	4,500	34,163	31,585	0.13%
Jiangsu Yanghe Brewery Joint-Stock Co Ltd	5,500	145,644	141,531	0.59%
Jiangsu Yuyue Medical Equipment & Supply Co Ltd	3,700	16,645	18,580	0.08%
Jiangxi Zhengbang Technology Co Ltd	12,000	28,038	17,533	0.07%
Jilin Aodong Pharmaceutical Group Co Ltd	4,390	10,760	11,455	0.05%
JiuGui Liquor Co Ltd	1,200	21,450	46,061	0.19%
Joincare Pharmaceutical Group Industry Co Ltd	7,221	15,816	12,732	0.05%
Joynn Laboratories China Co Ltd	1,120	21,546	27,419	0.11%
Jointown Pharmaceutical Group Co Ltd	6,800	18,018	16,310	0.07%
Juewei Food Co Ltd	2,200	26,744	21,799	0.09%
Kweichow Moutai Co Ltd	4,500	1,201,526	1,275,953	5.32%
Lepu Medical Technology Beijing Co Ltd	6,400	29,323	26,606	0.11%
Livzon Pharmaceutical Group Inc	2,382	16,316	14,324	0.06%
Luzhou Laojiao Co Ltd	5,100	142,866	175,094	0.73%
Maccura Biotechnology Co Ltd	2,100	13,900	9,377	0.04%
Meinian Onehealth Healthcare Holdings Co Ltd	14,180	25,659	16,302	0.07%
Muyuan Foods Co Ltd	19,420	156,313	156,166	0.65%
Nanjing King-Friend Biochemical Pharmaceutical Co Ltd	4,380	19,524	24,431	0.10%
New Hope Liuhe Co Ltd	16,800	54,504	38,421	0.16%
Ninestar Corp	3,800	16,089	21,991	0.09%
Offcn Education Technology Co Ltd	8,600	37,346	14,444	0.06%
Ovctek China Inc	3,229	26,933	40,855	0.17%
Pharmaron Beijing Co Ltd	2,400	70,046	80,103	0.33%
Proya Cosmetics Co Ltd	700	17,294	18,818	0.08%
Qianhe Condiment and Food Co Ltd	3,040	13,014	9,256	0.04%
Shandong Buchang Pharmaceuticals Co Ltd	4,100	14,654	11,714	0.05%
Shanghai Bairun Investment Holding Group Co Ltd	2,820	26,832	32,548	0.14%
Shanghai Fosun Pharmaceutical Group Co Ltd	7,500	61,374	60,776	0.25%
Shanghai International Port Group Co Ltd	31,600	21,584	29,818	0.12%
Shanghai RAAS Blood Products Co Ltd	24,900	29,710	26,312	0.11%
Shanxi Xinghuaacun Fen Wine Factory Co Ltd	4,439	128,151	216,998	0.91%
Shenzhen Hepalink Pharmaceutical Group Co Ltd	3,800	10,694	9,126	0.04%
Shenzhen Kangtai Biological Products Co Ltd	2,600	65,087	44,366	0.19%
Shenzhen Mindray Bio-Medical Electronics Co Ltd	4,400	257,664	262,759	1.10%
Shenzhen Salubris Pharmaceuticals Co Ltd	3,951	18,075	17,723	0.07%
Shijiazhuang Yiling Pharmaceutical Co Ltd	6,100	17,518	15,718	0.07%
Sichuan Kelun Pharmaceutical Co Ltd	5,300	17,490	14,757	0.06%
Sichuan Swellfun Co Ltd	1,800	24,275	35,462	0.15%
Toly Bread Co Ltd	3,500	20,646	15,765	0.07%
Tonghua Dongbao Pharmaceutical Co Ltd	7,600	15,082	12,388	0.05%
Tongwei Co Ltd	15,500	71,499	122,338	0.51%
Topchoice Medical Corp	1,200	42,815	56,155	0.23%
Tsingtao Brewery Co Ltd	2,700	34,484	33,689	0.14%
Walvax Biotechnology Co Ltd	5,300	38,730	51,883	0.22%

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV

Schedule of Investments (continued)

As at 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI China A 50 Connect UCITS ETF (continued)**

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (2020: 98.96%) (continued)				
<u>China (continued)</u>				
<i>Consumer, Non-cyclical (2020: 28.16%) (continued)</i>				
Wens Foodstuffs Group Co Ltd	23,720	60,193	53,181	0.22%
Wuliangye Yibin Co Ltd	13,986	549,572	475,424	1.98%
WuXi AppTec Co Ltd	9,316	141,019	220,559	0.92%
Yifan Pharmaceutical Co Ltd	4,500	14,327	10,940	0.05%
Yihai Kerry Arawana Holdings Co Ltd	4,600	63,838	49,478	0.21%
Yonghui Superstores Co Ltd	35,800	36,976	21,744	0.09%
Yuan Longping High-tech Agriculture Co Ltd	4,500	11,694	14,942	0.06%
Yunnan Baiyao Group Co Ltd	4,400	69,275	66,668	0.28%
Zhangzhou Pientzehuang Pharmaceutical Co Ltd	2,145	81,596	125,696	0.52%
Zhejiang Huahai Pharmaceutical Co Ltd	5,370	22,191	14,702	0.06%
Zhejiang Jiuzhou Pharmaceutical Co Ltd	3,100	22,309	26,461	0.11%
Zhejiang NHU Co Ltd	9,640	38,133	40,119	0.17%
Zhejiang Wolwo Bio-Pharmaceutical Co Ltd	1,800	16,192	16,343	0.07%
<i>Total Consumer, Non-cyclical</i>		<u>6,396,194</u>	<u>6,447,545</u>	<u>26.89%</u>
<i>Diversified (2020: 0.11%)</i>				
AVIC Industry-Finance Holdings Co Ltd	32,600	20,600	19,346	0.08%
Humanwell Healthcare Group Co Ltd	6,000	26,954	18,742	0.08%
Zhejiang China Commodities City Group Co Ltd	20,100	16,467	14,637	0.06%
<i>Total Diversified</i>		<u>64,021</u>	<u>52,725</u>	<u>0.22%</u>
<i>Energy (2020: 2.21%)</i>				
China Petroleum & Chemical Corp	113,000	70,587	78,088	0.33%
China Shenhua Energy Co Ltd	22,900	64,534	80,402	0.34%
Guangdong Hongda Blasting Co Ltd	2,800	13,888	11,770	0.05%
Guanghui Energy Co Ltd	22,200	9,510	29,857	0.11%
Hangzhou First Applied Material Co Ltd	3,120	30,019	61,298	0.26%
JA Solar Technology Co Ltd	5,300	35,990	54,158	0.23%
LONGi Green Energy Technology Co Ltd	18,348	143,227	234,481	0.97%
Ming Yang Smart Energy Group Ltd	7,000	16,670	27,061	0.11%
Offshore Oil Engineering Co Ltd	15,800	10,570	11,726	0.05%
PetroChina Co Ltd	76,000	48,485	70,772	0.30%
Riyue Heavy Industry Co Ltd	3,500	14,600	18,764	0.08%
Shaanxi Coal Industry Co Ltd	34,100	51,593	78,196	0.33%
Shanxi Coking Coal Energy Group Co Ltd	15,040	11,823	27,638	0.12%
Shanxi Lu'an Environmental Energy Development Co Ltd	10,700	11,030	24,885	0.10%
Sungrow Power Supply Co Ltd	4,900	39,894	112,653	0.47%
Suzhou Maxwell Technologies Co Ltd	400	22,897	37,777	0.16%
Wuxi Shangji Automation Co Ltd	900	21,196	38,976	0.16%
Yantai Jereh Oilfield Services Group Co Ltd	3,500	15,976	26,258	0.11%
Yanzhou Coal Mining Co Ltd	8,300	12,039	37,282	0.15%
<i>Total Energy</i>		<u>644,528</u>	<u>1,062,042</u>	<u>4.43%</u>

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV
Schedule of Investments (continued)

As at 30 September 2021
(Expressed in United States Dollars)

KraneShares MSCI China A 50 Connect UCITS ETF (continued)

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (2020: 98.96%) (continued)				
<u>China (continued)</u>				
<i>Financial (2020: 24.74%)</i>				
Agricultural Bank of China Ltd	270,300	131,597	123,130	0.51%
Bank of Beijing Co Ltd	76,800	55,806	51,882	0.22%
Bank of Chengdu Co Ltd	13,400	21,756	24,624	0.10%
Bank of China Ltd	127,900	62,547	60,442	0.25%
Bank of Communications Co Ltd	141,300	98,693	98,520	0.41%
Bank of Hangzhou Co Ltd	21,700	44,375	50,198	0.21%
Bank of Jiangsu Co Ltd	54,700	51,005	49,327	0.21%
Bank of Nanjing Co Ltd	36,741	50,206	51,519	0.21%
Bank of Ningbo Co Ltd	22,609	120,802	123,134	0.51%
Bank of Shanghai Co Ltd	51,989	63,338	58,884	0.25%
BOC International China Co Ltd	6,800	17,276	15,825	0.07%
Caitong Securities Co Ltd	13,100	24,020	21,942	0.09%
Changjiang Securities Co Ltd	20,302	23,972	24,064	0.10%
China Construction Bank Corp	35,200	33,997	32,560	0.14%
China Everbright Bank Co Ltd	150,900	88,748	79,261	0.33%
China Fortune Land Development Co Ltd	14,850	21,459	9,572	0.04%
China Galaxy Securities Co Ltd	15,900	26,094	25,818	0.11%
China Great Wall Securities Co Ltd	9,600	16,622	17,611	0.07%
China Life Insurance Co Ltd	10,400	59,905	48,020	0.20%
China Merchants Bank Co Ltd	77,393	541,205	604,970	2.52%
China Merchants Property Operation & Service Co Ltd	4,000	13,280	9,662	0.04%
China Merchants Securities Co Ltd	27,200	86,760	77,209	0.32%
China Merchants Shekou Industrial Zone Holdings Co Ltd	29,380	56,766	58,906	0.25%
China Minsheng Banking Corp Ltd	129,600	100,110	78,515	0.33%
China Pacific Insurance Group Co Ltd	24,900	124,234	104,708	0.44%
China Vanke Co Ltd	37,800	157,896	124,809	0.52%
China Zheshang Bank Co Ltd	61,000	38,531	33,553	0.14%
Chongqing Rural Commercial Bank Co Ltd	32,100	21,056	19,198	0.08%
CITIC Securities Co Ltd	39,200	166,023	153,544	0.64%
CSC Financial Co Ltd	15,800	86,780	75,646	0.32%
Dongxing Securities Co Ltd	10,000	17,896	17,555	0.07%
Everbright Securities Co Ltd	14,520	38,953	34,939	0.15%
Financial Street Holdings Co Ltd	10,500	10,544	9,761	0.04%
First Capital Securities Co Ltd	15,500	20,593	17,388	0.07%
Founder Securities Co Ltd	29,800	40,635	37,769	0.16%
Gemdale Corp	17,010	31,711	29,518	0.12%
GF Securities Co Ltd	23,700	58,162	76,968	0.32%
Greenland Holdings Corp Ltd	31,420	26,863	22,881	0.10%
Guangzhou Yuexiu Financial Holdings Group Co Ltd	9,215	14,995	12,065	0.05%
Guolian Securities Co Ltd	5,900	15,321	12,131	0.05%
Guosen Securities Co Ltd	22,600	40,753	41,390	0.17%
Guotai Junan Securities Co Ltd	27,300	73,999	75,420	0.31%
Guoyuan Securities Co Ltd	15,850	20,207	19,033	0.08%
Haitong Securities Co Ltd	34,600	67,131	65,083	0.27%
Huaan Securities Co Ltd	17,450	16,031	14,492	0.06%

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV

Schedule of Investments (continued)

As at 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI China A 50 Connect UCITS ETF (continued)**

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (2020: 98.96%) (continued)				
<u>China (continued)</u>				
<i>Financial (2020: 24.74%) (continued)</i>				
Huatai Securities Co Ltd	26,400	72,045	69,497	0.29%
Huaxi Securities Co Ltd	9,700	16,090	14,458	0.06%
Huaxia Bank Co Ltd	46,700	44,073	40,304	0.17%
Hubei Biocause Pharmaceutical Co Ltd	18,000	12,015	9,343	0.04%
Industrial & Commercial Bank of China Ltd	230,500	175,965	166,429	0.69%
Industrial Bank Co Ltd	74,774	212,855	212,018	0.88%
Industrial Securities Co Ltd	24,600	32,938	37,506	0.16%
Jiangsu Changshu Rural Commercial Bank Co Ltd	10,100	10,799	10,031	0.04%
Jiangsu Zhongnan Construction Group Co Ltd	13,900	16,509	9,584	0.04%
Jinke Properties Group Co Ltd	19,200	20,297	15,350	0.06%
Lakala Payment Co Ltd	3,000	14,109	11,495	0.05%
Nanjing Securities Co Ltd	14,300	24,023	22,068	0.09%
New China Life Insurance Co Ltd	7,700	62,421	47,913	0.20%
Northeast Securities Co Ltd	8,600	12,159	11,500	0.05%
Orient Securities Co Ltd/China	23,900	39,139	56,028	0.23%
Pacific Securities Co Ltd/The/China	24,100	13,450	12,173	0.05%
People's Insurance Co Group of China Ltd/The	21,800	21,254	17,091	0.07%
Ping An Bank Co Ltd	72,900	205,279	202,525	0.84%
Ping An Insurance Group Co of China Ltd	40,200	464,978	301,220	1.26%
Poly Developments and Holdings Group Co Ltd	44,700	98,918	97,171	0.41%
Postal Savings Bank of China Co Ltd	96,400	72,256	75,877	0.32%
Qingdao Rural Commercial Bank Corp	20,200	13,863	12,175	0.05%
RiseSun Real Estate Development Co Ltd	16,100	16,401	12,024	0.05%
SDIC Capital Co Ltd	23,940	32,099	32,642	0.14%
Sealand Securities Co Ltd	19,800	14,550	12,609	0.05%
Seazen Holdings Co Ltd	8,200	45,646	47,365	0.20%
Shanghai Lingang Holdings Corp Ltd	5,820	15,583	13,572	0.06%
Shanghai Pudong Development Bank Co Ltd	108,647	157,248	151,507	0.63%
Shanghai Zhangjiang High-Tech Park Development Co Ltd	5,600	15,539	14,646	0.06%
Shanxi Securities Co Ltd	13,200	14,983	13,417	0.06%
Shenwan Hongyuan Group Co Ltd	81,900	62,040	69,794	0.29%
Shenzhen Overseas Chinese Town Co Ltd	30,200	32,698	35,048	0.15%
Sinolink Securities Co Ltd	11,100	24,026	19,641	0.08%
SooChow Securities Co Ltd	14,300	18,768	22,090	0.09%
Southwest Securities Co Ltd	24,100	18,471	19,081	0.08%
Tianfeng Securities Co Ltd	31,800	25,516	21,482	0.09%
Western Securities Co Ltd	16,300	22,741	20,912	0.09%
Yango Group Co Ltd	15,300	14,562	9,886	0.04%
Zheshang Securities Co Ltd	14,400	30,533	27,778	0.12%
Zhongtai Securities Co Ltd	21,400	32,634	31,765	0.13%
Zhongtian Financial Group Co Ltd	25,400	11,240	10,705	0.04%
<i>Total Financial</i>		<u>5,159,366</u>	<u>4,831,166</u>	<u>20.15%</u>

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV

Schedule of Investments (continued)

As at 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI China A 50 Connect UCITS ETF (continued)**

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (2020: 98.96%) (continued)				
<u>China (continued)</u>				
<i>Industrial (2020: 18.59%)</i>				
Addsino Co Ltd	5,900	16,704	13,776	0.06%
AECC Aero-Engine Control Co Ltd	4,000	12,510	14,918	0.06%
AECC Aviation Power Co Ltd	8,900	53,965	73,348	0.31%
Anhui Conch Cement Co Ltd	15,000	117,474	94,825	0.40%
Anhui Honglu Steel Construction Group Co Ltd	2,100	17,976	14,284	0.06%
Avary Holding Shenzhen Co Ltd	5,700	28,300	29,436	0.12%
AVIC Electromechanical Systems Co Ltd	13,700	22,011	28,105	0.12%
AVICOPTER PLC	2,200	17,278	18,953	0.08%
BBMG Corp	30,600	13,511	13,370	0.06%
Beijing New Building Materials PLC	6,300	36,360	31,188	0.13%
Beijing Originwater Technology Co Ltd	11,100	12,877	13,363	0.06%
Beijing Yuanliu Hongyuan Electronic Technology Co Ltd	800	15,726	18,717	0.08%
Changzhou Xingyu Automotive Lighting Systems Co Ltd	1,000	27,232	28,045	0.12%
Chaozhou Three-Circle Group Co Ltd	6,800	33,798	39,089	0.16%
China Baoan Group Co Ltd	9,400	40,845	27,935	0.12%
China CSSC Holdings Ltd	16,000	59,297	62,225	0.26%
China Greatwall Technology Group Co Ltd	10,400	24,144	21,254	0.09%
China Jushi Co Ltd	14,215	28,902	38,720	0.16%
China Merchants Energy Shipping Co Ltd	29,520	20,511	25,248	0.11%
China National Chemical Engineering Co Ltd	16,600	34,816	27,778	0.12%
China Railway Group Ltd	73,800	61,013	64,721	0.27%
China Railway Signal & Communication Corp Ltd	26,480	23,924	21,171	0.09%
China State Construction Engineering Corp Ltd	153,000	117,768	113,790	0.47%
Contemporary Amperex Technology Co Ltd	8,400	325,858	684,247	2.85%
COSCO SHIPPING Energy Transportation Co Ltd	12,700	12,624	13,479	0.06%
COSCO SHIPPING Holdings Co Ltd	44,880	68,954	120,162	0.50%
CRRC Corp Ltd	89,900	94,138	86,501	0.36%
Dongfang Electric Corp Ltd	9,600	15,477	27,220	0.11%
Eve Energy Co Ltd	6,705	64,712	102,881	0.43%
Flat Glass Group Co Ltd	4,700	25,042	33,608	0.14%
Foxconn Industrial Internet Co Ltd	26,900	54,576	48,432	0.20%
GEM Co Ltd	16,900	18,551	29,275	0.12%
GoerTek Inc	11,900	69,508	79,469	0.33%
Guangdong Kinlong Hardware Products Co Ltd	1,100	21,483	23,413	0.10%
Guangzhou Shiyuan Electronic Technology Co Ltd	2,600	42,338	31,563	0.13%
Hang Zhou Great Star Industrial Co Ltd	4,100	22,586	17,457	0.07%
Hefei Meiya Optoelectronic Technology Inc	2,500	18,084	14,731	0.06%
Hongfa Technology Co Ltd	2,700	20,501	26,096	0.11%
Huagong Tech Co Ltd	3,700	11,994	16,746	0.07%
Huaxin Cement Co Ltd	5,100	17,314	16,160	0.07%
Jiangsu Hengli Hydraulic Co Ltd	4,672	56,543	61,227	0.25%
Jonjee Hi-Tech Industrial And Commercial Holding Co Ltd	2,900	25,071	14,307	0.06%
Kuang-Chi Technologies Co Ltd	7,500	22,680	26,100	0.11%
Lens Technology Co Ltd	18,200	85,015	58,994	0.25%
Lingyi iTech Guangdong Co	26,000	39,133	26,024	0.11%
Luxshare Precision Industry Co Ltd	26,340	191,812	145,739	0.61%

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV

Schedule of Investments (continued)

As at 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI China A 50 Connect UCITS ETF (continued)**

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (2020: 98.96%) (continued)				
<u>China (continued)</u>				
<i>Industrial (2020: 18.59%) (continued)</i>				
Metallurgical Corp of China Ltd	64,700	26,470	43,608	0.18%
NARI Technology Co Ltd	19,418	56,320	108,042	0.45%
OFLM Group Co Ltd	9,900	17,698	12,885	0.05%
Power Construction Corp of China Ltd	56,100	31,938	73,624	0.31%
Raytron Technology Co Ltd	1,453	22,110	19,744	0.08%
Sany Heavy Industry Co Ltd	32,600	134,841	128,501	0.54%
SF Holding Co Ltd	16,500	194,333	167,071	0.70%
Shandong Pharmaceutical Glass Co Ltd	2,200	13,767	10,158	0.04%
Shanghai Construction Group Co Ltd	32,400	14,808	20,583	0.09%
Shanghai Electric Group Co Ltd	44,900	33,165	36,176	0.15%
Shanghai International Airport Co Ltd	3,600	32,508	24,682	0.10%
Shanxi Meijin Energy Co Ltd	15,100	14,596	25,198	0.10%
Shengyi Technology Co Ltd	8,600	31,032	28,862	0.12%
Shennan Circuits Co Ltd	1,917	28,012	28,164	0.12%
Shenzhen Inovance Technology Co Ltd	9,500	69,873	92,733	0.39%
Shenzhen Kaifa Technology Co Ltd	5,700	16,717	12,409	0.05%
Shenzhen SC New Energy Technology Corp	1,300	21,933	27,676	0.12%
Shenzhen Sunlord Electronics Co Ltd	3,000	14,981	15,772	0.07%
Sichuan Road & Bridge Co Ltd	17,700	20,357	23,147	0.10%
Sinotrans Ltd	15,800	10,420	13,367	0.06%
Sunwoda Electronic Co Ltd	5,600	23,796	32,451	0.14%
Suzhou Dongshan Precision Manufacturing Co Ltd	6,200	21,327	20,058	0.08%
Suzhou Gold Mantis Construction Decoration Co Ltd	9,700	13,627	9,484	0.04%
Tangshan Jidong Cement Co Ltd	5,100	11,252	10,170	0.04%
TBEA Co Ltd	12,400	16,100	46,591	0.19%
Tianjin Zhonghuan Semiconductor Co Ltd	10,500	36,873	74,626	0.31%
Tianma Microelectronics Co Ltd	9,000	19,937	18,923	0.08%
Topsec Technologies Group Inc	4,300	13,217	10,660	0.04%
Transfar Zhilian Co Ltd	11,200	9,447	14,456	0.06%
Weihai Guangwei Composites Co Ltd	1,800	19,524	18,273	0.08%
Wingtech Technology Co Ltd	4,100	59,692	59,499	0.25%
Wuhu Token Science Co Ltd	8,900	11,508	10,218	0.04%
WUS Printed Circuit Kunshan Co Ltd	7,000	16,473	12,158	0.05%
Wuxi Lead Intelligent Equipment Co Ltd	2,800	14,821	30,291	0.13%
XCMG Construction Machinery Co Ltd	28,700	23,744	31,084	0.13%
Xiamen C & D Inc	10,100	12,843	13,083	0.05%
Xiamen Intretech Inc	2,490	14,076	13,002	0.05%
Xinjiang Goldwind Science & Technology Co Ltd	11,838	20,954	31,897	0.13%
Yantai Eddie Precision Machinery Co Ltd	3,260	19,350	18,194	0.07%
YTO Express Group Co Ltd	11,100	20,306	23,958	0.10%
Yunda Holding Co Ltd	9,650	23,899	28,783	0.12%
Zhefu Holding Group Co Ltd	19,200	15,569	22,490	0.09%
Zhejiang Chint Electrics Co Ltd	7,500	35,337	65,773	0.27%
Zhejiang Dingli Machinery Co Ltd	1,800	21,391	19,662	0.08%
Zhejiang HangKe Technology Inc Co	1,432	18,872	18,360	0.08%

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV

Schedule of Investments (continued)

As at 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI China A 50 Connect UCITS ETF (continued)**

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (2020: 98.96%) (continued)				
<i>China (continued)</i>				
<i>Industrial (2020: 18.59%) (continued)</i>				
Zhejiang Jingsheng Mechanical & Electrical Co Ltd	4,400	23,319	43,870	0.18%
Zhejiang Sanhua Intelligent Controls Co Ltd	13,045	45,623	46,003	0.19%
Zhejiang Weixing New Building Materials Co Ltd	5,800	16,823	15,178	0.06%
Zhuzhou Kibing Group Co Ltd	9,800	25,186	26,315	0.11%
Zoomlion Heavy Industry Science and Technology Co Ltd	26,700	33,356	34,130	0.14%
<i>Total Industrial</i>		3,625,057	4,270,132	17.81%
<i>Technology (2020: 6.75%)</i>				
Advanced Micro-Fabrication Equipment Inc China	2,419	61,862	56,896	0.24%
Beijing E-Hualu Information Technology Co Ltd	2,300	9,893	10,598	0.04%
Beijing Kingsoft Office Software Inc	1,411	54,613	61,941	0.26%
Beijing Shiji Information Technology Co Ltd	3,620	14,078	14,292	0.06%
Beijing Sinnet Technology Co Ltd	5,700	15,426	11,366	0.05%
BOE Technology Group Co Ltd	133,200	108,318	104,224	0.43%
China National Software & Service Co Ltd	1,800	16,010	13,772	0.06%
DHC Software Co Ltd	10,900	13,470	12,852	0.05%
G-bits Network Technology Xiamen Co Ltd	300	17,191	18,188	0.08%
GCL System Integration Technology Co Ltd	21,600	11,167	13,722	0.06%
Giant Network Group Co Ltd	6,200	14,783	9,991	0.04%
Gigadevice Semiconductor Beijing Inc	2,512	52,319	56,432	0.23%
GRG Banking Equipment Co Ltd	8,900	15,593	13,528	0.06%
Hangzhou Silan Microelectronics Co Ltd	4,900	13,931	43,344	0.18%
Hundsun Technologies Inc	5,554	55,437	49,292	0.21%
Iflytek Co Ltd	8,200	51,998	67,211	0.28%
Ingenic Semiconductor Co Ltd	1,700	22,954	33,847	0.14%
Inspur Electronic Information Industry Co Ltd	5,300	22,543	23,421	0.10%
JCET Group Co Ltd	6,500	37,764	32,299	0.13%
Maxscend Microelectronics Co Ltd	1,300	59,221	70,902	0.29%
Montage Technology Co Ltd	2,533	23,470	23,317	0.10%
National Silicon Industry Group Co Ltd	7,300	33,962	32,417	0.13%
NAURA Technology Group Co Ltd	1,800	47,858	101,990	0.43%
NavInfo Co Ltd	8,400	18,594	14,343	0.06%
Perfect World Co Ltd/China	7,200	26,774	16,823	0.07%
Sanan Optoelectronics Co Ltd	16,500	62,447	81,017	0.34%
Sangfor Technologies Inc	1,500	46,244	54,524	0.23%
SG Micro Corp	900	25,597	46,399	0.19%
Shanghai Baosight Software Co Ltd	4,200	31,494	42,950	0.18%
Shenzhen Goodix Technology Co Ltd	1,700	37,838	29,180	0.12%
Shenzhen MTC Co Ltd	16,400	14,126	12,578	0.05%
StarPower Semiconductor Ltd	600	30,923	37,895	0.16%
Thunder Software Technology Co Ltd	1,500	21,929	29,096	0.12%
Tianshui Huatian Technology Co Ltd	9,900	19,554	18,545	0.08%
TongFu Microelectronics Co Ltd	4,900	16,497	14,402	0.06%
Unigroup Guoxin Microelectronics Co Ltd	2,300	39,108	73,697	0.31%

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV
Schedule of Investments (continued)

As at 30 September 2021
(Expressed in United States Dollars)

KraneShares MSCI China A 50 Connect UCITS ETF (continued)

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (2020: 98.96%) (continued)				
<u>China (continued)</u>				
<i>Technology (2020: 6.75%) (continued)</i>				
Unisplendour Corp Ltd	10,340	34,739	39,957	0.17%
Will Semiconductor Co Ltd Shanghai	3,200	108,068	120,290	0.50%
Winning Health Technology Group Co Ltd	7,550	19,014	16,997	0.07%
Wuhan Guide Infrared Co Ltd	8,510	32,575	30,828	0.13%
Wuhu Sanqi Interactive Entertainment Network Technology Group	7,900	32,180	25,693	0.11%
Yonyou Network Technology Co Ltd	11,843	69,195	60,793	0.25%
Zhejiang Century Huatong Group Co Ltd	25,780	28,433	29,559	0.12%
Zhejiang Dahua Technology Co Ltd	10,600	35,365	38,958	0.16%
<i>Total Technology</i>		<u>1,524,555</u>	<u>1,710,366</u>	<u>7.13%</u>
<i>Utilities (2020: 2.23%)</i>				
China National Nuclear Power Co Ltd	53,200	41,066	59,432	0.24%
China Yangtze Power Co Ltd	84,200	272,548	287,016	1.20%
ENN Natural Gas Co Ltd	6,700	17,948	18,977	0.08%
Huadian Power International Corp Ltd	24,300	12,582	17,809	0.08%
Huaneng Power International Inc	26,000	17,649	33,316	0.14%
SDIC Power Holdings Co Ltd	24,300	33,368	45,407	0.19%
Shenergy Co Ltd	17,600	14,488	21,598	0.09%
Shenzhen Energy Group Co Ltd	14,720	15,050	21,713	0.09%
Sichuan Chuantou Energy Co Ltd	13,200	20,635	29,390	0.12%
<i>Total Utilities</i>		<u>445,334</u>	<u>534,658</u>	<u>2.23%</u>
<u>China Total</u>		<u>22,122,276</u>	<u>23,943,934</u>	<u>99.86%</u>
Total Equities		<u>22,122,276</u>	<u>23,943,934</u>	<u>99.86%</u>
Total Financial Assets at Fair Value Through Profit or Loss		<u>22,122,276</u>	<u>23,943,934</u>	<u>99.86%</u>
Cash and cash equivalents (2020: (25.65%))			28,793	0.12%
Other net assets (2020: 26.69%)			2,875	0.02%
Net asset value attributable to holders of redeemable participating shares			<u>23,975,602</u>	<u>100.00%</u>
			Fair Value USD	% of Total Assets
Analysis of Total Assets				
Transferable securities admitted to an official stock exchange listing			23,943,934	99.62%
OTC financial derivative instruments			-	-
Other assets			91,677	0.38%
Total Assets			<u>24,035,611</u>	<u>100.00%</u>

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV
Schedule of Investments (continued)

As at 30 September 2021
(Expressed in United States Dollars)

KraneShares MSCI China ESG Leaders UCITS ETF

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing				
Equities (2020: 99.78%)				
<u>China</u>				
<i>Basic Materials (2020: 0.57%)</i>				
China Molybdenum Co Ltd - A	31,100	23,645	29,105	0.10%
China Molybdenum Co Ltd - H	93,000	51,593	57,941	0.19%
Ganfeng Lithium Co Ltd - A	1,900	34,559	47,968	0.16%
Ganfeng Lithium Co Ltd - H	7,800	126,986	138,673	0.46%
Skshu Paint Co Ltd	700	19,154	10,846	0.04%
Zhejiang Huayou Cobalt Co Ltd	2,100	19,959	33,644	0.11%
<i>Total Basic Materials</i>		275,896	318,177	1.06%
<i>Communications (2020: 29.45%)</i>				
360 Security Technology Inc	12,500	28,600	23,009	0.08%
51job Inc	877	59,887	60,978	0.20%
Alibaba Group Holding Ltd	133,424	3,922,384	2,437,218	8.02%
Baozun Inc	1,780	63,261	31,203	0.10%
HengTen Networks Group Ltd*	84,000	99,088	24,926	0.08%
Jiangsu Zhongtian Technology Co Ltd	5,200	8,417	7,332	0.02%
Meituan	90,800	3,126,452	2,876,337	9.46%
Tencent Holdings Ltd	47,000	3,406,605	2,785,713	9.16%
Tongcheng-Elong Holdings Ltd	27,600	75,160	66,725	0.22%
Vipshop Holdings Ltd	13,388	329,189	149,142	0.49%
<i>Total Communications</i>		11,119,043	8,462,583	27.83%
<i>Consumer, Cyclical (2020: 9.02%)</i>				
Air China Ltd - A	11,700	14,792	13,487	0.04%
Air China Ltd - H	54,000	42,070	35,724	0.12%
BYD Co Ltd - A	3,300	84,237	127,577	0.42%
BYD Co Ltd - H	23,500	537,967	733,559	2.41%
China Eastern Airlines Corp Ltd	19,600	14,265	14,304	0.05%
China Southern Airlines Co Ltd - A	22,000	19,658	19,703	0.06%
China Southern Airlines Co Ltd - H	48,000	28,011	27,130	0.09%
China Tourism Group Duty Free Corp Ltd	3,500	188,476	140,998	0.46%
Chongqing Changan Automobile Co Ltd	11,040	26,941	28,566	0.09%
Dongfeng Motor Group Co Ltd	78,000	72,682	69,637	0.23%
Fosun International Ltd	72,000	102,821	87,588	0.29%
Fuyao Glass Industry Group Co Ltd - A	3,400	27,176	22,258	0.07%
Fuyao Glass Industry Group Co Ltd - H	16,800	106,893	89,885	0.30%
Gotion High-tech Co Ltd	2,200	11,373	16,188	0.05%
Great Wall Motor Co Ltd - A	3,800	21,687	30,970	0.10%
Great Wall Motor Co Ltd - H	93,000	278,770	342,867	1.13%
Guangdong Xinbao Electrical Appliances Holdings Co Ltd	1,500	7,769	4,269	0.02%
Guangzhou Automobile Group Co Ltd	84,000	75,021	74,238	0.25%
Hangzhou Robam Appliances Co Ltd	1,800	10,602	9,427	0.03%
Joyoung Co Ltd	1,300	6,423	4,375	0.01%
Li Auto Inc	15,842	380,507	416,486	1.37%
Li Ning Co Ltd	68,000	642,338	787,473	2.59%

* These securities are currently subject to stock lending agreements on a certain proportion of shares held, for further details please see note 2(d)(xi) and note 11.

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV

Schedule of Investments (continued)

As at 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI China ESG Leaders UCITS ETF (continued)**

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (2020: 99.78%) (continued)				
<u>China (continued)</u>				
<i>Consumer, Cyclical (2020: 9.02%) (continued)</i>				
Liaoning Cheng Da Co Ltd	2,700	9,233	10,333	0.04%
Minth Group Ltd	24,000	103,041	82,008	0.27%
NIO Inc	38,350	1,652,813	1,366,411	4.50%
Shanghai M&G Stationery Inc	1,700	20,987	17,906	0.06%
Shanghai Pharmaceuticals Holding Co Ltd - A	3,300	9,670	9,781	0.03%
Shanghai Pharmaceuticals Holding Co Ltd - H	22,400	36,882	43,507	0.14%
Shenzhou International Group Holdings Ltd	26,700	698,264	568,665	1.87%
Sinotruk Hong Kong Ltd	19,000	46,348	28,312	0.09%
Suning.com Co Ltd	16,400	18,832	12,680	0.04%
TCL Technology Group Corp	24,500	25,855	23,764	0.08%
Topsports International Holdings Ltd	46,000	70,054	52,591	0.17%
Weifu High-Technology Group Co Ltd	1,500	5,440	4,806	0.02%
Wuchan Zhongda Group Co Ltd	9,100	9,096	9,137	0.03%
XPeng Inc	11,390	377,616	404,801	1.33%
Yadea Group Holdings Ltd	36,000	89,821	58,823	0.19%
Yum China Holdings Inc	12,581	841,510	731,082	2.41%
Yutong Bus Co Ltd	4,000	9,704	7,022	0.02%
Zhongsheng Group Holdings Ltd	17,000	144,477	136,923	0.45%
<i>Total Consumer, Cyclical</i>		<u>6,870,122</u>	<u>6,665,261</u>	<u>21.92%</u>
<i>Consumer, Non-cyclical (2020: 13.22%)</i>				
3SBio Inc	35,500	33,418	34,886	0.11%
Angel Yeast Co Ltd	1,600	12,302	12,438	0.04%
By-health Co Ltd	3,100	10,458	13,564	0.04%
CanSino Biologics Inc - A	173	15,754	9,081	0.03%
CanSino Biologics Inc - H	2,400	53,825	84,782	0.28%
China East Education Holdings Ltd	15,000	33,569	15,473	0.05%
China Feihe Ltd	106,000	289,919	178,921	0.59%
China Medical System Holdings Ltd	38,000	39,975	69,316	0.23%
China National Medicines Corp Ltd	1,400	8,618	6,360	0.02%
China Resources Pharmaceutical Group Ltd	45,000	23,110	22,140	0.07%
China Resources Sanjiu Medical & Pharmaceutical Co Ltd	1,800	7,049	7,887	0.03%
CSPC Pharmaceutical Group Ltd	268,000	275,576	321,546	1.06%
Dali Foods Group Co Ltd	59,000	35,182	35,621	0.12%
Fu Jian Anjoy Foods Co Ltd	500	17,151	14,874	0.05%
Genscript Biotech Corp	34,000	54,444	131,027	0.43%
Guangzhou Baiyunshan Pharmaceutical Holdings Co Ltd	2,500	11,238	11,532	0.04%
Guangzhou Kingmed Diagnostics Group Co Ltd	900	14,644	14,282	0.05%
Hansoh Pharmaceutical Group Co Ltd	32,000	146,772	81,391	0.27%
Inner Mongolia Yili Industrial Group Co Ltd	10,800	66,287	63,086	0.21%
Jafron Biomedical Co Ltd	1,500	22,672	13,610	0.04%
Jinxin Fertility Group Ltd	36,000	90,880	53,644	0.18%
Microport Scientific Corp	17,300	87,968	97,560	0.32%
Ovctek China Inc	1,560	13,037	19,738	0.06%
Pharmaron Beijing Co Ltd - A	1,200	35,727	40,051	0.13%
Pharmaron Beijing Co Ltd - H	3,700	89,584	88,547	0.29%

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV
Schedule of Investments (continued)

As at 30 September 2021
(Expressed in United States Dollars)

KraneShares MSCI China ESG Leaders UCITS ETF (continued)

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (2020: 99.78%) (continued)				
<u>China (continued)</u>				
<i>Consumer, Non-cyclical (2020: 13.22%) (continued)</i>				
Shandong Weigao Group Medical Polymer Co Ltd	76,000	147,915	135,898	0.45%
Shanghai Fosun Pharmaceutical Group Co Ltd - A	3,500	37,087	28,362	0.09%
Shanghai Fosun Pharmaceutical Group Co Ltd - H	15,000	122,685	77,171	0.25%
Topchoice Medical Corp	600	21,971	28,077	0.09%
Uni-President China Holdings Ltd	38,000	45,632	36,171	0.12%
Want Want China Holdings Ltd	139,000	100,502	105,170	0.35%
WuXi AppTec Co Ltd - A	4,504	68,462	106,633	0.35%
WuXi AppTec Co Ltd - H	9,520	139,260	222,694	0.73%
Wuxi Biologics Cayman Inc	93,500	1,064,558	1,519,369	5.00%
Yunnan Baiyao Group Co Ltd	2,100	36,231	31,819	0.11%
Zhejiang Expressway Co Ltd	42,000	33,998	34,637	0.11%
Zhejiang Jiuzhou Pharmaceutical Co Ltd	1,500	11,156	12,804	0.04%
<i>Total Consumer, Non-cyclical</i>		<u>3,318,616</u>	<u>3,780,162</u>	<u>12.43%</u>
<i>Diversified (2020: 0.00%)</i>				
CITIC Ltd	181,000	141,514	192,982	0.63%
<i>Total Diversified</i>		<u>141,514</u>	<u>192,982</u>	<u>0.63%</u>
<i>Energy (2020: 1.21%)</i>				
Ming Yang Smart Energy Group Ltd	3,300	11,508	12,757	0.04%
Offshore Oil Engineering Co Ltd	7,600	5,209	5,641	0.02%
Sungrow Power Supply Co Ltd	2,400	33,348	55,177	0.18%
Xinyi Solar Holdings Ltd	152,000	281,351	311,629	1.02%
Yantai Jereh Oilfield Services Group Co Ltd	1,700	10,465	12,754	0.04%
<i>Total Energy</i>		<u>341,881</u>	<u>397,958</u>	<u>1.30%</u>
<i>Financial (2020: 21.01%)</i>				
A-Living Smart City Services Co Ltd	16,500	69,283	58,712	0.19%
China Aoyuan Group Ltd	36,000	42,466	19,007	0.06%
China Construction Bank Corp - A	17,000	16,722	15,725	0.05%
China Construction Bank Corp - H	2,871,000	2,137,143	2,057,919	6.77%
China Merchants Bank Co Ltd	118,000	710,536	940,556	3.09%
China Merchants Property Operation & Service Co Ltd	1,900	5,666	4,590	0.02%
China Merchants Shekou Industrial Zone Holdings Co Ltd	14,200	28,308	28,470	0.09%
China Vanke Co Ltd - A	18,300	79,642	60,423	0.20%
China Vanke Co Ltd - H	53,200	180,066	145,563	0.48%
CIFI Ever Sunshine Services Group Ltd	22,000	62,671	43,861	0.14%
CIFI Holdings Group Co Ltd	98,000	79,920	66,721	0.22%
Country Garden Services Holdings Co Ltd	45,000	280,961	355,507	1.17%
Greenland Holdings Corp Ltd	15,180	12,623	11,055	0.04%
Greentown Service Group Co Ltd	42,000	47,098	45,320	0.15%
Guangzhou R&F Properties Co Ltd*	48,800	62,136	37,487	0.12%
Huaxia Bank Co Ltd	22,500	21,447	19,418	0.06%
Industrial Bank Co Ltd	36,000	110,714	102,076	0.34%
Jinke Properties Group Co Ltd	9,300	10,209	7,435	0.03%

* These securities are currently subject to stock lending agreements on a certain proportion of shares held, for further details please see note 2(d)(xi) and note 11.

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV

Schedule of Investments (continued)

As at 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI China ESG Leaders UCITS ETF (continued)**

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (2020: 99.78%) (continued)				
<u>China (continued)</u>				
<i>Financial (2020: 21.01%) (continued)</i>				
Kaisa Group Holdings Ltd	80,000	38,409	21,786	0.07%
KWG Group Holdings Ltd	38,500	50,443	37,636	0.12%
Logan Group Co Ltd	41,000	62,112	42,872	0.14%
Longfor Group Holdings Ltd	54,500	304,360	251,334	0.83%
Ping An Insurance Group Co of China Ltd - A	15,800	171,579	118,390	0.40%
Ping An Insurance Group Co of China Ltd - H	154,000	1,605,248	1,053,420	3.46%
Poly Developments and Holdings Group Co Ltd	21,500	49,880	46,738	0.15%
Poly Property Services Co Ltd	3,800	26,790	22,650	0.07%
Shenzhen Overseas Chinese Town Co Ltd	14,600	19,530	16,944	0.06%
Zhenro Properties Group Ltd	38,000	24,767	20,746	0.07%
<i>Total Financial</i>		6,310,729	5,652,361	18.59%
<i>Industrial (2020: 6.21%)</i>				
AAC Technologies Holdings Inc	21,000	115,852	100,216	0.33%
BBMG Corp	14,800	6,651	6,467	0.02%
Beijing Capital International Airport Co Ltd	50,000	30,208	29,481	0.10%
Changzhou Xingyu Automotive Lighting Systems Co Ltd	500	14,831	14,022	0.05%
China Communications Services Corp Ltd	64,000	34,132	35,516	0.12%
China Conch Venture Holdings Ltd	47,500	221,830	219,969	0.72%
China Jushi Co Ltd	6,901	15,769	18,798	0.06%
China Lesso Group Holdings Ltd	31,000	47,988	49,698	0.16%
Contemporary Amperex Technology Co Ltd	4,100	175,906	333,978	1.10%
Eve Energy Co Ltd	3,270	34,730	50,175	0.17%
GEM Co Ltd	8,100	6,950	14,031	0.05%
GoerTek Inc	5,800	30,397	38,733	0.13%
Kuang-Chi Technologies Co Ltd	3,800	10,858	13,224	0.04%
NARI Technology Co Ltd	9,340	28,264	51,968	0.17%
Shanghai Electric Group Co Ltd	21,600	17,189	17,403	0.06%
Shenzhen Inovance Technology Co Ltd	4,650	39,653	45,390	0.15%
Simotrans Ltd	7,600	4,985	6,430	0.02%
Transfar Zhilian Co Ltd	5,400	4,146	6,970	0.02%
Xiamen Intretech Inc	1,200	7,945	6,266	0.02%
Xinjiang Goldwind Science & Technology Co Ltd - A	5,700	11,140	15,358	0.05%
Xinjiang Goldwind Science & Technology Co Ltd - H	21,200	34,709	44,662	0.15%
Zhejiang Chint Electrics Co Ltd	3,600	17,957	31,571	0.10%
Zhejiang Weixing New Building Materials Co Ltd	2,900	8,224	7,589	0.02%
Zoomlion Heavy Industry Science and Technology Co Ltd - A	13,000	19,075	16,618	0.05%
Zoomlion Heavy Industry Science and Technology Co Ltd - H	39,800	44,211	35,635	0.12%
<i>Total Industrial</i>		983,600	1,210,168	3.98%
<i>Technology (2020: 2.82%)</i>				
Kingdee International Software Group Co Ltd	76,000	252,549	254,321	0.84%
Lenovo Group Ltd	204,000	178,664	219,339	0.72%
Unisplendour Corp Ltd	5,000	15,771	19,321	0.06%
Wuhu Sanqi Interactive Entertainment Network Technology	4,100	17,422	13,334	0.05%
<i>Total Technology</i>		464,406	506,315	1.67%

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV
Schedule of Investments (continued)

As at 30 September 2021
(Expressed in United States Dollars)

KraneShares MSCI China ESG Leaders UCITS ETF (continued)

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (2020: 99.78%) (continued)				
<u>China (continued)</u>				
<i>Utilities (2020: 2.03%)</i>				
ENN Energy Holdings Ltd	23,800	339,686	392,557	1.29%
ENN Natural Gas Co Ltd	3,100	9,839	8,780	0.03%
Sichuan Chuantou Energy Co Ltd	6,400	9,984	14,250	0.05%
<i>Total Utilities</i>		<u>359,509</u>	<u>415,587</u>	<u>1.37%</u>
<u>Total China</u>		<u>30,185,316</u>	<u>27,601,554</u>	<u>90.78%</u>
<u>Hong Kong</u>				
<i>Consumer, Cyclical (2020: 2.85%)</i>				
Alibaba Health Information Technology Ltd	32,000	99,797	46,039	0.15%
Geely Automobile Holdings Ltd	179,000	516,996	513,915	1.69%
<i>Total Consumer Cyclical</i>		<u>616,793</u>	<u>559,954</u>	<u>1.84%</u>
<i>Consumer, Non-cyclical (2020: 5.29%)</i>				
China Education Group Holdings Ltd	25,000	65,337	43,098	0.14%
China Mengniu Dairy Co Ltd	92,000	505,063	592,680	1.95%
Hutchmed China Ltd	2,414	70,515	88,377	0.29%
Shenzhen International Holdings Ltd	35,500	53,972	45,694	0.15%
Sino Biopharmaceutical Ltd	296,500	294,565	246,047	0.81%
Vinda International Holdings Ltd	10,000	28,078	29,545	0.10%
<i>Total Consumer, Non-cyclical</i>		<u>1,017,530</u>	<u>1,045,441</u>	<u>3.44%</u>
<i>Energy (2020: 0.42%)</i>				
China Everbright Environment Group Ltd	102,000	56,970	77,044	0.25%
<i>Total Energy</i>		<u>56,970</u>	<u>77,044</u>	<u>0.25%</u>
<i>Financial (2020: 3.04%)</i>				
China Jinmao Holdings Group Ltd	166,000	64,487	59,707	0.20%
China Overseas Land & Investment Ltd	110,500	247,919	251,813	0.83%
Hopson Development Holdings Ltd	18,700	93,159	66,540	0.22%
Shenzhen Investment Ltd	80,000	26,190	20,142	0.06%
Shimao Group Holdings Ltd	36,500	106,934	66,861	0.22%
<i>Total Financial</i>		<u>538,689</u>	<u>465,063</u>	<u>1.53%</u>
<i>Industrial (2020: 0.20%)</i>				
Lee & Man Paper Manufacturing Ltd	38,000	29,466	27,970	0.09%
<i>Total Industrial</i>		<u>29,466</u>	<u>27,970</u>	<u>0.09%</u>
<i>Utilities (2020: 2.16%)</i>				
Beijing Enterprises Water Group Ltd	126,000	49,975	49,528	0.16%
China Gas Holdings Ltd	89,600	332,926	264,727	0.87%
China Resources Gas Group Ltd	28,000	144,321	147,110	0.49%
<i>Total Utilities</i>		<u>527,222</u>	<u>461,365</u>	<u>1.52%</u>
<u>Total Hong Kong</u>		<u>2,786,670</u>	<u>2,636,837</u>	<u>8.67%</u>

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV
Schedule of Investments (continued)

As at 30 September 2021
(Expressed in United States Dollars)

KraneShares MSCI China ESG Leaders UCITS ETF (continued)

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>			
Transferable securities admitted to an official stock exchange listing (continued)							
Equities (2020: 99.78%) (continued)							
<u>Singapore</u>							
<i>Financial (2020: 0.28%)</i>							
BOC Aviation Ltd	6,100	50,595	51,090	0.17%			
<i>Total Financial</i>		<u>50,595</u>	<u>51,090</u>	<u>0.17%</u>			
<u>Total Singapore</u>		<u>50,595</u>	<u>51,090</u>	<u>0.17%</u>			
Total Equities		<u>33,022,581</u>	<u>30,289,481</u>	<u>99.62%</u>			
Total financial assets at fair value through profit or loss			<u>30,289,481</u>	<u>99.62%</u>			
<u>Description</u>	<u>Maturity Date</u>	<u>Amount Bought</u>	<u>Amount Sold</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>	
Unrealised Loss on Forward Foreign Currency Contracts (2020: 0.00%)							
<i>(Counterparty: Brown Brothers Harriman)</i>							
Buy USD/Sell HKD	04/10/2021	583	(4,542)		-	0.00%	
Buy USD/Sell HKD	05/10/2021	659	(5,133)		-	0.00%	
Buy USD/Sell HKD	05/10/2021	5,720	(44,550)		(3)	0.00%	
Total Derivative Liabilities					<u>(3)</u>	<u>0.00%</u>	
Total financial liabilities at fair value through profit or loss					<u>(3)</u>	<u>0.00%</u>	
Cash and cash equivalents (2020: 0.07%)					84,844	0.28%	
Other net assets (2020: 0.15%)					29,807	0.10%	
Net asset value attributable to holders of redeemable participating shares					<u>30,404,129</u>	<u>100.00%</u>	
<u>Analysis of Total Assets</u>						<u>Fair Value USD</u>	<u>% of Total Assets</u>
Transferable securities admitted to an official stock exchange listing						30,289,481	99.56%
Other assets						134,947	0.44%
Total Assets						<u>30,424,428</u>	<u>100.00%</u>

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV
Schedule of Investments (continued)

As at 30 September 2021
(Expressed in United States Dollars)

KraneShares Bloomberg China Bond Inclusion UCITS ETF

<u>Description</u>	<u>Maturity Date</u>	<u>Coupon</u>	<u>Nominal</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing						
Bonds (2020: 95.51%)						
<u>China</u>						
<i>Corporate (2020: 25.83%)</i>						
Agricultural Development Bank of China	25/05/2023	4.37	2,540,000	396,278	404,145	6.48%
China Development Bank	05/02/2023	3.00	2,690,000	422,212	418,855	6.72%
Export-Import Bank China	08/03/2023	3.04	2,710,000	420,548	422,183	6.77%
<i>Total Corporate</i>				<u>1,239,038</u>	<u>1,245,183</u>	<u>19.97%</u>
<i>Government (2020: 69.68%)</i>						
China Government Bond	05/03/2023	2.24	2,000,000	308,589	309,131	4.96%
China Government Bond	19/04/2023	3.17	4,220,000	644,703	661,703	10.61%
China Government Bond	11/05/2023	2.88	1,500,000	234,024	233,880	3.75%
China Government Bond	17/10/2024	2.94	6,700,000	1,016,806	1,048,217	16.81%
China Government Bond	22/10/2025	3.02	2,000,000	313,943	313,726	5.03%
China Government Bond	11/03/2026	3.03	1,000,000	157,090	157,010	2.52%
China Government Bond	16/08/2028	3.54	1,680,000	262,299	272,329	4.37%
China Government Bond	21/11/2029	3.13	4,260,000	645,651	668,703	10.73%
China Government Bond	19/03/2048	4.22	1,680,000	281,449	295,388	4.74%
China Government Bond	16/03/2050	3.39	710,000	102,473	107,839	1.73%
China Government Bond	24/06/2069	4.00	1,680,000	275,222	287,112	4.60%
<i>Total Government</i>				<u>4,242,249</u>	<u>4,355,038</u>	<u>69.85%</u>
Total Bonds				<u>5,481,287</u>	<u>5,600,221</u>	<u>89.82%</u>
Total financial assets at fair value through profit or loss					<u>5,600,221</u>	<u>89.82%</u>
Cash and cash equivalents (2020: 3.25%)					553,650	8.88%
Other net assets (2020: 1.24%)					81,256	1.30%
Net assets attributable to holders of redeemable participating shares					<u>6,235,127</u>	<u>100.00%</u>
				Fair Value	% of	
<u>Analysis of Total Assets</u>				USD	Total Assets	
Transferable securities admitted to an official stock exchange listing				5,600,221	89.78%	
Other assets				637,770	10.22%	
Total Assets				<u>6,237,991</u>	<u>100.00%</u>	

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV

Schedule of Investments (continued)

As at 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI All China Health Care Index UCITS ETF**

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing				
Equities				
<u>China</u>				
<i>Consumer, Cyclical</i>				
Ping An Healthcare and Technology Co Ltd	8,200	98,839	53,300	0.76%
Shanghai Pharmaceuticals Holding Co Ltd - A	10,600	30,876	31,419	0.45%
Shanghai Pharmaceuticals Holding Co Ltd - H	14,500	26,164	28,163	0.40%
<i>Total Consumer, Cyclical</i>		155,879	112,882	1.61%
<i>Consumer, Non-cyclical</i>				
3SBio Inc	23,500	21,882	23,094	0.33%
Aier Eye Hospital Group Co Ltd	30,694	275,062	253,960	3.64%
Akeso Inc	5,000	37,234	27,490	0.39%
Apeloa Pharmaceutical Co Ltd	6,600	24,736	39,044	0.56%
Asymchem Laboratories Tianjin Co Ltd	1,400	68,657	96,725	1.39%
Autobio Diagnostics Co Ltd	3,350	47,456	27,666	0.40%
BeiGene Ltd	805	263,690	292,215	4.19%
Beijing Tiantan Biological Products Corp Ltd	8,000	49,716	39,678	0.57%
Beijing Wantai Biological Pharmacy Enterprise Co Ltd	2,400	86,597	82,553	1.18%
Betta Pharmaceuticals Co Ltd	2,400	43,616	34,810	0.50%
BGI Genomics Co Ltd	2,400	51,719	32,542	0.47%
Burning Rock Biotech Ltd	795	22,107	14,215	0.20%
CanSino Biologics Inc - H	1,600	66,239	56,521	0.81%
CanSino Biologics Inc - A	505	41,062	26,509	0.38%
Changchun High & New Technology Industry Group Inc	2,300	158,165	97,880	1.40%
China Medical System Holdings Ltd	25,000	42,544	45,603	0.65%
China National Medicines Corp Ltd	4,300	25,202	19,535	0.28%
China Resources Pharmaceutical Group Ltd	29,500	16,452	14,514	0.21%
China Resources Sanjiu Medical & Pharmaceutical Co Ltd	5,600	22,098	24,538	0.35%
Chongqing Zhifei Biological Products Co Ltd	8,400	218,349	206,928	2.96%
CSPC Pharmaceutical Group Ltd	166,000	186,864	199,166	2.85%
Daan Gene Co Ltd	8,080	26,592	23,248	0.33%
Dong-E-E-Jiao Co Ltd	3,700	21,341	20,077	0.29%
Genscript Biotech Corp	22,000	51,527	84,782	1.21%
Guangzhou Baiyunshan Pharmaceutical Holdings Co Ltd	8,000	35,997	36,901	0.53%
Guangzhou Kingmed Diagnostics Group Co Ltd	2,600	58,389	41,260	0.59%
Guangzhou Wondfo Biotech Co Ltd	2,610	26,576	17,389	0.25%
Hangzhou Tigermed Consulting Co Ltd - A	2,200	56,793	59,312	0.85%
Hangzhou Tigermed Consulting Co Ltd - H	2,300	51,189	48,957	0.70%
Hansoh Pharmaceutical Group Co Ltd	22,000	110,549	55,956	0.80%
Huadong Medicine Co Ltd	9,700	46,687	44,607	0.64%
Hualan Biological Engineering Inc	11,300	81,279	48,849	0.70%
I-Mab	605	45,196	43,856	0.63%
Imeik Technology Development Co Ltd	1,100	106,914	101,037	1.45%
Innovent Biologics Inc	22,000	251,381	213,369	3.06%
Intco Medical Technology Co Ltd	3,000	59,754	27,253	0.39%
Jafron Biomedical Co Ltd	4,600	54,708	41,738	0.60%
Jiangsu Hengrui Medicine Co Ltd	36,280	459,368	282,359	4.04%
Jiangsu Yuyue Medical Equipment & Supply Co Ltd	5,700	25,836	28,624	0.41%
Jilin Aodong Pharmaceutical Group Co Ltd	6,800	16,525	17,743	0.25%
Jinxin Fertility Group Ltd	23,500	48,306	35,018	0.50%

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV

Schedule of Investments (continued)

As at 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI All China Health Care Index UCITS ETF (continued)**

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (continued)				
<i>China (continued)</i>				
<i>Consumer, Non-cyclical (continued)</i>				
Jinyu Bio-Technology Co Ltd	5,300	17,547	12,252	0.18%
Joincare Pharmaceutical Group Industry Co Ltd	11,500	23,020	20,277	0.29%
Joynn Laboratories China Co Ltd	1,840	37,180	45,045	0.65%
Jointown Pharmaceutical Group Co Ltd	10,600	27,722	25,424	0.36%
Lepu Medical Technology Beijing Co Ltd	9,900	45,253	41,155	0.59%
Livzon Pharmaceutical Group Inc	3,600	22,041	21,648	0.31%
Maccura Biotechnology Co Ltd	3,200	21,746	14,289	0.20%
Meinian Onehealth Healthcare Holdings Co Ltd	22,100	43,315	25,408	0.36%
Microport Scientific Corp	11,200	72,900	63,160	0.90%
Nanjing King-Friend Biochemical Pharmaceutical Co Ltd	6,780	28,958	37,818	0.54%
Ovctek China Inc	4,940	57,725	62,504	0.90%
Pharmaron Beijing Co Ltd - A	3,700	112,552	123,492	1.77%
Pharmaron Beijing Co Ltd - H	2,400	47,291	57,436	0.82%
Shandong Buchang Pharmaceuticals Co Ltd	6,400	21,000	18,286	0.26%
Shandong Weigao Group Medical Polymer Co Ltd	44,000	84,225	78,678	1.13%
Shanghai Fosun Pharmaceutical Group Co Ltd - H	9,500	50,990	48,875	0.70%
Shanghai Fosun Pharmaceutical Group Co Ltd - A	11,700	98,180	94,811	1.36%
Shanghai RAAS Blood Products Co Ltd	38,600	45,073	40,789	0.58%
Shenzhen Hepalink Pharmaceutical Group Co Ltd	5,900	16,171	14,170	0.20%
Shenzhen Kangtai Biological Products Co Ltd	3,900	97,361	66,549	0.95%
Shenzhen Mindray Bio-Medical Electronics Co Ltd	6,900	471,389	412,054	5.90%
Shenzhen Salubris Pharmaceuticals Co Ltd	6,200	31,871	27,811	0.40%
Shijiazhuang Yiling Pharmaceutical Co Ltd	9,420	27,078	24,272	0.35%
Sichuan Kelun Pharmaceutical Co Ltd	8,200	24,597	22,831	0.33%
Sinopharm Group Co Ltd	25,200	62,220	65,714	0.94%
Tonghua Dongbao Pharmaceutical Co Ltd	11,800	21,586	19,234	0.28%
Topchoice Medical Corp	1,900	92,863	88,912	1.27%
Venus MedTech Hangzhou Inc	4,000	35,170	20,656	0.30%
Walvax Biotechnology Co Ltd	8,200	63,064	80,272	1.15%
WuXi AppTec Co Ltd - H	6,180	118,609	144,564	2.07%
WuXi AppTec Co Ltd - A	14,420	296,254	341,397	4.89%
Wuxi Biologics Cayman Inc	42,000	578,421	682,496	9.78%
Xiamen Kingdomway Group Co	3,600	19,200	17,515	0.25%
Xian International Medical Investment Co Ltd	13,000	36,866	22,942	0.33%
Yifan Pharmaceutical Co Ltd	7,000	19,906	17,017	0.24%
Yunnan Baiyao Group Co Ltd	6,800	137,482	103,033	1.48%
Zai Lab Ltd	1,408	220,356	148,389	2.13%
Zhangzhou Pientzhuang Pharmaceutical Co Ltd	3,400	177,907	199,238	2.85%
Zhejiang Huahai Pharmaceutical Co Ltd	8,300	32,447	22,724	0.33%
Zhejiang Jiuzhou Pharmaceutical Co Ltd	4,700	27,377	40,118	0.58%
Zhejiang NHU Co Ltd	14,940	72,691	62,177	0.89%
Zhejiang Wolwo Bio-Pharmaceutical Co Ltd	3,100	34,466	28,147	0.40%
<i>Total Consumer, Non-cyclical</i>		<u>6,976,424</u>	<u>6,431,100</u>	<u>92.12%</u>
<i>Diversified</i>				
Humanwell Healthcare Group Co Ltd	9,400	41,278	29,362	0.42%
<i>Total Diversified</i>		<u>41,278</u>	<u>29,362</u>	<u>0.42%</u>

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV
Schedule of Investments (continued)

As at 30 September 2021
(Expressed in United States Dollars)

KraneShares MSCI All China Health Care Index UCITS ETF (continued)

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>		
Transferable securities admitted to an official stock exchange listing (continued)						
Equities (continued)						
<u>China (continued)</u>						
<i>Industrial</i>						
Shandong Pharmaceutical Glass Co Ltd	3,400	21,276	15,699	0.22%		
<i>Total Industrial</i>		<u>21,276</u>	<u>15,699</u>	<u>0.22%</u>		
<i>Technology</i>						
Winning Health Technology Group Co Ltd	11,700	27,655	26,340	0.38%		
<i>Total Technology</i>		<u>27,655</u>	<u>26,340</u>	<u>0.38%</u>		
<u>Total China</u>		<u>7,222,512</u>	<u>6,615,383</u>	<u>94.75%</u>		
<u>Hong Kong</u>						
<i>Consumer, Cyclical</i>						
Alibaba Health Information Technology Ltd	74,000	211,192	106,466	1.53%		
<i>Total Consumer, Cyclical</i>		<u>211,192</u>	<u>106,466</u>	<u>1.53%</u>		
<i>Consumer, Non-cyclical</i>						
China Traditional Chinese Medicine Holdings Co Ltd	52,000	28,505	26,385	0.38%		
Hutchmed China Ltd	1,574	55,207	57,624	0.83%		
Sino Biopharmaceutical Ltd	192,000	182,704	159,329	2.28%		
SSY Group Ltd	26,000	14,615	14,061	0.20%		
<i>Total Consumer, Non-cyclical</i>		<u>281,031</u>	<u>257,399</u>	<u>3.69%</u>		
Total Hong Kong		<u>492,223</u>	<u>363,865</u>	<u>5.22%</u>		
Total Equities		<u>7,714,735</u>	<u>6,979,248</u>	<u>99.97%</u>		
Total financial assets at fair value through profit or loss			<u>6,979,248</u>	<u>99.97%</u>		
<u>Description</u>	<u>Maturity Date</u>	<u>Amount Bought</u>	<u>Amount Sold</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Unrealised Loss on Forward Foreign Currency Contracts						
(Counterparty: Brown Brothers Harriman)						
Buy USD/Sell CNY	08/10/2021	163	(1,053)		-	0.00%
Total Derivative Liabilities					<u>-</u>	<u>0.00%</u>
Total financial liabilities at fair value through profit or loss					<u>-</u>	<u>0.00%</u>
Cash and cash equivalents					6,120	0.09%
Other net liabilities					(3,955)	(0.06%)
Net asset value attributable to holders of redeemable participating shares					<u>6,981,413</u>	<u>100.00%</u>
Analysis of Total Assets					<u>Fair Value USD</u>	<u>% of Total Assets</u>
Transferable securities admitted to an official stock exchange listing					6,979,248	99.87%
Other assets					9,400	0.13%
Total Assets					<u>6,988,648</u>	<u>100.00%</u>

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV
Schedule of Investments (continued)

As at 30 September 2021
(Expressed in United States Dollars)

KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing				
Equities				
<i>China</i>				
<i>Basic Materials</i>				
Anji Microelectronics Technology Shanghai Co Ltd	910	34,653	33,202	0.88%
Cathay Biotech Inc	1,650	25,217	39,869	1.05%
Guangdong Jia Yuan Technology Shares Co Ltd	6,220	76,712	136,958	3.62%
Western Superconducting Technologies Co Ltd	8,492	81,206	94,473	2.49%
<i>Total Basic Materials</i>		<u>217,788</u>	<u>304,502</u>	<u>8.04%</u>
<i>Communications</i>				
Shenzhen Transsion Holdings Co Ltd	9,202	253,753	201,035	5.31%
<i>Total Communications</i>		<u>253,753</u>	<u>201,035</u>	<u>5.31%</u>
<i>Consumer, Cyclical</i>				
Appotronics Corp Ltd	7,173	39,306	29,119	0.77%
Autel Intelligent Technology Corp Ltd	7,127	90,946	78,072	2.06%
Beijing Roborock Technology Co Ltd	1,062	206,699	116,325	3.07%
Tianneng Battery Group Co Ltd	4,115	30,154	27,977	0.74%
<i>Total Consumer, Cyclical</i>		<u>367,105</u>	<u>251,493</u>	<u>6.64%</u>
<i>Consumer, Non-cyclical</i>				
Bloomage Biotechnology Corp Ltd	2,730	111,474	78,601	2.07%
BrightGene Bio-Medical Technology Co Ltd	8,117	54,040	35,919	0.95%
CanSino Biologics Inc	1,363	138,036	71,548	1.89%
Micro-Tech Nanjing Co Ltd	1,585	68,102	63,388	1.67%
Ninebot Ltd	2,452	28,714	30,735	0.81%
Qingdao Haier Biomedical Co Ltd	4,822	77,611	84,800	2.24%
Sansure Biotech Inc	1,425	20,843	12,316	0.33%
Shanghai Haohai Biological Technology Co Ltd	1,636	49,906	47,843	1.26%
Shanghai Junshi Biosciences Co Ltd	3,006	36,912	25,197	0.67%
Shanghai MicroPort Endovascular MedTech Group Co Ltd	1,140	65,484	48,398	1.28%
Shenzhen Chipscreen Biosciences Co Ltd	9,742	58,430	56,725	1.50%
Suzhou Zelgen Biopharmaceutical Co Ltd	5,702	63,051	57,691	1.52%
Xiamen Amoytop Biotech Co Ltd	3,221	17,645	13,505	0.36%
<i>Total Consumer, Non-cyclical</i>		<u>790,248</u>	<u>626,666</u>	<u>16.55%</u>
<i>Energy</i>				
Ningbo Ronbay New Energy Technology Co Ltd	10,331	153,456	173,005	4.57%
Pylon Technologies Ltd	1,787	60,305	55,792	1.47%
Trina Solar Co Ltd	12,085	45,520	100,290	2.65%
<i>Total Energy</i>		<u>259,281</u>	<u>329,087</u>	<u>8.69%</u>
<i>Industrial</i>				
China Railway Signal & Communication Corp Ltd	102,413	89,376	81,880	2.16%
Jiangsu Cnano Technology Co Ltd	7,139	115,347	166,009	4.38%
Raytron Technology Co Ltd	8,563	133,445	116,358	3.07%

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV
Schedule of Investments (continued)

As at 30 September 2021
(Expressed in United States Dollars)

KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF (continued)

<u>Description</u>	<u>Quantity</u>	<u>Cost USD</u>	<u>Fair Value USD</u>	<u>% of Net Assets</u>
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (continued)				
<i>China (continued)</i>				
<i>Industrial (continued)</i>				
Shanghai Friendess Electronic Technology Corp Ltd	1,192	74,784	81,020	2.14%
Suzhou HYC Technology Co Ltd	1,519	8,359	8,174	0.22%
Zhejiang HangKe Technology Inc Co	4,784	64,097	61,338	1.62%
Zhejiang SUPCON Technology Co Ltd	1,521	24,647	19,881	0.52%
3peak Inc	910	90,430	89,972	2.38%
<i>Total Industrial</i>		<u>600,485</u>	<u>624,632</u>	<u>16.49%</u>
<i>Technology</i>				
Advanced Micro-Fabrication Equipment Inc China	9,469	202,701	222,714	5.88%
Amlogic Shanghai Co Ltd	7,911	113,652	127,699	3.38%
Arcsoft Corp Ltd	8,039	56,225	51,169	1.35%
Beijing Kingsoft Office Software Inc	7,064	438,826	310,098	8.19%
Bestechnic Shanghai Ltd	923	39,545	36,625	0.97%
Cambricon Technologies Corp Ltd	1,427	24,850	17,604	0.46%
China Resources Microelectronics Ltd	10,161	107,026	108,395	2.86%
DBAPP Security Ltd	1,759	79,675	96,208	2.54%
Espressif Systems Shanghai Co Ltd	1,586	51,034	51,436	1.36%
Montage Technology Co Ltd	17,411	156,174	160,271	4.23%
National Silicon Industry Group Co Ltd	19,644	75,901	87,232	2.30%
Qi An Xin Technology Group Inc	2,962	43,474	37,601	0.99%
Shanghai Bright Power Semiconductor Co Ltd	737	43,115	42,651	1.13%
UCloud Technology Co Ltd	8,365	52,058	42,123	1.11%
Verisilicon Microelectronics Shanghai Co Ltd	1,933	19,652	20,211	0.53%
Willfar Information Technology Co Ltd	3,959	15,683	13,876	0.37%
<i>Total Technology</i>		<u>1,519,591</u>	<u>1,425,913</u>	<u>37.65%</u>
Total China		<u>4,008,251</u>	<u>3,763,328</u>	<u>99.37%</u>
Total Equities		<u>4,008,251</u>	<u>3,763,328</u>	<u>99.37%</u>
Total financial assets at fair value through profit or loss			<u>3,763,328</u>	<u>99.37%</u>
Cash and cash equivalents			24,518	0.65%
Restricted cash			4,737	0.13%
Other net liabilities			(5,633)	(0.15%)
Net asset value attributable to holders of redeemable participating shares			<u>3,786,950</u>	<u>100.00%</u>
			Fair Value	% of
Analysis of Total Assets			USD	Total Assets
Transferable securities admitted to an official stock exchange listing			3,763,328	99.23%
Other assets			29,255	0.77%
Total Assets			<u>3,792,583</u>	<u>100.00%</u>

This Schedule of Investments forms an integral part of these financial statements.

KRANESHARES ICAV
Statement of Financial Position

As at 30 September 2021

(Expressed in United States Dollars)

	Note	CSI China Internet UCITS ETF USD	MSCI China A 50 Connect UCITS ETF USD	MSCI China ESG Leaders UCITS ETF USD	Bloomberg China Bond Inclusion UCITS ETF USD	MSCI All China Health Care Index UCITS ETF USD ¹	ICBCCS SSE Star Market 50 Index UCITS ETF USD ²
Assets							
Current assets							
Financial assets at fair value through profit or loss	7, 8	614,128,782	23,943,934	30,289,481	5,600,221	6,979,248	3,763,328
Cash and cash equivalents		-	28,793	84,844	553,650	6,120	24,518
Restricted cash		-	-	-	-	-	4,737
Interest receivable		-	-	-	84,120	-	-
Subscriptions receivable		8,249,113	-	-	-	-	-
Other receivables		319,668	62,884	50,103	-	3,280	-
Total assets		622,697,563	24,035,611	30,424,428	6,237,991	6,988,648	3,792,583
Liabilities							
Current liabilities							
Financial liabilities at fair value through profit or loss	8	1,785	-	3	-	-	-
Bank overdraft		81,749	-	-	-	-	-
Redemptions payable		4,354,526	-	-	-	-	-
Securities purchased payable		3,165,378	-	-	-	-	-
TER fees payable	5	560,164	15,486	20,296	2,864	7,235	5,633
Accrued expenses and other liabilities		3,071	44,523	-	-	-	-
Total liabilities (excluding net assets attributable to holders of redeemable participating shares liability/equity classified) ³		8,166,673	60,009	20,299	2,864	7,235	5,633
Net assets attributable to holders of redeemable participating shares liability/equity classified) ³		614,530,890	23,975,602	30,404,129	6,235,127	6,981,413	3,786,950

¹ KraneShares MSCI All China Health Care Index UCITS ETF commenced operations on 14 January 2021. Therefore, no comparative information arises for this Sub-Fund.

² KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF commenced operations on 25 May 2021. Therefore, no comparative information arises for this Sub-Fund.

³ KraneShares CSI China Internet UCITS ETF's shares are liability classified under IAS 32 at 30 September 2021 and in the prior year. KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF shares are liability classified under IAS 32 at 30 September 2021. The Shares of all other Sub-Funds are equity classified in the current year and, where applicable, in the prior year.

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

KRANESHARES ICAV
Statement of Financial Position (continued)

As at 30 September 2021
(Expressed in United States Dollars)

Approved on behalf of the Board of Directors:



Director
Date: 28 January 2022



Director

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

KRANESHARES ICAV

Statement of Financial Position (continued)

As at 30 September 2020

(Expressed in United States Dollars)

	Note	CSI China Internet UCITS ETF USD	MSCI China A 50 Connect UCITS ETF USD	MSCI China ESG Leaders UCITS ETF USD ¹	Bloomberg China Bond Inclusion UCITS ETF USD ²
Assets					
Current assets					
Financial assets at fair value through profit or loss	7, 8	185,470,365	12,343,510	3,669,451	6,030,811
Cash and cash equivalents		19,364	-	2,393	205,277
Interest receivable		-	-	-	80,063
Subscriptions receivable		3,081,822	3,223,869	-	-
Other receivables		59,248	152,838	6,892	-
Total assets		188,630,799	15,720,217	3,678,736	6,316,151
Liabilities					
Current liabilities					
Financial liabilities at fair value through profit or loss	8	39	-	-	-
Bank overdraft		-	3,199,493	-	-
Redemptions payable		-	44,523	-	-
Securities purchased payable		3,117,350	-	-	-
TER fees payable	5	120,204	3,603	1,114	1,986
Total liabilities (excluding net assets attributable to holders of redeemable participating shares liability/equity classified)³		3,237,593	3,247,619	1,114	1,986
Net assets attributable to holders of redeemable participating shares liability/equity classified)³		185,393,206	12,472,598	3,677,622	6,314,165

¹ KraneShares MSCI China ESG Leaders UCITS ETF commenced operations on 4 February 2020.² KraneShares Bloomberg China Bond Inclusion UCITS ETF commenced operations on 25 May 2020.³ KraneShares CSI China Internet UCITS ETF's shares are liability classified under IAS 32 at 30 September 2020 with these being equity classified in the prior year. The shares of all other Sub-Funds are equity classified in the current year and, where applicable, in the prior year.*The accompanying notes form an integral part of these financial statements.*

KRANESHARES ICAV
Statement of Comprehensive Income

For the year ended 30 September 2021
(Expressed in United States Dollars)

	Note	CSI China Internet UCITS ETF USD	MSCI China A 50 Connect UCITS ETF USD	MSCI China ESG Leaders UCITS ETF USD	Bloomberg China Bond Inclusion UCITS ETF USD	MSCI All China Health Care Index UCITS ETF USD ¹	ICBCCS SSE Star Market 50 Index UCITS ETF USD ²
Investment income							
Interest income		-	-	-	167,278	-	-
Dividend income		485,044	436,129	497,350	-	35,501	6,934
Net (loss)/gain on financial assets and liabilities at fair value through profit or loss		(156,100,315)	1,912,717	(1,846,894)	499,171	(795,610)	(221,531)
Net gain/(loss) on foreign exchange translation		34,473	(10,953)	(2,098)	(2,403)	(13,864)	11,729
Other income		225,362	-	350	-	-	-
Total income/(loss)		<u>(155,355,436)</u>	<u>2,337,893</u>	<u>(1,351,292)</u>	<u>664,046</u>	<u>(773,973)</u>	<u>(202,868)</u>
Expenses							
TER fees	5	2,483,881	111,347	103,431	24,674	27,024	9,939
Transaction costs	10	774,615	101,525	89,780	-	10,818	5,557
Other expenses		-	407	35	-	254	160
Total operating expenses		<u>3,258,496</u>	<u>213,279</u>	<u>193,246</u>	<u>24,674</u>	<u>38,096</u>	<u>15,656</u>
Finance costs							
Distributions to holders of Redeemable Participating Shares		-	-	-	118,570	-	-
Total finance costs		<u>-</u>	<u>-</u>	<u>-</u>	<u>118,570</u>	<u>-</u>	<u>-</u>
(Loss)/profit before tax		(158,613,932)	2,124,614	(1,544,538)	520,802	(812,069)	(218,524)
Withholding taxes		-	(43,741)	(28,712)	-	(2,911)	(693)
Net (decrease)/increase in net assets resulting from operations attributable to holders of redeemable participating shares		<u>(158,613,932)</u>	<u>2,080,873</u>	<u>(1,573,250)</u>	<u>520,802</u>	<u>(814,980)</u>	<u>(219,217)</u>

¹ KraneShares MSCI All China Health Care Index UCITS ETF commenced operations on 14 January 2021. Therefore, no comparative information arises for this Sub-Fund.

² KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF commenced operations on 25 May 2021. Therefore, no comparative information arises for this Sub-Fund.

Gains and losses arose solely from continuing investment activities. There were no gains or losses other than those presented in the Statement of Comprehensive Income.

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

KRANESHARES ICAV

Statement of Comprehensive Income (continued)

For the year ended 30 September 2020

(Expressed in United States Dollars)

	Note	CSI China Internet UCITS ETF USD	MSCI China A 50 Connect UCITS ETF USD	MSCI China ESG Leaders UCITS ETF USD ¹	Bloomberg China Bond Inclusion UCITS ETF USD ²
Investment income					
Interest income		-	-	-	120,023
Dividend income		245,808	1,124,037	40,588	-
Net gain/loss on financial assets and liabilities at fair value through profit or loss		44,914,279	24,154,703	317,328	(50,157)
Net (loss)/gain on foreign exchange translation		(1,811)	52,158	(1,156)	1,855
Other income		4,304	1,403	-	-
Total income		<u>45,162,580</u>	<u>25,332,301</u>	<u>356,760</u>	<u>71,721</u>
Expenses					
TER fees	5	665,190	355,534	5,602	7,556
Transaction costs	10	<u>225,289</u>	<u>313,817</u>	<u>11,743</u>	<u>-</u>
Total operating expenses		<u>890,479</u>	<u>669,351</u>	<u>17,345</u>	<u>7,556</u>
Profit before tax		44,272,101	24,662,950	339,415	64,165
Withholding taxes		(163)	(114,092)	(2,581)	-
Net increase in net assets resulting from operations attributable to holders of redeemable participating shares		<u>44,271,938</u>	<u>24,548,858</u>	<u>336,834</u>	<u>64,165</u>

¹ KraneShares MSCI China ESG Leaders UCITS ETF commenced operations on 4 February 2020.

² KraneShares Bloomberg China Bond Inclusion UCITS ETF commenced operations on 25 May 2020.

Gains and losses arose solely from continuing investment activities. There were no gains or losses other than those presented in the Statement of Comprehensive Income.

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

KRANESHARES ICAV

Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares

For the year ended 30 September 2021

(Expressed in United States Dollars)

	CSI China Internet UCITS ETF USD	MSCI China A 50 Connect UCITS ETF USD*	MSCI China ESG Leaders UCITS ETF USD*	Bloomberg China Bond Inclusion UCITS ETF USD*	MSCI All China Health Care Index UCITS ETF USD* ¹	ICBCCS SSE Star Market 50 Index UCITS ETF USD ²
Net assets attributable to holders of redeemable participating shares at the beginning of the year/period - equity	-	12,472,598	3,677,622	6,314,165	-	-
Net assets attributable to holders of redeemable participating shares at the beginning of the year/period - financial liabilities	185,393,206	-	-	-	-	-
Subscriptions of redeemable participating shares during the year/period	724,999,229	33,490,997	30,371,659	4,133,924	7,796,393	5,379,062
Redemptions of redeemable participating shares redeemed during the year/period	(137,247,613)	(24,068,866)	(2,071,902)	(4,733,764)	-	(1,372,895)
Net (decrease)/increase in net assets resulting from operations attributable to holders of redeemable participating shares	<u>(158,613,932)</u>	<u>2,080,873</u>	<u>(1,573,250)</u>	<u>520,802</u>	<u>(814,980)</u>	<u>(219,217)</u>
Net assets attributable to holders of redeemable participating shares at the end of the year/period - equity	<u>-</u>	<u>23,975,602</u>	<u>30,404,129</u>	<u>6,235,127</u>	<u>6,981,413</u>	<u>-</u>
Net assets attributable to holders of redeemable participating shares at the end of the year/period - financial liabilities	<u>614,530,890</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,786,950</u>

¹ KraneShares MSCI All China Health Care Index UCITS ETF commenced operations on 14 January 2021. Therefore, no comparative information arises for this Sub-Fund.

² KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF commenced operations on 25 May 2021. Therefore, no comparative information arises for this Sub-Fund.

* The shares of these Sub-Funds are classified as equity in accordance with IAS 32, please see note 2(d)(vi).

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

KRANESHARES ICAV

Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares (continued)

For the year ended 30 September 2020

(Expressed in United States Dollars)

	CSI China Internet UCITS ETF USD	MSCI China A 50 Connect UCITS ETF USD*	MSCI China ESG Leaders UCITS ETF USD* ¹	Bloomberg China Bond Inclusion UCITS ETF USD* ²
Net assets attributable to holders of redeemable participating shares at the beginning of the year/period - equity	23,168,403	105,280,173	-	-
Subscriptions of redeemable participating shares during the year/period	136,310,183	17,753,235	5,152,392	6,250,000
Redemptions of redeemable participating shares redeemed during the year/period	(18,357,318)	(135,109,668)	(1,811,604)	-
Net increase in net assets resulting from operations attributable to holders of redeemable participating shares	44,271,938	24,548,858	336,834	64,165
Reclassification of redemable participating shares from equity to financial liabilities	(185,393,206)	-	-	-
Net assets attributable to holders of redeemable participating shares at the end of the year/period - equity	-	12,472,598	3,677,622	6,314,165
Net assets attributable to holders of redeemable participating shares at the end of the year/period - financial liabilities	185,393,206	-	-	-

¹ *KraneShares MSCI China ESG Leaders UCITS ETF commenced operations on 4 February 2020.*² *KraneShares Bloomberg China Bond Inclusion UCITS ETF commenced operations on 25 May 2020.*

* The shares of these Sub-Funds are classified as equity in accordance with IAS 32, please see note 2(d)(vi).

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

KRANESHARES ICAV
Statement of Cash Flows

For the year ended 30 September 2021
(Expressed in United States Dollars)

	CSI China Internet UCITS ETF USD	MSCI China A 50 Connect UCITS ETF USD	MSCI China ESG Leaders UCITS ETF USD	Bloomberg China Bond Inclusion UCITS ETF USD	MSCI All China Health Care Index UCITS ETF USD ¹	ICBCCS SSE Star Market 50 Index UCITS ETF USD ²
Cash flows from operating activities:						
Net (decrease)/increase in net assets resulting from operations attributable to holders of redeemable participating shares	(158,613,932)	2,080,873	(1,573,250)	520,802	(814,980)	(219,217)
Operating (loss)/profit before working capital changes	(158,613,932)	2,080,873	(1,573,250)	520,802	(814,980)	(219,217)
Adjustment for:						
Withholding tax paid	-	43,741	28,712	-	2,911	693
Dividend income received	(485,044)	(436,129)	(497,350)	-	(35,501)	(6,934)
Interest income received (on instruments held at fair value)	-	-	-	(163,140)	-	-
Net (increase)/decrease in financial assets and liabilities at fair value through profit or loss	(428,656,671)	(11,600,424)	(26,620,027)	430,590	(6,979,248)	(3,763,328)
Net increase in restricted cash	-	-	-	-	-	(4,737)
Increase in securities purchased payable	48,028	-	-	-	-	-
(Increase)/decrease in other receivables	(260,420)	89,954	(43,211)	(4,057)	(3,280)	-
Increase in TER fees payable	439,960	11,883	19,182	878	7,235	5,633
Increase in accrued expenses and other liabilities	3,071	44,523	-	-	-	-
Cash (used in)/provided by operations	(428,911,076)	(11,846,452)	(27,112,694)	264,271	(7,007,883)	(3,768,673)
Withholding tax paid	-	(43,741)	(28,712)	-	(2,911)	(693)
Dividend income received	485,044	436,129	497,350	-	35,501	6,934
Interest income received	-	-	-	163,140	-	-
Net cash (used in)/provided by operations	(587,039,964)	(9,373,191)	(28,217,306)	948,213	(7,790,273)	(3,981,649)
Cash flows from financing activities						
Net (increase)/decrease in subscriptions receivable	(5,167,291)	3,223,869	-	-	-	-
Net increase/(decrease) in redemptions payable	4,354,526	(44,523)	-	-	-	-
Subscriptions of redeemable participating shares during the year/period	724,999,229	33,490,997	30,371,659	4,133,924	7,796,393	5,379,062
Redemptions of redeemable participating shares redeemed during the year/period	(137,247,613)	(24,068,866)	(2,071,902)	(4,733,764)	-	(1,372,895)
Net cash provided/(used in) by financing activities	586,938,851	12,601,477	28,299,757	(599,840)	7,796,393	4,006,167
Net (decrease)/increase in cash and cash equivalents	(101,113)	3,228,286	82,451	348,373	6,120	24,518
Cash and cash equivalents at start of the year	19,364	(3,199,493)	2,393	205,277	-	-
Cash and cash equivalents at end of the year	(81,749)	28,793	84,844	553,650	6,120	24,518
Supplementary Information						
Dividends received	485,044	436,129	497,350	-	35,501	6,934
Interest received	-	-	-	163,140	-	-
Interest paid	-	-	-	-	-	-

¹ KraneShares MSCI All China Health Care Index UCITS ETF commenced operations on 14 January 2021. Therefore, no comparative information arises for this Sub-Fund.

² KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF commenced operations on 25 May 2021. Therefore, no comparative information arises for this Sub-Fund.

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

KRANESHARES ICAV

Statement of Cash Flows (continued)

For the year ended 30 September 2020

(Expressed in United States Dollars)

	CSI China Internet UCITS ETF USD	MSCI China A 50 Connect UCITS ETF USD	MSCI China ESG Leaders UCITS ETF USD ¹	Bloomberg China Bond Inclusion UCITS ETF USD ²
Cash flows from operating activities:				
Net increase in net assets resulting from operations attributable to holders of redeemable	44,271,938	24,548,858	336,834	64,165
Operating profit before working capital changes	<u>44,271,938</u>	<u>24,548,858</u>	<u>336,834</u>	<u>64,165</u>
Adjustment for:				
Withholding tax paid	163	114,092	2,581	-
Dividend income received	(245,808)	(1,124,037)	(40,588)	-
Interest income received (on instruments held at fair value)	-	-	-	(39,960)
Net (increase)/decrease in financial assets and liabilities at fair value through profit or loss	(162,309,732)	92,948,843	(3,669,451)	(6,030,811)
Increase in securities purchased payable	3,117,350	-	-	-
Increase in other receivables	(58,539)	(152,838)	(6,892)	(80,063)
Increase/(decrease) in TER fees payable	111,944	(31,467)	1,114	1,986
Cash (used in)/provided by operations	<u>(159,384,622)</u>	<u>91,754,593</u>	<u>(3,713,236)</u>	<u>(6,148,848)</u>
Withholding tax paid	(163)	(114,092)	(2,581)	-
Dividend income received	245,808	1,124,037	40,588	-
Interest income received	-	-	-	39,960
Net cash (used in)/provided by operations	<u>(114,867,039)</u>	<u>117,313,396</u>	<u>(3,338,395)</u>	<u>(6,044,723)</u>
Cash flows from financing activities				
Subscriptions of redeemable participating shares during the year	133,228,361	14,529,366	5,152,392	6,250,000
Redemptions of redeemable participating shares redeemed during the year	(18,357,318)	(135,065,145)	(1,811,604)	-
Net cash (used in)/provided by financing activities	<u>114,871,043</u>	<u>(120,535,779)</u>	<u>3,340,788</u>	<u>6,250,000</u>
Net increase in cash and cash equivalents	4,004	(3,222,383)	2,393	205,277
Cash and cash equivalents at start of the year	15,360	22,890	-	-
Cash and cash equivalents at end of the year	<u>19,364</u>	<u>(3,199,493)</u>	<u>2,393</u>	<u>205,277</u>
Supplementary Information				
Dividends received	245,808	1,124,037	40,588	-
Interest received	-	-	-	39,960
Interest paid	-	-	-	-

¹ KraneShares MSCI China ESG Leaders UCITS ETF commenced operations on 4 February 2020.

² KraneShares Bloomberg China Bond Inclusion UCITS ETF commenced operations on 25 May 2020.

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

KRANESHARES ICAV

Notes to the Financial Statements

For the year ended 30 September 2021
(Expressed in United States Dollars)

1. Nature of operations

KraneShares ICAV (the “ICAV”) was registered in Ireland pursuant to the Irish Collective Asset-management Vehicles Act 2015 and 2020 (the “ICAV Act”) on 15 May 2018 and authorised on 11 October 2018 by the Central Bank of Ireland (the “Central Bank”) as an Undertaking for Collective Investment in Transferable Securities pursuant to the European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No 352 of 2011), and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investments in Transferable Securities) Regulations 2019 (collectively the “UCITS Regulations”). The ICAV has been established for the purpose of investing in transferable securities in accordance with the UCITS Regulations.

The ICAV is organised in the form of an umbrella fund with segregated liability between sub-funds. Each sub-fund has a distinct portfolio of investments and the investment objective and policy of each sub-fund will be formulated by the investment manager. At 30 September 2021, the following sub-funds were in operation:

Sub-Funds	Launch date
KraneShares CSI China Internet UCITS ETF	21 November 2018
KraneShares MSCI China A 50 Connect UCITS ETF	26 June 2019
KraneShares MSCI China ESG Leaders UCITS ETF	4 February 2020
KraneShares Bloomberg China Bond Inclusion UCITS ETF	25 May 2020
KraneShares MSCI All China Health Care Index UCITS ETF	14 January 2021
KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF	25 May 2021

Waystone Management Company (IE) Limited (the “Manager”) has appointed Krane Funds Advisors LLC as Investment Manager and Distributor of the ICAV pursuant to the investment management and distribution agreement between the ICAV, the Manager and the Investment Manager dated 11 October 2018.

The registered office of the ICAV is 70 Sir John Rogerson’s Quay, Dublin 2, Ireland. SEI Investments - Global Fund Services Limited (the “Administrator”) is the administrator. SEI Investments – Depository and Custodial Services (Ireland) Limited (the “Depository”) is the depository. Brown Brothers Harriman & Co. has been appointed as the sub-custodian (the “Sub-Custodian”) in accordance with the requirements of the Central Bank to perform in whole or in part any of the Depository’s duties.

2. Basis of preparation and significant accounting policies

(a) Statement of compliance

The financial statements of each of the Sub-Funds are prepared in accordance with International Financial Reporting Standards (“IFRS”), as adopted by the European Union, the UCITS Regulations, and the ICAV Act 2015. This report presents financial statements for KraneShares CSI China Internet UCITS ETF, KraneShares MSCI China A 50 Connect UCITS ETF, KraneShares MSCI China ESG Leaders UCITS ETF, KraneShares Bloomberg China Bond Inclusion UCITS ETF, KraneShares MSCI All China Health Care Index UCITS ETF and KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF as at and for the year/period ended 30 September 2021.

This report presents the comparative financial statements for KraneShares CSI China Internet UCITS ETF, KraneShares MSCI China A 50 Connect UCITS ETF, KraneShares MSCI China ESG Leaders UCITS ETF and KraneShares Bloomberg China Bond Inclusion UCITS ETF as at and for the year/period ended 30 September 2020. KraneShares MSCI All China Health Care Index UCITS ETF and KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF commenced operations on 14 January 2021 and 25 May 2021, respectively, and as such, there are no comparative figures to disclose for these two sub-funds.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021

(Expressed in United States Dollars)

2. Basis of preparation and significant accounting policies (continued)

(b) Basis of preparation

The financial statements are presented in United States Dollars (“USD”). The financial statements have been prepared on a going concern basis and under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss.

When reviewing the going concern basis, the Directors are of the view that the Sub-Funds have sufficient liquidity to cover its obligations for at least 12 months and they believe that the Sub-Funds will continue in operational existence for the foreseeable future. In making this assessment the Directors considered the level of redemptions post year end as disclosed in Note 13 “Events after the reporting year”.

The preparation of financial statements in conformity with IFRS requires management to make judgements, critical accounting estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Please refer to Note 8 “Fair value measurement” for further details.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period and future periods if the revision affects both current and future periods.

All references to net assets throughout this document refer to net assets attributable to holders of redeemable participating shares.

(c) New standards, amendments and interpretations issued and effective for the financial year beginning 1 October 2020

There are no new standards, interpretations or amendments to existing standards that are issued and effective that have had a significant impact on the sub-funds’ financial statements.

Standards, amendments and interpretations that are not yet effective for the year and not early adopted

A number of new standards, amendments to standards and interpretations are effective for annual years beginning after 1 October 2020, and have not been applied in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Sub-Funds.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)

2. Basis of preparation and significant accounting policies (continued)

(d) Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied for the years presented, unless otherwise stated.

i. Foreign currency translation

Functional and presentation currency

Functional currency is the currency of the primary economic environment in which the Sub-Funds operate. The functional currency of all Sub-Funds is US Dollars (“USD”), being the Sub-Funds’ base currency. Investor subscriptions and redemptions are received and paid in the currency of the relevant Share Class. The expenses (including management fees, custodian fees and administration fees) are denominated and paid mostly in USD. Investment securities in RMB are translated into the presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year end date.

Foreign exchange gains and losses arising from translation are included in the Statement of Comprehensive Income.

Net gain on foreign exchange translation

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the Statement of Comprehensive Income within ‘Net gain/(loss) on foreign exchange translation’.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the Statement of Comprehensive Income within ‘Net (loss)/gain on financial assets at fair value through profit or loss’.

ii. Financial instruments

Recognition and initial measurement

The ICAV initially recognises financial assets at fair value through profit or loss (“FVTPL”) on the trade date, which is the date on which the respective Sub-Fund of the ICAV becomes a party to the contractual provisions of the instrument. Other financial assets are recognised on the date on which they are originated. A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

On initial recognition, the Sub-Funds classify financial assets as measured at amortised cost or FVTPL. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
 - its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”).
- Assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest (“SPPI”), and that are not designed at fair value through profit and loss, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance.

All other financial assets of the Sub-Funds are measured at FVTPL.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)

2. Basis of preparation and significant accounting policies (continued)

(d) Significant accounting policies (continued)

ii Financial instruments (continued)

Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Sub-Funds consider all of the relevant information about how the business is managed, including:

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Sub-Fund management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how the investment manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Sub-Funds continuing recognition of the assets.

The ICAV has determined that it has two business models.

- Held-to-collect business model: this includes cash and cash equivalents and subscriptions receivable. These financial assets are held to collect contractual cash flow.
- Other business model: this includes bonds, equities and financial derivative instruments. Bonds are managed and their performance is evaluated, on a fair value basis, with sales taking place as required. The equities are managed and their performance is evaluated, on a fair value basis, with sales taking place as required. Financial derivative instruments are managed and their performance is evaluated, on a fair value basis, with contracts entered into on a NAV hedging and portfolio hedging basis.

Subsequent measurement of financial assets

Financial assets at FVTPL - These assets are subsequently measured at fair value. Net gains and losses, including any foreign exchange gains and losses, are recognised in profit or loss in 'net (loss)/gain from financial instruments at FVTPL' in the Statement of Comprehensive Income.

Equities, bonds, American depositary receipts and forward foreign exchange contracts are included in this category.

Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. Interest income is recognised in 'interest income calculated using the effective interest method', foreign exchange gains and losses are recognised in 'net foreign exchange gain/(loss)' and, where significant, impairment is recognised in 'impairment losses on financial instruments' in the Statement of Comprehensive Income. Any gain or loss on derecognition is also recognized in profit or loss.

Cash and cash equivalents and subscriptions receivable are included in this category.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021

(Expressed in United States Dollars)

2. Basis of preparation and significant accounting policies (continued)

(d) Significant accounting policies (continued)

ii Financial instruments (continued)

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Forward foreign exchange contracts shall be valued as at the valuation point for the relevant dealing day by reference to the prevailing market maker quotations, namely, the price at which a new forward contract of the same size and maturity could be undertaken.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial liabilities at FVTPL:

- Held for trading: this comprises forward foreign exchange contracts.

Financial liabilities at amortised cost:

- This comprises the TER fees payable, redemptions payable and securities purchased payable.

Derecognition

The Sub-Funds derecognise a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the respective Sub-Fund neither transfers nor retains substantially all of the risks and rewards of ownership and do not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. Any interest in such transferred financial assets that is created or retained by the respective Sub-Fund is recognised as a separate asset or liability.

The Sub-Funds of the ICAV enter into transactions whereby they transfer assets recognised on the respective statement of financial position, but retain either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all of the risks and rewards are retained, then the transferred assets are not derecognised. Transfers of assets with retention of all or substantially all of the risks and rewards include sale transactions.

The Sub-Funds derecognise a financial liability when its contractual obligations are discharged or cancelled, or expire.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021

(Expressed in United States Dollars)

2. Basis of preparation and significant accounting policies (continued)

(d) Significant accounting policies (continued)

ii Financial instruments (continued)

Impairment

The Sub-Funds recognise loss allowances for expected credit losses (“ECLs”) on financial assets measured at amortised cost. The Sub-Funds measure loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Sub-Funds consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Sub-Funds historical experiences and informed credit assessments and including forward-looking information.

The Sub-Funds assume that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Sub-Funds consider a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the respective Sub-Fund of the ICAV in full, without recourse by the respective Sub-Fund to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Sub-Funds consider a financial asset to have low credit risk when the credit rating of the counterparty is equivalent to the globally understood definition of ‘investment grade’. The Sub-Funds consider this to be Baa3 or higher per Moody's Investors Service or BBB- or higher per Standard & Poor's.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Sub-Funds are exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Sub-Funds of the ICAV expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021

(Expressed in United States Dollars)

2. Basis of preparation and significant accounting policies (continued)

(d) Significant accounting policies (continued)

ii Financial instruments (continued)

Impairment (continued)

Credit-impaired financial assets

At each reporting date, the Sub-Funds assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs in the Statement of Financial Position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the respective Sub-Fund has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported on the Statement of Financial Position when, and only when, there is a legal enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liability simultaneously. Please refer to Note 7(g) "Offsetting and amounts subject to master netting/similar agreements" for further details.

ii. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less. As at 30 September 2021 and 30 September 2020, all cash and cash equivalents were held with the Sub-Custodian.

iii. Expenses

Accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using effective interest rate method.

iv. Income

Dividend income is recognised when the right to receive payment is established and it is shown separately in the Statement of Comprehensive Income. The Sub-Funds currently incur withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the Statement of Comprehensive Income.

Interest income is recognised on a time-proportionate basis using the effective interest method. It includes interest income on debt securities at fair value through profit or loss. Interest income from cash and cash equivalents is recognised in other income.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021

(Expressed in United States Dollars)

2. Basis of preparation and significant accounting policies (continued)

(d) Significant accounting policies (continued)

v. Redeemable participating shares

The Sub-Funds are open-ended and issue redeemable participating shares, which are redeemable at a Shareholder's option. These shares can be put back to the respective Sub-Fund for cash equal to a proportionate share of the Sub-Funds trading Net Asset Value ("NAV") calculated in accordance with the Prospectus. These shares are classified as equity or liability, as appropriate, in accordance with IAS 32 Financial Instruments - Presentation ("IAS 32"). Typically, where a Sub-Fund has only one such share class in issue, those shares qualify for equity classification as the qualifying criteria in IAS 32.16A and 16B are met. On the other hand, where a Sub-Fund has more than one such share class in issue, those share classes do not, for example, typically have identical rights to each other and therefore those qualifying criteria for equity classification are not met. Where the criteria are no longer met, the Sub-Fund reclassifies from the date when the shares cease to qualify for equity classification. The shares, when first classified as financial liabilities are measured at their fair value. Subsequently the redeemable shares are classified as financial liabilities at amortised cost and are measured at the present value of the redemption amounts.

A puttable financial instrument that includes a contractual obligation for the respective Sub-Funds to repurchase or redeem that instrument for cash or another financial asset is classified as equity if it meets all of the conditions below:

- it entitles the holder to a pro rata share of the Sub-Fund's net assets in the event of the Sub-Fund's liquidation;
- it is in the class of instruments that is subordinate to all other classes of instruments;
- all financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- apart from the contractual obligation for the respective Sub-Fund to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any other features that would require classification as a liability; and
- the total expected cash flows attributable to the instrument over its life are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the respective Sub-Fund over the life of the instrument.

The KraneShares CSI China Internet UCITS ETFs has three share classes in issue and as such do not meet these conditions and are classified as financial liabilities. As at 30 September 2021, the Sub-Fund had USD 614,530,890 of Net Assets classified as financial liability (2020: USD 185,393,206 classified as financial liability).

The KraneShares MSCI China A 50 Connect UCITS ETFs one class of units in issue meet these conditions and are classified as equity. As at 30 September 2021, the Sub-Fund had USD 23,975,602 (2020: USD 12,472,598) of Net Assets classified as equity.

The KraneShares MSCI China ESG Leaders UCITS ETFs one class of units in issue meet these conditions and are classified as equity. As at 30 September 2021, the Sub-Fund had USD 30,404,129 (2020: USD 3,677,622) of Net Assets classified as equity.

The KraneShares Bloomberg China Bond Inclusion UCITS ETFs one class of units in issue meet these conditions and are classified as equity. As at 30 September 2021, the Sub-Fund had USD 6,235,127 (2020: USD 6,314,165) of Net Assets classified as equity.

The KraneShares MSCI All China Health Care Index UCITS ETFs one class of units in issue meet these conditions and are classified as equity. As at 30 September 2021, the Sub-Fund had USD 6,981,413 of Net Assets classified as equity.

The KraneShares ICBCS SSE Star Market 50 Index UCITS ETFs has two share classes in issue and as such do not meet these conditions and are classified as financial liabilities. As at 30 September 2021, the Sub-Fund had USD 3,786,950 of Net Assets classified as financial liability.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)

2. Basis of preparation and significant accounting policies (continued)

(d) Significant accounting policies (continued)

vi. Distribution policy

KraneShares CSI China Internet UCITS ETF, KraneShares MSCI China A 50 Connect UCITS ETF, KraneShares MSCI China ESG Leaders UCITS ETF, KraneShares MSCI All China Health Care Index UCITS ETF and KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF has accumulating share classes. The ICAV intends to accumulate all net investment income and net realised capital gains. The ICAV does not intend to make distributions in respect of the accumulating share classes.

KraneShares Bloomberg China Bond Inclusion UCITS ETF has distributing share classes. The ICAV intends to declare and pay dividends semi-annually, subject to income being available for distribution.

KraneShares Bloomberg China Bond Inclusion UCITS ETF have made distributions in respect of the distributing share class, with the first distribution declared in February 2021, and a second distribution declared in June 2021. Total distributions of USD 118,570 on the distributing class were made by the Sub-Fund for the year ended 30 September 2021 (2020: Nil). The dividend ex-dates were 18 February 2021 and 17 June 2021, and the pay dates were 9 March 2021 and 30 June 2021 respectively.

vii. Subscriptions receivable

Subscriptions receivable are reported on the Statement of Financial Position and relate to unsettled subscriptions.

viii. Redemptions payable

This relates to the amount requested in the redemption notice becoming fixed. This generally may occur either at the time of the receipt of a valid and approved notice, or on the last day of a fiscal year, depending on the nature of the request. As a result, redemptions paid after the end of the year, but based upon year end capital balance are reflected as redemptions payable.

ix. Securities sold receivable

Securities sold receivable are reported on the Statement of Financial Position and relate to unsettled sales of the equity trades.

x. Securities purchased payable

Securities purchased payable are reported on the Statement of Financial Position and relate to unsettled purchases of equity trades.

xi. Security lending

The ICAV entered into a securities lending agency agreement with the Sub-Custodian on 28 July 2020.

Securities lending commenced on KraneShares CSI China Internet UCITS ETF in August 2020. As at 30 September 2021 the KraneShares CSI China Internet UCITS ETF was engaged in 30 securities lending arrangements, with multiple agreements for the same securities in some instances.

Securities lending commenced on KraneShares MSCI China ESG Leaders UCITS ETF on 29 April 2021. As at 30 September 2021 the KraneShares MSCI China ESG Leaders UCITS ETF was engaged in two securities lending arrangements.

Further information on these securities lending arrangements is available in Note 11 "Security Lending".

xii. Bank overdraft

Bank overdrafts are repayable on demand and form an integral part of the cash management of the Sub-Funds.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021

(Expressed in United States Dollars)

3. Taxation

Under current law and practice the ICAV qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act 1997, as amended. On that basis, it is not chargeable to Irish tax on its income or gains.

Notwithstanding the above, Irish tax may arise on the happening of a “chargeable event”. A chargeable event includes:

- a) Any distribution payments made to shareholders by the ICAV in respect of their shares;
- b) Any encashment, redemption, cancellation or transfer of shares;
- c) The holding of shares at the end of each eight year period beginning with the acquisition of such shares.

No Irish tax will arise on the ICAV in respect of chargeable events in respect of:

- a) A shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with Section 739D of the Taxes Consolidation Act, 1997, as amended, are held by the ICAV or the ICAV has been authorised by the Irish Revenue to make gross payments in the absence of appropriate declarations under the ICAV with the necessary signed statutory declarations; and
- b) Certain exempted Irish tax resident shareholders who have provided the ICAV with the necessary signed statutory declarations.

Capital gains, dividends and interest received by the ICAV may be subject to taxes, including withholding taxes in the countries in which the issuers of investments are located, which may be reflected in the Net Asset Value (“NAV”) of the ICAV. Dividend and interest income has been recognised gross in the Statement of Comprehensive Income, with withholding taxes recognised separately. Such taxes may not be recoverable by the ICAV or its shareholders.

The ICAV has evaluated the tax positions and has concluded that there are no significant tax positions requiring recognition, measurement or disclosure in the financial statements. Tax penalties and interest, if any, would be accrued as incurred and would be classified as tax expense in the Statement of Comprehensive Income. During the year ended 30 September 2021, the ICAV did not incur any interest or penalties.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)

4. Share capital

The authorised share capital of the ICAV is 500,000,000,002 shares of no par value divided into 2 Subscriber Shares of no par value and 500,000,000,000 shares of no par value. The Directors are empowered to issue up to all of the Shares of the ICAV on such terms as they think fit. The Subscriber Shares entitle the holders to attend and vote at any general meetings of the ICAV but do not entitle the holders to participate in the profits or assets of the ICAV except for a return of capital on a winding-up. The Subscriber Shares do not form part of the NAV of any of the ICAV's Sub-Funds. The participating shares entitle the holders to attend and vote at general meetings of the ICAV and (other than the Subscriber Shares) to participate equally in the profits and assets of the Sub-Fund to which the Shares relate, subject to any differences between fees, charges and expenses applicable to different share classes. The ICAV may from time to time by ordinary resolution increase its capital, consolidate the shares or any of them into a smaller number of shares, sub-divide the shares or any of them into a larger number of shares or cancel any shares not taken or agreed to be taken by any person. The ICAV may by special resolution from time to time reduce its share capital in any way permitted by law. At a meeting of Shareholders, on a show of hands, each Shareholder shall have one vote and, on a poll, each Shareholder shall have one vote for each whole share held by such Shareholder.

The ICAV offers the Classes of Shares in KraneShares CSI China Internet UCITS ETF as set out below. The ICAV may also create additional classes of shares in this Sub-Fund in the future with prior notification to, and clearance in advance by, the Central Bank. All three share classes listed below are open as at 30 September 2021. The Sub-Fund may also engage in NAV and portfolio hedging when conducting business. NAV hedging will only occur on the non USD share classes.

Class	Minimum Subscription Amount	Launch Price	Hedged
Class USD	USD 5,000,000	USD 25	No
Class EUR	EUR 5,000,000	EUR 25	Yes
Class GBP	GBP 5,000,000	GBP 25	Yes

The ICAV offers the Classes of Shares in KraneShares MSCI China A 50 Connect UCITS ETF as set out below. The ICAV may also create additional classes of shares in this Sub-Fund in the future with prior notification to, and clearance in advance by, the Central Bank. The USD share class is the only open share class at 30 September 2021. The Sub-Fund may also engage in NAV and portfolio hedging when conducting business. NAV hedging will only occur on the non USD share classes.

Class	Minimum Subscription Amount	Launch Price	Hedged
Class USD	USD 5,000,000	USD 25	No
Class EUR	EUR 5,000,000	EUR 25	Yes
Class GBP	GBP 5,000,000	GBP 25	Yes

The ICAV offers the Classes of Shares in KraneShares MSCI China ESG Leaders UCITS ETF as set out below. The ICAV may also create additional classes of shares in the Sub-Fund in the future with prior notification to, and clearance in advance by, the Central Bank. The USD share class is the only open share class at 30 September 2021. The Sub-Fund may also engage in NAV and portfolio hedging when conducting business. NAV hedging will only occur on the non USD share classes.

Class	Minimum Subscription Amount	Launch Price	Hedged
Class USD	USD 5,000,000	USD 25	No
Class EUR	EUR 5,000,000	EUR 25	Yes
Class GBP	GBP 5,000,000	GBP 25	Yes

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)

4. Share capital (continued)

The ICAV offers the Classes of Shares in KraneShares Bloomberg China Bond Inclusion UCITS ETF as set out below. The ICAV may also create additional classes of shares in the Sub-Fund in the future with prior notification to, and clearance in advance by, the Central Bank. The USD share class is the only open share class at 30 September 2021. The Sub-Fund may also engage in NAV hedging and portfolio hedging when conducting business. NAV hedging will only occur on the non USD share classes.

Class	Minimum Subscription Amount	Launch Price	Hedged
Class USD	USD 1,250,000	USD 25	No
Class EUR	EUR 1,250,000	EUR 25	Yes
Class GBP	GBP 1,250,000	GBP 25	Yes

The ICAV offers the Classes of Shares in KraneShares MSCI All China Health Care Index UCITS ETF as set out below. The ICAV may also create additional classes of shares in the Sub-Fund in the future with prior notification to, and clearance in advance by, the Central Bank. The USD share class is the only open share class at 30 September 2021. The Sub-Fund may also engage in NAV hedging and portfolio hedging when conducting business. NAV hedging will only occur on the non USD share classes.

Class	Minimum Subscription Amount	Launch Price	Hedged
Class USD	USD 2,500,000	USD 25	No
Class EUR	EUR 2,500,000	EUR 25	Yes
Class GBP	GBP 2,500,000	GBP 25	Yes

The ICAV offers the Classes of Shares in KraneShares ICBCS SSE Star Market 50 Index UCITS ETF as set out below. The ICAV may also create additional classes of shares in the Sub-Fund in the future with prior notification to, and clearance in advance by, the Central Bank. The USD and EUR share classes are open as at 30 September 2021. The Sub-Fund may also engage in NAV hedging and portfolio hedging when conducting business. NAV hedging will only occur on the non USD share classes.

Class	Minimum Subscription Amount	Launch Price	Hedged
Class USD	USD 1,250,000	USD 25	No
Class EUR	EUR 1,250,000	EUR 25	Yes
Class GBP	GBP 1,250,000	GBP 25	Yes
Class CNY	CNY 10,000,000	CNY 200	Yes

All classes of the Sub-Funds have been admitted to the Official List of the London Stock Exchange, and to trading on the Main Securities Market of Euronext Dublin. KraneShares CSI China Internet UCITS ETF has also been admitted to trading on Euronext Amsterdam.

Each of the Shares (other than the Subscriber Shares) entitles the Shareholder to participate equally on a pro rata basis in the dividends and net assets of the Sub-Fund in respect of which they are issued, save in the case of dividends declared prior to becoming a Shareholder.

There were no externally imposed capital requirements.

Subscriptions

Shares will be issued on each dealing day at the appropriate Net Asset Value per Share with an appropriate provision for duties and charges. Investors may subscribe for shares for cash on each dealing day by making an application by the dealing deadline. Consideration, in the form of cleared subscription monies/securities, must be received by the applicable settlement deadline.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)**4. Share capital (continued)****Redemptions**

Shareholders may effect a redemption of shares on any dealing day at the appropriate Net Asset Value per Share, subject to an appropriate provision for duties and charges, provided that a valid redemption request from the shareholder is received by the ICAV by the dealing deadline on the relevant dealing day. Settlement will normally take place within two business days of the dealing day but may take longer depending on the settlement schedule of the underlying markets. In any event, settlement will not take place later than 10 business days from the dealing deadline.

Shares will be redeemed at the applicable NAV per Share on the Dealing Day as of which the redemption is effected, subject to any applicable fees associated with such redemption.

The net assets and NAV per share of each class of shares in issue as at 30 September 2021 is as follows:

Sub-Fund	Class	Number of shares	NAV per share	Net Assets per Share Class USD
KraneShares CSI China Internet UCITS ETF	Class USD	17,930,604	\$29.360	526,360,591
	Class EUR	2,671,308	€17.750	54,954,487
	Class GBP	1,454,167	£16.940	33,215,812
KraneShares MSCI China A 50 Connect UCITS ETF	Class USD	637,000	\$37.638	23,975,602
KraneShares MSCI China ESG Leaders UCITS ETF	Class USD	870,000	\$34.947	30,404,129
KraneShares Bloomberg China Bond Inclusion UCITS ETF	Class USD	227,500	\$27.407	6,235,127
Kraneshares MSCI All China Health Care Index UCITS ETF*	Class USD	300,000	\$23.271	6,981,413
Kraneshares ICBCCS SSE Star Market 50 Index UCITS ETF**	Class USD	50,000	\$24.814	1,240,688
	Class EUR	100,000	€21.970	2,546,262

*The Sub-Fund commenced operations on 14 January 2021.

**The Sub-Fund commenced operations on 25 May 2021.

The net assets and NAV per share of each class of shares in issue as at 30 September 2020 is as follows:

Sub-Fund	Class	Number of shares	NAV per share	Net Assets per Share Class USD
KraneShares CSI China Internet UCITS ETF	Class USD	4,350,000	\$41.911	182,311,384
	Class EUR	50,000	€25.000	1,465,811
	Class GBP	50,000	£25.000	1,616,010
KraneShares MSCI China A 50 Connect UCITS ETF	Class USD	287,000	\$43.459	12,472,598
KraneShares MSCI China ESG Leaders UCITS ETF*	Class USD	120,000	\$30.647	3,677,622
KraneShares Bloomberg China Bond Inclusion UCITS ETF**	Class USD	250,000	\$25.257	6,314,165

*The Sub-Fund commenced operations on 4 February 2020.

**The Sub-Fund commenced operations on 25 May 2020.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)**4. Share capital (continued)**

The net assets and NAV per share of each class of shares in issue as at 30 September 2019 is as follows:

Sub-Fund	Class	Number of shares	NAV per share	Net Assets per Share Class USD
KraneShares CSI China Internet UCITS ETF	Class USD	900,000	\$25.743	23,168,403
KraneShares MSCI China A 50 Connect UCITS ETF	Class USD	4,300,000	\$24.484	105,280,173

Transactions in the shares of each Sub-Fund for the year ended 30 September 2021 are as follows:

Sub-Fund	Class	Shares at start of year	Shares Issued	Shares Redeemed	Shares at end of year
KraneShares CSI China Internet UCITS ETF	Class USD	4,350,000	17,300,000	(3,719,396)	17,930,604
	Class EUR	50,000	2,821,308	(200,000)	2,671,308
	Class GBP	50,000	1,604,167	(200,000)	1,454,167
KraneShares MSCI China A 50 Connect UCITS ETF	Class USD	387,000	900,000	(650,000)	637,000
KraneShares MSCI China ESG Leaders UCITS ETF	Class USD	120,000	800,000	(50,000)	870,000
KraneShares Bloomberg China Bond Inclusion UCITS ETF	Class USD	250,000	150,000	(172,500)	227,500
Kraneshares MSCI All China Health Care Index UCITS ETF*	Class USD	-	300,000	-	300,000
Kraneshares ICBCCS SSE Star Market 50 Index UCITS ETF**	Class USD	-	100,000	(50,000)	50,000
	Class EUR	-	100,000	-	100,000

*The Sub-Fund commenced operations on 14 January 2021.

**The Sub-Fund commenced operations on 25 May 2021.

Transactions in the shares of each Sub-Fund for the year ended 30 September 2020 are as follows:

Sub-Fund	Class	Shares at start of year	Shares Issued	Shares Redeemed	Shares at end of year
KraneShares CSI China Internet UCITS ETF	Class USD	900,000	4,050,000	(600,000)	4,350,000
	Class EUR	-	50,000	-	50,000
	Class GBP	-	50,000	-	50,000
KraneShares MSCI China A 50 Connect UCITS ETF	Class USD	4,300,000	650,000	(4,563,000)	387,000
KraneShares MSCI China ESG Leaders UCITS ETF*	Class USD	-	200,000	(80,000)	120,000
KraneShares Bloomberg China Bond Inclusion UCITS ETF**	Class USD	-	250,000	-	250,000

*The Sub-Fund commenced operations on 4 February 2020.

**The Sub-Fund commenced operations on 25 May 2020.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021

(Expressed in United States Dollars)

5. Fees and Expenses

TER Fees

All of the following fees and expenses payable in respect to the Share Classes of the Sub-Funds are paid as one single fee, which will not exceed an amounts described listed below. This is referred to as the total expense ratio or “TER”. The TER is calculated and accrued daily from the Net Asset Value of each Sub-Fund and payable monthly in arrears to the Investment Manager at the rate set out below. The following fees and operational expenses of each Sub-Fund shall be paid out of the TER:

- All the ordinary operating and administrative expenses of the Sub-Fund, including, but not limited to, Directors’, auditors’, legal advisors’, Investment Manager’s, Manager’s, Administrator’s, Depository’s, sub-custodian’s, sub-custodian’s overdraft fees, Index Providers’, and Central Bank of Ireland Levies.

The Investment Manager has agreed to bear the cost of certain fees and operational expenses which are over and above the total expense ratio or “TER” of each Sub-Fund.

The TER rates for each Sub-Fund are listed below.

KraneShares CSI China Internet UCITS ETF

Class	TER
Class USD	75 bps
Class EUR	75 bps
Class GBP	75 bps

During the year ended 30 September 2021, the Sub-Fund incurred USD 2,483,881 (2020: USD 665,190) in TER fees and as at 30 September 2021, USD 560,164 (2020: USD 120,204) remained payable. This included money laundering reporting officer (MLRO) fees of USD 5,947.

KraneShares MSCI China A 50 Connect UCITS ETF

Class	TER
Class USD	40 bps
Class EUR	40 bps
Class GBP	40 bps

During the year ended 30 September 2021, the Sub-Fund incurred USD 111,347 (2020: USD 355,534) in TER fees and as at 30 September 2021, USD 15,486 (2020: USD 3,603) remained payable. This included MLRO fees of USD 500.

KraneShares MSCI China ESG Leaders UCITS ETF

Class	TER
Class USD	40 bps
Class EUR	40 bps
Class GBP	40 bps

During the year ended 30 September 2021, the Sub-Fund incurred USD 103,431 (2020: USD 5,602) in TER fees and as at 30 September 2021, USD 20,296 (2020: USD 1,114) remained payable. This included MLRO fees of USD 439.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***5. Fees and Expenses (continued)****TER Fees (continued)***KraneShares Bloomberg China Bond Inclusion UCITS ETF*

Class	TER
Class USD	35 bps
Class EUR	35 bps
Class GBP	35 bps

During the year ended 30 September 2021, the Sub-Fund incurred USD 24,674 (2020: USD 7,556) in TER fees and as at 30 September 2021, USD 2,864 (2020: USD 1,986) remained payable. This included MLRO fees of USD 139.

KraneShares MSCI All China Health Care Index UCITS ETF

Class	TER
Class USD	65 bps
Class EUR	65 bps
Class GBP	65 bps

During the period ended 30 September 2021, the Sub-Fund incurred USD 27,024 in TER fees and as at 30 September 2021, USD 7,235 remained payable. This included MLRO fees of USD 71.

KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF

Class	TER
Class USD	82 bps
Class EUR	82 bps
Class GBP	82 bps
Class CNY	82 bps

During the period ended 30 September 2021, the Sub-Fund incurred USD 9,939 in TER fees and as at 30 September 2021, USD 5,633 remained payable. This included MLRO fees of USD 20.

Management fees

A minimum fee of €20,000 per Sub-Fund per annum or, if higher, a basis point charge calculated from the table hereunder. Each additional Sub-Fund will be charged an annual minimum fee of €20,000.

The fee will be calculated at each valuation point based on the Net Asset value of the Sub-Fund (before the deduction of the management fee and performance fee for the relevant valuation point) and will be paid quarterly in arrears. Waystone may also provide services in respect of structured finance & corporate, company secretarial & registered office, fund governance support, money laundering reporting officer (MLRO), independent fund directors, KIID production and PRIIPS production.

AUM	Basis Points
Up to €1,000,000,000	2.5
€1,000,000,001 and upwards	1.75

KraneShares CSI China Internet UCITS ETF

During the year ended 30 September 2021, the Sub-Fund incurred USD 91,120 (EUR 76,978) (2020: USD 38,275 (EUR 32,640)) in management fees, MLRO fees, OOP fees and AP fees. As at 30 September 2021, USD 26,138 (EUR 22,553) (2020: USD 21,536 (EUR 18,365)) remained payable. The management fees are paid out of the TER. Any management fees in excess of the TER will be covered by the Investment Manager.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)

5. Fees and Expenses (continued)

Management Fees (continued)

KraneShares MSCI China A 50 Connect UCITS ETF

During the year ended 30 September 2021, the Sub-Fund incurred USD 24,501 (EUR 20,650) (2020: USD 46,841 (EUR 39,944)) in management fees, MLRO fees, OOP fees and AP fees. As at 30 September 2021, USD 5,935 (EUR 5,121) (2020: USD 15,357 (EUR 13,096)) remained payable. The management fees are paid out of the TER. Any management fees in excess of the TER will be covered by the Investment Manager.

KraneShares MSCI China ESG Leaders UCITS ETF

During the year ended 30 September 2021, the Sub-Fund incurred USD 24,440 (EUR 20,601) (2020: USD 15,843 (EUR 13,510)) in management fees, MLRO fees, OOP fees and AP fees. As at 30 September 2021, USD 5,966 (EUR 5,148) (2020: USD 11,795 (EUR 10,059)) remained payable. The management fees are paid out of the TER. Any management fees in excess of the TER will be covered by the Investment Manager.

KraneShares Bloomberg China Bond Inclusion UCITS ETF

During the year ended 30 September 2021, the Sub-Fund incurred USD 23,736 (EUR 20,015) (2020: USD 14,368 (EUR 12,253)) in management fees, MLRO fees, OOP fees and AP fees. As at 30 September 2021, USD 5,846 (EUR 5,045) (2020: USD 14,368 (EUR 12,253)) remained payable. The management fees are paid out of the TER. Any management fees in excess of the TER will be covered by the Investment Manager.

KraneShares MSCI All China Health Care Index UCITS ETF

During the period ended 30 September 2021, the Sub-Fund incurred USD 16,753 (EUR 14,279) in management fees, MLRO fees, OOP fees and AP fees. As at 30 September 2021, USD 5,854 (EUR 5,051) remained payable. The management fees are paid out of the TER. Any management fees in excess of the TER will be covered by the Investment Manager.

KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF

During the period ended 30 September 2021, the Sub-Fund incurred USD 8,179 (EUR 7,011) in management fees, MLRO fees, OOP fees and AP fees. As at 30 September 2021, USD 5,842 (EUR 5,041) remained payable. The management fees are paid out of the TER. Any management fees in excess of the TER will be covered by the Investment Manager.

Administration Fees

The following fees are payable to SEI Investments – Global Fund Services Limited, (the “Administrator”). The ICAV will be charged the greater of the basis point fee or the monthly minimum fee. The basis point fee is calculated based on the aggregate net assets of the ICAV and allocated to each Sub-Fund pro-rata based on the net assets of each Sub-Fund. Fees are invoiced and payable monthly in arrears.

Monthly NAV Calculation

Net Assets	Basis Points
First USD 1 billion	7.0
Next USD 1 billion	6.5
AUM over USD 2 billion	6.0
Monthly minimum per Fund Year 1	USD 4,167
Monthly minimum per Fund Year 2	USD 5,833
Monthly minimum per Fund Year 3	USD 7,500

The above fees are inclusive of the first USD share class. Additional share classes are charged an annual fixed fee of USD 12,000 per annum. All of the Sub-Funds with the exception of KraneShares CSI China Internet UCITS ETF currently has one share class in issue. KraneShares CSI China Internet UCITS ETF has three share classes in issue.

KraneShares CSI China Internet UCITS ETF

During the year ended 30 September 2021, the Sub-Fund incurred USD 241,449 (2020: USD 81,448) in administration fees and as at 30 September 2021, USD 79,096 (2020: USD 93,949) remained payable. The administration fees are paid out of the TER. Any administration fees in excess of the TER will be covered by the Investment Manager.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)

5. Fees and Expenses (continued)

Administration Fees (continued)

KraneShares MSCI China A 50 Connect UCITS ETF

During the year ended 30 September 2021, the Sub-Fund incurred USD 76,664 (2020: USD 70,538) in administration fees and as at 30 September 2021, USD 22,500 (2020: USD 83,039) remained payable. The administration fees are paid out of the TER. Any administration fees in excess of the TER will be covered by the Investment Manager.

KraneShares MSCI China ESG Leaders UCITS ETF

During the year ended 30 September 2021, the Sub-Fund incurred USD 63,332 (2020: USD 33,336) in administration fees and as at 30 September 2021, USD 17,499 (2020: USD 33,336) remained payable. The administration fees are paid out of the TER. Any administration fees in excess of the TER will be covered by the Investment Manager.

KraneShares Bloomberg China Bond Inclusion UCITS ETF

During the year ended 30 September 2021, the Sub-Fund incurred USD 58,334 (2020: USD 20,835) in administration fees and as at 30 September 2021, USD 17,499 (2020: USD 20,835) remained payable. The administration fees are paid out of the TER. Any administration fees in excess of the TER will be covered by the Investment Manager.

KraneShares MSCI All China Health Care Index UCITS ETF

During the period ended 30 September 2021, the Sub-Fund incurred USD 37,503 in administration fees and as at 30 September 2021, USD 12,501 remained payable. The administration fees are paid out of the TER. Any administration fees in excess of the TER will be covered by the Investment Manager.

KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF

During the period ended 30 September 2021, the Sub-Fund incurred USD 20,835 in administration fees and as at 30 September 2021, USD 12,501 remained payable. The administration fees are paid out of the TER. Any administration fees in excess of the TER will be covered by the Investment Manager.

Depository Fees

Each Sub-Fund will be charged the greater of the basis point fee or the monthly minimum fee. The basis point fee is calculated based on the aggregate net assets of the ICAV and allocated to each Sub-Fund pro-rata based on the net assets of the Sub-Fund. Fees are invoiced and payable monthly in arrears.

Monthly NAV Calculation

Net Assets	Basis Points
First USD 1 billion	3.00
Next USD 1 billion	2.50
AUM over USD 2 billion	2.00
Depository Annual Minimum Fee*	USD 20,000

*Sub-Custody Schedule may apply if financial instruments have to be held at a sub custodian.

KraneShares CSI China Internet UCITS ETF

During the year ended 30 September 2021, the Sub-Fund incurred USD 103,478 (2020: USD 29,760) in depository fees and as at 30 September 2021, USD 33,898 (2020: USD 31,691) remained payable. The depository fees are paid out of the TER. Any depository fees in excess of the TER will be covered by the Investment Manager.

KraneShares MSCI China A 50 Connect UCITS ETF

During the year ended 30 September 2021, the Sub-Fund incurred USD 8,250 (2020: USD 29,530) in depository fees and as at 30 September 2021, USD 1,792 (2020: USD 32,970) remained payable. The depository fees are paid out of the TER. Any depository fees in excess of the TER will be covered by the Investment Manager.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)

5. Fees and Expenses (continued)

Depository Fees (continued)

KraneShares MSCI China ESG Leaders UCITS ETF

During the year ended 30 September 2021, the Sub-Fund incurred USD 8,100 (2020: USD 13,279) in depository fees and as at 30 September 2021, USD 2,389 (2020: USD 13,279) remained payable. The depository fees are paid out of the TER. Any depository fees in excess of the TER will be covered by the Investment Manager.

KraneShares Bloomberg China Bond Inclusion UCITS ETF

During the year ended 30 September 2021, the Sub-Fund incurred USD 2,134 (2020: USD 8,361) in depository fees and as at 30 September 2021, USD 401 (2020: USD 8,361) remained payable. The depository fees are paid out of the TER. Any depository fees in excess of the TER will be covered by the Investment Manager.

KraneShares MSCI All China Health Care Index UCITS ETF

During the period ended 30 September 2021, the Sub-Fund incurred USD 1,352 in depository fees and as at 30 September 2021, USD 500 remained payable. The depository fees are paid out of the TER. Any depository fees in excess of the TER will be covered by the Investment Manager.

KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF

During the period ended 30 September 2021, the Sub-Fund incurred USD 443 in depository fees and as at 30 September 2021, USD 307 remained payable. The depository fees are paid out of the TER. Any depository fees in excess of the TER will be covered by the Investment Manager.

Directors' Fees

No element of Directors' remuneration is performance-related. Only the Independent Directors have fees paid to them, such fees which are agreed by the Board.

During the year ended 30 September 2021, the ICAV incurred USD 43,734 (2020: USD 33,810) in Directors fees. The Directors fees are paid out of the TER. Any Directors fees in excess of the TER will be covered by the Investment Manager. The Directors Fees are allocated between the Sub-Funds as per the table below:

	30 September 2021	30 September 2020
KraneShares CSI China Internet UCITS ETF	7,289	30,940
KraneShares MSCI China A 50 Connect UCITS ETF	7,289	2,800
KraneShares MSCI China ESG Leaders UCITS ETF	7,289	455
KraneShares Bloomberg China Bond Inclusion UCITS ETF	7,289	805
KraneShares MSCI All China Health Care Index UCITS ETF	7,289	-
KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF	7,289	-

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Notes to the Financial Statements (continued)

For the year ended 30 September 2021

(Expressed in United States Dollars)

5. Fees and Expenses (continued)

Audit Remuneration

The statutory audit fee (including out of pocket expenses incurred by the auditors in connection with their work) for the year ended 30 September 2021 was USD 75,000 (2020: USD 51,000) excluding VAT for the ICAV. The audit fees are paid out of the TER. Any audit fees in excess of the TER will be covered by the Investment Manager.

In addition, the following fees were incurred with respect to non-audit services:

Taxation advisory services USD 9,000 (2020: USD 9,000).

Other non-audit services USD 35,240 (2020: USD 12,000).

Please see a breakdown per Sub-Fund of these fees below and overleaf:

30 September 2021

	Audit fees	Tax advisory fees	Other non-audit services
KraneShares CSI China Internet UCITS ETF	15,000	1,500	7,250
KraneShares MSCI China A 50 Connect UCITS ETF	15,000	1,500	6,690
KraneShares MSCI China ESG Leaders UCITS ETF	15,000	1,500	4,590
KraneShares Bloomberg China Bond Inclusion UCITS ETF	15,000	1,500	4,590
Kraneshares MSCI All China Health Care Index UCITS ETF	7,500	1,500	5,920
Kraneshares ICBCCS SSE Star Market 50 Index UCITS ETF	7,500	1,500	6,200

30 September 2020

	Audit fees	Tax advisory fees	Other non-audit services
KraneShares CSI China Internet UCITS ETF	17,000	2,250	3,000
KraneShares MSCI China A 50 Connect UCITS ETF	17,000	2,250	3,000
KraneShares MSCI China ESG Leaders UCITS ETF	8,500	2,250	3,000
KraneShares Bloomberg China Bond Inclusion UCITS ETF	8,500	2,250	3,000

6. Foreign exchange rates

The exchange rates as at 30 September 2021 and 30 September 2020 used in the production of these financial statements to the presentation currency of USD is as follows:

	30 September 2021	30 September 2020
EUR	1.15895	1.17265
GBP	1.34835	1.29280
HKD	0.12846	0.12903
RMB	0.15475	0.14736

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Notes to the Financial Statements (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)

7. Financial risk management

Each Sub-Fund has exposure to the following specific risks from financial instruments:

- market risk (including price risk, currency risk, interest rate risk, and concentration risk);
- liquidity risk; and
- credit risk.

(a) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The likelihood of these types of adverse changes and the extent to which they affect the business of the Sub-Funds cannot always be accurately predicted.

(i) Price Risk

Price risk is the risk that the value of an investment may fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment or all factors affecting all instruments traded in the market. The Investment Manager mitigates this risk by maintaining a diverse portfolio and by diversifying its investments across multiple industries.

The Manager monitors price risk on a daily basis in accordance with the Sub-Funds specific restrictions and the UCITS regulatory limits. The Manager has escalation procedures in place to report breaches of these risks limits to the Directors, the Depositary, the Investment Manager and the Regulator where appropriate.

KraneShares CSI China Internet UCITS ETF

As at 30 September 2021, the Sub-Fund had 50 (2020: 32) positions with the top five being 44.44% (2020: 40.47%) of net assets.

As at 30 September 2021, the Sub-Fund was invested in six (2020: seven) industries with the highest industry exposure being 69.50% (2020: 68.73%) of net assets.

As at 30 September 2021, should the price of the securities held by the Sub-Fund have increased or decreased by 10% with all other variables remaining constant the increase or decrease in the net assets attributable to holders of redeemable participating shares for the year would amount to approximately USD 61,412,878 (2020: USD 18,547,037).

KraneShares MSCI China A 50 Connect UCITS ETF

As at 30 September 2021, the Sub-Fund had 483 (2020: 475) positions with the top five being 13.94% (2020: 18.91%) of net assets.

As at 30 September 2021, the Sub-Fund was invested in ten (2020: ten) industries with the highest industry exposure being 26.89% (2020: 37.98%) of net assets.

As at 30 September 2021, should the price of the securities held by the Sub-Fund have increased or decreased by 10% with all other variables remaining constant the increase or decrease in the net assets attributable to holders of redeemable participating shares for the year would amount to approximately USD 2,394,393 (2020: USD 1,234,351).

KraneShares MSCI China ESG Leaders UCITS ETF

As of 30 September 2021, the Sub-Fund had 178 (2020: 147) positions with the top five being 38.41% (2020: 39.87%) of net assets.

As of 30 September 2021, the Sub-Fund was invested in ten (2020: nine) industries with the highest industry exposure being 27.83% (2020: 29.45%) of net assets.

At 30 September 2021, should the price of the securities held by the Sub-Fund have increased or decreased by 10% with all other variables remaining constant the increase or decrease in the net assets attributable to holders of redeemable participating shares for the year would amount to approximately USD 3,028,948 (2020: USD 366,945).

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Notes to the Financial Statements (continued)

For the year ended 30 September 2021

(Expressed in United States Dollars)

7. Financial risk management (continued)

(a) Market Risk (continued)

(i) Price Risk (continued)

KraneShares Bloomberg China Bond Inclusion UCITS ETF

As of 30 September 2021, the Sub-Fund had fourteen (2020: ten) positions with the top five being 51.64% (2020: 67.52%) of net assets.

As of 30 September 2021, the Sub-Fund was invested in two (2020: two) industries with the highest industry exposure being 69.85% (2020: 69.68%) of net assets.

At 30 September 2021, should the price of the securities held by the Sub-Fund have increased or decreased by 10% with all other variables remaining constant the increase or decrease in the net assets attributable to holders of redeemable participating shares for the year would amount to approximately USD 560,022 (2020: USD 603,081).

KraneShares MSCI All China Health Care Index UCITS ETF

As of 30 September 2021, the Sub-Fund had 94 positions with the top five being 28.80% of net assets.

As of 30 September 2021, the Sub-Fund was invested in five industries with the highest industry exposure being 95.81% of net assets.

At 30 September 2021, should the price of the securities held by the Sub-Fund have increased or decreased by 10% with all other variables remaining constant the increase or decrease in the net assets attributable to holders of redeemable participating shares for the period would amount to approximately USD 697,925.

KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF

As of 30 September 2021, the Sub-Fund had 49 positions with the top five being 28.33% of net assets.

As of 30 September 2021, the Sub-Fund was invested in seven industries with the highest industry exposure being 37.70% of net assets.

At 30 September 2021, should the price of the securities held by the Sub-Fund have increased or decreased by 10% with all other variables remaining constant the increase or decrease in the net assets attributable to holders of redeemable participating shares for the period would amount to approximately USD 376,333.

(ii) Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Sub-Funds invest in securities and other investments that are denominated in currencies other than the functional currency of the Sub-Funds. Accordingly, the value of the Sub-Funds assets may be affected favourably or unfavourably by fluctuations in currency rates and therefore the Sub-Funds will be subject to foreign exchange risks. The Sub-Funds had the following exposure to foreign currency:

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Notes to the Financial Statements (continued)

For the year ended 30 September 2021

(Expressed in United States Dollars)

7. Financial risk management (continued)
(a) Market Risk (continued)

 (ii) *Currency Risk (continued)*
KraneShares CSI China Internet UCITS ETF
30 September 2021

	Non-Monetary Assets USD	Monetary Assets USD	Non- Monetary Liabilities USD	Monetary Liabilities USD	Forward Currency Contracts USD	Net Foreign Currency Exposure USD	Sensitivity 5% USD
Euro	-	-	(8,122,087)	(54,954,487)	(8,120,546)	(71,197,120)	(3,559,856)
Great British Pound	-	-	(1,134,374)	(33,215,812)	(1,134,190)	(35,484,376)	(1,774,219)
Hong Kong Dollar	219,803,930	-	(2,304,281)	-	1,152,181	218,651,830	10,932,592
	219,803,930	-	(11,560,742)	(88,170,299)	(8,102,555)	111,970,334	5,598,517

30 September 2020

	Non-Monetary Assets USD	Monetary Assets USD	Non- Monetary Liabilities USD	Monetary Liabilities USD	Forward Currency Contracts USD	Net Foreign Currency Exposure USD	Sensitivity 5% USD
Euro	-	(1)	-	(1,465,811)	-	(1,465,812)	(73,291)
Hong Kong Dollar	52,949,260	-	(893,349)	(1,616,010)	893,333	51,333,234	2,566,662
	52,949,260	(1)	(893,349)	(3,081,821)	893,333	49,867,422	2,493,371

KraneShares MSCI China A 50 Connect UCITS ETF
30 September 2021

	Non-Monetary Assets USD	Monetary Assets USD	Non- Monetary Liabilities USD	Monetary Liabilities USD	Forward Currency Contracts USD	Net Foreign Currency Exposure USD	Sensitivity 5% USD
Chinese Yuan Renminbi	23,943,934	116	-	-	(109)	23,943,941	1,197,197
Euro	-	-	-	-	-	-	-
	23,943,934	116	-	-	(109)	23,943,941	1,197,197

30 September 2020

	Non-Monetary Assets USD	Monetary Assets USD	Non- Monetary Liabilities USD	Monetary Liabilities USD	Forward Currency Contracts USD	Net Foreign Currency Exposure USD	Sensitivity 5% USD
Chinese Yuan Renminbi	12,343,510	7	(3,208,448)	-	3,208,434	12,343,503	617,175
Euro	-	-	(1)	-	-	(1)	-
	12,343,510	7	(3,208,449)	-	3,208,434	12,343,502	617,175

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Notes to the Financial Statements (continued)

For the year ended 30 September 2021

(Expressed in United States Dollars)

7. Financial risk management (continued)
(a) Market Risk (continued)

 (ii) *Currency Risk (continued)*
KraneShares MSCI China ESG Leaders UCITS ETF
30 September 2021

	Non-Monetary Assets USD	Monetary Assets USD	Non- Monetary Liabilities USD	Monetary Liabilities USD	Forward Currency Contracts USD	Net Foreign Currency Exposure USD	Sensitivity 5% USD
Chinese Yuan Renminbi	2,381,923	-	-	-	-	2,381,923	119,096
Hong Kong Dollar	24,708,966	6,966	-	-	(6,966)	24,708,966	1,235,448
	<u>27,090,889</u>	<u>6,966</u>	<u>-</u>	<u>-</u>	<u>(6,966)</u>	<u>27,090,889</u>	<u>1,354,544</u>

30 September 2020

	Non-Monetary Assets USD	Monetary Assets USD	Non- Monetary Liabilities USD	Monetary Liabilities USD	Forward Currency Contracts USD	Net Foreign Currency Exposure USD	Sensitivity 5% USD
Chinese Yuan Renminbi	345,450	123	-	-	-	345,573	17,279
Hong Kong Dollar	2,750,555	796	-	-	(796)	2,750,555	137,528
	<u>3,096,005</u>	<u>919</u>	<u>-</u>	<u>-</u>	<u>(796)</u>	<u>3,096,128</u>	<u>154,806</u>

KraneShares Bloomberg China Bond Inclusion UCITS ETF
30 September 2021

	Non-Monetary Assets USD	Monetary Assets USD	Non- Monetary Liabilities USD	Monetary Liabilities USD	Forward Currency Contracts USD	Net Foreign Currency Exposure USD	Sensitivity 5% USD
Chinese Yuan Renminbi	5,600,221	84,120	-	-	-	5,684,341	284,217
	<u>5,600,221</u>	<u>84,120</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,684,341</u>	<u>284,217</u>

30 September 2020

	Non-Monetary Assets USD	Monetary Assets USD	Non- Monetary Liabilities USD	Monetary Liabilities USD	Forward Currency Contracts USD	Net Foreign Currency Exposure USD	Sensitivity 5% USD
Chinese Yuan Renminbi	6,030,811	80,863	-	-	-	6,111,674	305,584
	<u>6,030,811</u>	<u>80,863</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,111,674</u>	<u>305,584</u>

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Notes to the Financial Statements (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***7. Financial risk management (continued)****(a) Market Risk (continued)***(ii) Currency Risk (continued)***Kraneshares MSCI All China Health Care Index UCITS ETF****30 September 2021**

	Non-Monetary Assets USD	Monetary Assets USD	Non- Monetary Liabilities USD	Monetary Liabilities USD	Forward Currency Contracts USD	Net Foreign Currency Exposure USD	Sensitivity 5% USD
Chinese Yuan Reminbi	4,069,196	163	-	-	(163)	4,069,196	203,460
Hong Kong Dollar	2,356,870	-	-	-	-	2,356,870	117,844
	<u>6,426,066</u>	<u>163</u>	<u>-</u>	<u>-</u>	<u>163</u>	<u>6,426,066</u>	<u>321,303</u>

Kraneshares ICBCCS SSE Star Market 50 Index UCITS ETF**30 September 2021**

	Non-Monetary Assets USD	Monetary Assets USD	Non- Monetary Liabilities USD	Monetary Liabilities USD	Forward Currency Contracts USD	Net Foreign Currency Exposure USD	Sensitivity 5% USD
Chinese Yuan Reminbi	3,768,065	4,239	-	-	-	3,772,304	188,615
Euro	-	-	-	(2,546,262)	-	(2,546,262)	(127,313)
	<u>3,768,065</u>	<u>4,239</u>	<u>-</u>	<u>(2,546,262)</u>	<u>-</u>	<u>1,226,042</u>	<u>61,302</u>

Sensitivity analysis

As at 30 September 2021 and 30 September 2020, had the USD weakened by 5% in relation to all currencies, with all other variables held constant, the increase in the value of the Sub-Funds' investments and other net assets and liabilities including cash and cash equivalents denominated in currencies other than USD attributable to holders of redeemable participating shares is disclosed on the prior pages and above.

A 5% strengthening of the USD would have resulted in an equal but opposite effect on the above financial statement amounts on the basis that all other variables remain constant.

Foreign currency rates used in the preparation of these financial statements are disclosed in Note 6.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***7. Financial risk management (continued)****(a) Market Risk (continued)***(iii) Interest Rate Risk*

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. Interest rate risk is not material for KraneShares CSI China Internet UCITS ETF, KraneShares MSCI China A 50 Connect UCITS ETF, KraneShares MSCI China ESG Leaders UCITS ETF, KraneShares MSCI All China Health Care Index UCITS ETF and KraneShares ICBCS SSE Star Market 50 Index UCITS ETF.

Exposure to Interest Rate Risk

The KraneShares Bloomberg China Bond Inclusion UCITS ETF is exposed to the risk that the fair value or future cash flows from its financial instruments will fluctuate as a result of changes in market interest rates. The Sub-Fund monitors its exposure to market interest rates through its investments and cash balances. A summary of the Sub-Fund's interest rate gap positions as at 30 September 2021, categorized by maturity date, is disclosed below:

	Fixed interest Rate USD	Floating Interest Rate USD	Non-interest bearing USD	Total USD
Assets				
Financial assets at fair value through profit or loss	5,600,221	-	-	5,600,221
Cash and cash equivalents	-	553,650	-	553,650
Interest receivable	-	84,120	-	84,120
Total Assets	<u>5,600,221</u>	<u>637,770</u>	<u>-</u>	<u>6,237,991</u>
Liabilities				
TER fees payable	-	-	2,864	2,864
Total Liabilities	<u>-</u>	<u>-</u>	<u>2,864</u>	<u>2,864</u>
Interest rate sensitivity gap	<u>5,600,221</u>	<u>637,770</u>	<u>(2,864)</u>	
Sensitivity	<u>62,380</u>			

A summary of the Sub-Fund's interest rate gap positions as at 30 September 2020, categorized by maturity date, is disclosed below:

	Fixed interest Rate USD	Floating Interest Rate USD	Non-interest bearing USD	Total USD
Assets				
Financial assets at fair value through profit or loss	6,030,811	-	-	6,030,811
Cash and cash equivalents	-	205,277	-	205,277
Interest receivable	-	80,063	-	80,063
Total Assets	<u>6,030,811</u>	<u>285,340</u>	<u>-</u>	<u>6,316,151</u>
Liabilities				
TER fees payable	-	-	1,986	1,986
Total Liabilities	<u>-</u>	<u>-</u>	<u>1,986</u>	<u>1,986</u>
Interest rate sensitivity gap	<u>6,030,811</u>	<u>285,340</u>	<u>(1,986)</u>	
Sensitivity	<u>63,162</u>			

Sensitivity analysis

As at 30 September 2021 and 30 September 2020, had interest rates strengthened by 1%, with all other variables held constant, total net assets and the change in net assets per the Statement of Comprehensive Income would have changed by the amounts shown above. A 1% weakening of interest rates would have resulted in an equal but opposite effect on the above financial statement amounts on the basis that all other variables remain constant.

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Notes to the Financial Statements (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***7. Financial risk management (continued)****(b) Liquidity Risk**

This is the risk that a lack of a market in certain portfolio securities could prevent the Sub-Fund from liquidating unfavourable positions or prevent the Sub-Funds from funding redemptions from existing shareholders. As at 30 September 2021 and 30 September 2020, the Sub-Funds' investments are all readily realisable. The Manager compares the liquidity of portfolio assets versus the redemption profile of the sub-funds to determine if there are any potential liquidity shortfalls. The portfolio of investments can be easily liquidated in order to meet the redemption requests of the shareholders as they occur and meet contractual financial liabilities.

The following tables details the Sub-Funds remaining contractual maturity for its financial liabilities.

KraneShares CSI China Internet UCITS ETF**30 September 2021**

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No stated maturity USD	Total USD
Liabilities					
Financial liabilities at fair value through profit or loss	1,785	-	-	-	1,785
Bank overdraft	81,749	-	-	-	81,749
Redemptions payable	4,354,526	-	-	-	4,354,526
Securities purchased payable	3,165,378	-	-	-	3,165,378
TER fees payable	560,164	-	-	-	560,164
Accrued expenses and other liabilities	3,071	-	-	-	3,071
Net assets attributable to holders of redeemable participating shares	614,530,890	-	-	-	614,530,890
Total Liabilities	622,697,563	-	-	-	622,697,563

30 September 2020

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No stated maturity USD	Total USD
Liabilities					
Financial liabilities at fair value through profit or loss	39	-	-	-	39
Securities purchased payable	3,117,350	-	-	-	3,117,350
TER fees payable	120,204	-	-	-	120,204
Net assets attributable to holders of redeemable participating shares	185,393,206	-	-	-	185,393,206
Total Liabilities	188,630,799	-	-	-	188,630,799

KraneShares MSCI China A 50 Connect UCITS ETF**30 September 2021**

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No stated maturity USD	Total USD
Liabilities					
TER fees payable	15,486	-	-	-	15,486
Accrued expenses and other liabilities	-	44,523	-	-	44,523
Total Liabilities	15,486	44,523	-	-	60,009

30 September 2020

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No stated maturity USD	Total USD
Liabilities					
Bank overdraft	3,199,493	-	-	-	3,199,493
Redemptions payable	44,523	-	-	-	44,523
TER fees payable	3,603	-	-	-	3,603
Total Liabilities	3,247,619	-	-	-	3,247,619

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Notes to the Financial Statements (continued)

For the year ended 30 September 2021

(Expressed in United States Dollars)

7. Financial risk management (continued)
(b) Liquidity Risk (continued)
KraneShares MSCI China ESG Leaders UCITS ETF
30 September 2021

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No stated maturity USD	Total USD
Liabilities					
Financial liabilities at fair value through profit or loss	3	-	-	-	3
TER fees payable	20,296	-	-	-	20,296
Total Liabilities	20,299	-	-	-	20,299

30 September 2020

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No stated maturity USD	Total USD
Liabilities					
TER fees payable	1,114	-	-	-	1,114
Total Liabilities	1,114	-	-	-	1,114

KraneShares Bloomberg China Bond Inclusion UCITS ETF
30 September 2021

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No stated maturity USD	Total USD
Liabilities					
TER fees payable	2,864	-	-	-	2,864
Total Liabilities	2,864	-	-	-	2,864

30 September 2020

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No stated maturity USD	Total USD
Liabilities					
TER fees payable	1,986	-	-	-	1,986
Total Liabilities	1,986	-	-	-	1,986

Kraneshares MSCI All China Health Care Index UCITS ETF
30 September 2021

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No stated maturity USD	Total USD
Liabilities					
TER fees payable	7,235	-	-	-	7,235
Total Liabilities	7,235	-	-	-	7,235

Kraneshares ICBCCS SSE Star Market 50 Index UCITS ETF
30 September 2021

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No stated maturity USD	Total USD
Liabilities					
TER fees payable	5,633	-	-	-	5,633
Net assets attributable to holders of redeemable participating shares	3,786,950	-	-	-	3,786,950
Total Liabilities	3,792,583	-	-	-	3,792,583

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Notes to the Financial Statements (continued)

For the year ended 30 September 2021

(Expressed in United States Dollars)

7. Financial risk management (continued)

(c) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Sub-Funds, resulting in a financial loss to the Sub-Funds.

The Sub-Funds manage credit risk by monitoring the financial condition and credit rating of their Sub-Custodian and other counter parties. All bond securities under the KraneShares Bloomberg China Bond Inclusion UCITS ETF are currently rated by Fitch Ratings with a Long Term Debt rating of A+ as at 30 September 2021 (2020: A+).

The Sub-Funds currently hold no assets with any party other than the Sub-Custodian. The Sub-Custodian, is currently rated by Fitch Ratings with a Long Term Debt rating of A+ as at 30 September 2021 (2020: A+). Insolvency or bankruptcy of the Sub-Custodian may cause the Sub-Funds rights with respect to its assets held by the Depository to be delayed or limited. The maximum exposure to credit risk is the carrying value of the assets held by the respective Sub-Fund.

(d) Concentration Risk

The Sub-Funds are subject to concentration risk if they have a large exposure to a particular holding or if investors to the Sub-Funds have a holding of shares greater than 5%. The Sub-Funds invest substantively all of their assets in Chinese or Chinese related securities, as a result the Sub-Funds will have greater exposure to market, political, legal, economic and social risks of that country than a Sub-Fund which diversifies country risk across a number of countries.

Each Index Tracking Sub-Fund seeks to achieve a return which corresponds generally to the price and yield performance, before fees and expenses, of the relevant Index as published by the Index Provider. There is no assurance that the Index Provider will compile the Index accurately, or that the Index will be determined, composed or calculated accurately. While the Index Provider does provide descriptions of what the Index is designed to achieve, the Index Provider does not provide any warranty or accept any liability in relation to the quality, accuracy or completeness of data in respect of the Index, and does not guarantee that the Index will be in line with the described methodology.

KraneShares CSI China Internet UCITS ETF

As at 30 September 2021, all (2020: all) of the issued shares of Class USD shares were held through a nominee account. As at 30 September 2021, all (2020: all) of the issued shares of Class EUR shares were held through a nominee account. As at 30 September 2021, all (2020: all) of the issued shares of Class GBP shares were held through a nominee account. The Sub-Fund held 6 (2020: 5) individual investment positions that were each greater than 5% of the NAV.

KraneShares MSCI China A 50 Connect UCITS ETF

As at 30 September 2021, all (2020: all) of the issued shares of Class USD shares were held through a nominee account. The Sub-Fund held 1 (2020: 1) individual investment position that was each greater than 5% of the NAV.

KraneShares MSCI China ESG Leaders UCITS ETF

As at 30 September 2021, all (2020: all) of the issued shares of Class USD shares were held through a nominee account. The Sub-Fund held 5 (2020: 6) individual investment positions that were each greater than 5% of the NAV.

KraneShares Bloomberg China Bond Inclusion UCITS ETF

As at 30 September 2021, all (2020: all) of the issued shares of Class USD shares were held through a nominee account. The Sub-Fund held 7 (2020: 9) individual investment positions that were each greater than 5% of the NAV.

KraneShares MSCI All China Health Care Index UCITS ETF

As at 30 September 2021, all of the issued shares of Class USD shares were held through a nominee account. The Sub-Fund held 2 individual investment positions that were each greater than 5% of the NAV.

KraneShares ICBCS SSE Star Market 50 Index UCITS ETF

As at 30 September 2021, all of the issued shares of Class USD shares were held through a nominee account. As at 30 September 2021, all of the issued shares of Class EUR shares were held through a nominee account. The Sub-Fund held 3 individual investment positions that were each greater than 5% of the NAV.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)

7. Financial risk management (continued)

(e) Global exposure and Leverage

Each Sub-Fund's global exposure and leverage will be calculated using the commitment approach and the Sub-Funds' global exposure will not exceed 100% of Net Asset Value. The commitment approach converts each Sub-Fund's FDI positions into the equivalent positions in the underlying assets and seeks to ensure that the FDI risk is monitored in terms of any future "commitments" to which it is (or may be) obligated.

The commitment approach global exposure rate is 0% for the Sub-Funds as at 30 September 2021 (2020: 0%).

(f) Efficient portfolio management

The ICAV on behalf of the Sub-Funds may employ techniques and instruments relating to financial derivative instruments ("FDIs") in which it invests for efficient portfolio management purposes, a list of which (if any) shall be, where relevant, set out in the relevant Supplements of the Sub-Funds. FDI's such as currency forwards and interest rate futures may be utilised for portfolio hedging. Currency forwards may be utilised for NAV hedging.

(g) Offsetting and amounts subject to master netting/similar agreements

As at 30 September 2021, the Sub-Funds were subject to ISDA Master Netting Agreements, which are applicable if a Sub-Fund entered into FDI contracts on an OTC basis. As part of the security lending arrangements for the ICAV, collateral is held with BNY Mellon as part of a tri party arrangement.

The following tables present, at a Sub-Fund level, the Sub-Funds' financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements as at 30 September 2021. While the terms and conditions of these agreements may vary, all transactions under any such agreement constitute a single contractual relationship between each Sub-Fund and each counterparty, severally and not jointly. Each Sub-Funds' obligation to make any payments, deliveries or other transfers in respect of any transaction under such an agreement may be netted against the counterparty's obligations under such agreement. A default by either party in performance with respect to one transaction under such an agreement would give the other party the right to terminate all transactions under such agreement and calculate one net amount owed from one party to the other. Further information on the Sub-Funds exposure to the counterparties of the various derivative contracts is provided in Appendix 3.

KraneShares CSI China Internet UCITS ETF

Description	Gross amount of recognised financial liabilities USD	Gross amount of recognised financial assets set-off in the Statement of Financial Position USD	Net amounts of financial liabilities presented in the Statement of Financial Position USD	Gross amounts not offset in the Statement of Financial Position		
				Financial Instruments USD	Cash Collateral Pledged USD	Net Amount USD
Derivative Liabilities						
<u>Brown Brothers Harriman</u>						
Forward Currency Contracts	(1,785)	-	(1,785)	1,785	-	-

KraneShares MSCI China ESG Leaders UCITS ETF

Description	Gross amount of recognised financial liabilities USD	Gross amount of recognised financial assets set-off in the Statement of Financial Position USD	Net amounts of financial liabilities presented in the Statement of Financial Position USD	Gross amounts not offset in the Statement of Financial Position		
				Financial Instruments USD	Cash Collateral Pledged USD	Net Amount USD
Derivative Liabilities						
<u>Brown Brothers Harriman</u>						
Forward Currency Contracts	(3)	-	(3)	3	-	-

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)

7. Financial risk management (continued)

(g) Offsetting and amounts subject to master netting/similar agreements (continued)

As at 30 September 2020, the following financial instruments were subject to enforceable master netting agreements.

KraneShares CSI China Internet UCITS ETF

Description	Gross amount of recognised financial liabilities USD	Gross amount of recognised financial assets set-off in the Statement of Financial Position USD	Net amounts of financial liabilities presented in the Statement of Financial Position USD	Gross amounts not offset in the Statement of Financial Position		
				Financial Instruments USD	Cash Collateral Pledged USD	Net Amount USD
Derivative Liabilities						
<u>Brown Brothers Harriman</u>						
Forward Currency Contracts	(39)	-	(39)	39	-	-

The Sub-Funds and their counterparty have elected to settle all transactions on a gross basis, however, each party has the option to settle all open contracts on a net basis in the event of default of the other party. Per the terms of the master netting agreement, an event of default includes the following:

- failure by a party to make payment when due;
- failure by a party to perform any obligation required by the agreement (other than payment) if such failure is not remedied within 30 days after notice of such failure is given to the party;
- bankruptcy.

8. Fair value measurement

As the Sub-Funds' investments are classified as financial assets at fair value through profit or loss, the carrying value of the Sub-Funds' investments is a reasonable approximation of fair value. The Sub-Funds accounting policy on fair value measurements is discussed in Note 2(d). The Sub-Funds measure fair values, as defined by IFRS 13 'Fair Value Measurement' ("IFRS 13"), using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. The bonds held by the KraneShares Bloomberg China Bond Inclusion UCITS ETF Sub-Fund would be considered less than active.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair values of financial assets that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, each Sub-Fund determines fair values using valuation techniques as described above.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***8. Fair value measurement (continued)**

The tables below analyse the Sub-Funds assets measured at fair value as at 30 September 2021 and 30 September 2020 by the level in the fair value hierarchy into which the fair value measurement is categorised:

KraneShares CSI China Internet UCITS ETF

30 September 2021	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
Equity securities	614,128,782	-	-	614,128,782
	<u>614,128,782</u>	<u>-</u>	<u>-</u>	<u>614,128,782</u>
Financial liabilities at fair value through profit or loss				
Redeemable participating shares	-	-	-	-
Unrealised loss on Forward Foreign Currency Contracts	-	(1,785)	-	(1,785)
	<u>-</u>	<u>(1,785)</u>	<u>-</u>	<u>(1,785)</u>

30 September 2020	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
Equity securities	185,470,365	-	-	185,470,365
	<u>185,470,365</u>	<u>-</u>	<u>-</u>	<u>185,470,365</u>
Financial liabilities at fair value through profit or loss				
Redeemable participating shares	(185,393,206)	-	-	(185,393,206)
Unrealised loss on Forward Foreign Currency Contracts	-	(39)	-	(39)
	<u>(185,393,206)</u>	<u>(39)</u>	<u>-</u>	<u>(185,393,245)</u>

KraneShares MSCI China A 50 Connect UCITS ETF

30 September 2021	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
Equity securities	23,943,934	-	-	23,943,934
	<u>23,943,934</u>	<u>-</u>	<u>-</u>	<u>23,943,934</u>

30 September 2020	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
Equity securities	12,343,510	-	-	12,343,510
	<u>12,343,510</u>	<u>-</u>	<u>-</u>	<u>12,343,510</u>

KraneShares MSCI China ESG Leaders UCITS ETF

30 September 2021	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
Equity securities	30,289,481	-	-	30,289,481
	<u>30,289,481</u>	<u>-</u>	<u>-</u>	<u>30,289,481</u>
Financial liabilities at fair value through profit or loss				
Unrealised loss on Forward Foreign Currency Contracts	-	(3)	-	(3)
	<u>-</u>	<u>(3)</u>	<u>-</u>	<u>(3)</u>

30 September 2020	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
Equity securities	3,669,451	-	-	3,669,451
	<u>3,669,451</u>	<u>-</u>	<u>-</u>	<u>3,669,451</u>

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***8. Fair value measurement (continued)****KraneShares Bloomberg China Bond Inclusion UCITS ETF****30 September 2021**

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
Bonds	-	5,600,221	-	5,600,221
	-	5,600,221	-	5,600,221

30 September 2020

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
Bonds	-	6,030,811	-	6,030,811
	-	6,030,811	-	6,030,811

Kraneshares MSCI All China Health Care Index UCITS ETF**30 September 2021**

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
Equity securities	6,979,248	-	-	6,979,248
	6,979,248	-	-	6,979,248

Kraneshares ICBCS SSE Star Market 50 Index UCITS ETF**30 September 2021**

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
Equity securities	3,763,328	-	-	3,763,328
	3,763,328	-	-	3,763,328
Financial liabilities at fair value through profit or loss				
Redeemable participating shares	(3,786,950)	-	-	(3,786,950)
	(3,786,950)	-	-	(3,786,950)

Transfers between levels are recognised at the end of the reporting year/period. There were no transfers between levels during the year/period ended 30 September 2021 and year/period ended 30 September 2020.

Each Sub-Fund's financial instruments not measured at fair value through profit or loss consist of cash and cash equivalents, other receivables, and TER fees payable. These financial instruments are realised or settled within a short period of time. The carrying value of these other financial instruments approximate their fair value.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)

9. Related Parties

The following parties are considered related parties:

- The directors
- Waystone Management Company (IE) Limited - Manager
- Krane Fund Advisors, LLC – Investment Manager

Directors' fees is disclosed in Note 5, Fees and Expenses.

Expenses charged during the year/period ended 30 September 2021 by the directors, the Manager and Investment Manager are detailed in Note 5.

Waystone Management Company (IE) Limited, the Manager of the Sub-Funds, receives fees which are paid in line with the underlying Management Agreement.

In line with the underlying Management Agreement certain costs and expenses of the ICAV shall be borne by the Investment Manager.

Money Laundering Reporting Officer ("MLRO") services are provided by Waystone Management Company (IE) Limited. The fee for the provision of MLRO services are included in the TER Fees.

Other ancillary services are provided for by Waystone Management Company (IE) Limited.

There were no other related party transactions for the financial year other than those disclosed above, and in Note 5, including any other emoluments or gains which have been paid or are payable, to any Director of the ICAV. All transactions with related parties were at arm's length.

10. Transaction Costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

KraneShares CSI China Internet UCITS ETF

During the year ended 30 September 2021, the Sub-Fund incurred USD 774,615 (2020: USD 225,289) in transaction costs.

KraneShares MSCI China A 50 Connect UCITS ETF

During the year ended 30 September 2021, the Sub-Fund incurred USD 101,525 (2020: USD 313,817) in transaction costs.

KraneShares MSCI China ESG Leaders UCITS ETF

During the year ended 30 September 2021, the Sub-Fund incurred USD 89,780 (2020: USD 11,743) in transaction costs.

KraneShares Bloomberg China Bond Inclusion UCITS ETF

During the year ended 30 September 2021, the Sub-Fund incurred USD Nil (2020: USD Nil) in transaction costs.

KraneShares MSCI All China Health Care Index UCITS ETF

During the period ended 30 September 2021, the Sub-Fund incurred USD 10,818 in transaction costs.

KraneShares ICBCS SSE Star Market 50 Index UCITS ETF

During the period ended 30 September 2021, the Sub-Fund incurred USD 5,557 in transaction costs.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)

11. Security Lending

The ICAV entered into a securities lending agency agreement with the Sub-Custodian on 28 July 2020. Securities lending commenced on KraneShares CSI China Internet UCITS ETF in August 2020. As at 30 September 2021 the KraneShares CSI China Internet UCITS ETF was engaged in 30 securities lending arrangements, with multiple agreements for the same securities in some instances. As at 30 September 2021 the total amount of securities lending arrangements entered into by the Sub-Fund was \$41,811,766 (2020: \$2,099,563).

Collateral amounts totalling of \$44,419,695 were received by the Depositary and a security lending revenue of \$259,069 has been reflected in the NAV for the Sub-Fund. Fees of \$26,044 were charged by the Investment Manager and fees of \$45,748 were charged by the Sub-Custodian for the year.

Securities lending commenced on KraneShares MSCI China ESG Leaders UCITS ETF on 29 April 2021. As at 30 September 2021 the KraneShares MSCI China ESG Leaders UCITS ETF was engaged in two securities lending arrangements. The securities lending arrangements comprised of the following securities. As at 30 September 2021 the total amount of securities lending arrangements entered into by the Sub-Fund was \$55,289 (2020: \$Nil).

Collateral amounts totalling of \$58,830 were received by the Depositary and a security lending revenue of \$350 has been recorded as other income for the Sub-Fund. Fees of \$22 were charged by the Investment Manager and Fees of \$64 were charged by the Sub-Custodian for the year.

12. Significant events during the reporting year

An updated Prospectus was issued for the ICAV on 17 June 2021. Updated Supplements were issued for the Sub-Funds on 17 June 2021. The updates included:

- a new section on sustainable finance has been included in the prospectus;
- sections on collection account risk and sustainability risk have been added;
- passage of time updates for all supplements and prospectus.

During the reporting year, global financial markets experienced and may continue to experience significant volatility resulting from the spread of a novel coronavirus known as COVID-19. The outbreak of COVID-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The effects of

COVID-19 have and may continue to adversely affect the global economy, the economies of certain nations and individual issuers, all of which may negatively impact on some or all of the Sub-Funds performance.

On 12 November 2020, Executive Order 13959 was issued by the US government, prohibiting transactions by U.S. persons in certain Chinese issuers' securities, beginning on 11 January 2021. On 28 December 2020, the Office of Foreign Assets Control issued a list, specifying the securities. The Investment Manager liquidated securities held on KraneShares MSCI China A 50 Connect UCITS ETF prior to this date. The other 3 Sub-Funds did not hold any of the specified securities, and thus were unaffected. The Investment Manager will continue to track details of the Executive Order to ensure monitoring is up to date.

On 14 January 2021, a sub-fund of the ICAV, KraneShares MSCI All China Health Care Index UCITS ETF commenced operations.

On 12 March 2021, Piers Wheeler resigned as a Director to the ICAV.

On 25 May 2021, a sub-fund of the ICAV, KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF commenced operations.

On 29 July 2021, Paolo Iurcotta was appointed as a Director to the ICAV.

The Investment Manager has agreed to bear the cost of certain fees and operational expenses which are over and above the total expense ratio or "TER" of each Sub-Fund. Please refer to Note 5 "Fees and Expenses" for further details.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)

12. Significant events during the reporting year (continued)

There were no other significant events during the reporting year that requires adjustments or disclosure in these financial statements.

13. Events after the reporting year

An updated prospectus for the KraneShares ICAV was issued on 15 October 2021.

Updated supplements for all of the Sub-Funds of the KraneShares ICAV were issued on 15 October 2021.

KraneShares Bloomberg Barclays China Bond Inclusion UCITS ETF changed its name to KraneShares Bloomberg China Bond Inclusion UCITS ETF on 1 October 2021.

KraneShares MSCI China A Share UCITS ETF changed its name to KraneShares MSCI China A 50 Connect UCITS ETF on 8 November 2021.

From 1 October 2021 to 28 January 2022, the KraneShares CSI China Internet UCITS ETF had additional subscriptions of USD 531,540,708 and redemptions of USD 176,798,890.

From 1 October 2021 to 28 January 2022, the KraneShares MSCI China ESG Leaders UCITS ETF had additional subscriptions of USD 3,338,395 and redemptions of USD 3,773,400.

From 1 October 2021 to 28 January 2022, the KraneShares MSCI All China Health Care Index UCITS ETF had additional subscriptions of USD 2,171,333 and redemptions of USD Nil.

From 1 October 2021 to 28 January 2022, the KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF had no additional subscriptions or redemptions.

Subsequent to year-end, KraneShares MSCI China A 50 Connect UCITS ETF experienced net redemptions of USD 19,239,585 and KraneShares Bloomberg China Bond Inclusion UCITS ETF experienced net redemptions of USD 3,854,475. In the event KraneShares MSCI China A 50 Connect UCITS ETF and KraneShares Bloomberg China Bond Inclusion UCITS ETF continued to experience significant net redemptions, the sub-funds may no longer be viable. The redemptions experienced by KraneShares MSCI China A 50 Connect UCITS ETF and KraneShares Bloomberg China Bond Inclusion UCITS ETF therefore give rise to events or conditions that indicate that a material uncertainty exists that may cast significant doubt on the KraneShares MSCI China A 50 Connect UCITS ETF and KraneShares Bloomberg China Bond Inclusion UCITS ETF's ability to continue as a going concern. KraneShares MSCI China A 50 Connect UCITS ETF and KraneShares Bloomberg China Bond Inclusion UCITS ETF may therefore be unable to realise their assets and discharge their liabilities in the ordinary course of business, however, it is noted that the assets of KraneShares MSCI China A 50 Connect UCITS ETF and KraneShares Bloomberg China Bond Inclusion UCITS ETF comprise liquid financial assets that may be readily realised.

The Directors and the Investment Manager remain committed to ensuring all of the Sub-Funds continue to operate and marketing efforts to attract new investors are continuing. The Directors expect that the marketing efforts will be successful and both KraneShares MSCI China A 50 Connect UCITS ETF and KraneShares Bloomberg China Bond Inclusion UCITS ETF will be able to attract new investors.

The Investment Manager's ongoing commitment to the Sub-Funds includes the following:

- The Sub-Funds hold liquid financial assets and continue to be managed in a manner that meets their investment objectives;
- provision of marketing, promotion and operating support, and emphasises the importance of these Sub-Funds in portfolio construction;
- financially supporting the strategies by covering all the Sub-Funds related expenses, independent of asset levels.

KRANESHARES ICAV

Notes to the Financial Statements (continued)

For the year ended 30 September 2021

(Expressed in United States Dollars)

13. Events after the reporting year (continued)

Taking this into account, and notwithstanding the significant net redemptions that have taken place, the financial statements of KraneShares MSCI China A 50 Connect UCITS ETF and KraneShares Bloomberg China Bond Inclusion UCITS ETF continue to be prepared under the going concern.

There were no other events after the reporting year that require adjustments or disclosure in these financial statements.

14. Approval of the audited annual financial statements

The financial statements were approved by the Board of Directors on 28 January 2022.

KRANESHARES ICAV

Appendix 1 – Statement of Portfolio Changes (Unaudited)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***KraneShares CSI China Internet UCITS ETF**

Purchases	Cost \$
Tencent Holdings Ltd	75,963,524
Alibaba Group Holding Ltd	75,632,497
Meituan Dianping	63,180,581
JD.com Inc	58,498,906
Pinduoduo Inc-Adr	55,693,777
Baidu Inc - Spon Adr	36,144,209
Kuaishou Technology	35,085,196
JD Health International Inc	34,276,588
Full Truck Alliance Co Ltd	32,921,697
Trip.com Group Ltd	30,931,279
NetEase Inc	30,816,415
Ke Holdings Inc	26,971,798
Bilibili Inc-Adr	26,390,212
Lufax Holding Ltd	21,255,608
Tal Education Group- Adr	17,006,715
Vipshop Holdings Ltd	14,769,537
Alibaba Health Information T	14,600,816
Tencent Music Entertainment Group	14,030,418
Ming Yuan Cloud Group Holdings	13,231,837
ZhongAn Online P&C Insurance Co Ltd	11,104,184
Zhihu Inc	10,870,255
Ping An Healthcare And Technology Ltd	8,862,865
iQIYI Inc	8,611,619

The above purchases represent trades which were above 1% of the total purchases during the year.

KRANESHARES ICAV

Appendix 1 – Statement of Portfolio Changes (Unaudited) (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***KraneShares CSI China Internet UCITS ETF**

Sales	Proceeds \$
Meituan Dianping	23,250,540
JD.com Inc	18,782,553
Bilibili Inc-Adr	17,813,924
Alibaba Group Holding Ltd	17,711,996
Pinduoduo Inc-Adr	15,562,094
Baidu Inc - Spon Adr	15,247,429
Tencent Holdings Ltd	14,802,401
Alibaba Health Information Technology Ltd	9,490,237
Vipshop Holdings Ltd	9,331,587
NetEase Inc	9,178,803
Trip.com Group Ltd	7,970,796
Tencent Music Entertainment Group	7,328,072
Ke Holdings Inc	6,399,941
Lufax Holding Ltd	6,003,934
ZhongAn Online P&C Insurance Co Ltd	5,886,888
GSX Techedu Inc	4,489,852
iQIYI Inc	4,467,025
Autohome Inc	4,031,434
JD Health International Inc	3,849,737
Kingsoft Corp Ltd	3,846,739
Ping An Healthcare And Technology Ltd	3,781,311
Ming Yuan Cloud Group Holdings	3,671,818
JOYY Inc	3,525,007
Sina Corp	3,465,663
China Literature Ltd	3,410,367
Kuaishou Technology	3,046,214
Full Truck Alliance Co Ltd	2,898,976
Tal Education Group- Adr	2,744,129
Weibo Corp-Spon Adr	2,718,117

The above sales represent trades which were above 1% of the total sales during the year.

In accordance with the UCITS regulations this statement presents the aggregate purchases and aggregate sales of a security exceeding 1.00% of the total value of purchases or sales for the year or at least the top 20 purchases and sales.

The full list of purchases and sales for the year is available on request from the Administrator.

KRANESHARES ICAV

Appendix 1 – Statement of Portfolio Changes (Unaudited) (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI China A 50 Connect UCITS ETF**

Purchases	Cost \$
Kweichow Moutai Co Ltd	2,273,198
Wuliangye Yibin Co Ltd	997,804
China Merchants Bank Co Ltd	900,908
Ping An Insurance Group Co of China Ltd	795,082
Contemporary Amperex Technology Co Ltd	769,545
China Yangtze Power Co Ltd	590,989
China Tourism Group Duty Free Corp Ltd	448,020
Foshan Haitian Flavouring & Food Co Ltd	432,289
Jiangsu Hengrui Medicine Co Ltd	422,641
Shenzhen Mindray Bio-Medical Electronics Co Ltd	422,025
Industrial Bank Co Ltd	404,949
SF Holding Co Ltd	377,417
Midea Group Co Ltd	372,794
Ping An Bank Co Ltd	369,154
BYD Co Ltd	336,300
Luxshare Precision Industry Co Ltd	335,455
Muyuan Foods Co Ltd	328,563
LONGi Green Energy Technology Co Ltd	301,426
Shanxi Xinghuacun Fen Wine Factory Co Ltd	291,554
Aier Eye Hospital Group Co Ltd	289,190

The above purchases represent the top 20 purchases during the year.

KRANESHARES ICAV

Appendix 1 – Statement of Portfolio Changes (Unaudited) (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI China A 50 Connect UCITS ETF**

Sales	Proceeds \$
Kweichow Moutai Co Ltd	1,859,330
Wuliangye Yibin Co Ltd	750,487
China Merchants Bank Co Ltd	746,346
Contemporary Amperex Technology Co Ltd	688,327
Ping An Insurance Group Co of China Ltd	593,839
China Yangtze Power Co Ltd	464,058
Hangzhou Hikvision Digital Technology Co Ltd	458,747
China Tourism Group Duty Free Corp Ltd	413,647
Industrial Bank Co Ltd	361,359
Jiangsu Hengrui Medicine Co Ltd	306,981
Foshan Haitian Flavouring & Food Co Ltd	305,192
Ping An Bank Co Ltd	300,248
Muyuan Foods Co Ltd	285,055
Shenzhen Mindray Bio-Medical Electronics Co Ltd	283,074
Shanxi Xinghuacun Fen Wine Factory Co Ltd	265,764
LONGi Green Energy Technology Co Ltd	265,258
BYD Co Ltd	251,832
Wanhua Chemical Group Co Ltd	244,356
SF Holding Co Ltd	226,392
Chongqing Zhifei Biological Products Co Ltd	225,566

The above sales represent the top 20 sales during the year.

In accordance with the UCITS regulations this statement presents the aggregate purchases and aggregate sales of a security exceeding 1.00% of the total value of purchases or sales for the year or at least the top 20 purchases and sales.

The full list of purchases and sales for the year is available on request from the Administrator.

KRANESHARES ICAV

Appendix 1 – Statement of Portfolio Changes (Unaudited) (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI China ESG Leaders UCITS ETF**

Purchases	Cost \$
Meituan	4,490,294
Tencent Holdings Ltd	3,991,323
China Construction Bank Corp	3,212,504
Alibaba Group Holding Ltd - ADR	3,054,708
NIO Inc	2,077,678
Ping An Insurance Group Co of China Ltd	1,687,281
Wuxi Biologics Cayman Inc	1,464,121
China Merchants Bank Co Ltd	1,354,689
Geely Automobile Holdings Ltd	1,047,524
BYD Co Ltd	1,043,211
Yum China Holdings Inc	1,000,356
Alibaba Group Holding Ltd	841,444
Shenzhou International Group Holdings Ltd	829,550
China Mengniu Dairy Co Ltd	791,551
Li Ning Co Ltd	766,700
Vipshop Holdings Ltd	645,881
ENN Energy Holdings Ltd	608,746
Longfor Group Holdings Ltd	587,503
Country Garden Services Holdings Co Ltd	521,889
Sino Biopharmaceutical Ltd	515,806
China Gas Holdings Ltd	496,551
CSPC Pharmaceutical Group Ltd	488,932

The above purchases represent trades which were above 1% of the total purchases during the year.

KRANESHARES ICAV

Appendix 1 – Statement of Portfolio Changes (Unaudited) (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI China ESG Leaders UCITS ETF**

Sales	Proceeds \$
Meituan	1,593,179
China Construction Bank Corp	1,375,021
China Merchants Bank Co Ltd	932,634
Tencent Holdings Ltd	837,646
Wuxi Biologics Cayman Inc	726,760
NIO Inc	640,211
BYD Co Ltd	530,167
Geely Automobile Holdings Ltd	523,873
ENN Energy Holdings Ltd	394,898
Country Garden Services Holdings Co Ltd	388,391
China Mengniu Dairy Co Ltd	370,407
CSPC Pharmaceutical Group Ltd	366,283
Ping An Healthcare and Technology Co Ltd	338,166
Sino Biopharmaceutical Ltd	313,754
Wharf Holdings Ltd/The	289,099
Shenzhen Mindray Bio-Medical Electronics Co Ltd	286,831
Vipshop Holdings Ltd	277,474
China Overseas Land & Investment Ltd	269,458
China CITIC Bank Corp Ltd	266,917
Longfor Group Holdings Ltd	262,649
Sinopharm Group Co Ltd	250,110
BYD Electronic International Co Ltd	246,505
Lenovo Group Ltd	244,539
Kingdee International Software Group Co Ltd	242,337
Contemporary Amperex Technology Co Ltd	233,722
WuXi AppTec Co Ltd	227,232
Alibaba Group Holding Ltd	212,754
China Gas Holdings Ltd	210,800

The above sales represent trades which were above 1% of the total sales during the year.

In accordance with the UCITS regulations this statement presents the aggregate purchases and aggregate sales of a security exceeding 1.00% of the total value of purchases or sales for the year or at least the top 20 purchases and sales.

The full list of purchases and sales for the year is available on request from the Administrator.

KRANESHARES ICAV

Appendix 1 – Statement of Portfolio Changes (Unaudited) (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***KraneShares Bloomberg China Bond Inclusion UCITS ETF**

Purchases	Cost \$
China Development Bank 3% 05/02/23	627,825
China Government Bond 2.94% 17/10/24	623,947
Export-Import Bank China 3.04% 08/03/23	420,548
China Government Bond 3.17% 19/04/23	406,868
China Government Bond 3.13% 21/11/29	373,655
China Government Bond 3.02% 22/10/25	313,943
China Government Bond 2.24% 05/03/23	308,589
Agricultural Development Bank Of China 4.37% 25/05/23	255,349
China Government Bond 2.88% 05/11/23	234,024
Export-Import Bank China 3.37% 03/06/22	218,483
China Development Bank 3.18% 17/05/22	217,971
China Government Bond 4.22% 19/03/48	170,366
China Government Bond 4% 24/06/69	168,877
China Government Bond 3.54% 16/08/28	160,492
China Government Bond 3.03% 11/03/26	157,090
China Government Bond 3.39% 16/03/50	59,629

The above purchases represent all purchases during the year.

Sales	Proceeds \$
China Government Bond 2.94% 17/10/24	1,081,344
China Development Bank 3.18% 17/05/22	802,954
Export-Import Bank China 3.37% 03/06/22	798,527
China Government Bond 3.17% 19/04/23	692,255
China Government Bond 3.13% 21/11/29	642,610
Agricultural Development Bank Of China 4.37% 25/05/23	425,374
China Government Bond 4.22% 19/03/48	291,769
China Government Bond 4% 24/06/69	283,819
China Government Bond 3.54% 16/08/28	276,900
China Development Bank 3% 05/02/23	205,150
China Government Bond 3.39% 16/03/50	101,633

The above sale represent all sales during the year.

In accordance with the UCITS regulations this statement presents the aggregate purchases and aggregate sales of a security exceeding 1.00% of the total value of purchases or sales for the year or at least the top 20 purchases and sales.

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Appendix 1 – Statement of Portfolio Changes (Unaudited) (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI All China Health Care Index UCITS ETF**

Purchases	Cost \$
Wuxi Biologics Cayman Inc	733,840
Jiangsu Hengrui Medicine Co Ltd	507,299
Shenzhen Mindray Bio-Medical Electronics Co Ltd	479,131
WuXi AppTec Co Ltd (Hong Kong)	315,642
BeiGene Ltd	312,314
Aier Eye Hospital Group Co Ltd	302,279
Chongqing Zhifei Biological Products Co Ltd	277,379
Innovent Biologics Inc	251,381
Alibaba Health Information Technology Ltd	249,821
Zai Lab Ltd	241,329
CSPC Pharmaceutical Group Ltd	203,862
Sino Biopharmaceutical Ltd	198,017
Zhangzhou Pientzhuang Pharmaceutical Co Ltd	190,128
Yunnan Baiyao Group Co Ltd	175,074
Changchun High & New Technology Industry Group Inc	166,004
WuXi AppTec Co Ltd (Shanghai)	139,170
Ping An Healthcare and Technology Co Ltd	134,677
Hansoh Pharmaceutical Group Co Ltd	121,839
Pharmaron Beijing Co Ltd	112,552
Shanghai Fosun Pharmaceutical Group Co Ltd	108,303
Imeik Technology Development Co Ltd	106,914
Shenzhen Kangtai Biological Products Co Ltd	106,799
Topchoice Medical Corp	92,863
Shandong Weigao Group Medical Polymer Co Ltd	92,297
Hualan Biological Engineering Inc	87,159
Beijing Wantai Biological Pharmacy Enterprise Co Ltd	86,597

The above purchases represent trades which were above 1% of the total purchases during the period.

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Appendix 1 – Statement of Portfolio Changes (Unaudited) (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***KraneShares MSCI All China Health Care Index UCITS ETF**

Sales	Proceeds \$
Wuxi Biologics Cayman Inc	164,649
Chongqing Zhifei Biological Products Co Ltd	50,992
BeiGene Ltd	44,305
Jiangsu Hengrui Medicine Co Ltd	36,845
Yunnan Baiyao Group Co Ltd	27,358
Aier Eye Hospital Group Co Ltd	24,336
Alibaba Health Information Technology Ltd	24,323
CSPC Pharmaceutical Group Ltd	21,063
Ping An Healthcare and Technology Co Ltd	20,363
Zai Lab Ltd	19,084
WuXi AppTec Co Ltd (Shanghai)	18,667
AK Medical Holdings Ltd	18,134
WuXi AppTec Co Ltd (Hong Kong)	17,354
Sino Biopharmaceutical Ltd	16,236
Luye Pharma Group Ltd	16,186
Asymchem Laboratories Tianjin Co Ltd	15,074
Genscript Biotech Corp	14,284
Shanghai Fosun Pharmaceutical Group Co Ltd (Shanghai)	13,736
Chengdu Kanghong Pharmaceutical Group Co Ltd	13,713
Hubei Jumpcan Pharmaceutical Co Ltd	13,041
Microport Scientific Corp	12,887
Shanghai Fosun Pharmaceutical Group Co Ltd (Hong Kong)	12,869
China National Accord Medicines Corp Ltd	12,587
Zhangzhou Pientzhuang Pharmaceutical Co Ltd	12,263
Walvax Biotechnology Co Ltd	11,295
Tianjin Chase Sun Pharmaceutical Co Ltd	10,288
Shandong Weigao Group Medical Polymer Co Ltd	10,182
Sinopharm Group Co Ltd	10,160
CanSino Biologics Inc	9,515
Guangzhou Wondfo Biotech Co Ltd	9,359

The above sales represent trades which were above 1% of the total sales during the period.

In accordance with the UCITS regulations this statement presents the aggregate purchases and aggregate sales of a security exceeding 1.00% of the total value of purchases or sales for the period or at least the top 20 purchases and sales.

The full list of purchases and sales for the period is available on request from the Administrator.

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Appendix 1 – Statement of Portfolio Changes (Unaudited) (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF**

Purchases	Cost \$
Beijing Kingsoft Office Software Inc	451,899
Shenzhen Transsion Holdings Co Ltd	259,326
Advanced Micro-Fabrication Equipment Inc China	231,299
Montage Technology Co Ltd	210,867
Beijing Roborock Technology Co Ltd	206,699
Raytron Technology Co Ltd	179,325
Ningbo Ronbay New Energy Technology Co Ltd	178,939
Amlogic Shanghai Co Ltd	153,025
China Resources Microelectronics Ltd	142,000
CanSino Biologics Inc	138,036
Jiangsu Cnano Technology Co Ltd	127,223
Bloomage Biotechnology Corp Ltd	118,989
China Railway Signal & Communication Corp Ltd	118,723
National Silicon Industry Group Co Ltd	98,403
Western Superconducting Technologies Co Ltd	93,124
Shanghai Friendess Electronic Technology Corp Ltd	92,687
Autel Intelligent Technology Corp Ltd	90,946
3peak Inc	90,430
Micro-Tech Nanjing Co Ltd	86,939
Shanghai MicroPort Endovascular MedTech Group Co Ltd	85,924
Qingdao Haier Biomedical Co Ltd	85,472
Guangdong Jia Yuan Technology Shares Co Ltd	81,265
Zhejiang HangKe Technology Inc Co	81,105
DBAPP Security Ltd	79,675
Arcsoft Corp Ltd	71,277
Shenzhen Chipscreen Biosciences Co Ltd	65,706
Espressif Systems Shanghai Co Ltd	63,198
Suzhou Zelgen Biopharmaceutical Co Ltd	63,051
Pylon Technologies Ltd	60,305
Qi An Xin Technology Group Inc	55,522
Trina Solar Co Ltd	54,222
Shanghai Bright Power Semiconductor Co Ltd	54,147
BrightGene Bio-Medical Technology Co Ltd	54,040
UCloud Technology Co Ltd	52,058
Appotronics Corp Ltd	50,391
Shanghai Haohai Biological Technology Co Ltd	49,906

The above purchases represent trades which were above 1% of the total purchases during the period.

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Appendix 1 – Statement of Portfolio Changes (Unaudited) (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF**

Sales	Proceeds \$
Montage Technology Co Ltd	55,990
Raytron Technology Co Ltd	42,913
China Resources Microelectronics Ltd	42,215
Farasis Energy Gan Zhou Co Ltd	40,655
Amlogic Shanghai Co Ltd	40,070
Piesat Information Technology Co Ltd	33,662
Ningbo Ronbay New Energy Technology Co Ltd	32,761
Advanced Micro-Fabrication Equipment Inc China	29,040
China Railway Signal & Communication Corp Ltd	28,589
National Silicon Industry Group Co Ltd	27,284
Guangzhou Fangbang Electronics Co Ltd	24,547
Shenzhen Lifotronic Technology Co Ltd	19,120
Shanghai MicroPort Endovascular MedTech Group Co Ltd	19,112
Zhejiang HangKe Technology Inc Co	18,067
Micro-Tech Nanjing Co Ltd	17,775
Shanghai Friendess Electronic Technology Corp Ltd	17,087
Arcsoft Corp Ltd	16,535
Hillstone Networks Co Ltd	14,916
Traffic Control Technology Co Ltd	13,760
Jiangsu Cnano Technology Co Ltd	13,631
Ningbo Solartron Technology Co Ltd	12,985
Qi An Xin Technology Group Inc	12,054
Espressif Systems Shanghai Co Ltd	12,051
Western Superconducting Technologies Co Ltd	11,999
Shanghai Shen Lian Biomedical Corp	11,724
Appotronics Corp Ltd	11,477
Shanghai Bright Power Semiconductor Co Ltd	10,834
Trina Solar Co Ltd	10,698
Suntar Environmental Technology Co Ltd	9,770
Shenzhen Qingyi Photomask Ltd	8,514
Shanghai Junshi Biosciences Co Ltd	8,362
Qingdao Haier Biomedical Co Ltd	7,813
Beijing Kingsoft Office Software Inc	7,770
Shenzhen Chipscreen Biosciences Co Ltd	7,700
Bloomage Biotechnology Corp Ltd	7,519

The above sales represent trades which were above 1% of the total sales during the period.

In accordance with the UCITS regulations this statement presents the aggregate purchases and aggregate sales of a security exceeding 1.00% of the total value of purchases or sales for the period or at least the top 20 purchases and sales.

The full list of purchases and sales for the period is available on request from the Administrator.

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Appendix 2 – UCITS Manager’s Report (Unaudited)

For the year ended 30 September 2021
(Expressed in United States Dollars)

Waystone Management Company (IE) Limited is authorized and regulated as a UCITS Manager (the “Manager”) by the Central Bank under the European Union (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (“UCITS Regulations”). The Manager has appointed Krane Funds Advisors LLC as the “Investment Manager” to carry out discretionary investment management in relation to KraneShares ICAV.

Investment Objective of the Fund

The assets of each Fund must be invested in accordance with the restrictions on investments set out in the UCITS Regulations and such additional investment restrictions in accordance with Central Bank requirements. The investment objective of the Fund is to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the investable universe of publicly traded China-based companies whose primary business or businesses are in the Internet and Internet Related sectors and which are listed outside of China (“China Internet Companies”).

Remuneration Policy

The Manager has implemented a Remuneration Policy which is in line with the provisions of the UCITS Regulations and in accordance with the European Securities Market Authority Guidelines on Sound Remuneration Policies under the UCITS Directive (ESMA/2016/575). It is consistent with the business strategy, objectives, values and interests of the Manager, the ICAV and the Shareholders of the ICAV and includes measures to avoid conflicts of interest. The objective of this Policy is to ensure that the Manager maintains and applies a sound and prudent remuneration process, which identifies and manages any conflicts of interest, promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profile of the Manager or the risk profiles and rules of the managed UCITS.

The Manager has established a Remuneration Policy to ensure that the requirements of the Remuneration Code are met proportionately for all relevant staff. This policy applies to the Manager and the Funds it manages. In accordance with the proportionality provisions of the ESMA Guidelines on Remuneration and taking into account its size, nature and the scope of its activities, the Board has dis-applied the requirements of the ESMA Guidelines in relation to the following: variable remuneration in instruments, retention, deferral, ex post incorporation of risk for variable remuneration (together, with the immediately foregoing bullets points, the Pay-out Process Rules); and the requirement to establish a remuneration committee.

Employee remuneration disclosure

The table below provides an overview of Aggregate total remuneration paid by the Manager to all staff; and aggregate total remuneration paid by the Manager to Manager Remuneration Code Staff. The total remuneration in relation to the ICAV has been calculated by apportioning the total remuneration costs based on the AUM of the ICAV as a percentage of the total AUM of funds managed by the Manager.

	<i>Headcount</i>	<i>Total Remuneration (USD \$'000s)</i>
<i>Manager staff (apportioned to ICAV)</i>	<i>32</i>	<i>141</i>
<i>of which</i>		
<i>Fixed remuneration</i>	<i>32</i>	<i>141</i>
<i>Variable remuneration</i>	<i>n/a</i>	<i>0</i>
<i>Carried interest</i>	<i>n/a</i>	<i>0</i>
<i>Remuneration Code Staff</i>	<i>32</i>	<i>5,013</i>
<i>of which</i>		
<i>Senior Management</i>	<i>32</i>	<i>5,013</i>
<i>Other Code Staff</i>	<i>0</i>	<i>0</i>

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Appendix 2 – UCITS Manager’s Report (Unaudited) (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)

Manager Activities

The following table provides an overview of the size and composition of each Sub-Fund managed by the Manager. This shows the total number of funds managed as at 30 September 2021.

	<i>Number of Sub-Funds</i>	<i>AUM USD (Millions)</i>	<i>% of AUM</i>
<i>Waystone Management Company (IE) Limited</i>	194	24,433	100%
<i>of which UCITS Funds</i>	22	3,106	13%
<i>KraneShares CSI China Internet UCITS ETF</i>	1	615	2.52%
<i>KraneShares MSCI China A 50 Connect UCITS ETF</i>	1	24	0.1%
<i>KraneShares MSCI China ESG Leaders UCITS ETF</i>	1	30	0.12%
<i>KraneShares Bloomberg China Bond Inclusion UCITS ETF</i>	1	6	0.03%
<i>KraneShares MSCI All China Healthcare Index ETF</i>	1	7	0.03%
<i>KraneShares ICBCCS SSE Star Market 50 Index UCITS ETF</i>	1	4	0.02%

Risk Management & Risk Profile

The risk management function has effective policies and procedures in order to identify, measure, manage and monitor, on an on-going basis, all risks relevant to the Fund’s investment strategy, and to ensure that the risk profile is consistent with the risk limits. The risk management function monitors compliance with these risk limits and the Manager’s Chief Risk Officer manages situations when the Fund’s risk profile is inconsistent with these limits. There were no significant changes to systems during the year.

Operational Risk

The Manager has operational risk management policies and procedures in order to identify, measure, manage and monitor appropriately operational risks including professional liability risks to which the Fund is or could be reasonably exposed. As a result of this ongoing review, the Manager is satisfied that the control framework in place is adequate for the services being provided to the Fund. There have been no material changes to the above process since the Manager was appointed. There were no areas of concern identified by the Manager.

The Risk Profile of *KraneShares CSI China Internet UCITS ETF* at 30 September 2021 is as follows:

Risk Analytics	Value	Limit
Tracking Error	0.45%	1.00%

The Risk Profile of *KraneShares MSCI China A 50 Connect UCITS ETF* at 30 September 2021 is as follows:

Risk Analytics	Value	Limit
Tracking Error	0.54%	1.00%

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Appendix 2 – UCITS Manager’s Report (Unaudited) (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)*The Risk Profile of *KraneShares MSCI China ESG Leaders UCITS ETF* at 30 September 2021 is as follows:

Risk Analytics	Value	Limit
Tracking Error	0.78%	1.00%

The Risk Profile of *KraneShares Bloomberg China Bond Inclusion UCITS ETF* at 30 September 2021 is as follows:

Risk Analytics	Value	Limit
Tracking Error	0.17%	1.00%

The Risk Profile of *KraneShares MSCI All China Healthcare Index ETF* at 30 September 2021 is as follows:

Risk Analytics	Value	Limit
Tracking Error	0.19%	1.00%

The Risk Profile of *KraneShares ICBCCS SSE Star Market 50 index UCITS ETF* at 30 September 2021 is as follows:

Risk Analytics	Value	Limit
Tracking Error	2.78%	1.00%

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Appendix 3 – Securities Financing Transactions Regulations Disclosures (Unaudited)

For the year ended 30 September 2021
(Expressed in United States Dollars)

Securities Lending

As at 30 September 2021 the KraneShares CSI China Internet UCITS ETF was engaged in thirty securities lending arrangements. The following table details the value of securities on loan as a proportion of the Sub-Funds total NAV as at 30 September 2021.

Security	Currency	Market Value	% of NAV
China Literature Ltd	USD	3,698,903	0.60%
Gaotu Techedu Inc	USD	123,564	0.02%
Kuaishou Technology	USD	13,279,850	2.16%
Ming Yuan Cloud Group Holdings Ltd	USD	1,807,434	0.29%
Ping An Healthcare and Technology Co Ltd	USD	5,596,886	0.91%
Weimob Inc	USD	4,831,895	0.79%
XD Inc	USD	2,034,864	0.33%
Yeahka Ltd	USD	604,167	0.10%
Yidu Tech Inc	USD	1,074,932	0.17%
Zhihu Inc	USD	6,288,964	1.02%
ZhongAn Online P&C Insurance Co Ltd	USD	2,470,308	0.40%
		41,811,766	6.80%

The total income earned from securities lending transactions is split between the Sub-Fund and the securities lending agent, details of which can be found in Note 11 to the financial statements. Income earned by the securities during the year from securities lending transactions is disclosed in Note 11 to the financial statements.

The following table details the value of securities on loan and associated cash collateral received, analysed by borrowing counterparty as at 30 September 2021.

Counterparty	Securities on loan	Collateral received
Citigroup Markets	18,860,301	-
Merrill Lynch International	123,200	-
Morgan Stanley Co International	14,636,354	-
UBS AG London	8,191,911	-
BNY Mellon	-	44,419,695
	41,811,766	44,419,695

Collateral

Global Data:

- The amount of securities and commodities on loan as a proportion of total lendable assets: 6.81%

Concentration Data:

- Ten largest collateral issuers across all securities financing transactions:
 - BNY Mellon: 7.23%
- Top ten counterparties of each type of securities financing transaction:
 - Citigroup Markets: 3.07%
 - Morgan Stanley Co International: 2.38%
 - UBS AG: 1.33%
 - Merrill Lynch International: 0.02%

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Appendix 3 – Securities Financing Transactions Regulations Disclosures (Unaudited) (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***Aggregate Transactions Data for Each Type of securities financing transaction Separately Broken Down According to the Below Categories:**

- Type and Quality of Collateral: US Government and US Government Agency interest instruments
- Maturity Tenor of the Collateral:
 - Less than one day: \$ 0
 - One day to one week: \$ 0
 - One week to one month: \$ 0
 - One month to three months: \$ 0
 - Three months to one year: \$ 0
 - Above one year: \$ 44,419,695
- Maturity Tenor of the securities financing transaction:
 - Less than one day: \$ 0
 - One day to one week: \$ 0
 - One week to one month: \$ 0
 - One month to three months: \$ 0
 - Three months to one year: \$ 0
 - Above one year: \$ 41,811,766
- Countries in which the counterparties are established: United States of America and England
- Settlement and clearing: Bilateral

Data on Reuse of Collateral:

- Share of collateral received that is reused: 0.00%
- Cash collateral reinvestment returns: 0.00%

Safekeeping of Securities Received by KraneShares CSI China Internet UCITS ETF as Part of securities financing transactions:

- Custodian Name: BNY Mellon
- Value of Securities held: \$ 41,811,766

Safekeeping of Collateral Granted by KraneShares CSI China Internet UCITS ETF as Part of securities financing transactions:

- Proportion held in segregated accounts: 100.00%

Data on Return and Cost for securities financing transactions:

- The costs reported below are securities financing transactions fees paid to BBH that are not included in the cost of the equity and are not included in the below return.

Return	Amount	% of Beginning of Year NAV
Received by Fund	\$225,362	0.51%
Received by Manager	\$0	0.00%
Received by Third Parties	\$0	0.00%
 Cost		
Paid by Fund to Third Parties	\$45,747	0.10%
Paid by Manager	\$0	0.00%
Paid by Third Parties	\$0	0.00%

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Appendix 3 – Securities Financing Transactions Regulations Disclosures (Unaudited) (continued)

For the year ended 30 September 2021
(Expressed in United States Dollars)

As at 30 September 2021 the KraneShares MSCI China ESG Leaders UCITS ETF was engaged in thirty securities lending arrangements. The following table details the value of securities on loan as a proportion of the Sub-Funds total NAV as at 30 September 2021.

Security	Currency	Market Value	% of NAV
HengTen Networks Group Ltd	USD	22,256	0.07%
Guangzhou R&F Properties Co Ltd	USD	33,033	0.11%
		<u>55,289</u>	<u>0.18%</u>

The total income earned from securities lending transactions is split between the Sub-Fund and the securities lending agent, details of which can be found in Note 11 to the financial statements. Income earned by the securities during the year from securities lending transactions is disclosed in Note 11 to the financial statements.

The following table details the value of securities on loan and associated cash collateral received, analysed by borrowing counterparty as at 30 September 2021.

Counterparty	Securities on loan	Collateral received
Citigroup Markets	55,289	-
BNY Mellon	-	58,830
	<u>55,289</u>	<u>58,830</u>

Global Data:

- The amount of securities and commodities on loan as a proportion of total lendable assets: 0.18%

Concentration Data:

- Ten largest collateral issuers across all securities financing transactions:
 - BNY Mellon: 0.19%
- Top ten counterparties of each type of securities financing transaction:
 - Citigroup Markets: 0.18%

Aggregate Transactions Data for Each Type of securities financing transaction Separately Broken Down According to the Below Categories:

- Type and Quality of Collateral: US Government and US Government Agency interest instruments
- Maturity Tenor of the Collateral:
 - Less than one day: \$ 0
 - One day to one week: \$ 0
 - One week to one month: \$ 0
 - One month to three months: \$ 0
 - Three months to one year: \$ 0
 - Above one year: \$ 58,830
- Maturity Tenor of the securities financing transaction:
 - Less than one day: \$ 0
 - One day to one week: \$ 0
 - One week to one month: \$ 0
 - One month to three months: \$ 0
 - Three months to one year: \$ 0
 - Above one year: \$ 55,289
- Country in which the counterparties are established: United States of America and England
- Settlement and clearing: Bilateral

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Appendix 3 – Securities Financing Transactions Regulations Disclosures (Unaudited) (continued)

For the year ended 30 September 2021

*(Expressed in United States Dollars)***Data on Reuse of Collateral:**

- Share of collateral received that is reused: 0.00%
- Cash collateral reinvestment returns: 0.00%

Safekeeping of Securities Received by KraneShares MSCI China ESG Leaders UCITS ETF as Part of securities financing transactions:

- Custodian Name: BNY Mellon
- Value of Securities held: \$ 55,289

Safekeeping of Collateral Granted by KraneShares MSCI China ESG Leaders UCITS ETF as Part of securities financing transactions:

Proportion held in segregated accounts: 100.00%

Data on Return and Cost for securities financing transactions:

- The costs reported below are securities financing transactions fees paid to BBH that are not included in the cost of the equity and are not included in the below return.

	Amount	% of Beginning of Year NAV
Return		
Received by Fund	\$350	0.00%
Received by Manager	\$0	0.00%
Received by Third Parties	\$0	0.00%
Cost		
Paid by Fund to Third Parties	\$64	0.00%
Paid by Manager	\$0	0.00%
Paid by Third Parties	\$0	0.00%

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Appendix 4 – Sustainable Finance Disclosure Regulation (Unaudited)

For the year ended 30 September 2021

Sustainable Finance Disclosure Regulation

Environmental, social and governance (“ESG”) Integration describes the mechanism by which the Manager, acting through the Investment Manager as its delegate, may integrate sustainability risks into investment decision-making, which may, where relevant, require the Investment Manager to assess the potential sustainability risks associated with the purchase of investments.

Sustainability Risk means an ESG event or condition that, if it occurs, could potentially or actually cause a material negative impact on the value of a Sub-Fund’s investment. Sustainability risks can either represent a risk of their own or have an impact on other risks and may contribute significantly to risks, such as market risks, operational risks, liquidity risks or counterparty risks.

KraneShares MSCI China ESG Leaders UCITS ETF is an Article 8 fund under the Sustainable Finance Disclosure Regulations (“SFDR”). This Sub-Fund tracks the MSCI China ESG Leaders Index (“Index”), which is comprised of companies with high ESG performance relative to their sector peers. The Index is designed for investors seeking a broad, diversified sustainability benchmark. The methodology of the Index aims to include securities of companies with the highest ESG ratings representing 50% of the market capitalisation in each sector and region of the parent index. Companies that are not existing constituents of the Index must have a MSCI ESG rating of BB or above and the MSCI ESG Controversies Score of 3 or above to be eligible. In addition, companies showing involvement in alcohol, gambling, tobacco, nuclear power, civilian firearms, fossil fuels extraction, thermal coal power and weapons are excluded from the Index.

The Investment Manager will seek to have regard to relevant Sustainability Risks and their potential detrimental impact generally where possible, and where it appears to the Investment Manager to be appropriate to do so. The Investment Manager believes responsible ownership and investment will ultimately lead to long-term sustainable success. An important part of the Investment Manager’s investment process is its frequent and on-going engagement with company management teams of investees and attendance at industry conferences. This helps with the Investment Manager’s ESG analysis and effort to advocate for best practices in relation to ESG for the Sub-Fund.

As the Sub-Fund invests exclusively in securities making up the MSCI China ESG Leaders Index, 100% of all securities held by the Sub-Fund at 30 September 2021 would be actively engaged in environmentally sustainable economic activities.

The ‘do no significant harm’ principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

The investments underlying the below Sub-Funds do not take into account the European Union criteria for environmentally sustainable activities:

KraneShares CSI China Internet UCITS ETF
KraneShares MSCI China A 50 Connect UCITS ETF
KraneShares Bloomberg China Bond Inclusion UCITS ETF
KraneShares MSCI All China Health Care Index UCITS ETF
KraneShares ICBCS SSE Star Market 50 Index UCITS ETF