

## KRANESHARES TRUST

Each series of KraneShares Trust listed in Appendix A  
(each, a “Fund”)

Supplement dated February 20, 2026  
to the currently effective Prospectus and Statement of Additional Information,  
as supplemented, for each Fund

**This supplement provides new and additional information beyond that contained in each currently effective Prospectus and the Statement of Additional Information listed above and should be read in conjunction with the Prospectus and Statement of Additional Information.**

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Krane Funds Advisors, LLC (“**Krane**” or the “**Adviser**”), the investment adviser to each Fund, recently entered into an agreement whereby its officers and employees, among others, through KFA Two Holdings, LLC, will acquire a majority interest in the Adviser from China International Capital Corporation (USA) Holdings Inc., a wholly-owned, indirect subsidiary of China International Capital Corporation Limited (the “**Transaction**”). Pursuant to the requirements of the Investment Company Act of 1940, as amended (“**1940 Act**”), the closing of the Transaction will automatically terminate the current investment advisory agreement (“**Current IAA**”) between Krane and the Trust, on behalf of each Fund, and for Funds that are sub-advised (as listed on Appendix B, the “**Sub-advised Funds**”), the investment sub-advisory agreement (“**Current Sub-IAs**”) between Krane and the relevant sub-adviser (as listed in Appendix B, “**Sub-advisers**”).

In anticipation of the closing of the Transaction and to provide for a continuous investment program to the Funds, the Board of Trustees of the Funds (“**Board**”) met at an in-person meeting on February 20, 2026 to review and consider a new investment advisory agreement between Krane and the Trust, on behalf of each Fund (“**New IAA**”) and a new investment sub-advisory agreement for each of the Sub-advised Funds (“**New Sub-IAs**”). At that meeting, the Board, including a majority of the members who are not “interested persons,” as defined in the 1940 Act (“**Independent Trustees**”), unanimously approved a New IAA for each Fund and the New Sub-IAs for the Sub-advised Funds. The terms of the New IAA and each New Sub-IAA are identical to the terms of the Current IAA and the relevant Sub-IAA, respectively, except as to their effective and termination dates.

The Board approved the new Sub-IAs for the Sub-advised Funds with the Sub-advisers pursuant to a manager-of-managers exemptive order. This order permits Krane, subject to the approval of the Board, to appoint, terminate or replace a wholly-owned or unaffiliated sub-adviser without the need for shareholder approval. Accordingly, while shareholders of the Funds will be asked to approve the New IAA at a special meeting of each Fund’s shareholders (“**Shareholder Meeting**”), shareholders of the Sub-advised Funds will not be asked to vote on the New Sub-IAs at the Shareholder Meeting. In connection with the Shareholder Meeting, shareholders will receive a proxy statement that describes in greater detail the terms of the New IAA.

The closing of the Transaction is conditioned upon, among other matters, the vote of a majority of the outstanding shares of certain Funds approving the New IAA. In order to seek to ensure the continuity of management of the operational Funds in the event that the requisite vote is not obtained by the time the Transaction closes, the Board, including a majority of the Independent Trustees, unanimously approved an interim investment advisory agreement (“**Interim IAA**”) between Krane and the Trust, on behalf of the Funds, pursuant to Rule 15a-4(b)(2) under the 1940 Act, and interim sub-advisory agreements (“**Interim Sub-IAs**”) between Krane and the Sub-advisers, pursuant to Rule 15a-4(b)(1), to become effective upon the closing of the Transaction. The terms of the Interim IAA and each Interim Sub-IAs are identical to the terms of the Current IAA and the relevant Sub-IAA, respectively, except as required by law and the effective date. The Interim IAA and Sub-IAs may remain in effect for up to 150 days after the closing of the Transaction, allowing such Funds to continue soliciting shareholders to approve the New IAA.

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## APPENDIX A

KraneShares 100% KWEB Defined Outcome January 2027 ETF (KPRO)  
KraneShares 2x Long ASML Daily ETF (KASM)\*  
KraneShares 2X Long BABA Daily ETF (KBAB)  
KraneShares 2X Long BIDU Daily ETF (KBDU)  
KraneShares 2x Long GRAB Daily ETF (KGRB)\*  
KraneShares 2X Long JD Daily ETF (KJD)  
KraneShares 2X Long MELI Daily ETF (KMLI)  
KraneShares 2X Long PDD Daily ETF (KPDD)  
KraneShares 2x Long SE Daily ETF (KSE)\*  
KraneShares 2x Long TSM Daily ETF (KTSM)\*  
KraneShares 90% KWEB Defined Outcome January 2027 ETF (KBUF)  
KraneShares Artificial Intelligence and Technology ETF (AGIX)  
KraneShares Asia Pacific High Income USD Bond ETF (KHYB)  
KraneShares California Carbon Allowance Strategy ETF (KCCA)  
KraneShares China Alpha Index ETF (KCAI)  
KraneShares CSI China Internet ETF (KWEB)  
KraneShares Dragon Capital Vietnam Growth Index ETF (KPHO)  
KraneShares Eastern US Carbon Strategy ETF (KRGJ)\*  
KraneShares Electric Vehicles and Future Mobility Index ETF (KARS)  
KraneShares Emerging Markets Consumer Technology Index ETF (KEMQ)  
KraneShares Global Carbon Strategy ETF (KRBN)  
KraneShares Global EM Revenue Leaders Index ETF (KREV)\*  
KraneShares Global Humanoid and Embodied Intelligence Index ETF (KOID)  
KraneShares Hang Seng TECH Index ETF (KTEC)  
KraneShares Hedgeye Hedged Equity Index ETF (KSPY)  
KraneShares InspereX Nasdaq Dynamic Buffered High Income Index ETF (KIQQ)  
KraneShares KWEB Covered Call Strategy ETF (KLIP)  
KraneShares Man Buyout Beta Index ETF (BUYO)  
KraneShares Mount Lucas Managed Futures Index Strategy ETF (KMLM)  
KraneShares MSCI All China Health Care Index ETF (KURE)  
KraneShares MSCI China A Hedged Index ETF (KBAH)\*  
KraneShares MSCI China Clean Technology Index ETF (KGRN)  
KraneShares MSCI Emerging Markets ex China Index ETF (KEMX)  
KraneShares MSCI One Belt One Road Index ETF (OBOR)  
KraneShares SSE STAR Market 50 Index ETF (KSTR)  
KraneShares Sustainable Ultra Short Duration Index ETF (KCSH)  
KraneShares Value Line® Dynamic Dividend Equity Index ETF (KVLE)  
KraneShares Wahed Alternative Income Index ETF (KWIN)  
Quadratic Deflation ETF (BNDD)  
Quadratic Interest Rate Volatility and Inflation Hedge ETF (IVOL)

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\* Funds are effective but not operational.

**APPENDIX B**

<b>Fund</b>	<b>Sub-Adviser</b>
KraneShares Asia Pacific High Income USD Bond ETF	Amova Asset Management Americas, Inc. 605 Third Avenue, 38th Floor New York, New York 10158
KraneShares SSE STAR Market 50 Index ETF	Bosera Asset Management (International) Co., Ltd. Jardine House, Suite 4109 One Connaught Place, Central, Hong Kong
KraneShares Global Carbon Strategy ETF KraneShares California Carbon Allowance Strategy ETF	Climate Finance Partners LLC 1000 N. West Street, Suite 1200, Wilmington, Delaware 19801
KraneShares Dragon Capital Vietnam Growth Index ETF	Dragon Capital Management (HK) Limited Unit 2406, 24/F. 9 Queen's Road Central, Hong Kong,
KraneShares Artificial Intelligence and Technology ETF	Etna Capital Management Company Ltd 1532 Nexus Building, Connaught Road Central, Hong Kong
KraneShares Hedgeye Hedged Equity Index ETF	Hedgeye Asset Management, LLC 1 High Ridge Park, Third Floor, Stamford, Connecticut 06905
KraneShares Mount Lucas Managed Futures Index Strategy ETF	Mount Lucas IndexAdvisers LLC 405 South State Street Newtown, Pennsylvania 18940
KraneShares Man Buyout Beta Index ETF	Numeric Investors LLC 200 Pier 4 Boulevard, Fifth Floor Boston, Massachusetts 02210
Quadratic Interest Rate Volatility and Inflation Hedge ETF Quadratic Deflation ETF	Quadratic Capital Management LLC 39 Lewis Street, Fourth Floor Greenwich, Connecticut 06830
KraneShares Wahed Alternative Income Index ETF	Wahed Invest LLC 27 East 28th Street, 8th Floor New York, New York 10016

**PLEASE RETAIN THIS SUPPLEMENT FOR FUTURE REFERENCE.**



# KraneShares™

## Summary Prospectus

### KraneShares Man Buyout Beta Index ETF

Principal Listing Exchange for the Fund: NYSE Arca, Inc.  
Ticker Symbol: BUYO

*August 1, 2025*

Before you invest, you may want to review the Fund's Prospectus, which contains more information about the Fund and its risks. You can find the Fund's Prospectus, Statement of Additional Information, recent reports to shareholders and other information about the Fund online at [www.kraneshares.com](http://www.kraneshares.com). You can also get this information at no cost by calling 1-855-857-2638, by sending an e-mail request to [KraneFunds@seic.com](mailto:KraneFunds@seic.com) or by asking any financial intermediary that offers shares of the Fund. The Fund's Prospectus and Statement of Additional Information, each dated August 1, 2025, as each may be amended or supplemented from time to time, are incorporated by reference into this Summary Prospectus and may be obtained, free of charge, at the website, phone number or email address noted above.

### Investment Objective

The KraneShares Man Buyout Beta Index ETF (the “Fund”) seeks to provide investment results that, before fees and expenses, track the price and yield performance of a specific equity securities index. The Fund’s current index is the Man Buyout Beta Index (the “Underlying Index”).

### Fees and Expenses of the Fund

The following table describes the fees and expenses you may pay if you buy, hold, and sell shares of the Fund. **You may pay other fees, such as brokerage commissions and other fees to financial intermediaries, which are not reflected in the tables and examples below.**

Shareholder Fees (fees paid directly from your investment) . . . . .	None
<b>Annual Fund Operating Expenses</b>	
(expenses that you pay each year as a percentage of the value of your investment)	
Management Fees . . . . .	0.88%
Distribution and/or Service (12b-1) Fees* . . . . .	0.00%
Other Expenses** . . . . .	0.01%
<b>Total Annual Fund Operating Expenses.</b> . . . .	<b>0.89%</b>

\* Pursuant to a Distribution Plan, the Fund may bear a Rule 12b-1 fee not to exceed 0.25% per year of the Fund’s average daily net assets. However, no such fee is currently paid by the Fund, and the Board of Trustees has not currently approved the commencement of any payments under the Distribution Plan.  
 \*\* Based on estimated amounts for the current fiscal year.

### Example

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated. The Example also assumes that your investment has a 5% return each year and that the Fund’s operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions, whether you do or do not sell your shares, your costs would be:

1 Year	3 Years
\$91	\$284

### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in the Annual Fund Operating Expenses or in the Example, affect the Fund’s performance. For the period October 7, 2024 to March 31, 2025, the Fund’s portfolio turnover rate was 27% of the average value of its portfolio. This rate excludes the value of portfolio securities received or delivered as a result of in-kind creations or redemptions of the Fund’s shares.

### Principal Investment Strategies

Under normal circumstances, the Fund will invest at least 80% of its net assets (plus borrowings for investment purposes) in instruments in its Underlying Index or in instruments that have economic characteristics similar to those in the Underlying Index.

The Underlying Index is designed to provide a proxy for private equity performance and risk exposures by focusing on small- and mid-capitalization stocks that have characteristics similar to companies in private equity buyout funds. A “buyout” fund is a type of fund that targets companies for acquisition or control in an attempt to enhance the value of those acquired companies. **The Fund does not invest directly in private equity funds or the private equity of companies and the Fund will not attempt to acquire or control private companies.**

The Underlying Index begins with the largest 3000 U.S. public equities by total market capitalization, then excludes the largest 500 equities. From this universe, the Underlying Index screens for companies that have characteristics similar to companies in private equity buyout funds by:

- looking at industry classification;
- using fundamental screens related to valuation, profitability, debt capacity, cash management and growth potential; and
- using additional screens that are designed to identify publicly traded securities similar to those sought by private equity buyout funds such as a company's supply chain and competitive environment.

The Underlying Index will utilize inputs from the Index Provider and use a systematic process to build a portfolio of publicly traded equity securities that have characteristics similar to companies sought by private equity buyout funds. The Underlying Index employs both (a) a top-down process that seeks to provide the Underlying Index with industry exposures that are similar to the U.S. buyout segment of the private equity market and (b) a suite of bottom-up company selection models (i.e., the fundamental and additional screens discussed above that seek to screen for companies with characteristics similar to companies sought by private equity buyout funds) that seek to take advantage of dynamic public market data in selecting securities for the Underlying Index. The Underlying Index is market capitalization weighted and caps the weight of any one constituent at 5% of the Underlying Index's weight.

The Fund may invest up to 20% of its assets in instruments that are not included in the Underlying Index, but the Fund's adviser, Krane Funds Advisors, LLC (“Krane” or “Adviser”), believes will help the Fund track the Underlying Index. These investments may include equity securities of issuers whose securities are not components of the Underlying Index, derivative instruments (including swaps, futures, forwards, structured notes and options), other investment companies (including ETFs) and cash or cash equivalents (including money market funds). The other investment companies in which the Fund may invest may be advised, sponsored or otherwise serviced by Krane and/or its affiliates.

Although the Fund expects to replicate (or hold all constituents of) the Underlying Index, the Fund reserves the right to use a representative sampling strategy to track the Underlying Index. “Representative sampling” is a strategy that involves investing in a representative sample of securities that collectively have an investment profile similar to that of the Underlying Index.

The Underlying Index is provided by Numeric Investors LLC (“Index Provider” or “Numeric”), and the Underlying Index is calculated by Solactive AG.

As of May 31, 2025, the Underlying Index included 303 securities of companies with a market capitalization range of approximately \$150.0 million to \$30.1 billion and an average market capitalization of approximately \$6.8 billion.

The Fund is non-diversified. To the extent the Underlying Index is concentrated in a particular industry, the Fund is expected to be concentrated in that industry. As of May 31, 2025, issuers in the Information Technology sector (25.3%), Industrials sector (20.7%), and Consumer Discretionary sector (13.6%) represented significant portions of the Underlying Index. The Underlying Index is rebalanced and reconstituted monthly.

The Fund may engage in securities lending.

### Principal Risks

As with all exchange traded funds (“ETFs”), a shareholder of the Fund is subject to the risk that his or her investment could lose money. The Fund may not achieve its investment objective and an investment in the Fund is not by itself a complete or balanced investment program. An investment in the Fund is not a deposit with a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. An investment in the Fund involves the risk of total loss. In addition to these risks, the Fund is subject to a number of additional principal risks that may affect the Fund’s performance, net asset value (“NAV”) and trading price, including:

**Equity Securities Risk.** The values of equity securities are subject to factors such as market fluctuations, changes in interest rates and perceived trends in stock prices. Equity securities are subject to volatile changes in value and their values may be more volatile than other asset classes. In the event of liquidation, equity securities are generally subordinate in rank to debt and other securities of the same issuer.

**Model and Data Risk.** The Underlying Index relies on models from Numeric as part of the index methodology. Models rely on various sources of information and data (“data”) and such data may be incorrect or incomplete making the models unreliable. Models that have been formulated on the basis of past market data may not be indicative of future price movements. Models may not be reliable or produce unexpected results if unusual or disruptive events cause market moves the nature or size of which are inconsistent with the historic performance of individual markets and their relationship to one another or to other macroeconomic events. Models also may have hidden biases or exposure to broad structural or sentiment shifts. In the event that actual events fail to conform to the assumptions underlying such models, losses could be incurred. The performance of the investment models may be impacted by software or other technology malfunctions, programming inaccuracies, and similar circumstances. While the Underlying Index seeks to provide a proxy for private equity performance and risk exposure similar to companies in private equity buyout funds, there is no guarantee that such exposure will be obtained using public equities or that the models and data used by the Underlying Index will be able to provide such exposure.

**Small- and Mid-Capitalization Company Risk.** Investing in the securities of small- and mid-capitalization companies involves greater risk and the possibility of greater price volatility than investing in larger capitalization companies and more established companies. Since small- and mid-sized companies may have limited operating histories, product lines and financial resources, the securities of these companies may lack sufficient market liquidity and can be sensitive to expected changes in interest rates, borrowing costs and earnings.

**Market Risk.** The values of the Fund’s holdings could decline generally or could underperform other investments. In addition, there is a risk that policy changes by the U.S. Government, Federal Reserve, and/or other government actors or changes in global trade relationships could cause volatility in global financial markets, negative sentiment and higher levels of Fund redemptions, which could

have a negative impact on the Fund and could result in losses. Geopolitical and other risks, including environmental and public health risks may add to instability in world economies and markets generally. Changes in value may be temporary or may last for extended periods. Further, the Fund is susceptible to the risk that certain investments may be difficult or impossible to sell at a favorable time or price. Market developments may also cause the Fund's investments to become less liquid and subject to erratic price movements.

**Concentration Risk.** Because the Fund's assets are expected to be concentrated in an industry or group of industries to the extent that the Underlying Index concentrates in a particular industry or group of industries, the Fund is subject to loss due to adverse occurrences that may affect that industry or group of industries or sector. Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single industry or a group of related industries, and the securities of companies in that industry or group of industries could react similarly to these or other developments. From time to time, the Fund may invest a significant percentage of its assets in issuers in a single industry (or the same group of industries) or sector of the economy. While the Fund's sector and industry exposure is expected to vary over time based on the composition of the Underlying Index, the Fund is currently subject to the principal risks described below. The Fund may have significant exposure to other industries or sectors over time.

**Consumer Discretionary Sector Risk.** The success of consumer product manufacturers and retailers is tied closely to the performance of the overall domestic and international economy, interest rates, competition and consumer confidence. Success depends heavily on disposable household income and consumer spending. Changes in demographics and consumer tastes can also affect the demand for, and success of, consumer products in the marketplace.

**Industrials Sector Risk.** The industrials sector may be affected by changes in the supply and demand for products and services, product obsolescence, claims for environmental damage or product liability and general economic conditions, among other factors. Government regulation will also affect the performance of investments in such industrials sector issuers, particularly aerospace and defense companies, which rely to a significant extent on government demand for their products and services. Transportation companies, another component of the industrials sector, are subject to sharp price movements resulting from changes in the economy, fuel prices, labor agreements and insurance costs.

**Information Technology Sector Risk.** Market or economic factors impacting information technology companies and companies that rely heavily on technology advances could have a major effect on the value of stocks in the information technology sector. The value of stocks of technology companies and companies that rely heavily on technology is particularly vulnerable to rapid changes in technology product cycles, rapid product obsolescence, government regulation and competition, both domestically and internationally, including competition from competitors with lower production costs. Information technology companies and companies that rely heavily on technology, especially those of smaller, less-seasoned companies, tend to be more volatile than the overall market. Information technology companies are heavily dependent on patent and intellectual property rights, the loss or impairment of which may adversely affect profitability. Additionally, companies in the information technology sector may face dramatic and often unpredictable changes in growth rates and competition for the services of qualified personnel.

**ETF Risk.** As an ETF, the Fund is subject to the following risks:

**Authorized Participants Concentration Risk.** The Fund has a limited number of financial institutions that may act as Authorized Participants (as defined below). To the extent they exit the business or are otherwise unable to proceed in creation and redemption transactions with the Fund and no other Authorized Participant is able to step forward to create or redeem, shares of the Fund may be more likely to trade at a premium or discount to NAV and possibly face trading halts or delisting.

**Premium/Discount Risk.** There may be times when the market price of the Fund's shares is more than the NAV intra-day (at a premium) or less than the NAV intra-day (at a discount). As a result, shareholders of the Fund may pay more than NAV when purchasing shares and receive less than NAV when selling Fund shares. This risk is heightened in times of market volatility or periods of steep market declines. In such market conditions, market or stop-loss orders to sell Fund shares may be executed at prices well below NAV.

**Secondary Market Trading Risk.** Investors buying or selling shares in the secondary market will normally pay brokerage commissions, which are often a fixed amount and may be a significant proportional cost for investors buying or selling relatively small amounts of shares. Secondary market trading is subject to bid-ask spreads and trading in Fund shares may be halted by the Exchange because of market conditions or other reasons. If a trading halt occurs, a shareholder may temporarily be unable to purchase or sell shares of the Fund. In addition, although the Fund's shares are listed on the Exchange, there can be no assurance that an active trading market for shares will develop or be maintained or that the Fund's shares will continue to be listed.

**New Fund Risk.** If the Fund does not grow in size, it will be at greater risk than larger funds of wider bid-ask spreads for its shares, trading at a greater premium or discount to NAV, liquidation and/or a stop to trading.

**Tracking Error Risk.** The Fund's return may not match or achieve a high degree of correlation with the return of the Underlying Index. This may be due to, among other factors, the Fund holding cash under certain circumstances in lieu of Underlying Index securities, the use of representative sampling strategy, if applicable, asset valuation differences, tax considerations, the unavailability of securities in the Underlying Index from time to time and other liquidity constraints.

**Management Risk.** The Fund may not fully replicate the Underlying Index and may hold less than the total number of securities in the Underlying Index. Therefore, the Fund is subject to the risk that Krane's security selection process may not produce the intended results.

**Passive Investment and Index Risk.** There is no guarantee that the Underlying Index will create the desired exposure and the Fund is not actively managed. It does not seek to "beat" the Underlying Index or take temporary defensive positions when markets decline. Therefore, the Fund may purchase or hold securities with current or projected underperformance.

There is no guarantee that the methodology the Index Provider uses to identify constituents for the Underlying Index will achieve its intended result or provide an accurate assessment of included constituents. The Underlying Index relies on various sources of information to assess the potential constituents of the Underlying Index, including information that may be based on assumptions or estimates. Neither the Fund nor Krane can offer assurances that the Index Provider's sources of information are reliable. There can be no guarantee that the methodology underlying the Underlying Index, the Underlying Index construction and computation processes, or the daily calculation of the

Underlying Index or its methodology will be free from error or that an error will be identified and/or corrected, which may have an adverse impact on the Fund.

**Non-Diversified Fund Risk.** Because the Fund is non-diversified and may invest a greater portion of its assets in fewer issuers than a diversified fund, changes in the market value of a single portfolio holding could cause greater fluctuations in the Fund's share price than would occur in a diversified fund. This may increase the Fund's volatility and cause the performance of a single portfolio holding or a relatively small number of portfolio holdings to have a greater impact on the Fund's performance.

**Investments in Investment Companies Risk.** The Fund may invest in other investment companies, including those advised, sponsored or otherwise serviced by Krane and/or its affiliates. The Fund will indirectly be exposed to the risks of investments by such funds and will incur its pro rata share of the underlying fund's expenses. Additionally, investments in ETFs are subject to ETF Risk. Krane is subject to conflicts of interest in allocating Fund assets to investment companies that are advised, sponsored or otherwise serviced by Krane and/or its affiliates. To the extent that the Fund invests in investment companies or other pooled investment vehicles that are not registered pursuant to the 1940 Act, it will not enjoy the protections of the U.S. law.

**Securities Lending Risk.** To the extent the Fund lends its securities, it may be subject to the following risks: (1) borrowers of the Fund's securities typically provide collateral in the form of cash that is reinvested in securities; (2) the securities in which the collateral is invested may not perform sufficiently to cover the return collateral payments owed to borrowers; (3) delays may occur in the recovery of securities from borrowers, which could interfere with the Fund's ability to vote proxies or to settle transactions; and (4) there is the risk of possible loss of rights in the collateral should the borrower fail financially. Krane is subject to potential conflicts of interest because the compensation paid to it increases in connection with any net income received by the Fund from the securities lending program.

**Sector Risk.** From time to time, based on market or economic conditions, the Fund may have significant positions in one or more sectors of the market. To the extent the Fund invests more heavily in particular sectors, its performance will be especially sensitive to developments that significantly affect those sectors. Individual sectors may be more volatile, and may perform differently, than the broader market. The industries that constitute a sector may all react in the same way to economic, political or regulatory events.

**Derivatives Risk.** The use of derivatives (including swaps, futures, forwards, structured notes and options) may involve leverage, which includes risks that are different from, and greater than, the risks associated with investing directly in a reference asset, because a small investment in a derivative can result in a large impact on the Fund and may cause the Fund to be more volatile. Derivatives may at times be highly illiquid, and the Fund may not be able to close out or sell a derivative at a particular time or at an anticipated price. Derivatives can be difficult to value and valuation may be more difficult in times of market turmoil. There may be imperfect correlation between the derivative and that of the reference asset, resulting in unexpected returns that could materially adversely affect the Fund. Certain derivatives (such as swaps and options) are bi-lateral agreements that expose the Fund to counterparty risk, which is the risk of loss in the event that the counterparty to an agreement fails to make required payments or otherwise comply with the terms of derivative. In that case, the Fund may suffer losses potentially equal to, or greater than, the full value of the derivative if the counterparty fails to perform its obligations. That risk is generally thought to be greater with over-the-counter (OTC) derivatives than with derivatives that are exchange traded or centrally cleared.

Counterparty risks are compounded by the fact that there are only a limited number of ways available to invest in certain reference assets and, therefore, there may be few counterparties to swaps or options based on those reference assets.

**Valuation Risk.** Independent market quotations for certain investments held by the Fund may not be readily available, and such investments may be fair valued or valued by a pricing service at an evaluated price. These valuations involve subjectivity and different market participants may assign different prices to the same investment. As a result, there is a risk that the Fund may not be able to sell an investment at the price assigned to the investment by the Fund.

**Large Shareholder Risk.** To the extent a large number of shares of the Fund is held by a single shareholder or a small group of shareholders, the Fund is subject to the risk that redemption by those shareholders of all or a large portion of their shares will adversely affect the Fund's performance by forcing the Fund to sell securities, potentially at disadvantageous prices, to raise the cash needed to satisfy such redemption requests. This risk may be heightened during periods of declining or illiquid markets, or to the extent that such large shareholders have short investment horizons or unpredictable cash flow needs. Such redemptions may also increase transaction costs and/or have adverse tax consequences for remaining shareholders.

**Cash and Cash Equivalents Risk.** The Fund may hold cash or cash equivalents. Generally, such positions offer less potential for gain than other investments. This is particularly true when the market for other investments in which the Fund may invest is rapidly rising. If the Fund holds cash uninvested it will be subject to the credit risk of the depositing institution holding the cash.

**Operational and Cybersecurity Risk.** The Fund, Krane, its service providers and your ability to transact with the Fund may be negatively impacted due to operational matters arising from, among other problems, human errors, systems and technology disruptions or failures, or cybersecurity incidents. Cybersecurity incidents may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause the Fund or its service providers, as well as the securities trading venues and their service providers, to suffer data corruption or lose operational functionality. It is not possible for Krane or the other Fund service providers to identify all of the cybersecurity or other operational risks that may affect the Fund or to develop processes and controls to completely eliminate or mitigate their occurrence or effects.

### **Performance Information**

Once the Fund has completed a full calendar year of operations, a bar chart and table will be included in this prospectus that will provide some indication of the risks of investing in the Fund by showing the variability of the Fund's return based on net assets and comparing the variability of the Fund's return to a broad measure of market performance. Once available, the Fund's current performance information will be available at [www.kraneshares.com](http://www.kraneshares.com). Past performance does not necessarily indicate how the Fund will perform in the future.

## Management

### Investment Adviser and Sub-Adviser

Krane Funds Advisors, LLC (“Krane” or “Adviser”) serves as the investment adviser to the Fund.

Numeric Investors LLC (“Numeric” or “Sub-Adviser”) serves as the index provider and investment sub-adviser to the Fund.

### Portfolio Managers

James Maund, Head of Capital Markets at the Adviser, has served as the lead portfolio manager of the Fund since the Fund’s inception. Jonathan Shelon, Chief Operating Officer of the Adviser, supports Mr. Maund and Krane’s investment team for the Fund and has been a portfolio manager of the Fund since the Fund’s inception. John Lidington, a Partner at Numeric, has been a portfolio manager of the Fund since the Fund’s inception.

### Purchase and Sale of Fund Shares

Shares may be purchased and redeemed from the Fund only in a large specified number of Shares each called a “Creation Unit,” or multiples thereof. As a practical matter, only institutions and large investors, such as market makers or other large broker-dealers, purchase or redeem Creation Units. Most investors will buy and sell shares of the Fund on the Exchange. Individual shares can be bought and sold throughout the trading day like other publicly traded securities through a broker-dealer on the Exchange. These transactions do not involve the Fund. The price of an individual Fund share is based on market prices, which may be different from its NAV. As a result, the Fund’s shares may trade at a price greater than the NAV (at a premium) or less than the NAV (at a discount). An investor may incur costs attributable to the difference between the highest price a buyer is willing to pay to purchase shares of the Fund (bid) and the lowest price a seller is willing to accept for shares of the Fund (ask) when buying or selling shares in the secondary market (the “bid-ask spread”). Most investors will incur customary brokerage commissions and charges when buying or selling shares of the Fund through a broker-dealer.

Recent information regarding the Fund, including its NAV, market price, premiums and discounts, and bid ask spreads, are available on the Fund’s website at [www.kraneshares.com](http://www.kraneshares.com).

### Tax Information

Fund distributions are generally taxable as ordinary income, qualified dividend income or capital gains (or a combination), unless your investment is in an IRA or other tax-advantaged retirement account, which may be taxable upon withdrawal.

### Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase Fund shares through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your sales person to recommend the Fund over another investment. Ask your sales person or visit your financial intermediary’s website for more information.