MSCI All China Health Care


China is one of the fastest growing major healthcare markets in the world with per capita health spending at just $398, compared to an average of over $4,650 for the world’s top eight healthcare markets.

- China’s aging population, rising incomes and increasing urbanization may provide a sustained catalyst for growth in China’s healthcare sector.

**KURE features:**

- Exposure to Chinese companies listed in the Mainland, Hong Kong and United States that are involved in the healthcare industry, specifically: patent and generic pharmaceuticals, hospital administration, biotechnology, medical equipment production, healthcare IT, and traditional Chinese medicine.

- Exposure to companies that benefit from China’s growing middle class and aging population.

- Access to leading Chinese pharmaceutical companies which have been recipients of favorable policy and market conditions for research and development and the invention of new medicines and devices.

**China Health Care Sector Highlights:**

- China is one of the fastest growing major healthcare markets in the world with a five-year compound annual growth rate of 11%, compared to just 4% in the United States, and -4% in Japan.

- China is the second largest healthcare market globally with total healthcare expenditure reaching $558 billion in 2016, a number projected to reach $1.1 trillion by 2020.

- There is still opportunity for considerable growth in China’s healthcare market with per capita health spending at just $398, compared to an average of over $4,650 for the world’s top eight healthcare markets.

- China’s aging population, rising incomes and increasing urbanization may provide a sustained catalyst for growth in China’s healthcare sector.

**KURE Performance History as of 9/30/2019**

<table>
<thead>
<tr>
<th>Cumulative %</th>
<th>Average Annualized %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3 Mo</td>
</tr>
<tr>
<td>Fund NAV</td>
<td>3.83%</td>
</tr>
<tr>
<td>Closing Price</td>
<td>3.14%</td>
</tr>
<tr>
<td>Index</td>
<td>4.01%</td>
</tr>
</tbody>
</table>

The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor’s shares, when sold or redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. For performance data current to the most recent month end, please visit www.kraneShares.com.

ETF shares are not redeemable with the issuing fund other than in large Creation Unit aggregations. Instead, investors must buy or sell ETF Shares in the secondary market with the assistance of a stockbroker. In doing so, the investor may incur brokerage commissions and may pay more than net asset value (NAV) when buying and receive less than net asset value when selling. The NAV of the Fund’s shares is calculated each day the national securities exchanges are open for trading as of the close of regular trading on the New York Stock Exchange ("NYSE"), normally 4:00 P.M. Eastern time (the "NAV Calculation Time"). Shares are bought and sold at market price not NAV. Closing price returns are based on the midpoint of the bid/ask spread at 4:00 P.M. Eastern Time (when NAV is normally determined).

The Index reflects the reinvestment of any cash distributions after deduction of any withholding tax using the maximum rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

*Fee waivers are contractual and in effect until 8/01/2020

Index returns are for illustrative purposes only. Index performance returns do not reflect any management fees, transaction costs or expenses (except for withholding taxes described above). Indexes are unmanaged and one cannot invest directly in an index.

www.kraneShares.com
Carefully consider the Funds’ investment objectives, risk factors, charges and expenses before investing. This and additional information can be found in the Funds’ full and summary prospectus, which may be obtained by visiting www.kraneshares.com. Read the prospectus carefully before investing.

Investing involves risk, including possible loss of principal. There can be no assurance that a Fund will achieve its stated objectives. The Funds are subject to political, social or economic instability within China which may cause decline in value. Fluctuations in currency of foreign countries may have an adverse effect to domestic currency values. Emerging markets involve heightened risk related to the same factors as well as increased volatility and lower trading volume.

Narrowly focused investments typically exhibit higher volatility. Internet companies are subject to rapid changes in technology, worldwide competition, rapid obsolescence of products and services, loss of patent protections, evolving industry standards and frequent new product introductions. Such changes may have an adverse impact on performance. Technology companies may be subject to severe competition and rapid obsolescence. The healthcare sector may be adversely affected by government regulations and government healthcare programs, government reimbursement for medical expenses, increases or decreases in the cost of medical products and services, limited product lines, increased emphasis on the delivery of healthcare through outpatient services and product liability claims.

The ability of the KraneShares MSCI All China Health Care Index ETF to achieve its respective investment objectives is dependent, in part, on the continuous availability of A Shares and the ability to obtain, if necessary, additional A Shares quota. If the Fund is unable to obtain sufficient exposure to limited availability of A Shares quota, the Fund could seek exposure to the component securities of the Underlying Index by investment in other types of securities. The fund may invest in derivatives, which are often more volatile than other investments and may magnify the Fund’s gains or losses.

The KraneShares MSCI All China Health Care Index ETF invests primarily in the health care industry. The profitability of companies in the healthcare sector may be affected by government regulations and government healthcare programs, government reimbursement for medical expenses, increases or decreases in the cost of medical products and services. Such changes may have an adverse impact on performance. Technology companies may be subject to severe competition and rapid obsolescence. The healthcare sector may be adversely affected by government regulations and government healthcare programs, government reimbursement for medical expenses, increases or decreases in the cost of medical products and services. Such changes may have an adverse impact on performance. Technology companies may be subject to severe competition and rapid obsolescence.

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