

KraneShares CSI China Internet ETF

Investment Strategy:

KWEB tracks the CSI Overseas China Internet Index, a free float market capitalization weighted index consisting of China based companies whose primary business or businesses are focused on internet and internet-related technology. These companies are publicly traded on either the Hong Kong Stock Exchange, NASDAQ Stock Market, or New York Stock Exchange.

KWEB Provides:

- Access to Chinese internet companies that provide similar services as Google, Facebook, Twitter, eBay, Amazon, etc.
- Exposure to companies benefitting from increasing domestic consumption by China's growing middle class
- Exposure to Chinese internet companies listed in both the United States and Hong Kong

China Internet Sector Highlights:

- Chinese retail web sales totaled US\$1.5 trillion in 2019, representing a year-over-year increase of 16.5%¹. This compares to US\$601.7 billion in the United States²
- China's internet population reached 854 million people, a penetration of only 61.2%³. The U.S. internet population reached 294 million people, a penetration rate of 89.5%⁴.
- Total Chinese retail sales reached US\$5.8 trillion in 2019¹
- Online shopping accounted for 25.8% of retail purchases in China in 2019¹

1. National Bureau of Statistics in China, "Total Retail Sales of Consumer Goods Went up by 8.0 percent in 2019", 1/19/2020. Note: Figures converted from Chinese Renminbi to USD as of 4/14/2020.
2. U.S. Department of Commerce, "Quarterly Retail E-commerce Sales 4th Quarter 2019" 2/19/2020.
3. CNNIC, The 44th Statistical Report on the Development of China's Internet, 8/31/2019.
4. Data from Pew Research Center, World Bank, and US Census Bureau as of 6/30/2019.

KWEB Performance History:

	Cumulative % Data as of month end: 09/30/2020				Average Annualized % Data as of quarter end: 09/30/2020			
	1 Mo	3 Mo	6 Mo	Since Inception	1 Yr	3 Yr	5 Yr	Since Inception
Fund NAV	-3.64%	8.98%	49.79%	188.74%	63.56%	7.50%	19.01%	15.95%
Closing Price	-3.07%	9.94%	50.73%	190.71%	65.09%	7.61%	19.04%	16.06%
Index	-3.72%	9.09%	49.93%	189.78%	63.86%	8.02%	19.18%	16.00%

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 investors 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.

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

Fund Details	Data as of 9/30/2020
Primary Exchange	NYSE
CUSIP	500767306
ISIN	US5007673065
Total Annual Fund Operating Expense	0.73%
Inception Date	7/31/2013
Distribution Frequency	Annual
Index Name	CSI Overseas China Internet Index
Net Assets	\$2,832,900,312
Number of Holdings	36

Top 10 Holdings as of 9/30/2020 Holdings are subject to change.	Ticker	%
ALIBABA GRP-ADR	BABA	10.71
TENCENT HOLDINGS LTD	700 HK	8.75
MEITUAN DIANPING-CLASS B	3690 HK	7.95
JD.COM INC-ADR	JD	7.08
PINDUODUO INC-ADR	PDD	5.26
KE HOLDINGS INC	BEKE	4.65
TRIP.COM GROUP LTD-ADR	TCOM	4.27
BAIDU INC - SPON ADR	BIDU	4.19
TAL EDUCATION GROUP- ADR	TAL	4.08
ALIBABA HEALTH	241 HK	3.97

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.

Risk Disclosures:

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. Variable-interest entities (VIEs) do not give investors ownership in the operating company as stock does. The enforceability of the VIE structure is not guaranteed by Chinese law. 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 increase 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 productions. Such changes may have an adverse impact on performance. The fund is non-diversified.

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).

Although the information provided in this document has been obtained from sources which Krane Funds Advisors, LLC believes to be reliable, it does not guarantee accuracy of such information and such information may be incomplete or condensed.

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