

KraneShares CICC China Consumer Leaders Index ETF

Investment Strategy:

KBUY seeks to measure the performance of the CICC China Consumer Leaders Index. The index consists of the investable universe of publicly traded China-based companies whose primary business or businesses are in the consumption-related industries such as home appliance, food & beverage, apparel & clothing, hotels, restaurants, and duty-free goods.

China Consumer Sector Highlights:

- Total retail sales in China reached \$5.8 trillion in 2019¹, surpassing the US total of \$5.5 trillion².
- Rising incomes in China are driving a consumption upgrade, consisting of a stronger preference for higher quality products, brand loyalty, and increased discretionary spending
- Some of China's top brands have established a wide moat in China, where advantages such as built-in efficiencies, brand recognition, and unique patents help them maintain a competitive edge within their respective industries.

KBUY Features:

- Access to some of China's leading consumer facing brands that may benefit from new domestic spending patterns.
- Strong growth potential from increased consumption among China's expanding urban middle class.
- Exposure to Chinese companies listed in Mainland China, Hong Kong, and the United States.
- Tracks an index developed by China International Capital Corporation (CICC) Research. CICC is a leading, publicly traded, Chinese financial services company with expertise in research, asset management, investment banking, private equity and wealth management. In 2019, the CICC Research Team ranked #1 in Institutional Investor's All-China Research Category (Analyst Leaders) for the eighth year in a row³. Krane Funds Advisors, LLC is the investment manager for KraneShares ETFs. Krane Funds Advisors, LLC is majority owned by CICC.

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. Institutional Investor, "The All-China Research Team", 2019.

KBUY Performance History:

	Cumulative % Data as of month end: 01/31/2021				Average Annualized % Data as of month end: 01/31/2021				Average Annualized % Data as of quarter end: 12/31/2020			
	1 Mo	3 Mo	6 Mo	Since Inception	1 Yr	3 Yr	5 Yr	Since Inception	1 Yr	3 Yr	5 Yr	Since Inception
Fund NAV	2.19%	-	-	10.28%	-	-	-	-	-	-	-	-
Closing Price	2.00%	-	-	10.08%	-	-	-	-	-	-	-	-
Index	1.99%	-	-	9.65%	-	-	-	-	-	-	-	-

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 01/31/2021
Primary Exchange	NYSE
CUSIP	500767595
ISIN	US5007675953
Total Annual Fund Operating Expense	0.69%
Inception Date	12/9/2020
Distribution Frequency	Annual
Index Name	CICC China Consumer Leaders Index
Net Assets	\$33,081,476
Number of Holdings	30

Top 10 Holdings as of 01/31/2021 Holdings are subject to change.	Ticker	%
KWEICHOW MOUTAI CO LTD-A	600519	9.63
MUYUAN FOODSTUFF CO LTD-A	002714	6.70
LUZHOU LAOJIAO CO LTD-A	000568	6.37
WULIANGYE YIBIN CO LTD-A	000858	5.23
CHINA TOURISM-A	601888	4.94
FOSHAN HAITIAN-A	603288	4.88
ANTA SPORTS PRODUCTS LTD	2020	4.75
HENAN SHUAN-A	000895	4.70
YUM CHINA HOLDINGS INC	YUMC	4.61
MIDEA GROUP CO LTD-A	000333	4.32

Sector Breakdown	%
Data from Bloomberg as of 01/31/2021	
Consumer Staples	62.85
Consumer Discretionary	37.02

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. 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.

The ability of the KraneShares CICC China Consumer Leaders Index ETF to achieve its investment objective is dependent 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 due to the limited availability of A Share quota, the Fund could seek exposure to the component securities of the Underlying Index by investing 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.

Narrowly focused investments typically exhibit higher volatility. 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 securities of companies in an industry or group of industries could react similarly to market developments. Thus, the Fund is subject to loss due to adverse occurrences that affect one industry or group of industries or sector. The fund is non-diversified.

Fund shares are bought and sold on an exchange at market price (not NAV) and are not individually redeemed from the Fund. However, shares may be redeemed at NAV directly by certain authorized broker-dealers (Authorized Participants) in very large creation/redemption units. The returns shown do not represent the returns you would receive if you traded shares at other times. Shares may trade at a premium or discount to their NAV in the secondary market. Brokerage commissions will reduce returns. Beginning 12/23/2020, market price returns are based on the official closing price of an ETF share or, if the official closing price isn't available, the midpoint between the national best bid and national best offer ("NBBO") as of the time the ETF calculates the current NAV per share. Prior to that date, market price returns were based on the midpoint between the Bid and Ask price. NAVs are calculated using prices as of 4:00 PM Eastern Time.

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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