

KraneShares Hang Seng TECH Index ETF

Investment Strategy:

KTEC seeks to track the performance of the Hang Seng TECH Index, which captures the 30 largest companies in Hong Kong's rapidly growing technology sector. The Index provides exposure to innovative companies with strong research & development investment, high revenue growth, and themes such as cloud, E-Commerce, fintech and internet. The Index is freefloat market capitalization weighted with an 8% cap on individual constituent weighting.

Hong Kong Technology Sector Highlights:

- China led the world in retail web sales with \$1.8 trillion total sales in 2020¹ (compared to \$861 billion² in the United States).
- China is becoming a world leader in advanced Information Technology hardware production, focusing on 5G equipment and semiconductors.
- Since the launch of the Shanghai and Shenzhen Stock Connect programs in 2014 and 2016, Mainland investors now represent 8.5% of Hong Kong's free-float market capitalization. This number is projected to increase significantly in the coming years³.

KTEC Provides:

- Focused exposure to the largest technology companies listed in Hong Kong.
- Access to companies benefitting from increasing domestic consumption by China's growing middle class, which is increasingly occurring online.
- Access to Hong Kong-listed 5G and semiconductor companies that offer a potential source of uncorrelated, long-term growth.

1. National Bureau of Statistics of China. Note: Figures converted from Chinese Renminbi to USD as of 4/6/2021.

2. Digital Commerce 360. "US ecommerce grows 44.0% in 2020." January 29, 2021.

3. Lockett Hudson, "Chinese investors flood Hong Kong's bruised stock market with cash" Financial Times, January 12, 2021.

KTEC Performance History:

	Cumulative % Data as of month end: 05/31/2021				Average Annualized % Data as of month end: 05/31/2021				Average Annualized % Data as of quarter end: 03/31/2021			
	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	-	-	-	-	-	-	-	-	-	-	-	-
Closing Price	-	-	-	-	-	-	-	-	-	-	-	-
Index	-	-	-	-	-	-	-	-	-	-	-	-

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 05/31/2021
Primary Exchange	NYSE
CUSIP	500767579
ISIN	US5007675797
Total Annual Fund Operating Expense	0.69%
Inception Date	6/9/2021
Distribution Frequency	Annual
Index Name	Hang Seng TECH Index

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 the Fund will achieve its stated objectives. The Fund is 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 Fund may invest in derivatives, which are often more volatile than other investments and may magnify the Fund's gains or losses. A derivative (i.e., futures/forward contracts, swaps, and options) is a contract that derives its value from the performance of an underlying asset. The primary risk of derivatives is that changes in the asset's market value and the derivative may not be proportionate, and some derivatives can have the potential for unlimited losses. Derivatives are also subject to liquidity and counterparty risk.

The Fund is subject to liquidity risk, meaning that certain investments may become difficult to purchase or sell at a reasonable time and price. If a transaction for these securities is large, it may not be possible to initiate which may cause the Fund to suffer 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.

The ability of the Fund 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 Share 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 Initial Public Offerings (IPOs). Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods. In addition, the prices of securities sold in IPOs may be highly volatile. In addition, as the Fund increases in size, the impact of IPOs on the Fund's performance will generally decrease.

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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