

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 \$2 trillion¹ in 2021 (compared to \$870 billion² in the United States).
- China's internet population reached 1.03 billion people in 2021, a penetration rate of only 73%³. The U.S. internet population reached 302 million people, a penetration rate of 97% in 2021⁴.
- Total Chinese retail sales reached \$7 trillion in 2021¹
- Online shopping accounted for 25% of retail purchases in China in 2021⁵

1. The State Council, the People's Republic of China. Note: Figures converted from Chinese Renminbi to USD as of 3/31/2022.
2. US Census Bureau News as of 3/31/2022.
3. Data from Statista and The World Bank as of 3/31/2022.
4. Data from Statista and The World Bank as of 3/31/2022.
5. Data from Statista as of 3/31/2022. Note: Figures converted from Chinese Renminbi to USD.

Fund Details	Data as of 01/31/2023
Primary Exchange	NYSE
CUSIP	500767306
ISIN	US5007673065
Total Annual Fund Operating Expense	0.69%
Inception Date	07/31/2013
Distribution Frequency	Annual
Index Name	CSI Overseas China Internet Index
Net Assets	\$7,673,304,931
Number of Holdings	34

Top 10 Holdings as of 01/31/2023 Excluding cash. Holdings are subject to change.	Ticker	%
TENCENT HOLDINGS LTD	700	10.84
ALIBABA GROUP HOLDING LTD	9988	9.21
MEITUAN-CLASS B	3690	7.66
PINDUODUO INC-ADR	PDD	6.02
JD.COM INC - CL A	9618	5.93
NETEASE INC	9999	4.49
TENCENT MUSI-ADR	TME	4.08
KE HOLDINGS INC-ADR	BEKE	4.02
BAIDU INC-CLASS A	9888	3.97
KANZHUN LTD - ADR	BZ	3.94

KWEB Performance History:

	Cumulative % Data as of month end: 01/31/2023				Average Annualized % Data as of month end: 01/31/2023				Average Annualized % Data as of quarter end: 12/31/2022			
	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	11.77%	78.01%	18.44%	56.05%	-6.89%	-8.76%	-10.53%	4.79%	-16.85%	-12.38%	-10.38%	3.61%
Closing Price	12.15%	76.41%	19.47%	55.86%	-9.46%	-8.75%	-10.56%	4.78%	-17.24%	-12.53%	-10.48%	3.55%
Index	11.30%	77.90%	18.48%	58.92%	-6.97%	-8.27%	-10.10%	4.99%	-16.36%	-11.77%	-9.85%	3.85%

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.

Sector Breakdown	%
Data from Bloomberg as of 01/31/2023	
Consumer Discretionary	47.75
Communication Services	36.92
Real Estate	5.72
Industrials	3.79
Financials	3.05
Information Technology	2.50
Health Care	0.22

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 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. Counterparty risk 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 the derivative.

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 is subject to political, social or economic instability within China which may cause decline in value. Emerging markets involve heightened risk related to the same factors as well as increase volatility and lower trading volume. Fluctuations in currency of foreign countries may have an adverse effect to domestic currency values. 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.

Narrowly focused investments typically exhibit higher volatility. The Fund's assets are expected to be concentrated in a sector, industry, market, or group of concentrations to the extent that the Underlying Index has such concentrations. The securities or futures in that concentration could react similarly to market developments. Thus, the Fund is subject to loss due to adverse occurrences that affect that concentration. In addition to the normal risks associated with investing, investments in smaller companies typically exhibit higher volatility. KWEB is non-diversified.

ETF 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.

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