

KraneShares MSCI All China Health Care Index ETF

Investment Strategy:

KURE seeks to measure the performance of MSCI China All Shares Health Care 10/40 Index. The Index is a free float adjusted market capitalization weighted index designed to track the equity market performance of Chinese companies engaged in the health care sector. The securities in the Index include all types of publicly issued shares of Chinese issuers, which are listed in Mainland China, Hong Kong and United States. Issuers eligible for inclusion must be classified under the Global Industry Classification Standard as engaged in the healthcare sector. The issuers included in the Underlying Index may include small-cap, mid-cap and large-cap companies.

China Health Care Sector Highlights:

- China is the second largest healthcare market globally with total healthcare expenditures reaching \$1.2 trillion in 2020, increasing at an average annual growth rate of 11% over the last 5 years.¹
- There is still opportunity for considerable growth in China's healthcare market with per capita health spending at just \$535, compared to an average of over \$5,778 for the world's top eight healthcare markets².
- 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.

1. Data from the World Health Organization, last updated 5/19/2022.

2. World Bank, "Current health expenditure per capita (current US\$)", last updated 1/30/2022.

Fund Details	Data as of 05/31/2023
Primary Exchange	NYSE
CUSIP	500767835
ISIN	US5007678353
Total Annual Fund Operating Expense (Gross)	0.79%
Total Annual Fund Operating Expense (Net)*	0.65%
Inception Date	01/31/2018
Distribution Frequency	Annual
Index Name	MSCI China All Shares Health Care 10/40 Index (USD)
Net Assets	\$78,386,051
Number of Holdings	98

Top 10 Holdings as of 05/31/2023 Excluding cash. Holdings are subject to change.	Ticker	%
WUXI BIOLOGICS CAYMAN INC	2269	8.31
SHENZHEN MINDR-A	300760	6.59
JIANGSU HENGRU-A	600276	5.18
BEIGENE LTD	6160	4.82
AIER EYE HSPTL-A	300015	3.50
CSPC PHARMACEUTI	1093	3.33
ZHANGZHOU PIEN-A	600436	3.12
WUXI APPTec CO LTD-A	603259	2.99
INNOVENT BIOLOGICS INC	1801	2.20
SINO BIOPHARMACEUTICAL	1177	2.14

KURE Performance History:

	Cumulative % Data as of month end: 05/31/2023				Average Annualized % Data as of month end: 05/31/2023				Average Annualized % Data as of quarter end: 03/31/2023			
	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	-8.52%	-11.19%	-6.59%	-11.78%	-7.23%	-6.62%	-5.99%	-2.32%	-12.65%	0.02%	-2.11%	-0.82%
Closing Price	-9.44%	-11.87%	-8.78%	-12.28%	-6.68%	-6.95%	-6.04%	-2.43%	-11.85%	-0.35%	-2.69%	-1.04%
Index	-8.30%	-11.03%	-5.78%	-8.22%	-6.70%	-5.84%	-5.02%	-1.60%	-12.43%	1.00%	-1.54%	-0.11%

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.

*Fee waivers are contractual and in effect until August 1, 2023

Sector Breakdown	%
Data from Bloomberg as of 05/31/2023	
Health Care	100.00

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. KURE 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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