

KraneShares Bloomberg Barclays China Bond Inclusion UCITS ETF

KraneShares Bloomberg Barclays China Bond Inclusion UCITS ETF is "A sub fund of KraneShares ICAV (the "ICAV"). The ICAV is authorised as a UCITS in Ireland and regulated by the Central Bank of Ireland.

For Investors in the United Kingdom (UK). Investors should read the Key Investor Information Document and Prospectus prior to investing. The Fund seeks to track the performance of an index composed of companies from developed countries.

Investment Strategy:

KBND is benchmarked to the Bloomberg Barclays China Treasury and Policy Bank 9% Capped Index, which is designed to track the performance of China's onshore renminbi-denominated government and government-related bond market. The Fund seeks to invest at least 80% of its assets in a basket of fixed income securities issued by either China's Ministry of Finance itself or government-owned banks within China.

KBND Overview:

- Invests in treasuries (i.e. government bonds) and attempts to provide attractive yields relative to other government bond markets with a monthly distribution.
- KBND offers access to the securities being included in Bloomberg Barclays broad fixed income indexes and investment opportunities within the second largest bond market in the world.
- For investors seeking diversification within their global government bond allocations, KBND offers low correlations to other major government bond markets.

Bloomberg Barclays China Bond Inclusion Overview:

- The inclusion process began in April 2019 and is expected to conclude at the end of 2020.
- The market estimates nearly \$150 billion of fund inflows into China's \$13 trillion onshore bond market.¹
- China's government bonds are a focus of the inclusion and China has already replaced South Korea as the top issuer by weight within the Bloomberg Barclays Emerging Market Local Currency Government Bond Index.

1. Financial Times, "Bloomberg adds Chinese government bonds to flagship index", 31/03/2019.

Fund Details	Data as of 30/09/2020
Listed Exchanges	LSE
SEDOL	BLP5299
ISIN (Class USD Shares)	IE00BLM1CC35
Total Annual Fund Operating Expense	0.35%
Inception Date	26/5/2020
Distribution Frequency	Semi-Annual
Index Name	Bloomberg Barclays China Treasury and Policy Bank 9% Capped Index
Net Assets	\$6,314,165
Number of Holdings	11
UK Reporting Fund Status	Reporting Fund
Investment Structure	UCITS
Base Currency	USD
Underlying Securities Currency	CNY
Currency Hedge	USD

Top 10 Holdings as of 30/09/2020 Holdings are subject to change.	Ticker	%
CGB 2.94 10/17/24	-	22.34
CGB 3.17 04/19/23	-	14.07
CGB 3.13 11/21/29	-	13.88
EXIMCH 3.37 06/03/22	-	8.63
SDBC 3.18 05/17/22	-	8.61
ADBCH 4.37 05/25/23	-	8.59
CGB 4.22 03/19/48	-	5.94
CGB 3.54 08/16/28	-	5.76
CGB 4 06/24/69	-	5.58
CASH	-	3.28

KBND Performance History:

	Cumulative % Data as of month end: 30/09/2020				Average Annualized % Data as of quarter end: 30/09/2020			
	1 Mo	3 Mo	6 Mo	Since Inception	1 Yr	3 Yr	5 Yr	Since Inception
Fund NAV	0.68%	2.39%	-	1.04%	-	-	-	1.04%
Index	0.42%	2.63%	1.78%	1.64%	7.68%	-	-	1.64%

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.eu.

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.

This information is being communicated by KraneShares, which is an appointed representative of DMS Capital Solutions UK Limited, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom under the reference number 503325.

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.

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In Switzerland, the Fund has appointed as Swiss Representative Oligo Swiss Fund Services SA, Av. Villamont 17, 1005 Lausanne, Switzerland, Tel: +41 21 311 17 77, email: info@oligofunds.ch. The Fund's paying agent is Helvetische Bank AG. In respect of the Shares distributed in or from Switzerland, the place of performance and jurisdiction is Lausanne (Switzerland).

For additional fund documentation, please visit www.DMSGovernance.com R-DMS-KS