KraneShares

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KWBH

KraneShares CSI China Internet UCITS ETF Class GBP Hedged Shares

Access to China's internet & AI economy, with US dollar exposure hedged back to pounds sterling.

KraneShares CSI China Internet 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.

Investors should read the Prospectus, Supplement and UK KIID and/or PRIIP KID prior to investing.

Fund Details	
Ticker	KWBH
Exchange	LSE
ISIN	IE000CD5SH30
Base Currency	USD
Share Class Currency	GBP
Hedge Type	NAV Hedge
Inception Date	29/Apr/2026

Why a Hedged Share Class?

KWEB is an index-tracking, passively managed UCITS ETF that tracks the CSI Overseas China Internet Index and invests in 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, or New York Stock Exchange.

Although these companies earn revenue primarily in RMB, their shares are typically listed in US dollars or Hong Kong dollars (pegged closely to the USD) — so the ETF's underlying market exposure behaves much like a US dollar asset.

For pounds sterling-based investors, that USD linkage sits on top of the investment case for China's digital economy. As FX markets have grown more volatile amid diverging rate cycles and geopolitical uncertainty, currency swings can drive returns as much as the equities themselves.

Where the Currency Exposure Sits

Exposure Layer	Currency
Investor base currency	GBP
ETF base currency	USD
Underlying listings	USD / HKD
Economic exposure of businesses	RMB / CNY

The HKD's narrow trading band around the USD means dollar moves are typically the dominant source of FX volatility for GBP investors in KWEB.

How the Hedge Works in Practice

The approach used is known as a NAV hedge. Instead of hedging each individual currency exposure within the portfolio, the hedge is applied at the level of the ETF's USD-denominated Net Asset Value (NAV). This is implemented using currency futures to hedge USD exposure back into pounds in the GBP hedged share class.

For example: if China internet equities rise 10% while the dollar weakens 5% against the pound, an unhedged GBP investor (KWBP) nets roughly 5% — the equity gain partly offset by the weaker dollar. In the GBP Hedged class, that dollar decline is offset by gains on the hedge, so the return lands closer to 10%, tracking the equities themselves.

Hedged vs. Unhedged: Illustrating the Impact of Currency

Hypothetical scenarios for a GBP-based investor: China internet equities +10%, USD weakens / strengthens 5% against GBP

Unhedged — KWBP		
Equity return	+10%	+10%
USD weakens vs GBP	−5%	+5%
Currency futures hedge	None	None
Net return (GBP)	~ +5%	~ +15%

Hedged — KWBH		
Equity return	+10%	+10%
USD vs GBP	−5%	+5%
Futures gain (FX offset)	~ +5%	~ -5%
Net return (GBP)	~ +10%	~ +10%

The example performance above is for illustrative purposes only. It is intended solely to demonstrate the potential impact of currency movements and hedging on investment returns and does not represent actual performance of any fund, account, or investment strategy. The figures used are not real and are not guarantees of future results. Actual returns may differ materially.

Why This Matters for Investors

A standard GBP share class lets investors transact in pounds sterling, but it doesn't remove the underlying currency risk. The hedged class actively manages that exposure. For investors focused on structural themes like digital consumption and AI, this keeps returns tied more closely to China's internet sector, not swings in the US dollar.

KraneShares™

This is a marketing communication. Please refer to the UCITS Prospectus, the KIID, and the PRIIP before making any final investment decision.

The Class EUR Hedged shares and Class GBP Hedged shared are Currency Hedged Share Classes (as defined in the prospectus). The Fund may use FDI for the purposes of hedging the foreign exchange risk of these classes, including forward foreign exchange contracts, foreign exchange futures and foreign exchange swaps. This hedging seeks to minimise the effect of exchange rate fluctuations between the base currency (USD) and the relevant share class currency. Where the hedge is applied successfully, the performance of the hedged class is likely to move in line with the performance of the share classes denominated in the base currency. The use of this hedging may substantially limit holders of the relevant class from benefiting if the class currency decreases in value relative to the base currency. Further details are set out in the "Currency Hedging at Share Class Level" section of the prospectus and the "Currency Hedging" section of the supplement for the Fund.

Important Notes

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.eu. Read the prospectus carefully before investing

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.

Narrowly focused investments typically exhibit higher volatility. Internet companies are subject to rapid changes in technology, worldwide competition, rapid obsolescence of products and services, loss of patent protections, evolving industry standards and frequent new product productions. Such changes may have an adverse impact on performance.

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In Switzerland, the Fund has appointed as Swiss Representative Waystone Fund Services (Switzerland) SA, Av. Villamont 17, 1005 Lausanne, Switzerland, Tel: +41 21 311 17 77, email: switzerland@waystone.com . 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).

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. Krane Fund Advisors, LLC is appointed to act as investment manager in accordance with the requirements of the Central Bank. Krane Fund Advisors, LLC is appointed as the distributor of the ICAV. The Management Company may decide to terminate the agreements made for the marketing of the Fund in accordance with Article 93a of Directive 2009/65/EC.

The views and opinions expressed in this material are those of the authors Krane Fund Advisors. These opinions have been given in good faith but are subject to change without notice. It is the responsibility of the investor to evaluate the accuracy, completeness and usefulness of any opinions, advice, services, or other information provided.

This material may not be suitable for all investors. Any performance quoted represents past performance and is no guarantee of future results. Past performance is not indicative or a guarantee of future performance. Carefully consider the Funds' investment objectives, risk factors, charges and expenses before investing.

UCITS ETF's units / shares purchased on the secondary market cannot usually be sold directly back to UCITS ETF. Investors must buy and sell units / shares on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current net asset value when buying units / shares and may receive less than the current net asset value when selling them.

UCITS shares are not individually redeemable with the issuing fund other than in large Creation Unit aggregations. In doing so, the investor may incur brokerage commissions and may pay more than net asset value (NAV) when buying and receive less than net asset value (NAV) when selling. The Net Asset Value per share is calculated in accordance with the "Determination of Net Asset Value" section of the prospectus, using the official closing price published by the relevant exchange. Shares are bought and sold at market price which may or may not be consistent with NAV.

This and additional information, including historical and the most recent month-end performance, can be found in the Fund Literature (Prospectus, Supplement, KIID, PRIIP), please visit www.waystone.com, or www.kraneshares.eu. The Fund's indicative net asset value (iNAV) can be obtained during trading hours at https://www.londonstockexchange.com/stock/KWEB/kraneshares-icav/company-page. To view our Summary of Investor Rights, available in English, please visit www.kraneshares.eu or click here. KIID and PRIIP documents are available in the language of any Member State where such fund is distributed, and the prospectus is available only in English. [R-KS-EU]