

IMPORTANT

If you are in any doubt about the contents of this notice, you should consult your stockbroker, bank manager, solicitor, accountant and other financial adviser for independent financial advice.

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Horizons KOSPI 200 ETF (Stock Code: 2835)

Horizons S&P Emerging Asia Consumer ETF (Stock Code: 3054)

Horizons S&P Global Consumer Brands ETF (Stock Code: 3056)

Horizons S&P Asia ex JANZ Financials ETF (Stock Code: 3064)

Horizons S&P Asia ex JANZ IT ETF (Stock Code: 3066)

Horizons S&P Asia ex JANZ Industrials ETF (Stock Code: 3075)

Horizons S&P Asia ex JANZ Energy ETF (Stock Code: 3076)

Horizons S&P Asia ex JANZ Materials ETF (Stock Code: 3078)

Horizons MSCI China ETF (Stock Code: 3040)

Horizons Hang Seng High Dividend Yield ETF (Stock Code: 3110)

Horizons CSI 300 ETF (RMB Counter Stock Code: 83127; HKD Counter Stock Code: 3127)

(collectively the "Sub-Funds")

the sub-funds of Horizons Exchange Traded Funds Series (the "Trust")

*(A Hong Kong unit trust authorized under Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong)*¹

Notice to Unitholders

Dear Unitholders,

We, as the Manager of the Trust, hereby inform you of certain amendments to the prospectus of the Trust dated 19 September 2014 ("Prospectus") and to the product key facts statements of the Sub-Funds.

(A) Change of PRC Tax

Disclosures relating to PRC taxation have been revised and updated to reflect the new PRC tax policy, as described in the Manager's notices to unitholders dated 19 November 2014 and 2 December 2014.

(B) Abolishment of the daily maximum exchange limit per Hong Kong resident individual for RMB

References to the daily maximum exchange limit per Hong Kong resident individual for RMB of RMB20,000 have been removed from the Prospectus to reflect the abolishment of such a limit.

(C) FATCA

The disclosures relating to FATCA in the Prospectus have been revised as the United States and Hong Kong entered into an intergovernmental agreement based on the Model 2 format on 13 November 2014.

¹ SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

(D) Total Expense Ratio

References to the total expense ratio have been removed from the Prospectus and replaced by the ongoing charges as described in (E) below.

(E) Ongoing charges, tracking difference and past performance

The product key facts statements of the Sub-Funds have been updated to include information about ongoing charges, tracking difference and past performance of the Sub-Funds (unless there is insufficient data to provide a useful indication of past performance of a Sub-Fund to investors) as per the latest SFC requirements.

(F) Update of the 10 largest constituent stocks of the underlying indices of respective Sub-Funds

The 10 largest constituent stocks of the underlying indices of respective Sub-Funds have been updated to data as at 18 December 2014.

The Prospectus is amended by way of an addendum to reflect the above changes. The third addendum to the Prospectus and the updated product key facts statement of the Sub-Funds are now available and published on the Manager's website (<http://www.horizonsetfs.com.hk>²) and Hong Kong Exchanges and Clearing Limited's website (www.hkex.com.hk).

Capitalised terms used in this notice shall have the same meaning as defined in the Prospectus of the Trust dated 19 September 2014.

If you have any questions concerning the above, please contact us at (852) 2295 1500 during office hours.

The Manager accepts responsibility for the accuracy of the contents of this notice.

Mirae Asset Global Investments (Hong Kong) Limited

2 January 2015

² The website has not been reviewed by the SFC.