

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 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,

Capitalised terms used in this notice shall have the same meaning as defined in the Prospectus of the Trust dated 30 May 2016.

We, as the Manager of the Trust and the Sub-Funds, are writing to inform you that the Manager and Cititrust Limited (the "Trustee") have entered into a Supplemental Deed on 11 August 2016, to amend the trust deed of the Trust and the Sub-Funds dated 23 December 2010 and as amended and restated on 23 December 2011 (as supplemented from time to time) (the "Trust Deed"), to make possible compliance with fiscal, statutory or official requirements (whether or not having the force of law). In this connection, the following Clauses 2.14 and 2.15 have been added:

- "2.14 The Manager and the Trustee shall in the performance of their respective duties under this Deed with respect to the Trust and each Sub-Fund at all times comply with the applicable provisions of the Code and shall act at all times in compliance with and in a manner consistent with the Code (as may be modified by any applicable waivers or exemptions granted by the SFC).
- 2.15 Nothing in this Deed shall diminish or exempt any of the Manager or the Trustee from any of its duties and liabilities under the Code."

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.

In addition to the above, an additional Clause 34 (Exclusion of Third Parties' Rights) has been added, which provides that:

"34. EXCLUSION OF THIRD PARTIES' RIGHTS

Any person who is not a party to this Deed shall not have any rights under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) (the "Ordinance") to enforce any term of this Deed. For the avoidance of doubt (i) except as otherwise provided in this Deed and subject to applicable trust law and other applicable legal and regulatory requirements (including the Code and applicable requirements related to the listing of Units), the consent of or notice to any person who is not a party to this Deed is not required for any termination, rescission or agreement to any variation, waiver, assignment, novation, release or settlement under this Deed at any time, and (ii) the rights and remedies of any person that exist or are available under the laws of Hong Kong apart from the Ordinance shall be unaffected by this Clause."

The above amendments do not require Unitholders' approval pursuant to the Trust Deed. The Trustee does not have any objection to the amendments. The amendments to the Trust Deed do not materially prejudice the rights or interests of investors of the Sub-Funds, and do not amount to a material change to the Sub-Funds. The Prospectus of the Sub-Funds is not affected by the amendments. The Trust Deed (as amended by the Supplemental Deed) is available for inspection free of charge at any time during normal business hours at the offices of the Manager at Level 15, Three Pacific Place, 1 Queen's Road East, Hong Kong.

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

26 August 2016