

Horizons KOSPI 200 ETF (Stock Code: 2835) (the “Sub-Fund”) a sub-fund 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

Dated 1 November 2013

Addendum to the prospectus of the Trust dated 10 June 2013 (the “Prospectus”)

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

This Addendum forms an integral part of and should be read in conjunction with the Prospectus.

The Manager accepts responsibility for the accuracy of the information contained in this Addendum as being accurate at the date hereof.

Please note that the following changes apply to the Prospectus with immediate effect:

I. The 10 largest constituent stocks of the KOSPI 200 Index, the tracked index of the Sub-Fund

The fourth sentence of paragraph 1 and the table under subsection headed “General Information” in the section headed “Index Methodology” on page 47 of the Prospectus shall be deleted in its entirety and replaced by the following:

“As at 30 September 2013, the 10 largest constituent stocks of the KOSPI 200 Index, as listed below, represented about 48.60 per cent of the KOSPI 200 Index (calculated on the basis of free float shares).

| Rank | Constituent Name | Weighting |
|-------------|--------------------------------|------------------|
| 1. | Samsung Electronics Co | 22.20% |
| 2. | Hyundai Motor Co | 5.69% |
| 3. | POSCO | 3.48% |
| 4. | Hyundai Mobis | 2.87% |
| 5. | Shinhan Financial Group Co Ltd | 2.74% |
| 6. | Kia Motors Corp | 2.53% |
| 7. | SK Hynix Inc | 2.53% |
| 8. | NAVER Corp | 2.43% |
| 9. | LG Chem Ltd | 2.10% |
| 10. | KB Financial Group Inc | 2.03% |

¹ The Hong Kong Securities and Futures Commission’s (“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.

II. Management fee and total expense ratio of the Sub-Fund

- (1) The row “Management Fee” under the heading “Key Information” on page 42 of the Prospectus shall be deleted in its entirety and replaced by the following:-

| | |
|----------------|--|
| Management Fee | Up to 0.05% per annum of the NAV accrued daily and calculated as at each Dealing Day |
|----------------|--|

- (2) The first sentence under the subsection headed “Management Fees and Servicing Fees” in the section entitled “Fees and Charges” on page 45 of the Prospectus shall be deleted in its entirety and replaced by the following:

“The Manager is entitled to receive a management fee, currently at the rate of up to 0.05% per annum of the Net Asset Value of Horizons KOSPI 200 ETF accrued daily and calculated as at each Dealing Day and payable monthly in arrears.”

- (3) The row “Estimated total expense ratio**” under the heading “Key Information” on page 42 of the Prospectus shall be deleted in its entirety and replaced by the following:-

| | |
|--------------------------------|--|
| Estimated total expense ratio* | 0.29% per annum (including the management fee, the trustee’s fee and other charges) of the NAV |
|--------------------------------|--|

- (4) The first sentence under the subsection headed “Total Expense Ratio” in the section entitled “Fees and Charges” on page 46 of the Prospectus shall be deleted in its entirety and replaced by the following:

“The total expense ratio (“TER”) of the Horizons KOSPI 200 ETF is estimated to be 0.29% per annum.”