

- **This is an exchange traded fund.**
- **This statement provides you with key information about this product.**
- **This statement is a part of the Prospectus.**
- **You should not invest in this product based on this statement alone.**

### Quick facts

<b>Stock code:</b>	3066
<b>Trade lot size:</b>	500 units
<b>Fund Manager:</b>	Mirae Asset Global Investments (Hong Kong) Limited
<b>Trustee:</b>	Cititrust Limited
<b>Ongoing charges over a year*:</b>	1.40%
<b>Tracking difference of the last calendar year**:</b>	-0.71%
<b>Underlying Index:</b>	S&P Pan-Asia ex JANZ LargeCap Information Technology Index
<b>Base currency:</b>	Hong Kong dollars
<b>Dividend policy:</b>	Annually at the Manager's discretion (May in each year)
<b>Financial year end of the Sub-Fund:</b>	31 March
<b>ETF Website:</b>	<a href="http://www.horizonsetfs.com.hk/en/etf/3066">http://www.horizonsetfs.com.hk/en/etf/3066</a>

\* The ongoing charges figure is an annualised figure based on expenses reported in the Sub-Fund's audited financial statements for the period ended 31 March 2015, expressed as a percentage of the Sub-Fund's average net asset value over the same period. This figure may vary from year to year. It includes the amortised portion of the set-up costs of the Sub-Fund applicable to the relevant period but excludes any extraordinary expenses.

\*\* This is the actual tracking difference of the calendar year ended 31 December 2015. Investors should refer to the Sub-Fund's website for more up-to-date information on actual tracking difference.

### What is this product?

Horizons S&P Asia ex JANZ IT ETF (the "Sub-Fund") is an investment fund of the Horizons Exchange Traded Funds Series, which is an umbrella unit trust established under Hong Kong law. The Sub-Fund is an index tracking ETF falling under Chapter 8.6 and Appendix I of the Code on Unit Trusts and Mutual Funds issued by the Securities and Futures Commission. The units of the Sub-Fund (the "Units") are traded on The Stock Exchange of Hong Kong Limited (the "SEHK") like stocks.

### Objective and investment strategy

#### Objective

The Sub-Fund seeks to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the S&P Pan-Asia ex JANZ LargeCap Information Technology Index (the "Underlying Index").

## **Strategy**

The Manager intends to invest all, or substantially all, of the assets of the Sub-Fund directly in substantially all securities constituting the Underlying Index in substantially the same weightings as these securities have in the Underlying Index to achieve the investment objective of the Sub-Fund (“Replication Strategy”).

Where the adoption of a Replication Strategy is not efficient or practicable or is otherwise at the Manager's absolute discretion, the Manager may pursue a Representative Sampling Strategy and hold a representative sample of the constituent securities of the Underlying Index selected by the Manager using quantitative analytical models to derive a portfolio sample. Investors should note that the Manager may switch between the Replication Strategy and the Representation Sampling Strategy without prior notice to investors, in its absolute discretion.

The Manager has no intention to invest in financial derivatives instruments (or to adopt a synthetic replication strategy) nor to engage in securities lending or repurchase transactions in respect of the Sub-Fund. Any change in the Manager's intention to enter into any securities lending or repurchase transactions in respect of the Sub-Fund is subject to prior approval of the SFC and not less than one month's prior notice (or such other notice period as agreed with the SFC) will be given to unitholders should there be a change in such intention.

The Sub-Fund will not invest in A-shares.

## **Index**

The Underlying Index is a sub index of the broader S&P Global Broad Market Index. It is a float-adjusted market capitalization weighted index which comprises of stocks that are classified in the information technology sector according to the Global Industry Classification Standard (GICS®). The Underlying Index aims to track the performance of large cap information technology stocks from the developed and emerging markets of Asia, excluding those domiciled in Japan, Australia and New Zealand. The developed markets of Asia are Hong Kong, Korea and Singapore. The emerging markets of Asia are China, India, Indonesia, Malaysia, Philippines, Taiwan and Thailand. The Underlying Index is calculated and maintained by Standard & Poor's (“S&P”). The Underlying Index was launched on 21 July 2011.

As at 24 December 2015, the Underlying Index had a total market capitalisation of US\$762,111 million.

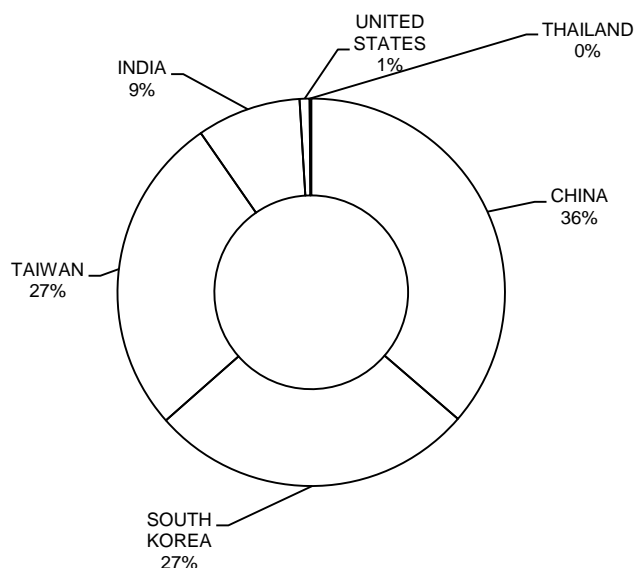
As at 24 December 2015, the 10 largest constituent stocks of the Underlying Index, as listed below, represented about 76.66% of the Underlying Index:

**Horizons Exchange Traded Funds Series -  
Horizons S&P Asia ex JANZ IT ETF**

	<b>Index Constituent</b>	<b>Weighting in Index</b>	<b>Exchange</b>
1.	SAMSUNG ELECTRONICS CO LTD	17.23%	XKRX KOREA EXCHANGE
2.	TENCENT HOLDINGS LTD	13.77%	XHKG HONG KONG STOCK EXCHANGE
3.	ALIBABA GROUP HOLDING-SP ADR	12.33%	XNYS NEW YORK STOCK EXCHANGE
4.	TAIWAN SEMICONDUCTOR MANUFAC	10.61%	XTAI TAIWAN STOCK EXCHANGE
5.	BAIDU INC - SPON ADR	6.89%	XNAS NASDAQ STOCK MARKET
6.	HON HAI PRECISION INDUSTRY	4.49%	XTAI TAIWAN STOCK EXCHANGE
7.	INFOSYS LTD	4.34%	XBOM BOMBAY STOCK EXCHANGE
8.	SAMSUNG ELECTRONICS-PREF	2.58%	XKRX KOREA EXCHANGE
9.	TATA CONSULTANCY SVCS LTD	2.28%	XBOM BOMBAY STOCK EXCHANGE
10.	NAVER CORP	2.13%	XKRX KOREA EXCHANGE

Below is the chart showing the weightings in the Underlying Index by country as at 24 December 2015:

**Country Allocation of the Index**



Details of the index methodology of the Underlying Index can be found on <http://www.standardandpoors.com>.

## What are the key risks?

**Investment involves risks. Please refer to the Prospectus for details including the risk factors.**

### 1. Risks associated with the information technology sector

- Investment in securities of technology related companies present certain risks that may not exist to the same degree as in other types of investments and tend to be relatively more volatile. Such companies may have limited product lines, markets or financial resources, or may depend on a limited management group. The companies in which the Sub-Fund may invest are also strongly affected by worldwide scientific or technological developments, and their products rapidly falls into obsolescence. Investment in technology companies by the Sub-Fund may therefore be considered speculative.

### 2. Emerging market risk

- As the Underlying Index relates to Asian emerging markets, the Sub-Fund is subject to a greater risk of loss compared with investments in developed markets due to greater political, economic, taxation and regulatory uncertainty and risks linked to volatility and market liquidity.

### 3. Asian market concentration risk

- The Sub-Fund is subject to concentration risk as a result of tracking the performance of a single geographical region (Asia).
- The Sub-Fund may likely be more volatile than a broad-based fund, such as a global equity fund, as it is more susceptible to fluctuations in value of the Underlying Index resulting from adverse conditions in Asia.

### 4. Risks related to restrictions on foreign investors

- Asian stock exchanges may require prior governmental approvals or impose limits on the amount or types of securities or companies in which foreigners may invest. These restrictions may limit the Sub-Fund's investment in certain countries, increase its costs and impact its ability to accurately match the Underlying Index.

### 5. Trading hour's difference

- As stock exchanges established outside of Hong Kong may be open when units in the Sub-Fund are not priced, the value of the securities in the Sub-Fund's portfolio may change on days when investors will not be able to purchase or sell units of the Sub-Fund.
- Furthermore, the market prices of underlying securities listed on stock exchanges which are established outside Hong Kong may not be available during part of all of the SEHK trading sessions due to trading hour differences which may result in the trading price deviating away from the net asset value.

### 6. Investment risk

- The Sub-Fund is an investment fund. There is no guarantee of the repayment of principal. Therefore your investment in the Sub-Fund may suffer losses.

**7. Passive investments**

- The Sub-Fund is not “actively managed”, therefore when there is a decline in the Underlying Index, the Sub-Fund will also decrease in value.
- The Manager will not adopt any temporary defensive positions against any market downturn. Investors may lose part or all of their investment.

**8. Trading risk**

- Generally, retail investors can only buy or sell Units on the SEHK. The trading price of the Units on the SEHK is driven by market factors such as demand and supply of the Units. Therefore, the Units may trade at a substantial premium/discount to its net asset value.
- As investors will pay certain charges (e.g. trading fees and brokerage fees) to buy or sell Units on the SEHK, retail investors may pay more than the net asset value per Unit when buying Units on the SEHK, and may receive less than the net asset value per Unit when selling Units on the SEHK.

**9. Tracking error risk**

- Due to fees and expenses of the Sub-Fund, liquidity of the market, foreign exchange costs, and changes to the regulatory policies, the Sub-Fund’s return may deviate from that of the Underlying Index.

**10. Termination risks**

- If S&P terminates the Underlying Index or does not allow the Sub-Fund to use the Underlying Index, and there is no successor index or if its fund size falls below HK\$50,000,000 the Sub-Fund may be terminated.

**11. Dividend distributions**

- Dividend distributions are not guaranteed, and therefore, investors may not receive any dividends from the Sub-Fund.

**12. Market interventions by governments and regulators**

- Governments and regulators may intervene in the financial markets, such as by the imposition of trading restrictions, a ban on “naked” short selling or the suspension of short selling for certain stocks. This may affect the operation and market making activities of the Sub-Fund, and may have an unpredictable impact on the Sub-Fund.
- Furthermore, such market interventions may have a negative impact on the market sentiment which may in turn affect the performance of the Underlying Index and as a result the performance of the Sub-Fund.

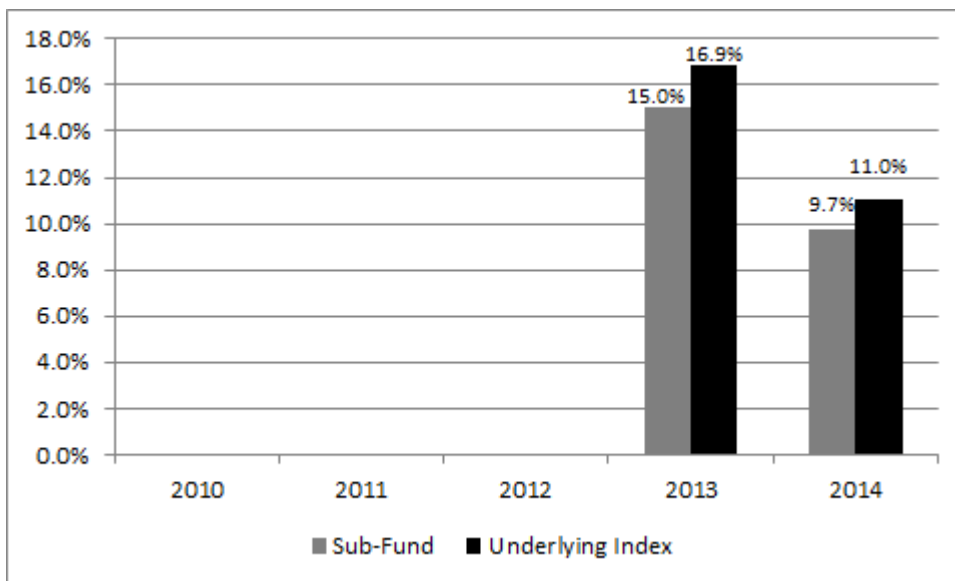
**13. Reliance on market maker**

- Liquidity in the market for the Units may be adversely affected if there is no market maker for the Sub-Fund. It is possible that there is only one SEHK market maker to the Sub-Fund.

#### 14. Foreign exchange risk

- The revenue and income of investments in non-Hong Kong securities may be received by the Sub-Fund in a currency other than Hong Kong dollars.
- Any fluctuation in the exchange rate of the Hong Kong dollar relative to the relevant foreign currency will affect the net asset value of the Sub-Fund denominated in the Hong Kong dollar regardless of the performance of its underlying portfolio.

#### How has the Sub-Fund performed?



- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividends (if any) reinvested.
- These figures show by how much the Sub-Fund increased or decreased in value during the calendar year shown. Performance data has been calculated in HKD including ongoing charges and excluding trading costs on SEHK you might have to pay.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- Sub-Fund launch date: 27 January 2012

#### Is there any guarantee?

The Sub-Fund does not have any guarantees. You may not get back the amount of money you invest.

## What are the fees and charges?

### Charges incurred when trading the Sub-Fund on SEHK

Fee	What you pay
Brokerage fee	Market rates
Transaction levy	0.0027%
Trading fee	0.005%
Stamp duty	Nil

### Ongoing fees payable by the Sub-Fund

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the net asset value which may affect the trading price.

	Annual rate (as a % of the Sub-Fund's net asset value)
Management fee*	Up to 0.45%
Trustee fee*	Up to 0.12% p.a. (subject to a minimum fee of US\$6,000 per month)
Performance fee	Not applicable
Administration fee	Not applicable

\*Please note that such a fee may be increased up to a permitted maximum amount by providing 1 month's prior notice to unitholders. Please refer to the "Fees and Charges" section of the Prospectus for details.

## Additional information

You can find the following information of the Sub-Fund at the following website at <http://www.horizonsetfs.com.hk/en/etf/3066>

- The Sub-Fund's Prospectus
- The latest annual and semi-annual financial reports of the Sub-Fund in English only
- Any public announcements made by the Sub-Fund, including information in relation to the Sub-Fund, the Underlying Index, notices of the suspension of the calculation of the net asset value, changes in fees and charges and the suspension and resumption of trading of Units
- The holdings of the Sub-Fund which is updated on a monthly basis, the last closing net asset value and the net asset value per Unit of the Sub-Fund
- List of participating dealers and market makers
- Near real-time estimated net asset value per Unit of the Sub-Fund

## Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.