

INTERIM FINANCIAL STATEMENTS

HORIZONS EXCHANGE TRADED FUNDS SERIES

HORIZONS KOSPI 200 ETF

HORIZONS S&P EMERGING ASIA CONSUMER ETF

HORIZONS S&P GLOBAL CONSUMER BRANDS ETF

HORIZONS S&P ASIA EX JANZ FINANCIALS ETF

HORIZONS S&P ASIA EX JANZ IT ETF

HORIZONS S&P ASIA EX JANZ INDUSTRIALS ETF

HORIZONS S&P ASIA EX JANZ ENERGY ETF

HORIZONS S&P ASIA EX JANZ MATERIALS ETF

HORIZONS MSCI CHINA ETF

HORIZONS HANG SENG HIGH DIVIDEND YIELD ETF

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2014

(SUB-FUNDS OF HORIZONS EXCHANGE TRADED FUNDS SERIES)

HORIZONS EXCHANGE TRADED FUNDS SERIES

Unaudited Condensed Interim Financial Statements

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IMPORTANT:

Any opinion expressed herein reflects the Manager's view only and are subject to change. For more information about Horizons Exchange Traded Funds Series, please refer to the prospectus of the Horizons Exchange Traded Funds Series which is available at our website: www.horizonsetfs.com.hk.

Investors should not rely on the information contained in this report for their investment decisions.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF NET ASSETS

As at 30 September 2014 (unaudited)

	Notes	<u>Horizons KOSPI 200 ETF</u>	<u>Horizons S&P Emerging Asia Consumer ETF</u>	<u>Horizons S&P Global Consumer Brands ETF</u>	<u>Horizons S&P Asia ex JANZ Financials ETF</u>	<u>Horizons S&P Asia ex JANZ IT ETF</u>
		As at 30 September 2014 (unaudited) HK\$	As at 30 September 2014 (unaudited) HK\$	As at 30 September 2014 (unaudited) HK\$	As at 30 September 2014 (unaudited) HK\$	As at 30 September 2014 (unaudited) HK\$
CURRENT ASSETS						
Investments		40,318,920	229,509,961	160,241,829	20,217,046	42,050,673
Amount due from brokers		–	–	28,806	–	–
Dividends receivable		–	290,696	277,947	26,910	5,006
Bank balances	6(e)	347,048	4,526,623	2,196,053	230,327	251,343
TOTAL ASSETS		40,665,968	234,327,280	162,744,635	20,474,283	42,307,022
CURRENT LIABILITIES						
Management fee payable	6(b)	1,846	95,075	66,808	8,422	17,257
Trustee fee payable	6(c)	4,430	25,353	17,815	2,246	4,602
Formation fee payable	6(d)(i)	–	95,707	93,041	95,708	95,708
Administration fee payable	6(d)(ii)	4,038	38,030	26,723	3,369	6,903
Other payables		392	–	–	–	–
TOTAL LIABILITIES		10,706	254,165	204,387	109,745	124,470
EQUITY						
Net assets attributable to unitholders	3(a)	40,655,262	234,073,115	162,540,248	20,364,538	42,182,552
Number of units in issue	3(b)	2,000,000	11,000,000	6,000,000	800,000	1,400,000
Net asset value per unit	3(b)	20.3277	21.2794	27.0901	25.4557	30.1304

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF NET ASSETS (CONTINUED)

As at 30 September 2014 (unaudited)

	Notes	Horizons S&P Asia ex JANZ Industrials ETF	Horizons S&P Asia ex JANZ Energy ETF	Horizons S&P Asia ex JANZ Materials ETF	Horizons MSCI China ETF	Horizons Hang Seng High Dividend Yield ETF
		As at 30 September 2014 (unaudited) HK\$	As at 30 September 2014 (unaudited) HK\$	As at 30 September 2014 (unaudited) HK\$	As at 30 September 2014 (unaudited) HK\$	As at 30 September 2014 (unaudited) HK\$
CURRENT ASSETS						
Investments		17,485,377	14,298,786	21,744,335	309,455,818	241,965,204
Dividends receivable		18,054	48,369	1,273	483,831	1,241,908
Bank balances	6(e)	117,330	225,067	170,869	3,508,647	9,568,157
TOTAL ASSETS		17,620,761	14,572,222	21,916,477	313,448,296	252,775,269
CURRENT LIABILITIES						
Management fee payable	6(b)	7,148	6,092	9,094	14,226	41,950
Trustee fee payable	6(c)	1,906	1,625	2,425	29,032	23,306
Formation fee payable	6(d)(i)	95,706	95,707	95,708	220,867	220,867
Administration fee payable	6(d)(ii)	2,859	2,437	3,637	29,322	23,306
		107,619	105,861	110,864	293,447	309,429
NON-CURRENT LIABILITIES						
Formation fee payable	6(d)(i)	–	–	–	77,574	77,574
TOTAL LIABILITIES		107,619	105,861	110,864	371,021	387,003
EQUITY						
Net assets attributable to unitholders	3(a)	17,513,142	14,466,361	21,805,613	313,077,275	252,388,266
Number of units in issue	3(b)	800,000	800,000	1,200,000	14,000,000	12,000,000
Net asset value per unit	3(b)	21.8915	18.0830	18.1714	22.3627	21.0324

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF NET ASSETS (CONTINUED)

As at 31 March 2014 (audited)

	Notes	<u>Horizons KOSPI 200 ETF</u>	<u>Horizons S&P Emerging Asia Consumer ETF</u>	<u>Horizons S&P Global Consumer Brands ETF</u>	<u>Horizons S&P Asia ex JANZ Financials ETF</u>	<u>Horizons S&P Asia ex JANZ IT ETF</u>
		As at 31 March 2014 (audited) HK\$	As at 31 March 2014 (audited) HK\$	As at 31 March 2014 (audited) HK\$	As at 31 March 2014 (audited) HK\$	As at 31 March 2014 (audited) HK\$
CURRENT ASSETS						
Investments		39,936,167	235,184,528	180,390,599	18,759,602	39,482,947
Amount due from brokers		–	–	60,000	–	–
Dividends receivable		315,924	–	127,199	28,996	96,438
Prepayment		102	–	–	–	–
Bank balances	6(e)	240,784	291,761	841,970	19,466	53,404
TOTAL ASSETS		40,492,977	235,476,289	181,419,768	18,808,064	39,632,789
CURRENT LIABILITIES						
Management fee payable	6(b)	1,684	87,606	69,089	6,968	15,110
Trustee fee payable	6(c)	4,041	23,361	18,424	1,858	4,030
Formation fee payable	6(d)(i)	–	177,104	172,171	177,104	177,104
Administration fee payable	6(d)(ii)	3,872	35,043	27,635	2,787	6,044
Amount due to brokers		–	–	31,195	–	–
Other payables		168	15,000	–	–	–
TOTAL LIABILITIES		9,765	338,114	318,514	188,717	202,288
EQUITY						
Net assets attributable to unitholders	3(a)	40,483,212	235,138,175	181,101,254	18,619,347	39,430,501
Number of units in issue	3(b)	2,000,000	11,000,000	6,000,000	800,000	1,400,000
Net asset value per unit	3(b)	20.2417	21.3762	30.1836	23.2742	28.1647

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF NET ASSETS (CONTINUED)

As at 31 March 2014 (audited)

	Notes	Horizons S&P Asia ex JANZ Industrials ETF	Horizons S&P Asia ex JANZ Energy ETF	Horizons S&P Asia ex JANZ Materials ETF	Horizons MSCI China ETF	Horizons Hang Seng High Dividend Yield ETF
		As at 31 March 2014 (audited) HK\$	As at 31 March 2014 (audited) HK\$	As at 31 March 2014 (audited) HK\$	As at 31 March 2014 (audited) HK\$	As at 31 March 2014 (audited) HK\$
CURRENT ASSETS						
Investments		21,726,658	13,700,836	21,358,479	291,019,540	234,840,330
Dividends receivable		68,507	53,066	106,364	–	504,183
Bank balances	6(e)	51,281	60,129	37,485	1,850,536	1,061,091
TOTAL ASSETS		21,846,446	13,814,031	21,502,328	292,870,076	236,405,604
CURRENT LIABILITIES						
Management fee payable	6(b)	8,194	5,133	7,998	12,549	35,545
Trustee fee payable	6(c)	2,185	1,369	2,133	25,611	19,747
Formation fee payable	6(d)(i)	177,104	177,104	177,104	219,793	219,793
Administration fee payable	6(d)(ii)	3,278	2,053	3,199	25,867	19,747
Other payables		–	–	–	15,000	–
		190,761	185,659	190,434	298,820	294,832
NON-CURRENT LIABILITIES						
Formation fee payable	6(d)(i)	–	–	–	172,436	172,436
TOTAL LIABILITIES		190,761	185,659	190,434	471,256	467,268
EQUITY						
Net assets attributable to unitholders	3(a)	21,655,685	13,628,372	21,311,894	292,398,820	235,938,336
Number of units in issue	3(b)	1,000,000	800,000	1,200,000	14,000,000	12,000,000
Net asset value per unit	3(b)	21.6557	17.0355	17.7600	20.8857	19.6616

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 September 2014 (unaudited)

	Notes	Horizons KOSPI 200 ETF For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	Horizons S&P Emerging Asia Consumer ETF For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	Horizons S&P Global Consumer Brands ETF For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	Horizons S&P Asia ex JANZ Financials ETF For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	Horizons S&P Asia ex JANZ IT ETF For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$
INCOME						
Dividend income		18,283	4,353,748	2,888,510	593,665	481,758
Interest income		164	6	9	1	2
Net gain/(loss) on investments	5	250,414	(3,922,455)	(20,148,770)	1,282,146	2,531,458
Net exchange gain/(loss)		6,659	25,502	(2,453)	(852)	(4,634)
Total net income/(loss)		275,520	456,801	(17,262,704)	1,874,960	3,008,584
EXPENSES						
Management fee	6(b)	(10,635)	(536,755)	(402,747)	(45,889)	(97,416)
Trustee fee	6(c)	(25,524)	(143,135)	(107,399)	(12,237)	(25,978)
Custody fee and bank charges	6(d)(iii)	(33,525)	(29,999)	(6,366)	(2,823)	(7,679)
Transaction costs on investments	6(a)	(4,254)	(143,300)	–	(2,406)	(3,578)
Professional fee		–	–	–	–	(3,222)
Administration fee	6(d)(ii)	(25,523)	(214,702)	(161,099)	(18,355)	(38,967)
Total operating expenses		(99,461)	(1,067,891)	(677,611)	(81,710)	(176,840)
Operating profit/(loss)		176,059	(611,090)	(17,940,315)	1,793,250	2,831,744
FINANCE COSTS						
Interest expense		–	(14,130)	–	–	(505)
Profit/(loss) before tax		176,059	(625,220)	(17,940,315)	1,793,250	2,831,239
Withholding tax	8	(4,009)	(439,840)	(620,691)	(48,059)	(79,188)
Total comprehensive income		172,050	(1,065,060)	(18,561,006)	1,745,191	2,752,051

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the period ended 30 September 2014 (unaudited)

	Notes	Horizons S&P Asia ex JANZ Industrials ETF For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	Horizons S&P Asia ex JANZ Energy ETF For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	Horizons S&P Asia ex JANZ Materials ETF For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	Horizons MSCI China ETF For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	Horizons Hang Seng High Dividend Yield ETF For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$
INCOME						
Dividend income		457,140	394,920	415,806	10,314,315	12,237,528
Interest income		5	1	1	17	17
Net (loss)/gain on investments	5	(27,232)	541,696	251,445	11,723,982	5,412,265
Net exchange (loss)/gain		(9,930)	(1,143)	(4,934)	21	94
Total net income		419,983	935,474	662,318	22,038,335	17,649,904
EXPENSES						
Management fee	6(b)	(42,009)	(33,834)	(51,037)	(76,815)	(230,900)
Trustee fee	6(c)	(11,202)	(9,023)	(13,610)	(156,765)	(128,278)
Custody fee and bank charges	6(d)(iii)	(16,635)	(655)	(827)	(89,050)	(62,991)
Transaction costs on investments	6(a)	(17,826)	(687)	(4,604)	(17,269)	(261,245)
Professional fee		–	(3,222)	(3,222)	–	–
Administration fee	6(d)(ii)	(16,803)	(13,534)	(20,415)	(158,332)	(128,278)
Total operating expenses		(104,475)	(60,955)	(93,715)	(498,231)	(811,692)
Operating profit		315,508	874,519	568,603	21,540,104	16,838,212
FINANCE COSTS						
Interest expense		(5)	–	–	–	–
Profit before tax		315,503	874,519	568,603	21,540,104	16,838,212
Withholding tax	8	(12,694)	(36,530)	(74,884)	(861,649)	(388,282)
Total comprehensive income		302,809	837,989	493,719	20,678,455	16,449,930

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the period ended 30 September 2013 (unaudited)

	Notes	Horizons KOSPI 200 ETF For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	Horizons S&P Emerging Asia Consumer ETF For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	Horizons S&P Global Consumer Brands ETF For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	Horizons S&P Asia ex JANZ Financials ETF For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	Horizons S&P Asia ex JANZ IT ETF For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$
INCOME						
Dividend income		29,777	4,673,724	2,946,364	1,196,570	427,327
Interest income		63	24	29	8	89
Other income		–	8,525	8,525	8,525	8,525
Net gain/(loss) on investments	5	147,738	(8,425,722)	26,477,905	(2,773,307)	856,449
Net exchange gain/(loss)		49,629	(319,363)	14,316	(29,422)	135,418
Total net income/(loss)		227,207	(4,062,812)	29,447,139	(1,597,626)	1,427,808
EXPENSES						
Management fee	6(b)	(35,306)	(566,307)	(411,197)	(92,558)	(89,798)
Trustee fee	6(c)	(12,105)	(151,015)	(109,653)	(24,682)	(23,946)
Custody fee and bank charges	6(d)(iii)	(463)	(17,029)	(3,490)	(3,953)	(1,080)
Transaction costs on investments	6(a)	(32,247)	(277,081)	(97,955)	(43,691)	(143,696)
Professional fee		–	(68,340)	–	–	(3,189)
Administration fee	6(d)(ii)	(13,113)	(226,523)	(164,479)	(37,023)	(35,919)
Total operating expenses		(93,234)	(1,306,295)	(786,774)	(201,907)	(297,628)
Operating profit/(loss)		133,973	(5,369,107)	28,660,365	(1,799,533)	1,130,180
FINANCE COSTS						
Interest expense		–	(8,141)	(915)	(9)	(6)
Profit/(loss) before tax		133,973	(5,377,248)	28,659,450	(1,799,542)	1,130,174
Withholding tax	8	(7,024)	(555,024)	(631,414)	(106,653)	(77,897)
Capital gains tax	8	–	(138,586)	–	–	–
Total comprehensive income		126,949	(6,070,858)	28,028,036	(1,906,195)	1,052,277

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the period ended 30 September 2013 (unaudited)

Notes	Horizons S&P Asia ex JANZ Industrials ETF	Horizons S&P Asia ex JANZ Energy ETF	Horizons S&P Asia ex JANZ Materials ETF	Horizons MSCI China ETF	Horizons Hang Seng High Dividend Yield ETF
	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the period from 11 June 2013 (date of inception) to 30 September 2013 (unaudited) HK\$	For the period from 11 June 2013 (date of inception) to 30 September 2013 (unaudited) HK\$
INCOME					
	593,147	422,289	300,112	3,785,486	3,916,646
Dividend income					
Interest income	22	1	4	7	3
Other income	8,525	8,525	8,525	–	–
Net (loss)/gain on investments	5 (2,428,587)	(1,483,002)	27,480	33,114,324	11,497,629
Net exchange (loss)/gain	(13,264)	(8,243)	(867)	(119)	(39)
Total net (loss)/income	(1,840,157)	(1,060,430)	335,254	36,899,698	15,414,239
EXPENSES					
Management fee	6(b) (88,523)	(34,598)	(47,678)	(43,066)	(115,173)
Trustee fee	6(c) (23,606)	(9,226)	(12,714)	(87,889)	(63,985)
Custody fee and bank charges	6(d)(iii) (3,083)	(1,386)	(1,055)	(21,068)	(13,346)
Transaction costs on investments	6(a) (65,521)	(5,677)	(3,811)	(369,341)	(362,050)
Professional fee	–	–	(3,189)	–	–
Formation fee	6(d)(i) –	–	–	(529,997)	(529,997)
Administration fee	6(d)(ii) (35,409)	(13,839)	(19,071)	(88,768)	(63,985)
Total operating expenses	(216,142)	(64,726)	(87,518)	(1,140,129)	(1,148,536)
Operating (loss)/profit	(2,056,299)	(1,125,156)	247,736	35,759,569	14,265,703
FINANCE COSTS					
Interest expense	(247)	–	–	–	–
(Loss)/profit before tax	(2,056,546)	(1,125,156)	247,736	35,759,569	14,265,703
Withholding tax	8 (28,366)	(42,748)	(50,571)	(313,423)	(134,143)
Capital gains tax	8 –	–	(917)	–	–
Total comprehensive income	(2,084,912)	(1,167,904)	196,248	35,446,146	14,131,560

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the period ended 30 September 2014 (unaudited)

	<u>Horizons KOSPI 200 ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	<u>Horizons S&P Emerging Asia Consumer ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	<u>Horizons S&P Global Consumer Brands ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	<u>Horizons S&P Asia ex JANZ Financials ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	<u>Horizons S&P Asia ex JANZ IT ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$
Balance at the beginning of the period	40,483,212	235,138,175	181,101,254	18,619,347	39,430,501
Total comprehensive income	172,050	(1,065,060)	(18,561,006)	1,745,191	2,752,051
Balance at the end of the period	40,655,262	234,073,115	162,540,248	20,364,538	42,182,552
	<u>Horizons S&P Asia ex JANZ Industrials ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	<u>Horizons S&P Asia ex JANZ Energy ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	<u>Horizons S&P Asia ex JANZ Materials ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	<u>Horizons MSCI China ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	<u>Horizons Hang Seng High Dividend Yield ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$
Balance at the beginning of the period	21,655,685	13,628,372	21,311,894	292,398,820	235,938,336
Redemption of units					
- cash redemption and cash component	(4,445,352)	-	-	-	-
- Net redemption of units	(4,445,352)	-	-	-	-
Total comprehensive income	302,809	837,989	493,719	20,678,455	16,449,930
Balance at the end of the period	17,513,142	14,466,361	21,805,613	313,077,275	252,388,266

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (CONTINUED)

For the period ended 30 September 2013 (unaudited)

	<u>Horizons KOSPI 200 ETF</u>	<u>Horizons S&P Emerging Asia Consumer ETF</u>	<u>Horizons S&P Global Consumer Brands ETF</u>	<u>Horizons S&P Asia ex JANZ Financials ETF</u>	<u>Horizons S&P Asia ex JANZ IT ETF</u>
	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$
Balance at the beginning of the period	29,482,256	277,372,177	188,141,473	48,889,422	81,876,467
Issue of units					
- cash creation and cash component	-	4,634,378	22,161,671	4,561,979	-
Redemption of units					
- cash redemption and cash component	(9,458,129)	(77,734,389)	(64,548,936)	(23,162,562)	(47,094,434)
Net redemption of units	(9,458,129)	(73,100,011)	(42,387,265)	(18,600,583)	(47,094,434)
Total comprehensive income	126,949	(6,070,858)	28,028,036	(1,906,195)	1,052,277
Balance at the end of the period	20,151,076	198,201,308	173,782,244	28,382,644	35,834,310
	<u>Horizons S&P Asia ex JANZ Industrials ETF</u>	<u>Horizons S&P Asia ex JANZ Energy ETF</u>	<u>Horizons S&P Asia ex JANZ Materials ETF</u>	<u>Horizons MSCI China ETF</u>	<u>Horizons Hang Seng High Dividend Yield ETF</u>
	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the period from 11 June 2013 (date of inception) to 30 September 2013 (unaudited) HK\$	For the period from 11 June 2013 (date of inception) to 30 September 2013 (unaudited) HK\$
Balance at the beginning of the period	52,250,277	15,102,100	21,461,779	-	-
Issue of units					
- in-kind ¹	-	-	-	46,583,832	31,049,400
- cash creation and cash component	-	3,385,860	-	289,778,466	231,504,819
Redemption of units					
- cash redemption and cash component	(28,898,556)	-	-	-	(32,467,583)
Net (redemption)/issue of units	(28,898,556)	3,385,860	-	336,362,298	230,086,636
Total comprehensive income	(2,084,912)	(1,167,904)	196,248	35,446,146	14,131,560
Balance at the end of the period	21,266,809	17,320,056	21,658,027	371,808,444	244,218,196

¹For major non-cash transactions, please refer to note 4.

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF CASH FLOWS

For the period ended 30 September 2014 (unaudited)

	Notes	Horizons KOSPI 200 ETF	
		For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Total comprehensive income		172,050	126,949
Adjustments for:			
Dividend income		(18,283)	(29,777)
Interest income		(164)	(63)
Withholding tax		4,009	7,024
		<u>157,612</u>	<u>104,133</u>
(Increase)/decrease in investments		(382,753)	9,195,163
Decrease in prepayment		102	15,744
Increase/(decrease) in management fee payable		162	(2,869)
Increase/(decrease) in trustee fee payable		389	(983)
Increase/(decrease) in administration fee payable		166	(1,024)
Increase in other payables		224	35
Cash (used in)/generated from operating activities		<u>(224,098)</u>	<u>9,310,199</u>
Dividends received		330,198	238,236
Interest received		164	63
Net cash flows from operating activities		<u>106,264</u>	<u>9,548,498</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash paid on redemption of units		–	(9,458,129)
Net cash flows used in financing activities		<u>–</u>	<u>(9,458,129)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		106,264	90,369
Cash and cash equivalents at the beginning of the period		<u>240,784</u>	<u>34,150</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		<u>347,048</u>	<u>124,519</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances	6(e)	<u>347,048</u>	<u>124,519</u>

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF CASH FLOWS (CONTINUED)

For the period ended 30 September 2014 (unaudited)

	Notes	Horizons S&P Emerging Asia Consumer ETF	
		For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Total comprehensive income		(1,065,060)	(6,070,858)
Adjustments for:			
Dividend income		(4,353,748)	(4,673,724)
Interest income		(6)	(24)
Withholding tax		439,840	555,024
Interest expense		14,130	8,141
Capital gains tax		–	138,586
		<u>(4,964,844)</u>	<u>(10,042,855)</u>
Decrease in investments		5,674,567	79,975,832
Decrease in amount due from brokers		–	332,300
Increase/(decrease) in management fee payable		7,469	(10,138)
Increase/(decrease) in trustee fee payable		1,992	(2,703)
Decrease in formation fee payable		(81,397)	(91,001)
Decrease in amount payable on subscription of units		–	(674,465)
Increase/(decrease) in administration fee payable		2,987	(4,054)
Decrease in amount due to brokers		–	(13,356,657)
Decrease in other payables		(15,000)	(60,000)
Cash generated from operating activities		<u>625,774</u>	<u>56,066,259</u>
Dividends received		3,623,212	3,812,116
Interest received		6	24
Capital gains tax paid		–	(138,586)
Net cash flows from operating activities		<u>4,248,992</u>	<u>59,739,813</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash received from issue of units		–	4,634,378
Cash paid on redemption of units		–	(77,734,389)
Interest paid		(14,130)	(8,141)
Net cash flows used in financing activities		<u>(14,130)</u>	<u>(73,108,152)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		4,234,862	(13,368,339)
Cash and cash equivalents at the beginning of the period		291,761	13,999,192
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		<u>4,526,623</u>	<u>630,853</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances	6(e)	<u>4,526,623</u>	<u>630,853</u>

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF CASH FLOWS (CONTINUED)

For the period ended 30 September 2014 (unaudited)

	Notes	Horizons S&P Global Consumer Brands ETF	
		For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Total comprehensive income		(18,561,006)	28,028,036
Adjustments for:			
Dividend income		(2,888,510)	(2,946,364)
Interest income		(9)	(29)
Withholding tax		620,691	631,414
Interest expense		–	915
		(20,828,834)	25,713,972
Decrease in investments		20,148,770	14,736,815
Decrease in amount due from brokers		31,194	–
Decrease in management fee payable		(2,281)	(6,425)
Decrease in trustee fee payable		(609)	(1,713)
Decrease in formation fee payable		(79,130)	(88,719)
Decrease in administration fee payable		(912)	(2,570)
Decrease in amount due to brokers		(31,195)	–
Cash (used in)/generated from operating activities		(762,997)	40,351,360
Dividends received		2,117,071	2,276,304
Interest received		9	29
Net cash flows from operating activities		1,354,083	42,627,693
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash received from issue of units		–	22,161,671
Cash paid on redemption of units		–	(64,548,936)
Interest paid		–	(915)
Net cash flows used in financing activities		–	(42,388,180)
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		1,354,083	239,513
Cash and cash equivalents at the beginning of the period		841,970	985,456
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		2,196,053	1,224,969
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances	6(e)	2,196,053	1,224,969

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF CASH FLOWS (CONTINUED)

For the period ended 30 September 2014 (unaudited)

	Notes	Horizons S&P Asia ex JANZ Financials ETF	
		For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Total comprehensive income		1,745,191	(1,906,195)
Adjustments for:			
Dividend income		(593,665)	(1,196,570)
Interest income		(1)	(8)
Withholding tax		48,059	106,653
Interest expense		–	9
		1,199,584	(2,996,111)
(Increase)/decrease in investments		(1,457,444)	20,571,651
Increase in prepayment		–	(10,369)
Increase/(decrease) in management fee payable		1,454	(7,830)
Increase/(decrease) in trustee fee payable		388	(2,088)
Decrease in formation fee payable		(81,396)	(91,001)
Increase/(decrease) in administration fee payable		582	(3,132)
Increase in amount due to brokers		–	10,383
Decrease in other payables		–	(15,000)
Cash (used in)/generated from operating activities		(336,832)	17,456,503
Dividends received		547,692	1,130,618
Interest received		1	8
Net cash flows from operating activities		210,861	18,587,129
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash received from issue of units		–	4,561,979
Cash paid on redemption of units		–	(23,162,562)
Interest paid		–	(9)
Net cash flows used in financing activities		–	(18,600,592)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		210,861	(13,463)
Cash and cash equivalents at the beginning of the period		19,466	290,018
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		230,327	276,555
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances	6(e)	230,327	276,555

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF CASH FLOWS (CONTINUED)

For the period ended 30 September 2014 (unaudited)

	Notes	Horizons S&P Asia ex JANZ IT ETF	
		For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Total comprehensive income		2,752,051	1,052,277
Adjustments for:			
Dividend income		(481,758)	(427,327)
Interest income		(2)	(89)
Withholding tax		79,188	77,897
Interest expense		505	6
		<u>2,349,984</u>	<u>702,764</u>
(Increase)/decrease in investments		(2,567,726)	46,277,755
Increase/(decrease) in management fee payable		2,147	(16,324)
Increase/(decrease) in trustee fee payable		572	(4,353)
Decrease in formation fee payable		(81,396)	(91,001)
Increase/(decrease) in administration fee payable		859	(6,529)
Cash (used in)/generated from operating activities		<u>(295,560)</u>	<u>46,862,312</u>
Dividends received		494,002	422,378
Interest received		2	89
Net cash flows from operating activities		<u>198,444</u>	<u>47,284,779</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash paid on redemption of units		–	(47,094,434)
Interest paid		(505)	(6)
Net cash flows used in financing activities		<u>(505)</u>	<u>(47,094,440)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		197,939	190,339
Cash and cash equivalents at the beginning of the period		<u>53,404</u>	<u>111,832</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		<u>251,343</u>	<u>302,171</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances	6(e)	<u>251,343</u>	<u>302,171</u>

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF CASH FLOWS (CONTINUED)

For the period ended 30 September 2014 (unaudited)

	Notes	Horizons S&P Asia ex JANZ Industrials ETF	
		For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Total comprehensive income		302,809	(2,084,912)
Adjustments for:			
Dividend income		(457,140)	(593,147)
Interest income		(5)	(22)
Withholding tax		12,694	28,366
Interest expense		5	247
		(141,637)	(2,649,468)
Decrease in investments		4,241,281	30,737,027
Decrease in management fee payable		(1,046)	(12,077)
Decrease in trustee fee payable		(279)	(3,220)
Decrease in formation fee payable		(81,398)	(91,001)
Decrease in administration fee payable		(419)	(4,831)
Cash generated from operating activities		4,016,502	27,976,430
Dividends received		494,899	778,025
Interest received		5	22
Net cash flows from operating activities		4,511,406	28,754,477
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash paid on redemption of units		(4,445,352)	(28,898,556)
Interest paid		(5)	(247)
Net cash flows used in financing activities		(4,445,357)	(28,898,803)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		66,049	(144,326)
Cash and cash equivalents at the beginning of the period		51,281	222,875
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		117,330	78,549
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances	6(e)	117,330	78,549

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF CASH FLOWS (CONTINUED)

For the period ended 30 September 2014 (unaudited)

	Notes	Horizons S&P Asia ex JANZ Energy ETF	
		For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Total comprehensive income		837,989	(1,167,904)
Adjustments for:			
Dividend income		(394,920)	(422,289)
Interest income		(1)	(1)
Withholding tax		36,530	42,748
		<u>479,598</u>	<u>(1,547,446)</u>
Increase in investments		(597,950)	(2,165,894)
Decrease in amount due from brokers		–	123,109
Increase in management fee payable		959	1,182
Increase in trustee fee payable		256	315
Decrease in formation fee payable		(81,397)	(91,001)
Increase in administration fee payable		384	473
Cash used in operating activities		<u>(198,150)</u>	<u>(3,679,262)</u>
Dividends received		363,087	311,901
Interest received		1	1
Net cash flows from/(used in) operating activities		<u>164,938</u>	<u>(3,367,360)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash received from issue of units		–	3,385,860
Net cash flows from financing activities		<u>–</u>	<u>3,385,860</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		164,938	18,500
Cash and cash equivalents at the beginning of the period		<u>60,129</u>	<u>45,091</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		<u>225,067</u>	<u>63,591</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances	6(e)	<u>225,067</u>	<u>63,591</u>

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF CASH FLOWS (CONTINUED)

For the period ended 30 September 2014 (unaudited)

	Notes	Horizons S&P Asia ex JANZ Materials ETF	
		For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Total comprehensive income		493,719	196,248
Adjustments for:			
Dividend income		(415,806)	(300,112)
Interest income		(1)	(4)
Withholding tax		74,884	50,571
Capital gains tax		–	917
		152,796	(52,380)
Increase in investments		(385,856)	(222,947)
Increase in management fee payable		1,096	503
Increase in trustee fee payable		292	134
Decrease in formation fee payable		(81,396)	(91,001)
Increase in administration fee payable		438	201
Decrease in other payables		–	(15,000)
Cash used in operating activities		(312,630)	(380,490)
Dividends received		446,013	313,494
Interest received		1	4
Capital gains tax paid		–	(917)
Net cash flows from/(used in) operating activities		133,384	(67,909)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		133,384	(67,909)
Cash and cash equivalents at the beginning of the period		37,485	198,280
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		170,869	130,371
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances	6(e)	170,869	130,371

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF CASH FLOWS (CONTINUED)

For the period ended 30 September 2014 (unaudited)

	<u>Horizons MSCI China ETF</u>	
Notes	For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	For the period from 11 June 2013 (date of inception) to 30 September 2013 (unaudited) HK\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Total comprehensive income	20,678,455	35,446,146
Adjustments for:		
Dividend income	(10,314,315)	(3,785,486)
Interest income	(17)	(7)
Withholding tax	861,649	313,423
	<u>11,225,772</u>	<u>31,974,076</u>
Increase in investments	(18,436,278)	(319,105,192)
Increase in management fee payable	1,677	15,609
Increase in trustee fee payable	3,421	31,856
(Decrease)/increase in formation fee payable	(93,788)	486,198
Increase in administration fee payable	3,455	32,174
Decrease in other payables	(15,000)	–
Cash used in operating activities	(7,310,741)	(286,565,279)
Dividends received	8,968,835	2,550,953
Interest received	17	7
Net cash flows from/(used in) operating activities	<u>1,658,111</u>	<u>(284,014,319)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from issue of units	–	289,778,466
Net cash flows from financing activities	<u>–</u>	<u>289,778,466</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		
	1,658,111	5,764,147
Cash and cash equivalents at the beginning of the period	<u>1,850,536</u>	<u>–</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>3,508,647</u>	<u>5,764,147</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances	6(e) <u>3,508,647</u>	<u>5,764,147</u>

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF CASH FLOWS (CONTINUED)

For the period ended 30 September 2014 (unaudited)

	Notes	Horizons Hang Seng High Dividend Yield ETF	
		For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	For the period from 11 June 2013 (date of inception) to 30 September 2013 (unaudited) HK\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Total comprehensive income		16,449,930	14,131,560
Adjustments for:			
Dividend income		(12,237,528)	(3,916,646)
Interest income		(17)	(3)
Withholding tax		388,282	134,143
		<u>4,600,667</u>	<u>10,349,054</u>
Increase in investments		(7,124,874)	(210,307,800)
Increase in management fee payable		6,405	40,278
Increase in trustee fee payable		3,559	22,377
(Decrease)/increase in formation fee payable		(93,788)	486,198
Increase in administration fee payable		3,559	22,377
Increase in other payables		–	60,000
Cash used in operating activities		<u>(2,604,472)</u>	<u>(199,327,516)</u>
Dividends received		11,111,521	3,130,154
Interest received		17	3
Net cash flows from/(used in) operating activities		<u>8,507,066</u>	<u>(196,197,359)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash received from issue of units		–	231,504,819
Cash paid on redemption of units		–	(32,467,583)
Net cash flows from financing activities		<u>–</u>	<u>199,037,236</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		8,507,066	2,839,877
Cash and cash equivalents at the beginning of the period		<u>1,061,091</u>	<u>–</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		<u>9,568,157</u>	<u>2,839,877</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances	6(e)	<u>9,568,157</u>	<u>2,839,877</u>

The accompanying notes are an integral part of these financial statements.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Horizons Exchange Traded Funds Series (the "Trust") is an umbrella unit trust governed by its trust deed dated 23 December 2010 as amended by the supplemental deeds dated 23 December 2011, 5 November 2012 and 14 May 2013 (collectively, the "Trust Deed") between Mirae Asset Global Investments (Hong Kong) Limited (the "Manager") and Cititrust Limited (the "Trustee"). The Trust Deed is governed by Hong Kong Law.

As at 30 September 2014, the Trust has established ten sub-funds, each a separate sub-fund of the Trust and referred to individually or collectively as the "Sub-Fund(s)", which are authorised by the Securities and Futures Commission of Hong Kong (the "SFC") pursuant to section 104(1) of the Securities and Futures Ordinance. The Sub-Funds are also listed on the Stock Exchange of Hong Kong Limited (a subsidiary of The Hong Kong Exchanges and Clearing Limited):

<u>Name of Sub-Funds</u>	<u>Listing date on the Stock Exchange of Hong Kong Limited (the "SEHK")</u>
Horizons KOSPI 200 ETF	17 January 2011
Horizons S&P Emerging Asia Consumer ETF	27 January 2012
Horizons S&P Global Consumer Brands ETF	27 January 2012
Horizons S&P Asia ex JANZ Financials ETF	27 January 2012
Horizons S&P Asia ex JANZ IT ETF	27 January 2012
Horizons S&P Asia ex JANZ Industrials ETF	27 January 2012
Horizons S&P Asia ex JANZ Energy ETF	27 January 2012
Horizons S&P Asia ex JANZ Materials ETF	27 January 2012
Horizons MSCI China ETF	17 June 2013
Horizons Hang Seng High Dividend Yield ETF	17 June 2013

These financial statements relate to the above-mentioned Sub-Funds. The Manager and the Trustee (collectively, the "Management") are responsible for the preparation of the financial statements.

Horizons KOSPI 200 ETF ("KOSPI 200 ETF")

The objective of KOSPI 200 ETF (Stock code: 2835) is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the KOSPI 200 Index by investing all, or substantially all, of the assets of KOSPI 200 ETF in index securities in substantially the same weightings as constituted in their underlying index.

Horizons S&P Emerging Asia Consumer ETF ("S&P Emerging Asia Consumer ETF")

The objective of S&P Emerging Asia Consumer ETF (Stock code: 3054) is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the S&P Emerging Asia Consumer Index by investing all, or substantially all, of the assets of S&P Emerging Asia Consumer ETF in index securities in substantially the same weightings as constituted in their underlying index.

Horizons S&P Global Consumer Brands ETF ("S&P Global Consumer Brands ETF")

The objective of S&P Global Consumer Brands ETF (Stock code: 3056) is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the S&P Global Consumer Enterprises Index by investing all, or substantially all, of the assets of S&P Global Consumer Brands ETF in index securities in substantially the same weightings as constituted in their underlying index.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION (CONTINUED)

Horizons S&P Asia ex JANZ Financials ETF (“S&P Asia ex JANZ Financials ETF”)

The objective of S&P Asia ex JANZ Financials ETF (Stock code: 3064) is 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 Financials Index by investing all, or substantially all, of the assets of S&P Asia ex JANZ Financials ETF in index securities in substantially the same weightings as constituted in their underlying index.

Horizons S&P Asia ex JANZ IT ETF (“S&P Asia ex JANZ IT ETF”)

The objective of S&P Asia ex JANZ IT ETF (Stock code: 3066) is 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 by investing all, or substantially all, of the assets of S&P Asia ex JANZ IT ETF in index securities in substantially the same weightings as constituted in their underlying index.

Horizons S&P Asia ex JANZ Industrials ETF (“S&P Asia ex JANZ Industrials ETF”)

The objective of S&P Asia ex JANZ Industrials ETF (Stock code: 3075) is 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 Industrials Index by investing all, or substantially all, of the assets of S&P Asia ex JANZ Industrials ETF in index securities in substantially the same weightings as constituted in their underlying index.

Horizons S&P Asia ex JANZ Energy ETF (“S&P Asia ex JANZ Energy ETF”)

The objective of S&P Asia ex JANZ Energy ETF (Stock code: 3076) is 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 Energy Index by investing all, or substantially all, of the assets of S&P Asia ex JANZ Energy ETF in index securities in substantially the same weightings as constituted in their underlying index.

Horizons S&P Asia ex JANZ Materials ETF (“S&P Asia ex JANZ Materials ETF”)

The objective of S&P Asia ex JANZ Materials ETF (Stock code: 3078) is 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 Materials Index by investing all, or substantially all, of the assets of S&P Asia ex JANZ Materials ETF in index securities in substantially the same weightings as constituted in their underlying index.

Horizons MSCI China ETF (“MSCI China ETF”)

The objective of MSCI China ETF (Stock code: 3040) is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the MSCI China Index by investing all, or substantially all, of the assets of MSCI China ETF in index securities in substantially the same weightings as constituted in their underlying index.

Horizons Hang Seng High Dividend Yield ETF (“Hang Seng High Dividend Yield ETF”)

The objective of Hang Seng High Dividend Yield ETF (Stock code: 3110) is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the Hang Seng High Dividend Yield Index by investing all, or substantially all, of the assets of Hang Seng High Dividend Yield ETF in index securities in substantially the same weightings as constituted in their underlying index.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial statements are unaudited and are prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" and the relevant disclosure provisions of the Trust Deed, and the relevant disclosure provisions specified in Appendix E of the Code on Unit Trusts and Mutual Funds of the Securities and Futures Commission of Hong Kong (the "SFC Code").

The unaudited condensed interim financial statements do not include all the information and disclosures required in the annual financial statements.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB and the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions specified in Appendix E of the SFC Code. The financial statements have been prepared under the historical cost convention, except for financial assets held at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts recognised in the financial statements and disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Going concern

The Management has made an assessment of the Sub-Funds' ability to continue as a going concern and is satisfied that the Sub-Funds have the resources to continue in business for the foreseeable future. Furthermore, the Management is not aware of any material uncertainties that may cast significant doubt upon the Sub-Funds' ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

All references to net assets throughout the financial statements refer to net assets attributable to unitholders unless otherwise stated.

CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted are consistent with the financial statements as at 31 March 2014.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Sub-Funds have not applied the following new and revised IFRSs that have been issued but are not yet effective, in these financial statements.

IFRS 9 *Financial Instruments*

Further information about those IFRSs that are expected to be applicable to the Sub-Funds is as follows:

IFRS 9, as issued, reflects the first phase of the IASB's work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. The standard was initially effective for annual periods beginning on or after 1 January 2013, but Amendments to IFRS 9 *Mandatory Effective Date of IFRS 9 and Transition Disclosures*, issued in December 2011, moved the mandatory effective date to 1 January 2015.

In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The adoption of the first phase of IFRS 9 will have an effect on the classification and measurement of the Sub-Funds' financial assets, but will not have an impact on classification and measurements of financial liabilities. The Sub-Funds will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Sub-Funds.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Investments

The Sub-Funds classify their investments as "financial assets at fair value through profit or loss" in accordance with IAS 39. All investments are designated upon initial recognition on the basis that they are part of a group of financial assets which are managed and have their performance evaluated on a fair value basis, in accordance with risk management and investment strategies of the Sub-Funds.

The Sub-Funds recognise investments when, and only when, they become a party to the contractual provisions of the instrument. Purchases and sales of investments are accounted for on the trade date basis. Investments are initially recognised at fair value, excluding transaction costs which are expensed as incurred, and are subsequently re-measured at fair value. Realised and unrealised gains and losses on investments are included in the statement of comprehensive income in the period in which they arise. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Sub-Funds have transferred substantially all risks and rewards of ownership.

Fair value measurement

The Sub-Funds measure investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability of the principal or the most advantageous market must be accessible by the Sub-Funds.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Investments that are listed or traded on an exchange are fair valued based on quoted last traded market prices.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For investments that are recognised in the financial statements on a recurring basis, the Sub-Funds determine whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Income

Interest income is recognised in the statement of comprehensive income on a time-proportionate basis using the effective interest method.

Dividend income on equity securities is recognised on the date on which the investments are quoted ex-dividend. Dividend income on equity securities where no ex-dividend date is quoted is accounted for when the Sub-Funds' right to receive payment is established. Dividend income is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of comprehensive income.

(d) Expenses

Expenses are recognised on an accrual basis.

(e) Cash component

Cash component represents the aggregate net asset value of all the units in connection with a creation or a redemption application less the application basket value.

(f) Cash and cash equivalents

Cash and cash equivalents in the statement of net assets comprise cash on hand and short-term deposits in banks and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less.

Short-term investments that are not held for the purpose of meeting short-term cash commitments and restricted margin accounts are not considered as 'cash and cash equivalents'.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts when applicable.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Translation of foreign currencies

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Sub-Funds operate (the “functional currency”). The performance of the Sub-Funds are measured and reported to the unitholders in Hong Kong dollar. The Management considers the Hong Kong dollar as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Hong Kong dollar, which is the Sub-Funds’ functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at functional currency using the exchange rate ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within “net exchange gain/(loss)”.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within “net gain/(loss) on investments”.

(h) Redeemable units

Redeemable units are classified as an equity instrument when:

- (a) The redeemable units entitle the holder to a *pro-rata* share of the Sub-Funds’ net assets in the event of the Sub-Funds’ liquidation;
- (b) The redeemable units are in the class of instruments that is subordinate to all other classes of instruments;
- (c) All redeemable units in the class of instruments that is subordinate to all other classes of instruments have identical features;
- (d) The redeemable units do not include any contractual obligation to deliver cash or another financial asset other than the holder’s rights to a *pro-rata* share of the Sub-Funds’ net assets; or
- (e) The total expected cash flows attributable to the redeemable units over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-Funds over the life of the instrument.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Redeemable units (continued)

In addition to the redeemable units having all the above features, the Sub-Funds must have no other financial instrument or contract that has:

- (a) Total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-Funds; and
- (b) The effect of substantially restricting or fixing the residual return to the redeemable unitholders.

The Sub-Funds' redeemable units meet the definition of puttable instruments classified as equity instruments under the revised IAS 32 and are classified as equity.

The Sub-Funds continuously assess the classification of the redeemable units. If the redeemable units cease to have all the features or meet all the conditions set out to be classified as equity, the Sub-Funds will reclassify them as financial liabilities and measure them at fair value at the date of reclassification, with any differences from the previous carrying amount recognised in equity. If the redeemable units subsequently have all the features and meet the conditions to be classified as equity, the Sub-Funds will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

The issuance, acquisition and cancellation of redeemable units are accounted for as financial liabilities transactions. Upon issuance of redeemable units, the consideration received is included in equity.

Transaction costs incurred by the Sub-Funds in issuing or their own equity instruments are accounted for as a deduction from equity to the extent that they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

The Sub-Funds' own equity instruments which are reacquired are deducted from equity and accounted for at amounts equal to the consideration paid, including any directly attributable incremental costs.

No gain or loss is recognised in profit or loss on the purchase, sale, issuance or cancellation of the Sub-Funds' own equity instruments.

Redeemable units can be redeemed in-kind and/or in cash equal to a proportionate share of the Sub-Funds' net asset value. The Sub-Funds' net asset value per unit is calculated by dividing the net assets attributable to the unitholders with the total number of outstanding units of the respective Sub-Funds. Units are created or redeemed in multiples of 500,000 units for KOSPI 200 ETF and 200,000 units for the remaining nine Sub-Funds.

(i) Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Manager, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision-maker that makes strategic decisions.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Amounts due from and due to brokers

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the reporting date respectively.

These amounts are measured initially at fair value plus any directly attributable incremental costs of acquisition or issue and subsequently measured at amortised cost using the effective interest method, less provision for impairment for amount due from brokers. Gains and losses are recognised in the statement of comprehensive income when the amount due from brokers are derecognised or impaired and when the amount due to brokers are derecognised, as well as through the amortisation process.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Sub-Funds estimate cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

(k) Impairment of financial assets

The Sub-Funds assess at each reporting date whether a financial asset or group of financial assets classified as loans and receivables is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is an objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtor, or a group of debtors, is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and, where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. If there is objective evidence that an impairment loss occurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been occurred) discounted using the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the statement of comprehensive income as 'Credit loss expense'.

Impaired debts, together with the associated allowance, are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Sub-Funds. If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a previous write-off is later recovered, the recovery is credited to the statement of comprehensive income.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Impairment of financial assets (continued)

Interest revenue on impaired financial assets is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

(l) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of net assets if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(m) Taxes

In some jurisdictions, investment income and capital gains are subject to withholding tax deducted from the source of the income. The Sub-Funds present the withholding tax separately from the gross investment income in the statement of comprehensive income. For the purpose of the statement of cash flows, cash inflows from investments are presented net of withholding taxes, when applicable.

(n) Distributions to unitholders

Distributions are at the discretion of the Manager. A distribution to the Sub-Funds' unitholders is accounted for as a deduction from net assets attributable to unitholders. A proposed distribution is recognised as a liability in the period in which it is approved by the Manager. No distribution will be paid out of or effectively out of the Sub-Funds' capital.

(o) Related parties

A party is considered to be related to the Sub-Funds if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Sub-Funds;
 - (ii) has significant influence over the Sub-Funds; or
 - (iii) is a member of the key management personnel of the Sub-Funds or of a parent of the Sub-Funds;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Sub-Funds are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Sub-Funds or an entity related to the Sub-Funds;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a); and
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

3. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AND MOVEMENT OF UNITS

(a) Net assets attributable to unitholders

The creation and redemption of units of the Sub-Funds can only be facilitated by or through participating dealers. Investors other than the participating dealers make a request to create or redeem units through a participating dealer, and if the investor is a retail investor, such request must be made through a stockbroker which has opened an account with a participating dealer.

The Trustee shall receive subscription proceeds from the participating dealers for the creation of units and pay redemption proceeds for the redemption of units to the relevant participating dealer in such form and manner as prescribed by the Trust Deed. Subscriptions and redemptions of units during the period are shown on the statement of changes in net assets attributable to unitholders.

As stated in note 2(h), units of the Sub-Funds, which are represented by assets less liabilities, are classified as equity and accounted for in accordance with IFRS (the "Accounting NAV"). For the purpose of determining the NAV per unit for subscriptions and redemptions and for various fee calculations (the "Dealing NAV"), the Trustee calculates the Dealing NAV in accordance with the provisions of the Trust Deed, which may be different from the accounting policies under IFRS.

Adjustment for formation fee

In accordance with the prospectus of the Trust, the total formation fee of establishing S&P Emerging Asia Consumer ETF, S&P Global Consumer Brands ETF, S&P Asia ex JANZ Financials ETF, S&P Asia ex JANZ IT ETF, S&P Asia ex JANZ Industrials ETF, S&P Asia ex JANZ Energy ETF and S&P Asia ex JANZ Materials ETF was approximately HK\$3.7 million. The formation fee of establishing MSCI China ETF and Hang Seng High Dividend Yield ETF, which were newly launched during the period ended 31 March 2014, was HK\$529,997 each. The formation fee will be amortised over the first 3 financial years of the Sub-Funds, except for KOSPI 200 ETF. However, with respect to the Sub-Funds for the purpose of financial statements preparation in compliance with IFRS, their accounting policy is to expense the formation fee in the statement of comprehensive income as incurred.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

3. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AND MOVEMENT OF UNITS (CONTINUED)

(a) Net assets attributable to unitholders (continued)

Adjustment for formation fee (continued)

The difference between the Accounting NAV reported in the statement of net assets and the Dealing NAV for the purpose of calculating the net asset value per unit for processing subscriptions and redemptions and for various fee calculations as at 30 September 2014 and 31 March 2014 is reconciled below:

<u>As at 30 September 2014 (unaudited)</u>	<u>KOSPI 200 ETF</u> HK\$	<u>S&P Emerging Asia</u> <u>Consumer ETF</u> HK\$	<u>S&P Global Consumer</u> <u>Brands ETF</u> HK\$	<u>S&P Asia ex JANZ</u> <u>Financials ETF</u> HK\$	<u>S&P Asia ex JANZ IT</u> <u>ETF</u> HK\$
Accounting NAV as reported in the statement of net assets	40,655,262	234,073,115	162,540,248	20,364,538	42,182,552
Adjustment for formation fee	–	81,396	79,128	81,396	81,397
Dealing NAV	<u>40,655,262</u>	<u>234,154,511</u>	<u>162,619,376</u>	<u>20,445,934</u>	<u>42,263,949</u>
	<u>S&P Asia ex JANZ</u> <u>Industrials ETF</u> HK\$	<u>S&P Asia ex JANZ</u> <u>Energy ETF</u> HK\$	<u>S&P Asia ex JANZ</u> <u>Materials ETF</u> HK\$	<u>MSCI China ETF</u> HK\$	<u>Hang Seng High</u> <u>Dividend Yield ETF</u> HK\$
Accounting NAV as reported in the statement of net assets	17,513,142	14,466,361	21,805,613	313,077,275	252,388,266
Adjustment for formation fee	81,395	81,396	81,397	281,947	281,947
Dealing NAV	<u>17,594,537</u>	<u>14,547,757</u>	<u>21,887,010</u>	<u>313,359,222</u>	<u>252,670,213</u>

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

3. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AND MOVEMENT OF UNITS (CONTINUED)

(a) Net assets attributable to unitholders (continued)

Adjustment for formation fee (continued)

<u>As at 31 March 2014 (audited)</u>	<u>KOSPI 200 ETF</u> HK\$	<u>S&P Emerging Asia</u> <u>Consumer ETF</u> HK\$	<u>S&P Global Consumer</u> <u>Brands ETF</u> HK\$	<u>S&P Asia ex JANZ</u> <u>Financials ETF</u> HK\$	<u>S&P Asia ex JANZ IT</u> <u>ETF</u> HK\$
Accounting NAV as reported in the statement of net assets	40,483,212	235,138,175	181,101,254	18,619,347	39,430,501
Adjustment for formation fee	–	163,239	158,693	163,240	163,239
Dealing NAV	<u>40,483,212</u>	<u>235,301,414</u>	<u>181,259,947</u>	<u>18,782,587</u>	<u>39,593,740</u>
	<u>S&P Asia ex JANZ</u> <u>Industrials ETF</u> HK\$	<u>S&P Asia ex JANZ</u> <u>Energy ETF</u> HK\$	<u>S&P Asia ex JANZ</u> <u>Materials ETF</u> HK\$	<u>MSCI China ETF</u> HK\$	<u>Hang Seng High</u> <u>Dividend Yield ETF</u> HK\$
Accounting NAV as reported in the statement of net assets	21,655,685	13,628,372	21,311,894	292,398,820	235,938,336
Adjustment for formation fee	163,240	163,240	163,240	376,272	376,272
Dealing NAV	<u>21,818,925</u>	<u>13,791,612</u>	<u>21,475,134</u>	<u>292,775,092</u>	<u>236,314,608</u>

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

3. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AND MOVEMENT OF UNITS (CONTINUED)

(b) Movement of units

The table below summarises the movement of units for the periods ended 30 September 2014 and 31 March 2014, and the Accounting NAV per unit and the Dealing NAV per unit for each of the Sub-Funds at 30 September 2014 and 31 March 2014.

As at 30 September 2014
(unaudited)

	Number of units				Net assets attributable to unitholders	
	Units in issue at beginning of period	Creation during the period	Redemption during the period	Units in issue at end of period	Accounting NAV	Dealing NAV
					Per unit at period end HK\$	Per unit at period end HK\$
KOSPI 200 ETF	2,000,000	–	–	2,000,000	20.3277	20.3277
S&P Emerging Asia Consumer ETF	11,000,000	–	–	11,000,000	21.2794	21.2868
S&P Global Consumer Brands ETF	6,000,000	–	–	6,000,000	27.0901	27.1033
S&P Asia ex JANZ Financials ETF	800,000	–	–	800,000	25.4557	25.5575
S&P Asia ex JANZ IT ETF	1,400,000	–	–	1,400,000	30.1304	30.1886
S&P Asia ex JANZ Industrials ETF	1,000,000	–	(200,000)	800,000	21.8915	21.9932
S&P Asia ex JANZ Energy ETF	800,000	–	–	800,000	18.0830	18.1847
S&P Asia ex JANZ Materials ETF	1,200,000	–	–	1,200,000	18.1714	18.2392
MSCI China ETF	14,000,000	–	–	14,000,000	22.3627	22.3829
Hang Seng High Dividend Yield ETF	12,000,000	–	–	12,000,000	21.0324	21.0559

As at 31 March 2014 (audited)

	Number of units				Net assets attributable to unitholders	
	Units in issue at beginning of year/period	Creation during the year/period	Redemption during the year/period	Units in issue at end of year/period	Accounting NAV	Dealing NAV
					Per unit at year/period end HK\$	Per unit at year/period end HK\$
KOSPI 200 ETF	1,500,000	1,000,000	(500,000)	2,000,000	20.2417	20.2417
S&P Emerging Asia Consumer ETF	12,800,000	2,000,000	(3,800,000)	11,000,000	21.3762	21.3911
S&P Global Consumer Brands ETF	7,600,000	800,000	(2,400,000)	6,000,000	30.1836	30.2100
S&P Asia ex JANZ Financials ETF	2,000,000	200,000	(1,400,000)	800,000	23.2742	23.4783
S&P Asia ex JANZ IT ETF	3,400,000	–	(2,000,000)	1,400,000	28.1647	28.2813
S&P Asia ex JANZ Industrials ETF	2,400,000	–	(1,400,000)	1,000,000	21.6557	21.8190
S&P Asia ex JANZ Energy ETF	800,000	200,000	(200,000)	800,000	17.0355	17.2396
S&P Asia ex JANZ Materials ETF	1,200,000	–	–	1,200,000	17.7600	17.8960
MSCI China ETF	–	21,000,000	(7,000,000)	14,000,000	20.8857	20.9126
Hang Seng High Dividend Yield ETF	–	13,600,000	(1,600,000)	12,000,000	19.6616	19.6929

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

4. CREATION, REDEMPTION AND MAJOR NON-CASH TRANSACTIONS

KOSPI 200 ETF

For the period ended 30 September 2014, KOSPI 200 ETF:

- redeemed nil units (2013: 500,000 units) in exchange for cash balances of HK\$nil (2013: HK\$9,458,129).

S&P Emerging Asia Consumer ETF

For the period ended 30 September 2014, S&P Emerging Asia Consumer ETF:

- issued nil units (2013: 200,000 units) in exchange for cash balances of HK\$nil (2013: HK\$4,634,378).
- redeemed nil units (2013: 3,600,000 units) in exchange for cash balances of HK\$nil (2013: HK\$77,734,389).

S&P Global Consumer Brands ETF

For the period ended 30 September 2014, S&P Global Consumer Brands ETF:

- issued nil units (2013: 800,000 units) in exchange for cash balances of HK\$nil (2013: HK\$22,161,671).
- redeemed nil units (2013: 2,400,000 units) in exchange for cash balances of HK\$nil (2013: HK\$64,548,936).

S&P Asia ex JANZ Financials ETF

For the period ended 30 September 2014, S&P Asia ex JANZ Financials ETF:

- issued nil units (2013: 200,000 units) in exchange for cash balances of HK\$nil (2013: HK\$4,561,979).
- redeemed nil units (2013: 1,000,000 units) in exchange for cash balances of HK\$nil (2013: HK\$23,162,562).

S&P Asia ex JANZ IT ETF

For the period ended 30 September 2014, S&P Asia ex JANZ IT ETF:

- redeemed nil units (2013: 2,000,000 units) in exchange for cash balances of HK\$nil (2013: HK\$47,094,434).

S&P Asia ex JANZ Industrials ETF

For the period ended 30 September 2014, S&P Asia ex JANZ Industrials ETF:

- redeemed 200,000 units (2013: 1,400,000 units) in exchange for cash balances of HK\$4,445,352 (2013: HK\$28,898,556).

S&P Asia ex JANZ Energy ETF

For the period ended 30 September 2014, S&P Asia ex JANZ Energy ETF:

- issued nil units (2013: 200,000 units) in exchange for cash balances of HK\$nil (2013: HK\$3,385,860).

MSCI China ETF

For the period ended 30 September 2014, MSCI China ETF:

- issued nil units (2013¹: 17,400,000 units) in exchange for Application Baskets consisting of investments valued at HK\$nil (2013¹: HK\$46,583,832) and cash balances of HK\$nil (2013¹: HK\$289,778,466).

¹The financial period of this Sub-Fund, which was a new addition to the Trust during the period ended 30 September 2013, commences from 11 June 2013 (date of inception) to 30 September 2013.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

4. CREATION, REDEMPTION AND MAJOR NON-CASH TRANSACTIONS (CONTINUED)

Hang Seng High Dividend Yield ETF

For the period ended 30 September 2014, Hang Seng High Dividend Yield ETF:

- issued nil units (2013¹: 13,600,000 units) in exchange for Application Baskets consisting of investments valued at HK\$nil (2013¹: HK\$31,049,400) and cash balances of HK\$nil (2013¹: HK\$231,504,819).
- redeemed nil units (2013¹: 1,600,000 units) in exchange for cash balances of HK\$nil (2013¹: HK\$32,467,583).

For the period/year ended 30 September 2014 and 31 March 2014, S&P Asia Ex JANZ Materials ETF did not issue and redeem any units.

¹The financial period of this Sub-Fund, which was a new addition to the Trust during the period ended 30 September 2013, commences from 11 June 2013 (date of inception) to 30 September 2013.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

5. NET GAIN/(LOSS) ON INVESTMENTS

The following is a breakdown of net gain/(loss) on investments:

	<u>KOSPI 200 ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	<u>S&P Emerging Asia Consumer ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	<u>S&P Global Consumer Brands ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	<u>S&P Asia ex JANZ Financials ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	<u>S&P Asia ex JANZ IT ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$
Net realized (loss)/gain on sale of investments	(62,639)	(4,022,729)	–	89,233	330,120
Net change in unrealised gain/(loss) on investments	313,053	100,274	(20,148,770)	1,192,913	2,201,338
	<u>250,414</u>	<u>(3,922,455)</u>	<u>(20,148,770)</u>	<u>1,282,146</u>	<u>2,531,458</u>
	<u>S&P Asia ex JANZ Industrials ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	<u>S&P Asia ex JANZ Energy ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	<u>S&P Asia ex JANZ Materials ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	<u>MSCI China ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$	<u>Hang Seng High Dividend Yield ETF</u> For the six months from 1 April 2014 to 30 September 2014 (unaudited) HK\$
Net realised gain/(loss) on sale of investments	412,075	(107,369)	(8,920)	(216,181)	9,511,989
Net change in unrealised (loss)/gain on investments	(439,307)	649,065	260,365	11,940,163	(4,099,724)
	<u>(27,232)</u>	<u>541,696</u>	<u>251,445</u>	<u>11,723,982</u>	<u>5,412,265</u>

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

5. NET GAIN/(LOSS) ON INVESTMENTS (CONTINUED)

The following is a breakdown of net gain/(loss) on investments:

	<u>KOSPI 200 ETF</u>	<u>S&P Emerging Asia Consumer ETF</u>	<u>S&P Global Consumer Brands ETF</u>	<u>S&P Asia ex JANZ Financials ETF</u>	<u>S&P Asia ex JANZ IT ETF</u>
	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$
Net realised (loss)/gain on sale of investments	(742,001)	(184,847)	15,325,765	1,962,119	4,450,018
Net change in unrealised gain/(loss) on investments	889,739	(8,240,875)	11,152,140	(4,735,426)	(3,593,569)
	<u>147,738</u>	<u>(8,425,722)</u>	<u>26,477,905</u>	<u>(2,773,307)</u>	<u>856,449</u>
	<u><u>S&P Asia ex JANZ Industrials ETF</u></u>	<u><u>S&P Asia ex JANZ Energy ETF</u></u>	<u><u>S&P Asia ex JANZ Materials ETF</u></u>	<u><u>MSCI China ETF</u></u>	<u><u>Hang Seng High Dividend Yield ETF</u></u>
	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the six months from 1 April 2013 to 30 September 2013 (unaudited) HK\$	For the period from 11 June 2013 (date of inception) to 30 September 2013 (unaudited) HK\$	For the period from 11 June 2013 (date of inception) to 30 September 2013 (unaudited) HK\$
Net realised (loss)/gain on sale of investments	(76,225)	(233,216)	(567,868)	55,523	1,343,742
Net change in unrealised (loss)/gain on investments	(2,352,362)	(1,249,786)	595,348	33,058,801	10,153,887
	<u>(2,428,587)</u>	<u>(1,483,002)</u>	<u>27,480</u>	<u>33,114,324</u>	<u>11,497,629</u>

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

6. TRANSACTIONS WITH THE TRUSTEE/MANAGER AND ITS CONNECTED PERSONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Related parties of the Sub-Funds also include the Manager of the Sub-Funds and its connected persons. Connected persons of the Manager are those as defined in the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong (the "SFC Code"). All transactions entered into during the period between the Sub-Funds and their related parties, including the Manager and its connected persons were carried out in the normal course of business and on normal commercial terms. To the best of the Manager's knowledge, the Sub-Funds do not have any other transactions with their related parties, including the Manager and its connected persons except for those disclosed below.

(a) Brokerage commission

The Sub-Funds utilise the trading services of brokers who are related to the Trustee and the Manager in their purchase and sale of investments. The details of such transactions and the brokerage commission are shown below.

	Total transaction value HK\$	% of total transaction value of the Sub-Funds	Total brokerage commission HK\$	Average rate of commission
KOSPI 200 ETF				
<i>For the six months ended 30 September 2014 (unaudited):</i>				
Mirae Asset Securities Co., Ltd	87,854	3.97%	22	0.02%
<i>For the six months ended 30 September 2013 (unaudited):</i>				
Citigroup Global Markets Seoul Securities Ltd	9,488,023	91.81%	2,834	0.03%
Mirae Asset Securities Co., Ltd	42,450	0.41%	11	0.02%
	Total transaction value HK\$	% of total transaction value of the Sub-Funds	Total brokerage commission HK\$	Average rate of commission
S&P Emerging Asia Consumer ETF				
<i>For the six months ended 30 September 2014 (unaudited):</i>				
Mirae Asset Securities (HK) Limited	40,625	0.04%	12	0.03%
<i>For the six months ended 30 September 2013 (unaudited):</i>				
Citigroup Global Markets Bombay Securities Ltd	1,050,906	0.52%	315	0.03%
Citigroup Global Markets New York City Securities Ltd	5,550,150	2.72%	1,684	0.03%
Citigroup Global Markets Taipei Securities Ltd	264,840	0.13%	80	0.03%
Mirae Asset Securities Co., Ltd	2,297,551	1.13%	230	0.01%

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

6. TRANSACTIONS WITH THE TRUSTEE/MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(a) Brokerage commission (continued)

	Total transaction value HK\$	% of total transaction value of the Sub-Funds	Total brokerage commission HK\$	Average rate of commission
<u>S&P Asia ex JANZ Financials ETF</u>				
<i>For the six months ended 30 September 2014 (unaudited):</i>				
Citigroup Global Markets Asia Ltd	12,849	1.02%	186	1.45%
Mirae Asset Securities (HK) Limited	137,343	10.88%	41	0.03%
Mirae Asset Securities Co., Ltd	14,064	1.11%	3	0.02%
<i>For the six months ended 30 September 2013 (unaudited):</i>				
Citigroup Global Markets Bombay Securities Ltd	339,466	1.11%	102	0.03%
Citigroup Global Markets New York City Securities Ltd	3,404,834	11.13%	1,031	0.03%
Citigroup Global Markets Seoul Securities Ltd	335,547	1.10%	101	0.03%
Citigroup Global Markets Taipei Securities Ltd	417,700	1.37%	126	0.03%
Mirae Asset Securities Co., Ltd	17,114	0.06%	7	0.04%
	Total transaction value HK\$	% of total transaction value of the Sub-Funds	Total brokerage commission HK\$	Average rate of commission
<u>S&P Asia ex JANZ Industrials ETF</u>				
<i>For the six months ended 30 September 2014 (unaudited):</i>				
Citigroup Global Markets Bombay Securities Ltd	148,032	0.02%	44	0.03%
Citigroup Global Markets London Securities Ltd	3,098,637	0.36%	930	0.03%
Citigroup Global Markets Seoul Securities Ltd	956,060	0.11%	287	0.03%
Citigroup Global Markets Taipei Securities Ltd	173,550	0.02%	52	0.03%
Mirae Asset Securities (HK) Limited	33,350	0.00%	10	0.03%
	Total transaction value HK\$	% of total transaction value of the Sub-Funds	Total brokerage commission HK\$	Average rate of commission
<u>S&P Asia ex JANZ Materials ETF</u>				
<i>For the six months ended 30 September 2014 (unaudited):</i>				
Mirae Asset Securities Co., Ltd	43,621	0.02%	11	0.02%

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

6. TRANSACTIONS WITH THE TRUSTEE/MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(a) Brokerage commission (continued)

	Total transaction value HK\$	% of total transaction value of the Sub-Funds	Total brokerage commission HK\$	Average rate of commission
<u>MSCI China ETF</u>				
<i>For the six months ended 30 September 2014 (unaudited):</i>				
Citigroup Global Markets Asia Ltd	22,844	0.20%	57	0.25%
<i>For the period from 11 June 2013 (date of inception) to 30 September 2013 (unaudited):</i>				
Mirae Asset Securities Co., Ltd	481,170	0.23%	102	0.02%
	Total transaction value HK\$	% of total transaction value of the Sub-Funds	Total brokerage commission HK\$	Average rate of commission
<u>Hang Seng High Dividend Yield ETF</u>				
<i>For the six months ended 30 September 2014 (unaudited):</i>				
Mirae Asset Securities (HK) Limited	189,886	0.10%	57	0.03%
<i>For the period from 11 June 2013 (date of inception) to 30 September 2013 (unaudited):</i>				
Mirae Asset Securities Co., Ltd	4,906,312	1.84%	1,418	0.03%

During the period ended 30 September 2014, S&P Global Consumer Brands ETF, S&P Asia ex JANZ IT ETF and S&P Asia ex JANZ Energy ETF did not utilise the trading services of brokers who are related to the Trustee and the Manager in their purchase and sale of investments.

During the period ended 30 September 2013, S&P Global Consumer Brands ETF, S&P Asia ex JANZ IT ETF, S&P Asia ex JANZ Industrials ETF, S&P Asia ex JANZ Energy ETF and S&P Asia ex JANZ Materials ETF did not utilise the trading services of brokers who are related to the Trustee and the Manager in their purchase and sale of investments.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

(b) Management fee

The Manager is entitled to receive a management fee, calculated at an annual rate of the net asset value of the Sub-Funds at each dealing day, accrued daily and payable monthly in arrears. The Manager is also entitled to receive a servicing fee which is waived by the Manager.

	<u>Maximum rate of the net asset value in %</u>	<u>Annual rate of the net asset value in %</u>	
		For the period ended 30 September 2014 (unaudited)	For the period ended 30 September 2013 (unaudited)
KOSPI 200 ETF	0.35%	0.05%	0.35%
S&P Emerging Asia Consumer ETF	0.45%	0.45%	0.45%
S&P Global Consumer Brands ETF	0.45%	0.45%	0.45%
S&P Asia ex JANZ Financials ETF	0.45%	0.45%	0.45%
S&P Asia ex JANZ IT ETF	0.45%	0.45%	0.45%
S&P Asia ex JANZ Industrials ETF	0.45%	0.45%	0.45%
S&P Asia ex JANZ Energy ETF	0.45%	0.45%	0.45%
S&P Asia ex JANZ Materials ETF	0.45%	0.45%	0.45%
MSCI China ETF ¹	0.049%	0.049%	0.049%
Hang Seng High Dividend Yield ETF ¹	0.18%	0.18%	0.18%

(c) Trustee fee

The Trustee is entitled to receive a trustee fee, calculated at an annual rate of the net asset value of the Sub-Funds at each dealing day, accrued daily and payable monthly in arrears.

Under the terms of the Trust Deed, the Trustee may, after consulting the Manager, on giving not less than one month's notice to unitholders, increase the rate of the trustee fee payable in respect of the Sub-Funds up to or towards the maximum rate of 1 per cent per annum of the net asset value of the Sub-Funds.

	<u>Annual rate² of the net asset value in %</u>	
	For the period ended 30 September 2014 (unaudited)	For the period ended 30 September 2013 (unaudited)
KOSPI 200 ETF	0.12%	0.12%
S&P Emerging Asia Consumer ETF	0.12%	0.12%
S&P Global Consumer Brands ETF	0.12%	0.12%
S&P Asia ex JANZ Financials ETF	0.12%	0.12%
S&P Asia ex JANZ IT ETF	0.12%	0.12%
S&P Asia ex JANZ Industrials ETF	0.12%	0.12%
S&P Asia ex JANZ Energy ETF	0.12%	0.12%
S&P Asia ex JANZ Materials ETF	0.12%	0.12%
MSCI China ETF ¹	0.10%	0.10%
Hang Seng High Dividend Yield ETF ¹	0.10%	0.10%

¹The financial period of these Sub-Funds, which were new additions to the Trust during the period ended 30 September 2013, extended from 11 June 2013 (date of inception) to 30 September 2013.

²The current standard annual rates of all Sub-Funds, except for MSCI China ETF and Hang Seng High Dividend Yield ETF, are 0.12% (0.10% for MSCI China ETF and Hang Seng High Dividend Yield ETF), 0.08% and 0.06% if the net asset value of each sub-fund equals or is less than US\$200 million, is between US\$200 million and US\$500 million, and exceeds US\$500 million respectively, and is subject to a minimum fee of US\$6,000 per month. However, applied minimum monthly fee can be revised down upon concession from the Trustee. Concession was given to all 10 Sub-Funds until 30 September 2014. The applied concession annual rate of the 10 Sub-Funds is subject to a minimum fee of US\$2,000 per month until 30 September 2014.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

6. TRANSACTIONS WITH THE TRUSTEE/MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(c) Trustee fee (continued)

Trustee fee is borne by both the Sub-Funds and the Manager as follows:

	For the period ended 30 September 2014 (unaudited)	
	Portion borne by the Sub-Funds	Portion borne by the Manager
	HK\$	HK\$
KOSPI 200 ETF	25,524	67,522
S&P Emerging Asia Consumer ETF	143,135	–
S&P Global Consumer Brands ETF	107,399	–
S&P Asia ex JANZ Financials ETF	12,237	80,808
S&P Asia ex JANZ IT ETF	25,978	67,068
S&P Asia ex JANZ Industrials ETF	11,202	81,843
S&P Asia ex JANZ Energy ETF	9,023	84,023
S&P Asia ex JANZ Materials ETF	13,610	79,435
MSCI China ETF	156,765	–
Hang Seng High Dividend Yield ETF	128,278	–

	For the period ended 30 September 2013 (unaudited)	
	Portion borne by the Sub-Funds	Portion borne by the Manager
	HK\$	HK\$
KOSPI 200 ETF	12,105	80,991
S&P Emerging Asia Consumer ETF	151,015	–
S&P Global Consumer Brands ETF	109,653	–
S&P Asia ex JANZ Financials ETF	24,682	68,414
S&P Asia ex JANZ IT ETF	23,946	69,149
S&P Asia ex JANZ Industrials ETF	23,606	69,490
S&P Asia ex JANZ Energy ETF	9,226	83,870
S&P Asia ex JANZ Materials ETF	12,714	80,382
MSCI China ETF ¹	87,889	9,861
Hang Seng High Dividend Yield ETF ¹	63,985	10,109

(d) Other expenses

(i) Formation fee

During the period ended 30 September 2013, formation fees were finalised and amounted to HK\$528,606 for each of S&P Emerging Asia Consumer ETF, S&P Asia ex JANZ Financials ETF, S&P Asia ex JANZ IT ETF, S&P Asia ex JANZ Industrials ETF, S&P Asia ex JANZ Energy ETF and S&P Asia ex JANZ Materials ETF and HK\$514,029 for S&P Global Consumer Brands ETF. The formation fee for these 7 Sub-Funds is payable over the first 3 years from their inception date. The resultant reduction in formation fee by HK\$8,525 each for these 7 Sub-Funds were recorded as “other income” in the statement of comprehensive income for the period ended 30 September 2013.

The formation fee of establishing MSCI China ETF and Hang Seng High Dividend Yield ETF, which were newly launched during the period ended 30 September 2013, was HK\$529,997 each. Similar to the above-mentioned 7 Sub-Funds, the formation fee for these 2 Sub-Funds is payable over the first 3 years from their inception date.

¹The financial period of these Sub-Funds, which were new additions to the Trust during the period ended 30 September 2013, extended from 11 June 2013 (date of inception) to 30 September 2013.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

6. TRANSACTIONS WITH THE TRUSTEE/MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(d) Other expenses (continued)

(ii) *Administration fee*

The Manager is responsible for the payment of several fees, such as audit fee, conversion agent fee and index licensing fee, etc, for the administration of the Sub-Funds. The Manager is entitled to receive a recharge of the administration fee, calculated at an annual rate on the net asset value of the Sub-Funds at each dealing day and payable monthly in arrears, as illustrated by the table below.

	<u>Current annual rate of the net asset value in %</u>	
	For the period ended 30 September 2014 (unaudited)	For the period ended 30 September 2013 (unaudited)
KOSPI 200 ETF	0.120%	0.130%
S&P Emerging Asia Consumer ETF	0.180%	0.180%
S&P Global Consumer Brands ETF	0.180%	0.180%
S&P Asia ex JANZ Financials ETF	0.180%	0.180%
S&P Asia ex JANZ IT ETF	0.180%	0.180%
S&P Asia ex JANZ Industrials ETF	0.180%	0.180%
S&P Asia ex JANZ Energy ETF	0.180%	0.180%
S&P Asia ex JANZ Materials ETF	0.180%	0.180%
MSCI China ETF ¹	0.101%	0.101%
Hang Seng High Dividend Yield ETF ¹	0.100%	0.100%

¹The financial period of these Sub-Funds, which were new additions to the Trust during the period ended 30 September 2013, extended from 11 June 2013 (date of inception) to 30 September 2013.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

6. TRANSACTIONS WITH THE TRUSTEE/MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(d) Other expenses (continued)

(ii) *Administration fee (continued)*

The tables below list the breakdown of the administration fee incurred by the Sub-Funds.

<u>KOSPI 200 ETF</u>	For the six months ended 30 September 2014 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	3,162	21,907	25,069
Index licensing fee	1,270	–	1,270
Other administration fee	21,091	146,136	167,227
	<u>25,523</u>	<u>168,043</u>	<u>193,566</u>

	For the six months ended 30 September 2013 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	971	34,125	35,096
Index licensing fee	504	–	504
Other administration fee	11,638	409,248	420,886
	<u>13,113</u>	<u>443,373</u>	<u>456,486</u>

<u>S&P Emerging Asia Consumer ETF</u>	For the six months ended 30 September 2014 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	20,848	4,221	25,069
Index licensing fee	59,639	–	59,639
Other administration fee	134,215	27,171	161,386
	<u>214,702</u>	<u>31,392</u>	<u>246,094</u>

	For the six months ended 30 September 2013 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	29,204	5,892	35,096
Index licensing fee	62,923	–	62,923
Other administration fee	134,396	27,115	161,511
	<u>226,523</u>	<u>33,007</u>	<u>259,530</u>

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

6. TRANSACTIONS WITH THE TRUSTEE/MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(d) Other expenses (continued)

(ii) Administration fee (continued)

S&P Global Consumer Brands ETF

	For the six months ended 30 September 2014 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	15,643	9,426	25,069
Index licensing fee	44,750	–	44,750
Other administration fee	100,706	60,680	161,386
	<u>161,099</u>	<u>70,106</u>	<u>231,205</u>

	For the six months ended 30 September 2013 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	21,205	13,891	35,096
Index licensing fee	45,689	–	45,689
Other administration fee	97,585	63,926	161,511
	<u>164,479</u>	<u>77,817</u>	<u>242,296</u>

S&P Asia ex JANZ Financials ETF

	For the six months ended 30 September 2014 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	1,782	23,286	25,068
Index licensing fee	5,099	34,008	39,107
Other administration fee	11,474	149,912	161,386
	<u>18,355</u>	<u>207,206</u>	<u>225,561</u>

	For the six months ended 30 September 2013 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	4,773	30,323	35,096
Index licensing fee	10,284	28,823	39,107
Other administration fee	21,966	139,545	161,511
	<u>37,023</u>	<u>198,691</u>	<u>235,714</u>

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

6. TRANSACTIONS WITH THE TRUSTEE/MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(d) Other expenses (continued)

(ii) Administration fee (continued)

S&P Asia ex JANZ IT ETF

	For the six months ended 30 September 2014 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	3,784	21,285	25,069
Index licensing fee	10,824	28,283	39,107
Other administration fee	24,359	137,027	161,386
	<u>38,967</u>	<u>186,595</u>	<u>225,562</u>

	For the six months ended 30 September 2013 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	4,631	30,465	35,096
Index licensing fee	9,977	29,129	39,106
Other administration fee	21,311	140,201	161,512
	<u>35,919</u>	<u>199,795</u>	<u>235,714</u>

S&P Asia ex JANZ Industrials ETF

	For the six months ended 30 September 2014 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	1,632	23,437	25,069
Index licensing fee	4,667	34,439	39,106
Other administration fee	10,504	150,882	161,386
	<u>16,803</u>	<u>208,758</u>	<u>225,561</u>

	For the six months ended 30 September 2013 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	4,565	30,531	35,096
Index licensing fee	9,836	29,271	39,107
Other administration fee	21,008	140,503	161,511
	<u>35,409</u>	<u>200,305</u>	<u>235,714</u>

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

6. TRANSACTIONS WITH THE TRUSTEE/MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(d) Other expenses (continued)

(ii) Administration fee (continued)

S&P Asia ex JANZ Energy ETF

	For the six months ended 30 September 2014 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	1,314	23,754	25,068
Index licensing fee	3,760	35,348	39,108
Other administration fee	8,460	152,926	161,386
	<u>13,534</u>	<u>212,028</u>	<u>225,562</u>

	For the six months ended 30 September 2013 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	1,784	33,312	35,096
Index licensing fee	3,844	35,263	39,107
Other administration fee	8,211	153,300	161,511
	<u>13,839</u>	<u>221,875</u>	<u>235,714</u>

S&P Asia ex JANZ Materials ETF

	For the six months ended 30 September 2014 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	1,982	23,086	25,068
Index licensing fee	5,671	33,436	39,107
Other administration fee	12,762	148,624	161,386
	<u>20,415</u>	<u>205,146</u>	<u>225,561</u>

	For the six months ended 30 September 2013 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	2,459	32,637	35,096
Index licensing fee	5,297	33,809	39,106
Other administration fee	11,315	150,197	161,512
	<u>19,071</u>	<u>216,643</u>	<u>235,714</u>

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

6. TRANSACTIONS WITH THE TRUSTEE/MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(d) Other expenses (continued)

(ii) *Administration fee (continued)*

MSCI China ETF

	For the six months ended 30 September 2014 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	12,645	12,424	25,069
Index licensing fee	62,706	–	62,706
Other administration fee	82,981	81,533	164,514
	<u>158,332</u>	<u>93,957</u>	<u>252,289</u>

	For the period from 11 June 2013 (date of inception) to 30 September 2013 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	12,693	13,974	26,667
Index licensing fee	35,156	–	35,156
Other administration fee	40,919	45,049	85,968
	<u>88,768</u>	<u>59,023</u>	<u>147,791</u>

Hang Seng High Dividend Yield ETF

	For the six months ended 30 September 2014 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	10,177	14,891	25,068
Index licensing fee	51,311	–	51,311
Other administration fee	66,790	97,725	164,515
	<u>128,278</u>	<u>112,616</u>	<u>240,894</u>

	For the period from 11 June 2013 (date of inception) to 30 September 2013 (unaudited)		
	Portion borne by the Sub-Fund HK\$	Portion borne by the Manager HK\$	Total HK\$
Audit fee	9,089	17,578	26,667
Index licensing fee	25,594	–	25,594
Other administration fee	29,302	56,667	85,969
	<u>63,985</u>	<u>74,245</u>	<u>138,230</u>

(iii) *Custody fee and bank charges*

Custody fee and bank charges of the Sub-Funds for the periods ended 30 September 2014 and 30 September 2013 were charged by Citibank N.A., a related company of the Trustee.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

6. TRANSACTIONS WITH THE TRUSTEE/MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(e) Bank balances

Bank balances held with Citibank N.A., a related company of the Trustee, are placed in interest-bearing accounts. The carrying accounts of the bank balances approximate their fair value. Interest was earned on these bank balances during the periods ended 30 September 2014 and 30 September 2013.

7. SOFT COMMISSION ARRANGEMENTS

The Manager may effect transactions, provided that any such transaction is consistent with standards of “best execution”, by or through the agency of another person for the account of the Sub-Funds with whom the Manager or any of its connected persons have an arrangement under which that party will from time to time provide to or procure for the Manager or any of its connected persons goods, services or other benefits (such as advisory services, computer hardware associated with specialised software or research services and performance measures) the nature of which is such that their provision can reasonably be expected to benefit the Sub-Funds as a whole and may contribute to an improvement in the performance of the Sub-Funds. For the avoidance of doubt, such goods and services may not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employees’ salaries or direct money payments. Since the inception of the Sub-Funds, the Manager had not participated in any soft commission arrangements in respect of any transactions for the account of the Sub-Funds.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

8. TAXATION

No provision for Hong Kong profits tax has been made for the Sub-Funds as they are authorised as collective investment schemes under section 104 of the Hong Kong Securities and Futures Ordinance and are therefore exempt from profits tax under section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

The Sub-Funds invest in shares of companies in the People's Republic of China ("PRC") listed on the SEHK ("H-shares"). Under the PRC Corporate Income Tax Law, the Sub-Funds may be liable to pay PRC tax on the capital gains realised in the trading of H-shares. However, no provision was made for taxation from such gains in the financial statements as the Manager believes that the Sub-Funds can sustain a position for not filing a tax return based on the existing tax regulations and that the enforcement of China tax on capital gains is not probable.

Withholding tax was charged on certain dividend income of the Sub-Funds during the periods ended 30 September 2014 and 30 September 2013.

For S&P Emerging Asia Consumer ETF and S&P Asia ex JANZ Materials ETF, capital gains tax was charged on realised gains on disposal of Indian securities during the period ended 30 September 2013.

9. DISTRIBUTIONS

The Manager may in its absolute discretion distribute income to unitholders at such time or times as it may determine in each financial year or determine that no distribution shall be made in any financial year. The amount to be distributed to unitholders, if any, will be derived from the net income of the Sub-Funds.

The Sub-Funds did not make any distribution for the periods ended 30 September 2014 and 30 September 2013.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

10. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE

The SFC Code allows the Sub-Funds to invest in constituent securities issued by a single issuer for more than 10% of the Sub-Funds' net asset value provided that:

- (a) the investment is limited to any constituent securities that each accounts for more than 10% of the weighting of the indices; and
- (b) the Sub-Funds' holding of any such constituent securities may not exceed their respective weightings in the tracked index, except where weightings are exceeded as a result of changes in the composition of the tracked index and the excess is only transitional and temporary in nature.

Constituent securities that account for more than 10% of the net asset value of the Sub-Funds as at period end were as follows:

<u>As at 30 September 2014 (unaudited)</u>	Respective weighting in the tracked index	Respective weighting in the Sub-Fund's net asset value
<i>KOSPI 200 ETF</i>		
SAMSUNG ELECTRONICS CO LTD	19.30%	19.11%
<i>S&P Asia ex JANZ IT ETF</i>		
SAMSUNG ELECTRONICS CO LTD	19.48%	19.66%
TENCENT HOLDINGS LTD	11.55%	11.50%
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	10.72%	10.67%
<i>S&P Asia ex JANZ Industrials ETF</i>		
HUTCHISON WHAMPOA LTD	11.64%	11.27%
<i>S&P Asia ex JANZ Energy ETF</i>		
CNOOC LTD HKD0.02	15.27%	15.10%
PETROCHINA CO LTD	14.97%	14.86%
RELIANCE INDUSTRIES LTD	13.43%	12.98%
CHINA PETROLEUM & CHEMICAL-H	12.37%	12.41%
<i>S&P Asia ex JANZ Materials ETF</i>		
POSCO	17.45%	17.23%
<i>MSCI China ETF</i>		
TENCENT HOLDINGS LTD	10.04%	10.07%

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

10. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE (CONTINUED)

<u>As at 31 March 2014 (audited)</u>	Respective weighting in the tracked index	Respective weighting in the Sub-Fund's net asset value
<i>KOSPI 200 ETF</i>		
SAMSUNG ELECTRONICS CO LTD	22.04%	21.95%
<i>S&P Asia ex JANZ IT ETF</i>		
SAMSUNG ELECTRONICS CO LTD	24.10%	24.03%
TENCENT HOLDINGS LTD	11.48%	11.49%
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	11.33%	11.25%
<i>S&P Asia ex JANZ Industrials ETF</i>		
HUTCHISON WHAMPOA LTD	15.39%	15.18%
<i>S&P Asia ex JANZ Energy ETF</i>		
RELIANCE INDUSTRIES LTD	14.30%	14.47%
CNOOC LTD HKD0.02	14.03%	14.03%
PETROCHINA CO LTD	13.35%	13.39%
CHINA PETROLEUM & CHEMICAL-H	13.26%	13.44%
<i>S&P Asia ex JANZ Materials ETF</i>		
POSCO	16.29%	16.34%
<i>MSCI China ETF</i>		
TENCENT HOLDINGS LIMITED	9.94%	10.33%

S&P Emerging Asia Consumer ETF, S&P Global Consumer Brands ETF, S&P Asia ex JANZ Financials ETF and Hang Seng High Dividend Yield ETF did not have any constituent securities that accounted for more than 10% of their respective net asset value as at 30 September 2014.

S&P Emerging Asia Consumer ETF, S&P Global Consumer Brands ETF, S&P Asia ex JANZ Financials ETF and Hang Seng High Dividend Yield ETF did not have any constituent securities that accounted for more than 10% of their respective net asset value as at 31 March 2014.

HORIZONS EXCHANGE TRADED FUNDS SERIES

NOTES TO THE FINANCIAL STATEMENTS

10. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE (CONTINUED)

During the period/year, the Sub-Funds' performance, together with their respective index performance, were as follows:

	<u>For the period ended</u> 30 September 2014 (unaudited)		<u>For the year ended</u> 31 March 2014 (audited)	
	Sub-Fund performance (%)	Index performance (%)	Sub-Fund performance (%)	Index performance (%)
KOSPI 200 ETF	0.42	0.46	3.82	2.21
S&P Emerging Asia Consumer ETF	(0.49)	0.20	(1.35)	0.20
S&P Global Consumer Brands ETF	(10.28)	(10.14)	21.76	23.49
S&P Asia ex JANZ Financials ETF	8.86	9.86	(4.51)	(2.93)
S&P Asia ex JANZ IT ETF	6.74	7.55	17.73	18.67
S&P Asia ex JANZ Industrials ETF	0.80	2.04	(0.36)	1.57
S&P Asia ex JANZ Energy ETF	5.48	6.68	(10.69)	(9.08)
S&P Asia ex JANZ Materials ETF	1.92	3.17	(0.82)	0.28
MSCI China ETF	7.03	7.13	14.37	6.68
Hang Seng High Dividend Yield ETF	6.92	7.31	0.84	1.07

11. SEGMENT INFORMATION

The Manager makes the strategic resource allocations on behalf of the Sub-Funds and has determined the operating segments based on the reports reviewed which are used to make strategic decisions.

The Manager considers that each Sub-Fund has a single operating segment which is investing in securities. The objectives of the Sub-Funds are to track the performance of their respective indices and invest in substantially all the index constituents with security weight and industry weight that are closely aligned with the characteristics of the tracked indices.

The internal financial information used by the Manager for the Sub-Funds' assets, liabilities and performance is the same as that disclosed in the statement of net assets and statement of comprehensive income.

There were no changes in the reportable segment during the period.

The Sub-Funds are domiciled in Hong Kong. All of the Sub-Funds' income is derived from investments in securities which constitute the relevant tracked indices. The Sub-Funds' investments have been categorised by relevant industry but no industrial information for performance is provided as the Manager considers that the cost to develop it would be excessive and the information is generally not used by the Manager in managing the Sub-Funds.

The Sub-Funds have no assets classified as non-current assets. The Sub-Funds have portfolios that closely correspond to the security weight and industry weight of the relevant tracked indices. Refer to note 10 for investment holdings that account for more than 10% of each Sub-Fund's net asset value.

12. SUBSEQUENT EVENTS

On 24 September 2014, the Trust launched a sub-fund namely Horizons CSI 300 ETF.

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED)

As at 30 September 2014

KOSPI 200 ETF

Listed Equities	Holdings	Fair value HK\$	% of net assets
Consumer Discretionary			
BASIC HOUSE CO LTD/THE KRW500	92	16,312	0.04%
CHEIL WORLDWIDE INC	652	107,206	0.26%
COWAY CO LTD	404	250,555	0.62%
DAE WON KANG UP CO. SHS	324	16,447	0.04%
DAEKYO CO LTD SHS	204	10,986	0.03%
DONG AH TIRE & RUBBER CO LTD	76	11,462	0.03%
DONGYANG MECHATRONICS CORP KRW500	180	11,720	0.03%
GLOBAL & YUASA BATTERY CO KRW500	68	22,512	0.06%
GRAND KOREA LEISURE CO LTD KRW500	488	150,607	0.37%
HALLA VISTEON CLIMATE CONTROL	300	113,002	0.28%
HANDSOME CO LTD	108	25,902	0.06%
HANKOOK TIRE CO KRW500	600	227,328	0.56%
HANSAE CO LTD KRW500	128	34,748	0.09%
HOTEL SHILLA CO LTD	268	235,612	0.58%
HUVIS CORP HUVIS CORP	112	10,052	0.02%
HWA SHIN CO LTD KRW500	128	9,982	0.02%
HYUNDAI DEPT STORE CO	124	146,417	0.36%
HYUNDAI MOBIS	552	1,043,677	2.57%
HYUNDAI MOTOR CO	1,244	1,743,449	4.29%
HYUNDAI WIA CORP KRW5000	116	183,481	0.45%
KANGWON LAND INC KRW500	1,124	296,449	0.73%
KIA MOTORS CORPORATION	2,128	840,697	2.07%
KUMHO TIRE CO INC KRW5000	956	75,607	0.19%
LF CORP	152	39,139	0.10%
LG ELECTRONICS INC	860	415,679	1.02%
LOTTE SHOPPING CO	76	176,683	0.43%
MANDO CORP	104	104,821	0.26%
MOTONIC CORP KRW500	68	6,979	0.02%
NEXEN TIRE CORPORATION	312	31,676	0.08%
S&T MOTIV CO LTD	64	17,139	0.04%
SEJONG INDUSTRIAL CO LTD KRW500	72	9,535	0.02%
SEOYEON CO LTD	50	7,099	0.02%
SHINSEGAE CO LTD ORD	60	96,890	0.24%
SL CORP	96	15,396	0.04%
SSANGYONG MOTOR CO.	332	16,096	0.04%
TORAY CHEMICAL KOREA INC	152	15,600	0.04%
		6,536,942	
Consumer Staples			
ABLE C&C KRW500	72	15,679	0.04%
AMOREPACIFIC GROUP	24	206,405	0.51%
AMOREPACIFIC CORP	28	492,735	1.21%
BINGGRAE CO LTD	48	31,040	0.08%
CJ CHEIJEDANG CORP	64	182,451	0.45%
CROWN CONFECTIONERY CO LTD KRW5000	4	5,886	0.01%
DAESANG CORPORATION	168	63,775	0.16%
DONGWON F&B CO LTD	8	20,070	0.05%
E-MART CO LTD KRW5000	168	284,888	0.70%
GS RETAIL CO LTD GS RETAIL CO LTD	216	41,396	0.10%
HITE JINRO	256	43,600	0.11%
KOREA KOLMAR CO LTD KRW500	128	58,855	0.14%
KT N G CORP	888	617,360	1.52%
LG HOUSEHOLD & HEALTH CARE	76	283,475	0.70%
LOTTE CHILSUNG BEVERAGE CO	4	63,946	0.16%
LOTTE CONFECTIONERY CO LTD	8	128,245	0.32%
LOTTE FOOD CO LTD	8	44,848	0.11%
MUHAK CO LTD KRW200	112	27,562	0.07%
NAMYANG DAIRY PRODUCTS CO.	4	22,483	0.06%
NONG SHIM CO LTD	28	56,030	0.14%
ORION CORP	28	180,244	0.44%
OTTOGI CORPORATION	12	54,470	0.13%
SAMLIP GENERAL FOODS CO LTD	16	16,126	0.04%
SAMYANG HOLDINGS CORP	32	20,482	0.05%
		2,962,051	

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

KOSPI 200 ETF (continued)

Listed Equities	Holdings	Fair value HK\$	% of net assets
Energy			
GS HOLDINGS	412	122,151	0.30%
HANKOOK SHELL OIL CO LTD KRW5000	4	16,362	0.04%
SK INNOVATION CO LTD	560	334,120	0.82%
S-OIL CORPORATION	592	186,406	0.46%
		<u>659,039</u>	
Financials			
BS FINANCIAL GROUP INC	1,404	174,561	0.43%
DAEWOO SECURITIES CO LTD	1,452	114,834	0.28%
DONGBU INSURANCE CO LTD SHS	344	150,581	0.37%
HANA FINANCIAL HOLDINGS	2,224	629,926	1.55%
HANKOOK TIRE WORLDWIDE CO LTD	188	29,045	0.07%
HANWHA LIFE INSURANCE CO LTD	3,504	183,027	0.45%
HYUNDAI SECURITIES CO	824	42,616	0.10%
INDUSTRIAL BANK OF KOREA KRW5000	1,560	183,054	0.45%
KB FINANCIAL GROUP INC	2,964	840,614	2.07%
KOREA INVESTMENT HOLDINGS CO KRW5000	336	136,944	0.34%
MIRAE ASSET SECURITIES CO LT KRW5000	220	72,024	0.18%
SAMSUNG CARD CO NPV	280	107,528	0.26%
SAMSUNG FIRE & MARINE INS	288	598,556	1.47%
SAMSUNG LIFE INSURANCE CO KRW5000	808	630,102	1.55%
SAMSUNG SECURITIES CO LTD	464	150,539	0.37%
SHINHAN FINANCIAL GROUP LTD	3,444	1,231,383	3.03%
WOORI FINANCE HOLDINGS CO	2,456	235,794	0.58%
WOORI INVESTMENT & SECS-PFD KRW5000	884	76,741	0.19%
		<u>5,587,869</u>	
Health Care			
BUKWANG PHARMACEUTICAL CO	176	25,896	0.06%
DAEWOONG PHARMACEUTICAL CO	44	24,245	0.06%
DONG-A SOCIO HOLDINGS CO LTD	28	29,457	0.07%
DONG-A ST(SCIENCE& KRW5000	44	35,769	0.09%
GREEN CROSS SANG-A CORP KRW5000	48	45,024	0.11%
HANMI PHARM CO LTD KRW2500	48	30,828	0.08%
ILYANG PHARMACEUTICAL CO LTD KRW2500	96	19,175	0.05%
KWANG DONG PHARMACEUTICAL CO	276	20,102	0.05%
LG LIFE SCIENCES LTD	96	26,273	0.06%
SUHEUNG CAPSULE CO LTD KRW500	48	19,422	0.05%
YUHAN CORPORATION	76	103,997	0.26%
YUNGJIN PHARMACEUTICAL CO KRW500	716	8,375	0.02%
		<u>388,563</u>	

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

KOSPI 200 ETF (continued)

Listed Equities	Holdings	Fair value HK\$	% of net assets
Industrials			
CJ CORP KRW5000	104	133,130	0.33%
CJ KOREA EXPRESS CORP	76	93,653	0.23%
DAELIM INDUSTRIAL CO.	224	124,420	0.31%
DAEWOO ENGINEERING&CONSTRUCTION	1,676	94,695	0.23%
DAEWOO INTERNATIONAL CORP KRW5000	324	89,505	0.22%
DAEWOO SHIPBUILDING & MARINE	1,080	161,292	0.40%
DOOSAN CORP	60	45,686	0.11%
DOOSAN ENGINE CO LTD KRW1000	308	16,632	0.04%
DOOSAN HEAVY INDUSTRIES	472	90,457	0.22%
DOOSAN INFRACORE CO LTD	1,004	81,988	0.20%
FURSYS INC SHS	32	7,898	0.02%
HANJIN HEAVY INDUSTRIES CO. LTD COM A097	502	19,167	0.05%
HYUNDAI DEVELOPMENT COMPANY	516	162,096	0.40%
HYUNDAI ELEVATOR CO.	88	23,630	0.06%
HYUNDAI ENGINEERING & CONSTR	584	259,074	0.64%
HYUNDAI GLOVIS CO LTD	92	217,940	0.54%
HYUNDAI HEAVY INDUSTRIES	400	404,629	1.00%
HYUNDAI MERCHANT MARINE	956	68,714	0.17%
HYUNDAI MIPO DOCKYARD	80	72,980	0.18%
IS DONGSEO CO LTD KRW500	72	20,579	0.05%
KCC CORP	44	232,742	0.57%
KEPCO ENGINEERING & CONSTRU KRW200	76	36,231	0.09%
KEPCO PLANT SERVICE & ENGINE	144	88,565	0.22%
KOREA AEROSPACE IN KRW5000	552	165,486	0.41%
KOREA ELECTRIC TERMINAL CO	60	22,953	0.06%
KOREAN AIR LINES CO LTD	332	87,929	0.22%
LG CORP	768	433,927	1.07%
LG HAUSYS LTD KRW5000	52	79,955	0.20%
LG INTERNATIONAL CORP	220	41,596	0.10%
LS CORP	144	70,767	0.17%
LS INDUSTRIAL SYSTEMS	132	57,004	0.14%
POSCO PLANTEC CO LTD	428	10,769	0.03%
S&T DYNAMICS CO LTD	156	11,878	0.03%
S1 CORPORATION	200	119,917	0.29%
SAMSUNG C&T CORP	1,072	596,225	1.47%
SAMSUNG ENGINEERING CO LTD SHS	260	115,150	0.28%
SAMSUNG HEAVY INDUSTRIES	1,396	259,323	0.64%
SAMSUNG TECHWIN CO LTD	300	77,909	0.19%
SK HOLDINGS	228	316,184	0.78%
SK NETWORKS CO LTD	1,204	93,891	0.23%
		5,106,566	

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

KOSPI 200 ETF (continued)

Listed Equities	Holdings	Fair value HK\$	% of net assets
Information Technology			
DAEDUCK ELECTRONICS CO	276	18,660	0.05%
DAEDUCK GDS CO LTD	124	11,038	0.03%
HANSOL TECHNICS CO LTD	112	11,206	0.03%
HANSOL TECHNICS CO LTD-RIGHTS (29OCT14)	28	288	0.00%
ILJIN DISPLAY CO LTD KRW5000	128	7,684	0.02%
ILJIN MATERIALS CO LTD KRW500	128	9,125	0.02%
JAHWA ELECTRONICS CO LTD	88	7,866	0.02%
KOREA CIRCUIT CO.	76	4,529	0.01%
LG DISPLAY CO LTD	1,876	469,251	1.15%
LG INNOTEK CO LTD KRW5000	92	77,836	0.19%
NAVER CORP	240	1,424,881	3.50%
NCSOFT CORPORATION	144	142,488	0.35%
SAMSUNG ELECTRO MECHANICS	484	176,256	0.43%
SAMSUNG ELECTRONICS	892	7,769,809	19.11%
SAMSUNG SDI CO LTD	435	392,030	0.96%
SINDOH CO LTD	44	24,342	0.06%
SK C&C CO LTD	204	363,945	0.90%
SK HYNIX INC	4,592	1,579,346	3.88%
		12,490,580	
Materials			
DONGKUK STEEL MILL CO LTD	376	17,261	0.04%
FOOSUNG CO LTD KRW500	344	7,428	0.02%
HANIL CEMENT MANUFACTURING	32	32,135	0.08%
HANSOL PAPER CO LTD KRW5000	264	21,267	0.05%
HANWHA CHEMICAL CORP	720	72,568	0.18%
HANWHA CORPORATION	364	78,864	0.19%
HUCHEMS FINE CHEMICAL CORP KRW1000	200	34,724	0.09%
HYOSUNG CORPORATION	184	102,337	0.25%
HYUNDAI HYSKO	76	43,612	0.11%
HYUNDAI STEEL CO	612	334,079	0.82%
ISU CHEMICAL COMPANY LTD	76	5,955	0.01%
KISWIRE LTD	36	13,176	0.03%
KOLON CORP	48	8,175	0.02%
KOLON INDUSTRIES INC	132	56,616	0.14%
KOREA PETROCHEMICAL IND CO	20	10,594	0.03%
KOREA ZINC CO LTD	68	195,105	0.48%
KUKDO CHEMICAL CO LTD	36	12,527	0.03%
KUMHO PETRO CHEMICAL CO LTD	148	76,326	0.19%
LG CHEMICAL LTD COMMON STOCK	376	706,761	1.74%
LOCK&LOCK CO LTD KRW500	132	11,702	0.03%
LOTTE CHEMICAL CORP	124	128,172	0.32%
MOORIM P&P CO LTD KRW5000	276	9,757	0.02%
NAMHAE CHEMICAL CORP	180	10,872	0.03%
OCI COMPANY LTD	124	118,593	0.29%
POONGSAN CORP KRW5000	160	34,842	0.09%
POSCO	600	1,450,041	3.57%
SAMKWANG GLASS	24	12,218	0.03%
SAMSUNG FINE CHEMICALS	136	38,220	0.09%
SEAH BESTEEL CORP SHS	100	27,809	0.07%
SEAH STEEL CORPORATION	20	13,566	0.03%
SK CHEMICALS CO LTD	136	60,332	0.15%
SKC CO LTD	160	37,138	0.09%
SONGWON INDUSTRIAL CO LTD KRW500	128	6,036	0.01%
SSANGYONG CEMENT IND	452	34,417	0.08%
TAEKWANG INDUSTRIAL CO LTD KRW5000	4	39,139	0.10%
UNID CO LTD KRW5000	24	10,417	0.03%
YOUNG POONG CORPORATION KRW5000	4	40,698	0.10%
		3,913,479	

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

KOSPI 200 ETF (continued)

Listed Equities	Holdings	Fair value HK\$	% of net assets
Telecommunication Services			
KT CORP	1,792	452,195	1.11%
LG UPLUS CORP	2,292	208,245	0.51%
SK TELECOM CO LTD ORD	456	972,874	2.39%
		<u>1,633,314</u>	
Utilities			
KOREA ELECTRIC POWER CORP	2,592	919,128	2.26%
KOREA GAS CORPORATION	300	121,389	0.30%
		<u>1,040,517</u>	
Total listed investments		<u>40,318,920</u>	<u>99.22%</u>
Total investments, at cost		<u>40,467,915</u>	

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

S&P Emerging Asia Consumer ETF

Listed Equities	Holdings	Fair value HK\$	% of net assets
Consumer Discretionary			
ASTRA INTERNASIONAL TBK	3,536,500	15,888,958	6.79%
BEC WORLD PUBLIC CO LTD-NVDR THB1(NVDR)	170,500	1,919,044	0.82%
BELLE INTERNATIONAL HOLDINGS HKD0.01	825,000	7,202,250	3.08%
BRILLIANCE CHINA AUTOMOTIVE	550,000	7,458,000	3.19%
BYD CO LTD-H	82,500	4,252,875	1.82%
CHENG SHIN RUBBER IND CO LTD	275,000	4,710,380	2.01%
DONGFENG MOTOR GRP CO LTD-H	440,000	5,614,400	2.40%
GEELY AUTOMOBILE ORD SHS	825,000	2,681,250	1.15%
GENTING BHD	390,500	8,771,946	3.75%
GENTING MALAYSIA BHD	506,000	5,006,515	2.14%
GIANT MANUFACTURING SHS	55,000	3,327,452	1.42%
GREAT WALL MOTOR COMPANY-H SHS H	192,500	5,803,875	2.48%
GUANGZHOU AUTOMOBILE GROUP-H	330,000	2,478,300	1.06%
HAIER ELECTRONICS GROUP CO HKD0.1	165,000	3,357,750	1.43%
HOTAI MOTOR COMPANY LTD TWD10	55,000	5,812,511	2.48%
MAHINDRA & MAHINDRA LIMITED	52,360	8,958,651	3.83%
MARUTI SUZUKI INDIA LTD	12,320	4,744,442	2.03%
POU CHEN	440,000	3,796,384	1.62%
RUENTEX INDUSTRIES LTD TWD10	110,000	1,901,000	0.81%
TATA MOTORS LTD	160,325	10,122,398	4.32%
		<u>113,808,381</u>	
Consumer Staples			
BIG C SUPERCENTER PCL-NVDR THB10(NVDR)	49,500	2,738,292	1.17%
BRITISH AMERICAN TOBACCO BHD	16,500	2,753,479	1.18%
CHINA MENGNIU DAIRY CO HKD0.1	220,000	7,040,000	3.01%
CHINA RESOURCES ENTERPRISE	220,000	4,043,600	1.73%
CP ALL PCL	671,000	7,190,815	3.07%
HENGAN INTL GROUP CO LTD HKD0.1	110,000	8,398,500	3.59%
HINDUSTAN UNILEVER LIMITED	108,240	10,152,554	4.34%
IOI CORPORATION BHD	434,500	4,947,019	2.11%
ITC LTD	290,070	13,501,684	5.77%
NESTLE INDIA LIMITED INR10	3,520	2,641,603	1.13%
PPB GROUP BERHAD	71,500	2,403,273	1.03%
PRESIDENT CHAIN STORE CORP	110,000	6,121,388	2.62%
SUN ART RETAIL GRO HKD0.30	330,000	2,897,400	1.24%
THAI BEVERAGE PCL THB1	1,540,000	7,173,281	3.06%
TINGYI (CAYMAN ISLN) HLDG CO	330,000	6,732,000	2.88%
UNILEVER INDONESIA TBK PT	176,000	3,566,748	1.52%
UNI-PRESIDENT ENTERPRISES CO	699,600	9,429,409	4.03%
UNITED SPIRITS LIMITED	12,760	3,854,935	1.65%
WANT WANT CHINA HOLDINGS LTD	1,045,000	10,115,600	4.32%
		<u>115,701,580</u>	
Total listed investments		<u>229,509,961</u>	<u>98.08%</u>
Total investments, at cost		<u>227,255,052</u>	

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

S&P Global Consumer Brands ETF

Listed Equities	Holdings	Fair value HK\$	% of net assets
Consumer Discretionary			
ADIDAS AG NPV	7,076	4,112,574	2.53%
BMW	6,866	5,726,146	3.52%
BRIDGESTONE CORP COM	21,600	5,538,138	3.41%
CHRISTIAN DIOR	4,067	5,293,984	3.26%
CIE FINANCIERE RICHEMON-REG	8,100	5,157,525	3.17%
CONTINENTAL AG	3,272	4,835,261	2.97%
DAIMLERCHRYSLER AG ORD	8,449	5,033,222	3.10%
DENSO CORP ORD	15,300	5,474,875	3.37%
FORD MTR CO DEL COM PAR \$0.01	50,300	5,776,761	3.55%
GALAXY ENTERTAINMENT GRP LTD HKD0.10	83,000	3,743,300	2.30%
HENNES & MAURITZ AB-B SHS	17,194	5,547,317	3.41%
HONDA MOTOR CO LTD	21,300	5,729,606	3.53%
HYUNDAI MOBIS	2,746	5,193,083	3.19%
HYUNDAI MOTOR CO	3,550	4,976,396	3.06%
INDITEX	26,770	5,744,258	3.53%
KERING	3,962	6,204,702	3.82%
KIA MOTORS CORPORATION	14,808	5,851,434	3.60%
LAS VEGAS SANDS CORP COM USD0.001	9,200	4,444,227	2.73%
LVMH MOET HENNESSY LOUI V SA	4,293	5,419,721	3.33%
MCDONALDS CORP COM	7,800	5,742,447	3.53%
MICHELIN (CGDE)	6,240	4,571,160	2.81%
NIKE INC CL B	9,700	6,718,693	4.13%
NISSAN MOTOR CO LTD	90,100	6,818,111	4.19%
PRICELINE GROUP INC/THE	600	5,397,908	3.32%
SANDS CHINA LTD	96,400	3,904,200	2.40%
SWATCH GROUP AG/THE-BR	1,206	4,450,575	2.74%
TOYOTA MOTOR CORP	13,900	6,359,318	3.91%
VOLKSWAGEN AG-PREF	3,062	4,937,926	3.04%
WPP PLC	37,757	5,893,734	3.63%
YUM BRANDS INC COM	10,100	5,645,227	3.47%
Total listed investments		<u>160,241,829</u>	<u>98.55%</u>
Total investments, at cost		<u><u>153,248,366</u></u>	

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

S&P Asia ex JANZ Financials ETF

Listed Equities	Holdings	Fair value HK\$	% of net assets
Financials			
AGRICULTURAL BK CH 'H'CN1	68,000	233,919	1.15%
AIA GROUP LTD USD1.00	34,400	1,381,160	6.78%
AMMB HOLDINGS BHD	2,800	45,533	0.22%
AXIS BANK LIMITED	3,320	157,664	0.77%
AYALA CORPORATION	680	87,069	0.43%
AYALA LAND INC	16,400	99,177	0.49%
BANGKOK BANK PUBLIC CO-NVDR	1,200	58,624	0.29%
BANK CENTRAL ASIA TBK	36,800	306,635	1.51%
BANK MANDIRI TBK PT	28,000	179,778	0.88%
BANK NEGARA INDONESIA (PERSERO) TBK	22,000	77,462	0.38%
BANK OF AYUDHYA PUBLIC-NVDR	4,000	46,698	0.23%
BANK OF CHINA LTD - H CNY1	192,000	668,160	3.28%
BANK OF COMMUNICATIONS - H 'H'CN1.00	56,000	302,960	1.49%
BANK OF PHILIPPINE ISLANDS	4,120	69,863	0.34%
BANK RAKYAT INDONESIA PERSER	30,000	199,310	0.98%
BDO UNIBANK INC	4,160	70,577	0.35%
BOC HONG KONG HOLDINGS LTD	10,000	247,500	1.22%
CAPITALAND LTD	8,000	155,875	0.77%
CAPITAMALL TRUST	8,000	93,038	0.46%
CATHAY FINANCIAL HOLDING CO	23,133	292,601	1.44%
CENTRAL PATTANA PCL-NVDR THB1(NVDR)	4,000	44,543	0.22%
CHAILEASE HOLDING CO LTD TWD10	4,000	75,458	0.37%
CHANG HWA COMMERCIAL BANK	12,240	58,272	0.29%
CHEUNG KONG HOLDINGS LTD	4,000	511,600	2.51%
CHINA CINDA ASSET MANAGEME-H	28,000	95,760	0.47%
CHINA CITIC BANK CORP LTD-H	24,000	113,040	0.56%
CHINA CONSTRUCTION BANK-H	228,000	1,240,320	6.09%
CHINA DEVELOPMENT FINANCIAL	40,000	95,369	0.47%
CHINA LIFE INSURANCE CO LTD TWD10	8,000	51,258	0.25%
CHINA LIFE INSURANCE CO-H 'H'CN1	20,000	431,000	2.12%
CHINA MERCHANTS BANK - H	12,000	159,360	0.78%
CHINA MINSHENG BANKING-H	19,200	136,320	0.67%
CHINA OVERSEAS LAND & INVEST	8,000	159,840	0.78%
CHINA PACIFIC INSURANCE GR-H 'H'CN1	5,600	152,880	0.75%
CHINA RESOURCES LAND LTD SHS	8,000	128,000	0.63%
CHINA VANKE CO LTD-H	4,000	54,880	0.27%
CIMB GROUP HOLDINGS BERHAD	6,800	113,155	0.56%
CITIC SECURITIES CNY1'H'	2,000	35,800	0.18%
COUNTRY GARDEN HOLDINGS CO HKD0.10	20,000	58,600	0.29%
CTBC FINANCIAL HOLDING CO LTD	40,000	208,811	1.03%
DBS GROUP HOLDINGS LTD	4,000	448,627	2.20%
E SUN FINANCIAL HOLDINGS CO	17,426	82,072	0.40%
FIRST FINANCIAL TWD10	21,400	100,242	0.49%
FUBON FINANCIAL HOLDING CO	20,000	238,423	1.17%
GLOBAL LOGISTIC PR NPV	8,000	132,006	0.65%
HAITONG SECURITIES 'H'CN1	4,800	57,504	0.28%
HANA FINANCIAL HOLDINGS	840	237,975	1.17%
HANG LUNG PROPERTIES LTD	7,000	154,700	0.76%
HANG SENG BANK	2,000	249,400	1.22%
HANWHA LIFE INSURANCE CO LTD	720	37,617	0.18%
HDFC BANK LIMITED	3,392	372,173	1.83%
HENDERSON LAND DEVELOPMENT	4,400	221,320	1.09%
HONG KONG EXCHANGES & CLEAR	3,200	534,720	2.63%
HONG LEONG BANK BERHAD	1,200	41,528	0.20%
HONG LEONG FINANCIAL GROUP BERHAD	800	33,328	0.16%
HONGKONG LAND HOLDINGS LTD ORD USD0.10	4,000	211,211	1.04%
HOUSING DEVELOPMENT FINANCE	4,472	593,343	2.91%
HUA NAN FINANCIAL HOLDINGS C	20,600	93,340	0.46%
ICICI BANK LTD	1,632	294,159	1.44%
IND & COMM BK OF CHINA-H	228,000	1,103,520	5.42%
INDUSTRIAL BANK OF KOREA KRW5000	480	56,337	0.28%
KASIKORNBANK PCL-NVDR	3,600	202,597	0.99%
KB FINANCIAL GROUP INC	1,120	317,712	1.56%
KLCC PROPERTY HOLDINGS BHD	1,200	18,861	0.09%
KOTAK MAHINDRA BANK LTD	780	99,356	0.49%
KRUNG THAI BANK - NVDR UTS N-VTG DP R	10,000	56,756	0.28%

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

S&P Asia ex JANZ Financials ETF (continued)

Listed Equities	Holdings	Fair value HK\$	% of net assets
Financials (continued)			
LAND & HOUSES PUB - NVDR	8,800	21,917	0.11%
LINK REIT NPV	6,000	268,500	1.32%
LONGFOR PROPERTIES	4,000	35,520	0.17%
MALAYAN BANKING BERHAD	7,600	179,177	0.88%
MEGA FINANCIAL HOLDING CO LTD	26,000	165,594	0.81%
METROPOLITAN BANK & TRUST PHP20	3,200	48,061	0.24%
NEW CHINA LIFE INSURANCE C-H	1,600	43,280	0.21%
OVERSEA-CHINESE BANKING CORP	8,000	474,444	2.33%
PEOPLE'S INSURANCE 'H' CNY1	20,000	63,400	0.31%
PICC PROPERTY & CASUALTY -H 'H' CNY1	8,000	110,080	0.54%
PING AN INSURANCE GROUP CO-H 'H' CNY1	6,000	349,800	1.72%
PUBLIC BANK BHD	3,200	143,160	0.70%
RHB CAPITAL BHD	2,000	41,802	0.21%
RUENTEX DEVELOPMENT CO LTD TWD10	4,000	50,186	0.25%
SAMSUNG FIRE & MARINE INS	96	199,564	0.98%
SAMSUNG LIFE INSURANCE CO KRW5000	256	199,681	0.98%
SHIMAO PROPERTY HOLDINGS LTD HKD0.10	4,000	62,880	0.31%
SHIN KONG FINANCIAL HOLDINGS	25,301	59,613	0.29%
SHINHAN FINANCIAL GROUP LTD	1,360	486,370	2.39%
SIAM COMMERCIAL BANK P-NVDR	4,400	191,773	0.94%
SINGAPORE EXCHANGE LTD	4,000	176,090	0.86%
SINOPAC HOLDINGS	25,939	86,410	0.42%
SM PRIME HOLDINGS INC	22,000	66,540	0.33%
STATE BANK OF INDIA	396	121,772	0.60%
SUN HUNG KAI PROPERTIES	4,000	440,400	2.16%
SWIRE PAC LTD CL A	2,000	200,000	0.98%
SWIRE PROPERTIES LTD	3,200	77,440	0.38%
TAISHIN FINANCIAL HOLDINGS	21,986	79,976	0.39%
TAIWAN COOPERATIVE FINANCIAL TWD0.10	16,800	70,332	0.35%
THAI MILITARY BANK PCL-NVDR THB10 (NVDR)	60,000	44,255	0.22%
UEM SUNRISE BHD	3,600	15,509	0.08%
UNITED OVERSEAS BANK	4,000	545,562	2.68%
WHARF HOLDINGS	4,000	220,800	1.08%
WOORI FINANCE HOLDINGS CO	839	80,568	0.40%
YUANTA FINANCIAL HOLDING CO LTD	28,700	109,894	0.54%
Total listed investments		<u>20,217,046</u>	<u>99.30%</u>
Total investments, at cost		<u>17,205,143</u>	

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

S&P Asia ex JANZ IT ETF

Listed Equities	Holdings	Fair value HK\$	% of net assets
Information Technology			
ACER INC	21,000	114,718	0.27%
ADVANCED SEMICONDUCTOR ENGR	49,000	442,791	1.05%
ADVANTECH CO LTD	2,198	120,633	0.29%
ASUSTEK COMPUTER INC ORD	6,000	444,171	1.05%
AU OPTRONICS CORP	70,000	229,616	0.54%
BAIDU.COM - ADR SPON ADR REP A	2,100	3,558,623	8.44%
BOE TECHNOLOGY GROUP CO LT-B SHS B	10,500	26,880	0.06%
CATCHER TECHNOLOGY CO LTD SHS	7,000	503,904	1.19%
COMPAL ELECTRONICS	35,000	203,259	0.48%
DELTA ELECTRONICS INC	15,000	735,179	1.74%
EPISTAR CORP TWD10	6,000	87,149	0.21%
FIH MOBILE LTD	21,000	84,840	0.20%
FLEXTRONICS INTL LTD ORD	4,900	392,667	0.93%
FOXCONN TECHNOLOGY CO LTD	7,350	141,093	0.33%
HCL TECHNOLOGIES LTD	1,708	368,245	0.87%
HON HAI PRECISION INDS ORD	108,800	2,666,250	6.32%
HTC CORPORATION	6,000	202,174	0.48%
INFOSYS LTD	3,867	1,822,189	4.32%
INNOLUX CORP	65,000	218,193	0.52%
INOTERA MEMORIES INC TWD10	18,000	207,688	0.49%
INVENTEC CO LTD	24,000	121,305	0.29%
LARGAN PRECISION CO LTD	1,000	556,490	1.32%
LENOVO GROUP LTD	42,000	485,520	1.15%
LG DISPLAY CO LTD	1,820	455,346	1.08%
LITE-ON TECHNOLOGY CORP	17,085	191,243	0.45%
MEDIA TEK INC	12,000	1,379,993	3.27%
NAVER CORP	217	1,288,620	3.05%
NETEASE INC-ADR	600	399,096	0.95%
NOVATEK MICROELECTRONICS LTD	5,000	192,091	0.46%
PEGATRON CORP	14,000	200,132	0.47%
QUANTA COMPUTER INC	21,000	413,845	0.98%
SAMSUNG ELECTRONICS	952	8,294,310	19.66%
SAMSUNG ELECTRONICS-PFD NV	154	1,017,627	2.41%
SAMSUNG SDI CO LTD	434	391,217	0.93%
SILICONWARE PRECISION INDS	23,000	245,124	0.58%
SK C&C CO LTD	154	274,805	0.65%
SK HYNIX INC	4,500	1,548,053	3.67%
SYNNEX TECHNOLOGY INTL CORP	10,000	107,214	0.25%
TAIWAN SEMICONDUCTOR M ORD	147,000	4,502,973	10.67%
TATA CONSULTANCY SERVICES LTD	3,612	1,242,819	2.95%
TECH MAHINDRA LTD	896	280,481	0.66%
TENCENT HOLDINGS LTD ORD HKD0.0001	42,000	4,851,000	11.50%
UNITED MICROELECTRONICS CORP	98,000	315,208	0.75%
WIPRO LTD	4,823	361,905	0.86%
WISTRON CORP TWD10	19,380	153,609	0.36%
WPG HOLDINGS CO LTD TWD10	12,000	113,953	0.27%
ZTE CORP-H CNY1	5,600	96,432	0.23%
Total listed investments		42,050,673	99.65%
Total investments, at cost		30,499,945	

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

S&P Asia ex JANZ Industrials ETF

Listed Equities	Holdings	Fair value HK\$	% of net assets
Industrials			
ABOITIZ EQUITY VENTURES INC PHP1	22,000	205,179	1.17%
ADANI ENTERPRISES LTD INR1	2,636	156,005	0.89%
ADANI PORTS AND SPECIAL ECONOMIC ZONE	4,872	170,019	0.97%
AIR CHINA LIMITED-H ORD CNY1	24,000	117,840	0.67%
AIRPORTS OF THAILAND PC-NVDR THB10(NVDR)	4,400	251,833	1.44%
ALLIANCE GLOBAL GROUP INC PHP1	40,400	181,751	1.04%
BEIJING ENTERPRISES HLDGS	5,500	366,025	2.09%
BHARAT HEAVY ELECTRICALS	5,656	142,549	0.81%
CHINA CNR CORP LTD-H	18,000	120,780	0.69%
CHINA COMMUNICATIONS CONST-H 'H' CNY1	44,000	246,400	1.41%
CHINA MERCHANTS HLDGS INTL	16,000	384,000	2.19%
CHINA RAILWAY GROUP LTD-H	40,000	164,800	0.94%
CHINA RAILWAYS CONSTRUCTIO-H 'H' CNY1	18,000	127,080	0.73%
CITIC LTD 267	56,000	725,760	4.14%
CSR CORP LTD - H	20,000	136,600	0.78%
DMCI HOLDINGS INC PHP1	9,920	135,514	0.77%
EVERGREEN MARINE	16,000	72,905	0.42%
FAR EASTERN NEW CENTURY CORP	40,000	312,962	1.79%
GAMUDA BHD	18,000	205,366	1.17%
HIWIN TECHNOLOGIES CORP TWD10	2,060	143,033	0.82%
HUTCHISON PORT HOLDINGS TR-U	52,000	282,650	1.61%
HUTCHISON WHAMPOA ORD SHS	21,000	1,974,000	11.27%
HYUNDAI ENGINEERING & CONSTR	716	317,703	1.81%
HYUNDAI GLOVIS CO LTD	168	398,068	2.27%
HYUNDAI HEAVY INDUSTRIES	492	497,805	2.84%
INTL CONTAINER TERM SVCS INC	7,920	151,292	0.86%
JARDINE MATHESON HLDGS ORD	2,800	1,295,843	7.40%
JARDINE STR	2,000	541,229	3.09%
JASA MARGA (PERSERO) TBK	20,400	83,854	0.48%
JG SUMMIT HOLDINGS INC PHP1	28,160	282,120	1.61%
KCC CORP	52	275,121	1.57%
KEPPEL CORP LTD	16,000	1,022,928	5.84%
LARSEN & TOUBRO LIMITED	2,148	393,836	2.25%
LG CORP	1,344	759,543	4.34%
MALAYSIA AIRPORTS HLDGS BHD	5,200	92,192	0.53%
MISC BHD MYR1	10,800	172,558	0.99%
MTR CORP ORD SHS	14,000	425,600	2.43%
SAMSUNG C&T CORP	1,304	725,422	4.14%
SAMSUNG HEAVY INDUSTRIES	1,780	330,730	1.89%
SAN MIGUEL CORP	9,560	129,025	0.74%
SEMBCORP INDUSTRIES LIMITED	8,000	252,322	1.44%
SEMBCORP MARINE LTD	8,000	182,179	1.04%
SHANGHAI ELECTRIC GRP CO L-H	32,000	132,160	0.75%
SIME DARBY BERHAD	25,200	545,796	3.12%
SINGAPORE AIRLINES LTD	6,000	359,486	2.05%
SINGAPORE TECH ENGINEERING	16,000	355,589	2.03%
SK HOLDINGS	248	343,997	1.96%
SM INVESTMENTS CORP SHS	3,160	439,334	2.51%
TAIWAN GLASS IND CORP TAIWAN GLASS IND	12,000	77,194	0.44%
UNITED TRACTORS TBK	15,200	192,766	1.10%
WESTPORTS HOLDINGS MYR0.1	12,000	86,634	0.49%
Total listed investments		17,485,377	99.82%
Total investments, at cost		16,642,162	

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

S&P Asia ex JANZ Energy ETF

Listed Equities	Holdings	Fair value HK\$	% of net assets
Energy			
ADARO ENERGY TBK	164,000	122,805	0.85%
BHARAT PET CO COMMON	1,764	145,363	1.00%
BUMI ARMADA BERHA MYR0.20	24,800	111,536	0.77%
CAIRN INDIA LTD	4,696	184,129	1.27%
CHINA COAL ENERGY CO - H 'H'CNV1	44,000	199,760	1.38%
CHINA OILFIELD SERVICES LTD	16,000	328,000	2.27%
CHINA SHENHUA ENERGY CO - H CNY1'H'	36,000	779,400	5.39%
CNOOC LTD HKD0.02	164,000	2,184,480	15.10%
COAL INDIA LTD INR10	6,512	279,488	1.93%
FORMOSA PETROCHEMICAL CORP TWD10	16,000	301,424	2.08%
INDIAN OIL CORPORATION LTD	2,504	114,096	0.79%
KUNLUN ENERGY COMPANY LTD	32,000	358,400	2.48%
OIL & NATURAL GAS CORP LTD INR10	18,524	951,544	6.58%
OIL INDIA LTD	1,424	108,966	0.75%
PETROCHINA CO LTD-H	216,000	2,149,200	14.86%
PETRONAS DAGANGAN BHD	2,400	113,619	0.79%
PTT EXPLOR & PROD PCL-NVDR	14,400	551,753	3.81%
PTT PCL-NVDR	8,800	758,661	5.24%
RELIANCE INDUSTRIES LTD	15,792	1,877,756	12.98%
SAPURAKENCANA PETROLEUM BHD	27,200	265,262	1.83%
SINOPEC CORP-H	264,000	1,795,200	12.41%
SK INNOVATION CO LTD	636	379,550	2.62%
S-OIL CORPORATION	428	134,797	0.93%
THAI OIL PCL-NVDR THB10(NVDR)	8,400	103,597	0.72%
Total listed investments		14,298,786	98.83%
Total investments, at cost		15,402,609	

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

S&P Asia ex JANZ Materials ETF

Listed Equities	Holdings	Fair value HK\$	% of net assets
Materials			
ALUMINUM CORP OF CHINA LTD	72,000	227,522	1.04%
ANHUI CONCH CEMENT CO LTD-H ORD CL H	27,000	669,600	3.07%
ASIA CEMENT CORP SHS	48,960	485,549	2.23%
ASIAN PAINTS LTD DEMAT EQUITIY	6,042	478,255	2.19%
CHINA STEEL CORP	240,000	1,592,888	7.30%
FORMOSA CHEM N FIB	66,000	1,184,404	5.43%
FORMOSA PLASTICS CORP	96,000	1,766,881	8.10%
HINDUSTAN ZINC LIMITED			
INR10(100%DEMAT)	5,328	107,821	0.49%
HYUNDAI STEEL CO	1,434	782,969	3.59%
INDOCEMENT TUNGGAL PRAKARSA TBK	27,000	370,803	1.70%
INDORAMA VENTURES PCL-NVDR			
THB1(NVDR)	33,600	205,183	0.94%
JIANGXI COPPER COMPANY-H SHS	30,000	383,400	1.76%
KOREA ZINC CO LTD	246	705,978	3.24%
LG CHEM LTD-PREFERENCE	102	123,094	0.56%
LG CHEMICAL LTD COMMON STOCK	858	1,613,132	7.40%
LOTTE CHEMICAL CORP	318	328,772	1.51%
NAN YA PLASTIC CORP	108,000	1,836,110	8.42%
NMDC LIMITED INR1	15,378	319,804	1.47%
PETRONAS CHEMICALS GROUP BHD	37,200	549,460	2.52%
POSCO	1,554	3,756,453	17.23%
PTT GLOBAL CHEMICAL PCL-NVDR			
THB10(NVDR)	32,400	473,301	2.17%
SEMEN INDONESIA PERSERO TBK PT	56,400	554,417	2.54%
SESA STERLITE LIMITED	22,998	787,962	3.61%
SIAM CEMENT PCL- NVDR	6,000	646,586	2.97%
TAIWAN CEMENT	66,000	763,208	3.50%
TAIWAN FERTILIZER CO LTD	12,000	154,081	0.71%
TATA STEEL LIMITED SHS	4,464	257,652	1.18%
ULTRATECH CEMENT LTD	1,254	414,930	1.90%
ZIJIN MINING GROUP CO LTD	108,000	204,120	0.94%
Total listed investments		21,744,335	99.71%
Total investments, at cost		23,098,166	

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

MSCI China ETF

Listed Equities	Holdings	Fair value HK\$	% of net assets
Consumer Discretionary			
ANTA SPORTS PRODUCTS LTD HKD0.10	70,000	1,107,400	0.35%
BELLE INTERNATIONAL HOLDINGS HKD0.01	280,000	2,444,400	0.78%
BRILLIANCE CHINA AUTOMOTIVE	140,000	1,898,400	0.61%
BYD CO LTD-H	35,000	1,804,250	0.58%
DONGFENG MOTOR GRP CO LTD-H	140,000	1,786,400	0.57%
GEELY AUTOMOBILE ORD SHS	350,000	1,137,500	0.36%
GOME ELECTRICAL APPLIANCES HKD0.1	560,000	705,600	0.23%
GREAT WALL MOTOR COMPANY-H SHS H	70,000	2,110,500	0.67%
GUANGZHOU AUTOMOBILE GROUP-H	140,000	1,051,400	0.34%
HAIER ELECTRONICS GROUP CO HKD0.1	70,000	1,424,500	0.45%
INTIME RETAIL GROUP CO LTD	70,000	462,000	0.15%
ZHONGSHENG GROUP HOLDINGS	35,000	291,200	0.09%
		16,223,550	
Consumer Staples			
CHINA AGRI-INDUSTRIES LTD	140,000	413,000	0.13%
CHINA HUISHAN DAIR HKD0.1	350,000	602,000	0.19%
CHINA MENGNIU DAIRY CO HKD0.1	70,000	2,240,000	0.72%
HENGAN INTL GROUP CO LTD HKD0.1	35,000	2,672,250	0.85%
SUN ART RETAIL GRO HKD0.30	140,000	1,229,200	0.39%
TINGYI (CAYMAN ISLN) HLDG CO	140,000	2,856,000	0.91%
UNI-PRESIDENT CHINA HOLDINGS	70,000	543,200	0.17%
WANT WANT CHINA HOLDINGS LTD	350,000	3,388,000	1.08%
		13,943,650	
Energy			
CHINA COAL ENERGY CO - H 'H'CNV1	210,000	953,400	0.30%
CHINA OILFIELD SERVICES LTD	140,000	2,870,000	0.92%
CHINA SHENHUA ENERGY CO - H CNY1'H'	175,000	3,788,750	1.21%
CNOOC LTD HKD0.02	980,000	13,053,600	4.17%
KUNLUN ENERGY COMPANY LTD	140,000	1,568,000	0.50%
PETROCHINA CO LTD-H	1,120,000	11,144,000	3.56%
SINOPEC CORP-H	1,400,000	9,520,000	3.04%
YANZHOU COAL MINING CO ORD CL H	140,000	891,800	0.28%
		43,789,550	
Financials			
AGILE PROPERTY HLDGS LTD - RHTS(24OCT14)	28,000	21,560	0.01%
AGILE PROPERTY HOLDINGS LTD	140,000	667,800	0.21%
AGRICULTURAL BK CH 'H'CNV1	1,120,000	3,852,800	1.23%
BANK OF CHINA LTD - H CNY1	4,200,000	14,616,000	4.67%
BANK OF COMMUNICATIONS - H 'H'CNV1.00	490,000	2,650,900	0.85%
CHINA CINDA ASSET MANAGEME-H	280,000	957,600	0.31%
CHINA CITIC BANK CORP LTD-H	420,000	1,978,200	0.63%
CHINA CONSTRUCTION BANK-H	3,850,000	20,944,000	6.69%
CHINA EVERBRIGHT BANK CO L-H	140,000	508,200	0.16%
CHINA LIFE INSURANCE CO-H 'H'CNV1	420,000	9,051,000	2.89%
CHINA MERCHANTS BANK - H CHINA MERCHANTS	245,000	3,253,600	1.04%
CHINA MINSHENG BANKING-H	336,000	2,385,600	0.76%
CHINA OVERSEAS LAND & INVEST	280,000	5,594,400	1.79%
CHINA PACIFIC INSURANCE GR-H 'H'CNV1	140,000	3,822,000	1.22%
CHINA RESOURCES LAND LTD SHS	140,000	2,240,000	0.72%
CHINA TAIPING INSURANCE HOLDIN	42,000	707,280	0.23%
CHINA VANKE CO LTD-H	70,000	960,400	0.31%
CHONGQING RURAL CO CNY1 H SHARE	140,000	492,800	0.16%
CITIC SECURITIES CNY1'H'	70,000	1,253,000	0.40%
COUNTRY GARDEN HOLDINGS CO HKD0.10	280,000	820,400	0.26%
EVERGRANDE REAL ESTATE GROUP USD0.01	350,000	1,022,000	0.33%
FAR EAST HORIZON L HKD0.01 REG S	70,000	486,500	0.16%
FRANSHION PROPERTIES HKD1	140,000	264,600	0.08%
GUANGZHOU R&F PROPERTIES - H	56,000	439,600	0.14%

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

MSCI China ETF (continued)

Listed Equities	Holdings	Fair value HK\$	% of net assets
Financials (continued)			
HAITONG SECURITIES 'H' CNY1	84,000	1,006,320	0.32%
IND & COMM BK OF CHINA-H	3,920,000	18,972,800	6.06%
LONGFOR PROPERTIES	70,000	621,600	0.20%
NEW CHINA LIFE INSURANCE C-H	42,000	1,136,100	0.36%
NEW WORLD CHINA LAND L SHS	140,000	616,000	0.20%
PEOPLE'S INSURANCE 'H' CNY1	350,000	1,109,500	0.35%
PICC PROPERTY & CASUALTY -H 'H' CNY1	140,000	1,926,400	0.62%
PING AN INSURANCE GROUP CO-H 'H' CNY1	105,000	6,121,500	1.96%
POLY PROPERTY GROUP CO LTD	140,000	417,200	0.13%
SHIMAO PROPERTY HOLDINGS LTD HKD0.10	70,000	1,100,400	0.35%
SHUI ON LAND LTD USD0.0025	175,000	304,500	0.10%
SINO-OCEAN LAND HOLDINGS	175,000	715,750	0.23%
SOHO CHINA LTD	105,000	590,100	0.19%
YUEXIU PROPERTY CO LTD-RIGHTS (14OCT14)	92,400	11,088	0.00%
YUEXIU PROPERTY COMPANY LTD	280,000	386,400	0.12%
		114,025,898	
Health Care			
CSPC PHARMACEUTICAL GROUP LTD	140,000	900,200	0.29%
SHANGHAI FOSUN PHARMACEUTI-A CNY1 'H'	35,000	876,750	0.28%
SHANGHAI PHARMACEU 'H' CNY1	35,000	664,300	0.21%
SIHUAN PHARMACEUTICAL HLDGS HKD0.01	280,000	1,629,600	0.52%
SINO BIOPHARMACEUTICAL HKD0.025	280,000	2,164,400	0.69%
SINOPHARM GROUP CO-H 'H' SHS CNY1	56,000	1,590,400	0.51%
		7,825,650	
Industrials			
AIR CHINA LIMITED-H ORD CNY1	140,000	687,400	0.22%
BEIJING CAPITAL INTL AIRPORT	140,000	831,600	0.27%
BEIJING ENTERPRISES HLDGS	35,000	2,329,250	0.74%
CHINA COMMUNICATIONS CONST-H 'H' CNY1	210,000	1,176,000	0.38%
CHINA EVERBRIGHT INTL LTD HKD0.10	140,000	1,439,200	0.46%
CHINA INTL MARINE 'H' CNY1	28,000	448,560	0.14%
CHINA RAILWAY GROUP LTD-H	210,000	865,200	0.28%
CHINA RAILWAYS CONSTRUCTION-H 'H' CNY1	105,000	741,300	0.24%
CHINA SHIPPING CONTAINER-H CNY1	210,000	438,900	0.14%
CHINA STATE CONSTRUCTION INT HKD0.1	140,000	1,615,600	0.52%
CITIC LTD 267	140,000	1,814,400	0.58%
COSCO HOLDINGS - H 'H' CNY1.00	140,000	450,800	0.14%
COSCO PACIFIC LIMITED	140,000	1,442,000	0.46%
CSR CORP LTD - H	140,000	956,200	0.31%
SHANGHAI ELECTRIC GRP CO L-H	140,000	578,200	0.18%
SINOPEC ENGINEERING GROUP-H	70,000	585,900	0.19%
ZHEJIANG EXPRESSWAY CO-H	140,000	1,104,600	0.35%
ZHUZHOU CSR TIMES ELECTRIC-H 'H' CNY1	35,000	1,050,000	0.34%
ZOOMLION HEAVY INDUSTRY SCIENC	70,000	317,100	0.10%
		18,872,210	
Information Technology			
AAC TECHNOLOGIES HOLDINGS IN	35,000	1,578,500	0.50%
GCL POLY ENERGY HOLDINGS LTD	560,000	1,596,000	0.51%
HANERGY SOLAR GROUP LTD	560,000	800,800	0.26%
KINGBOARD CHEMICALS HOLDINGS	35,000	540,400	0.17%
LENOVO GROUP LTD	280,000	3,236,800	1.03%
TENCENT HOLDINGS LTD ORD HKD0.0001	273,000	31,531,500	10.07%
ZTE CORP-H CNY1	28,000	482,160	0.15%
		39,766,160	

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

MSCI China ETF (continued)

Listed Equities	Holdings	Fair value HK\$	% of net assets
Materials			
ALUMINUM CORP OF CHINA LTD	140,000	442,400	0.14%
ANHUI CONCH CEMENT CO LTD-H ORD CL H	70,000	1,736,000	0.55%
BBMG CORPORATION - H	70,000	376,600	0.12%
CHINA BLUECHEMICAL LTD - H 'H'CNV1	140,000	471,800	0.15%
CHINA NATIONAL BUILDING MA-H 'H'CNV1	140,000	985,600	0.31%
CHINA RESOURCES CEMENT	140,000	744,800	0.24%
FOSUN INTERNATIONAL HKD0.10	105,000	978,600	0.31%
JIANGXI COPPER COMPANY-H SHS	70,000	894,600	0.29%
LEE & MAN PAPER MANUFACTURIN	70,000	275,800	0.09%
NINE DRAGONS PAPER HOLDINGS	70,000	391,300	0.12%
SINOPEC SHANGHAI PETROCHEM	140,000	358,400	0.11%
YINGDE GASES GROUP COMPANY USD0.000001	70,000	513,800	0.16%
ZIJIN MINING GROUP CO LTD	280,000	529,200	0.17%
		<u>8,698,900</u>	
Telecommunication Services			
CHINA COMMUNICATIONS SERVI-H 'H'CNV1	140,000	505,400	0.16%
CHINA MOBILE (HK)LTD	315,000	28,271,250	9.03%
CHINA TELECOM CORP LTD SHS H	700,000	3,332,000	1.06%
CHINA UNICOM HONG KONG LTD	280,000	3,248,000	1.04%
CITIC 21CN CO LTD ORD SHS	140,000	660,800	0.21%
		<u>36,017,450</u>	
Utilities			
BEIJING ENTERPRISES WATER GR HKD0.1	280,000	1,470,000	0.47%
CHINA GAS HOLDINGS LTD HKD0.01	140,000	1,803,200	0.58%
CHINA LONGYUAN POWER GROUP-H	140,000	1,062,600	0.34%
CHINA RESOURCES POWER HOLDIN HKD1	140,000	2,933,000	0.94%
DATANG INTL POWER	140,000	567,000	0.18%
GUANGDONG INVESTMENT LTD	140,000	1,269,800	0.41%
HUANENG POWER INTL ORD CL H	140,000	1,187,200	0.38%
		<u>10,292,800</u>	
Total listed investments		<u>309,455,818</u>	<u>98.83%</u>
Total investments, at cost		<u><u>287,677,975</u></u>	

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

Hang Seng High Dividend Yield ETF

Listed Equities	Holdings	Fair value HK\$	% of net assets
Consumer Discretionary			
BOSIDENG INTL HLDGS LTD	5,880,000	6,585,600	2.61%
MGM CHINA HLDGS LT HKD1	192,000	4,291,200	1.70%
SJM HOLDINGS LIMITED	180,000	2,664,000	1.06%
TELEVISION BROADCASTS LTD	102,000	4,727,700	1.87%
WYNN MACAU LTD HKD0.001	144,000	3,556,800	1.41%
YUE YUEN INDUSTRIAL HLDG SHS	180,000	4,239,000	1.68%
		<u>26,064,300</u>	
Energy			
CNOOC LTD HKD0.02	240,000	3,196,800	1.27%
PETROCHINA CO LTD-H	360,000	3,582,000	1.42%
SINOPEC CORP-H	480,000	3,264,000	1.29%
		<u>10,042,800</u>	
Financials			
AGILE PROPERTY HLDGS LTD - RHTS(24OCT14)	240,000	184,800	0.07%
AGILE PROPERTY HOLDINGS LTD	1,200,000	5,724,000	2.27%
AGRICULTURAL BK CH 'H'CN1	1,500,000	5,160,000	2.04%
BANK EAST ASIA LTD ORD	96,000	3,019,200	1.20%
BANK OF CHINA LTD - H CNY1	1,500,000	5,220,000	2.07%
BANK OF COMMUNICATIONS - H 'H'CN1.00	1,020,000	5,518,200	2.19%
BOC HONG KONG HOLDINGS LTD	180,000	4,455,000	1.77%
CHAMPION REIT REIT	1,380,000	4,471,200	1.77%
CHINA CITIC BANK CORP LTD-H	1,260,000	5,934,600	2.35%
CHINA CONSTRUCTION BANK-H	960,000	5,222,400	2.07%
CHINA MERCHANTS BANK - H	300,000	3,984,000	1.58%
CHINA MINSHENG BANKING-H	504,000	3,578,400	1.42%
CHONGQING RURAL CO CNY1 H SHARE	1,560,000	5,491,200	2.18%
EVERGRANDE REAL ESTATE GROUP USD0.01	3,840,000	11,212,800	4.44%
HANG SENG BANK	30,000	3,741,000	1.48%
HSBC HOLDINGS PLC	48,000	3,818,400	1.51%
IND & COMM BK OF CHINA-H	1,020,000	4,936,800	1.96%
KWG Property HKD0.10	1,410,000	7,684,500	3.04%
LINK REIT NPV	90,000	4,027,500	1.60%
NEW WORLD DEVELOPMENT	480,000	4,339,200	1.72%
SHENZHEN INV ORD SHS	2,640,000	5,755,200	2.28%
SINO LAND CO	360,000	4,320,000	1.71%
SINO-OCEAN LAND HOLDINGS	1,260,000	5,153,400	2.04%
SOHO CHINA LTD	750,000	4,215,000	1.67%
SWIRE PAC LTD CL A	30,000	3,000,000	1.19%
YUEXIU PROPERTY CO LTD-RIGHTS (14OCT14)	1,069,200	128,304	0.05%
YUEXIU PROPERTY COMPANY LTD	3,240,000	4,471,200	1.77%
YUEXIU REAL ESTATE INVESTMENT TRUST	1,860,000	6,882,000	2.73%
		<u>131,648,304</u>	
Industrials			
HOPEWELL HIGHWAY INFRASTRUCT	2,250,000	8,550,000	3.39%
HOPEWELL HOLDINGS	120,000	3,264,000	1.29%
		<u>11,814,000</u>	
Information Technology			
VTECH HOLDINGS LTD ORD	54,000	5,173,200	2.05%
		<u>5,173,200</u>	
Materials			
CHINA HONGQIAO GROUP LTD	780,000	4,547,400	1.80%
		<u>4,547,400</u>	

HORIZONS EXCHANGE TRADED FUNDS SERIES

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 September 2014

Hang Seng High Dividend Yield ETF (continued)

Listed Equities	Holdings	Fair value HK\$	% of net assets
Telecommunication Services			
CHINA COMMUNICATIONS SERVI-H 'H'CNV1	960,000	3,465,600	1.37%
CHINA MOBILE (HK)LTD	60,000	5,385,000	2.13%
HUTCHISON TELECOMMUNICATIONS HKD0.25	1,560,000	4,836,000	1.92%
PCCW LTD	1,020,000	4,977,600	1.97%
SMARTONE TELECOMM HLDG ORD	450,000	4,887,000	1.94%
		<u>23,551,200</u>	
Utilities			
CHEUNG KONG INFRASTRUCTURE	60,000	3,270,000	1.30%
CHINA POWER INTERNATIONAL HKD1	2,100,000	7,560,000	3.00%
CLP HOLDINGS LIMITED	60,000	3,741,000	1.48%
DATANG INTL POWER	1,320,000	5,346,000	2.12%
HUANENG POWER INTL ORD CL H	600,000	5,088,000	2.02%
POWER ASSETS HOLDINGS LTD	60,000	4,119,000	1.63%
		<u>29,124,000</u>	
Total listed investments		<u>241,965,204</u>	<u>95.89%</u>
Total investments, at cost		<u>246,033,929</u>	

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)

For the six months from 1 April 2014 to 30 September 2014

KOSPI 200 ETF

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Consumer Discretionary					
BASIC HOUSE CO LTD/THE KRW500	80	12	–	–	92
CHEIL WORLDWIDE INC	760	–	–	108	652
COWAY CO LTD	412	–	–	8	404
DAE WON KANG UP CO. SHS	320	4	–	–	324
DAEKYO CO LTD SHS	200	4	–	–	204
DONG AH TIRE & RUBBER CO LTD	80	–	–	4	76
DONGYANG MECHATRONICS CORP KRW500	200	–	–	20	180
GLOBAL & YUASA BATTERY CO KRW500	68	–	–	–	68
GRAND KOREA LEISURE CO LTD KRW500	–	488	–	–	488
HALLA VISTEON CLIMATE CONTROL	320	–	–	20	300
HANDSOME CO LTD	120	–	–	12	108
HANKOOK TIRE CO KRW500	–	600	–	–	600
HANSAE CO LTD KRW500	120	8	–	–	128
HOTEL SHILLA CO LTD	–	268	–	–	268
HUVIS CORP HUVIS CORP	–	112	–	–	112
HWA SHIN CO LTD KRW500	120	8	–	–	128
HYUNDAI DEPT STORE CO	124	–	–	–	124
HYUNDAI MOBIS	560	–	–	8	552
HYUNDAI MOTOR CO	1,264	–	–	20	1,244
HYUNDAI WIA CORP KRW5000	116	–	–	–	116
KANGWON LAND INC KRW500	1,160	–	–	36	1,124
KIA MOTORS CORPORATION	2,160	–	–	32	2,128
KUMHO TIRE CO INC KRW5000	840	116	–	–	956
LF CORP	160	–	–	8	152
LG ELECTRONICS INC	872	–	–	12	860
LOTTE SHOPPING CO	80	–	–	4	76
MANDO CORP	104	–	–	–	104
MOTONIC CORP KRW500	–	68	–	–	68
NEXEN TIRE CORPORATION	320	–	–	8	312
S&T MOTIV CO LTD	40	24	–	–	64
SEJONG INDUSTRIAL CO LTD KRW500	–	72	–	–	72
SEOYEON CO LTD	160	–	(110)	–	50
SHINSEGAE CO LTD ORD	60	–	–	–	60
SL CORP	120	–	–	24	96
SSANGYONG MOTOR CO.	320	12	–	–	332
TORAY CHEMICAL KOREA INC	160	–	–	8	152
Consumer Staples					
ABLE C&C KRW500	88	–	–	16	72
AMOREPACIFIC GROUP	24	–	–	–	24
AMOREPACIFIC CORP	28	–	–	–	28
BINGGRAE CO LTD	48	–	–	–	48
CJ CHEIJEDANG CORP	64	–	–	–	64
COSMAX INC	92	–	(61)	31	–
CROWN CONFECTIONERY CO LTD KRW5000	–	4	–	–	4
DAESANG CORPORATION	160	8	–	–	168
DONGWON F&B CO LTD	–	8	–	–	8
E-MART CO LTD KRW5000	172	–	–	4	168
GS RETAIL CO LTD GS RETAIL CO LTD	240	–	–	24	216
HITE JINRO	240	16	–	–	256
KOREA KOLMAR CO LTD KRW500	–	128	–	–	128
KT N G CORP	900	–	–	12	888
LG HOUSEHOLD & HEALTH CARE	76	–	–	–	76
LOTTE CHILSUNG BEVERAGE CO	8	–	–	4	4
LOTTE CONFECTIONERY CO LTD	8	–	–	–	8
LOTTE FOOD CO LTD	8	–	–	–	8
MUHAK CO LTD KRW200	122	–	–	10	112
NAMYANG DAIRY PRODUCTS CO.	4	–	–	–	4
NONG SHIM CO LTD	28	–	–	–	28
ORION CORP	32	–	–	4	28
OTTOGI CORPORATION	12	–	–	–	12
SAMLIP GENERAL FOODS CO LTD	–	16	–	–	16
SAMYANG HOLDINGS CORP	36	–	–	4	32

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the six months from 1 April 2014 to 30 September 2014

KOSPI 200 ETF (continued)

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Energy					
GS HOLDINGS	424	–	–	12	412
HANKOOK SHELL OIL CO LTD KRW5000	8	–	–	4	4
SK INNOVATION CO LTD	568	–	–	8	560
S-OIL CORPORATION	600	–	–	8	592
Financials					
BS FINANCIAL GROUP INC	1,440	–	–	36	1,404
DAEWOO SECURITIES CO LTD	1,480	–	–	28	1,452
DONGBU INSURANCE CO LTD SHS	360	–	–	16	344
HANA FINANCIAL HOLDINGS	2,240	–	–	16	2,224
HANKOOK TIRE WORLDWIDE CO LTD	160	28	–	–	188
HANWHA LIFE INSURANCE CO LTD	3,600	–	–	96	3,504
HYUNDAI SECURITIES CO	680	144	–	–	824
INDUSTRIAL BANK OF KOREA KRW5000	1,600	–	–	40	1,560
KB FINANCIAL GROUP INC	3,000	–	–	36	2,964
KOREA INVESTMENT HOLDINGS CO KRW5000	360	–	–	24	336
MIRAE ASSET SECURITIES CO LT KRW5000	240	–	–	20	220
SAMSUNG CARD CO NPV	280	–	–	–	280
SAMSUNG FIRE & MARINE INS	292	–	–	4	288
SAMSUNG LIFE INSURANCE CO KRW5000	820	–	–	12	808
SAMSUNG SECURITIES CO LTD	480	–	–	16	464
SHINHAN FINANCIAL GROUP LTD	3,480	–	–	36	3,444
WOORI FINANCE HOLDINGS CO	2,960	–	(476)	28	2,456
WOORI INVESTMENT & SECS-PFD KRW5000	920	–	–	36	884
Healthcare					
BUKWANG PHARMACEUTICAL CO	168	8	–	–	176
CHONGKUNDANG HOLDINGS CORP	12	–	–	12	–
DAEWOONG PHARMACEUTICAL CO	40	4	–	–	44
DONG-A SOCIO HOLDINGS CO LTD	28	–	–	–	28
DONG-A ST(SCIENCE& KRW5000	–	44	–	–	44
GREEN CROSS SANG-A CORP KRW5000	48	–	–	–	48
HANALL BIOPHARMA CO LTD KRW500	200	–	–	200	–
HANMI PHARM CO LTD KRW2500	42	6	–	–	48
ILYANG PHARMACEUTICAL CO LTD KRW2500	80	16	–	–	96
KWANG DONG PHARMACEUTICAL CO	–	276	–	–	276
LG LIFE SCIENCES LTD	80	16	–	–	96
PHARMICELL CO LTD KRW500.00	280	–	–	280	–
RNL BIO CO LTD KRW500	320	–	–	320	–
SUHEUNG CAPSULE CO LTD KRW500	–	48	–	–	48
YUHAN CORPORATION	80	–	–	4	76
YUNGJIN PHARMACEUTICAL CO KRW500	–	716	–	–	716
Industrials					
CJ CORP KRW5000	108	–	–	4	104
CJ KOREA EXPRESS CORP	76	–	–	–	76
DAELIM INDUSTRIAL CO.	228	–	–	4	224
DAEWOO ENGINEERING&CONSTRUCTION	1,720	–	–	44	1,676
DAEWOO INTERNATIONAL CORP KRW5000	320	4	–	–	324
DAEWOO SHIPBUILDING & MARINE	1,120	–	–	40	1,080
DOOSAN CORP	60	–	–	–	60
DOOSAN ENGINE CO LTD KRW1000	320	–	–	12	308
DOOSAN HEAVY INDUSTRIES	400	72	–	–	472
DOOSAN INFRACORE CO LTD	840	164	–	–	1,004
FURSIS INC SHS	–	32	–	–	32
GS ENGINEERING & CONSTRUCT	280	–	–	280	–
HANJIN HEAVY INDUSTRIES CO. LTD COM A097	360	4	138	–	502
HYUNDAI DEVELOPMENT COMPANY	520	–	–	4	516
HYUNDAI ELEVATOR CO.	56	32	–	–	88
HYUNDAI ENGINEERING & CONSTR	592	–	–	8	584
HYUNDAI GLOVIS CO LTD	92	–	–	–	92
HYUNDAI HEAVY INDUSTRIES	404	–	–	4	400
HYUNDAI MERCHANT MARINE	880	76	–	–	956
HYUNDAI MIPO DOCKYARD	84	–	–	4	80
IS DONGSEO CO LTD KRW500	–	72	–	–	72
KCC CORP	44	–	–	–	44

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the six months from 1 April 2014 to 30 September 2014

KOSPI 200 ETF (continued)

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Industrials (continued)					
KEPCO ENGINEERING & CONSTRUC KRW200	80	–	–	4	76
KEPCO PLANT SERVICE & ENGINE	–	144	–	–	144
KOREA AEROSPACE IN KRW5000	560	–	–	8	552
KOREA ELECTRIC TERMINAL CO	80	–	–	20	60
KOREAN AIR LINES CO LTD	353	–	–	21	332
LG CORP	780	–	–	12	768
LG HAUSYS LTD KRW5000	52	–	–	–	52
LG INTERNATIONAL CORP	240	–	–	20	220
LS CORP	148	–	–	4	144
LS INDUSTRIAL SYSTEMS	136	–	–	4	132
POSCO PLANTEC CO LTD	280	148	–	–	428
S&T DYNAMICS CO LTD	160	–	–	4	156
S1 CORPORATION	204	–	–	4	200
SAMSUNG C&T CORP	1,088	–	–	16	1,072
SAMSUNG ENGINEERING CO LTD SHS	264	–	–	4	260
SAMSUNG HEAVY INDUSTRIES	1,440	–	–	44	1,396
SAMSUNG TECHWIN CO LTD	308	–	–	8	300
SK HOLDINGS	232	–	–	4	228
SK NETWORKS CO LTD	1,240	–	–	36	1,204
TAIHAN ELECTRIC WIRE CO LTD	680	–	–	680	–
Information Technology					
DAEDUCK ELECTRONICS CO	280	–	–	4	276
DAEDUCK GDS CO LTD	120	4	–	–	124
DONGBU HANNONG CHEMICAL CO	200	–	–	200	–
HANSOL TECHNICS CO LTD	80	32	–	–	112
HANSOL TECHNICS CO LTD-RIGHTS (29OCT14)	–	–	28	–	28
ILJIN DISPLAY CO LTD KRW5000	120	8	–	–	128
ILJIN MATERIALS CO LTD KRW500	–	128	–	–	128
JAHWA ELECTRONICS CO LTD	–	88	–	–	88
KOREA CIRCUIT CO.	80	–	–	4	76
LG DISPLAY CO LTD	1,920	–	–	44	1,876
LG INNOTEK CO LTD KRW5000	84	8	–	–	92
NAVER CORP	244	–	–	4	240
NCISOFT CORPORATION	144	–	–	–	144
SAMSUNG ELECTRO MECHANICS	492	–	–	8	484
SAMSUNG ELECTRONICS	908	–	–	16	892
SAMSUNG SDI CO LTD	280	–	159	4	435
SINDOH CO LTD	44	–	–	–	44
SK C&C CO LTD	204	–	–	–	204
SK HYNIX INC	4,560	32	–	–	4,592
Materials					
CAPRO CORPORATION	240	–	–	240	–
CHEIL INDUSTRIES INC	368	–	(360)	8	–
DONGKUK STEEL MILL CO LTD	400	–	–	24	376
FOOSUNG CO LTD KRW500	360	–	–	16	344
HANIL CEMENT MANUFACTURING	40	–	–	8	32
HANSOL PAPER CO LTD KRW5000	280	–	–	16	264
HANWHA CHEMICAL CORP	640	80	–	–	720
HANWHA CORPORATION	360	4	–	–	364
HUCHEMS FINE CHEMICAL CORP KRW1000	200	–	–	–	200
HYOSUNG CORPORATION	188	–	–	4	184
HYUNDAI HYSKO	91	–	–	15	76
HYUNDAI STEEL CO	584	28	–	–	612
ISU CHEMICAL COMPANY LTD	80	–	–	4	76
KISWIRE LTD	–	36	–	–	36
KOLON CORP	–	48	–	–	48
KOLON INDUSTRIES INC	120	12	–	–	132
KOREA PETROCHEMICAL IND CO	–	20	–	–	20
KOREA ZINC CO LTD	72	–	–	4	68
KUKDO CHEMICAL CO LTD	40	–	–	4	36
KUMHO PETRO CHEMICAL CO LTD	152	–	–	4	148
LG CHEMICAL LTD COMMON STOCK	380	–	–	4	376
LOCK&LOCK CO LTD KRW500	120	12	–	–	132
LOTTE CHEMICAL CORP	128	–	–	4	124

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the six months from 1 April 2014 to 30 September 2014

KOSPI 200 ETF (continued)

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Materials (continued)					
MOORIM P&P CO LTD KRW5000	280	–	–	4	276
NAMHAE CHEMICAL CORP	200	–	–	20	180
OCI COMPANY LTD	128	–	–	4	124
POONGSAN CORP KRW5000	160	–	–	–	160
POSCO	608	–	–	8	600
SAMKWANG GLASS	24	–	–	–	24
SAMSUNG FINE CHEMICALS	160	–	–	24	136
SEAH BESTEEL CORP SHS	120	–	–	20	100
SEAH STEEL CORPORATION	20	–	–	–	20
SK CHEMICALS CO LTD	120	16	–	–	136
SKC CO LTD	160	–	–	–	160
SONGWON INDUSTRIAL CO LTD KRW500	120	8	–	–	128
SSANGYONG CEMENT IND	480	–	–	28	452
TAEKWANG INDUSTRIAL CO LTD KRW5000	4	–	–	–	4
UNID CO LTD KRW5000	–	24	–	–	24
YOUNG POONG CORPORATION KRW5000	4	–	–	–	4
Telecommunication Services					
KT CORP	1,840	–	–	48	1,792
LG UPLUS CORP	2,320	–	–	28	2,292
SK TELECOM CO LTD ORD	464	–	–	8	456
Utilities					
KOREA ELECTRIC POWER CORP	2,640	–	–	48	2,592
KOREA GAS CORPORATION	256	44	–	–	300

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the six months from 1 April 2014 to 30 September 2014

S&P Emerging Asia Consumer ETF

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Consumer Discretionary					
ASTRA INTERNASIONAL TBK	4,048,000	–	–	511,500	3,536,500
ASTRO MALAYSIA HLD MYR0.10	302,500	–	–	302,500	–
BEC WORLD PUBLIC CO LTD-NVDR THB1(NVDR)	198,000	–	–	27,500	170,500
BELLE INTERNATIONAL HOLDINGS HKD0.01	935,000	–	–	110,000	825,000
BRILLIANCE CHINA AUTOMOTIVE	550,000	–	–	–	550,000
BYD CO LTD-H	–	82,500	–	–	82,500
CHENG SHIN RUBBER IND CO LTD	330,000	–	–	55,000	275,000
DONGFENG MOTOR GRP CO LTD-H	–	440,000	–	–	440,000
GEELY AUTOMOBILE ORD SHS	1,100,000	–	–	275,000	825,000
GENTING BHD	445,500	–	–	55,000	390,500
GENTING MALAYSIA BHD	577,500	–	–	71,500	506,000
GIANT MANUFACTURING SHS	55,000	–	–	–	55,000
GREAT WALL MOTOR COMPANY-H SHS H	220,000	–	–	27,500	192,500
GUANGZHOU AUTOMOBILE GROUP-H	–	330,000	–	–	330,000
HAIER ELECTRONICS GROUP CO HKD0.1	220,000	–	–	55,000	165,000
HOTAI MOTOR COMPANY LTD TWD10	55,000	–	–	–	55,000
INTIME RETAIL GROUP CO LTD	192,500	–	–	192,500	–
MAHINDRA & MAHINDRA LIMITED	60,170	–	–	7,810	52,360
MARUTI SUZUKI INDIA LTD	–	12,320	–	–	12,320
MEDIA NUSANTARA CITRA TBK PT	984,500	–	–	984,500	–
NEW ORIENTAL EDUCATIO-SP ADR SPONS ADR E	27,500	–	–	27,500	–
POU CHEN	495,000	–	–	55,000	440,000
RUENTEX INDUSTRIES LTD TWD10	110,000	–	–	–	110,000
TATA MOTORS LTD	–	160,325	–	–	160,325
UMW HOLDINGS BHD	104,500	–	–	104,500	–
Consumer Staples					
BIG C SUPERCENTER PCL-NVDR THB10(NVDR)	–	49,500	–	–	49,500
BRITISH AMERICAN TOBACCO BHD	–	16,500	–	–	16,500
CHAROEN POKPHAN INDONESIA TBK	1,171,500	–	–	1,171,500	–
CHAROEN POKPHAND FOODS-NVDR DP RCT NON V	500,500	–	–	500,500	–
CHINA MENGNIU DAIRY CO HKD0.1	–	220,000	–	–	220,000
CHINA RESOURCES ENTERPRISE	220,000	–	–	–	220,000
CP ALL PCL	715,000	–	–	44,000	671,000
FELDA GLOBAL VENTU MYR1	308,000	–	–	308,000	–
HENGAN INTL GROUP CO LTD HKD0.1	137,500	–	–	27,500	110,000
HINDUSTAN UNILEVER LIMITED	116,930	–	–	8,690	108,240
INDOFOOD SUKSES MAKMUR TBK P	715,000	–	–	715,000	–
IOI CORPORATION BHD	467,500	–	–	33,000	434,500
ITC LTD	308,440	–	–	18,370	290,070
NESTLE INDIA LIMITED INR10	3,740	–	–	220	3,520
PPB GROUP BERHAD	–	71,500	–	–	71,500
PRESIDENT CHAIN STORE CORP	110,000	–	–	–	110,000
SUN ART RETAIL GRO HKD0.30	357,500	–	–	27,500	330,000
THAI BEVERAGE PCL THB1	1,650,000	–	–	110,000	1,540,000
TINGYI (CAYMAN ISLN) HLDG CO	330,000	–	–	–	330,000
UNILEVER INDONESIA TBK PT	187,000	–	–	11,000	176,000
UNI-PRESIDENT ENTERPRISES CO	715,000	–	39,600	55,000	699,600
UNITED SPIRITS LIMITED	–	12,760	–	–	12,760
UNIVERSAL ROBINA CORP PHP1	138,050	–	–	138,050	–
WANT WANT CHINA HOLDINGS LTD	1,100,000	–	–	55,000	1,045,000

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the six months from 1 April 2014 to 30 September 2014

S&P Global Consumer Brands ETF

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Consumer Discretionary					
ADIDAS AG NPV	7,076	–	–	–	7,076
BMW	6,866	–	–	–	6,866
BRIDGESTONE CORP COM	21,600	–	–	–	21,600
CHRISTIAN DIOR	4,067	–	–	–	4,067
CIE FINANCIERE RICHEMON-REG	8,100	–	–	–	8,100
CONTINENTAL AG	3,272	–	–	–	3,272
DAIMLERCHRYSLER AG ORD	8,449	–	–	–	8,449
DENSO CORP ORD	15,300	–	–	–	15,300
FORD MTR CO DEL COM PAR \$0.01	50,300	–	–	–	50,300
GALAXY ENTERTAINMENT GRP LTD HKD0.10	83,000	–	–	–	83,000
HENNES & MAURITZ AB-B SHS	17,194	–	–	–	17,194
HONDA MOTOR CO LTD	21,300	–	–	–	21,300
HYUNDAI MOBIS	2,746	–	–	–	2,746
HYUNDAI MOTOR CO	3,550	–	–	–	3,550
INDITEX	5,354	–	21,416	–	26,770
KERING	3,962	–	–	–	3,962
KIA MOTORS CORPORATION	14,808	–	–	–	14,808
LAS VEGAS SANDS CORP COM USD0.001	9,200	–	–	–	9,200
LVMH MOET HENNESSY LOUI V SA	4,293	–	–	–	4,293
MCDONALDS CORP COM	7,800	–	–	–	7,800
MICHELIN (CGDE)	6,240	–	–	–	6,240
NIKE INC CL B	9,700	–	–	–	9,700
NISSAN MOTOR CO LTD	90,100	–	–	–	90,100
PRICELINE.COM INC+ COM NEW	600	–	–	–	600
SANDS CHINA LTD	96,400	–	–	–	96,400
SWATCH GROUP AG/THE-BR	1,206	–	–	–	1,206
TOYOTA MOTOR CORP	13,900	–	–	–	13,900
VOLKSWAGEN AG-PREF	3,062	–	–	–	3,062
WPP PLC	37,757	–	–	–	37,757
YUM BRANDS INC COM	10,100	–	–	–	10,100

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the six months from 1 April 2014 to 30 September 2014

S&P Asia ex JANZ Financials ETF

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Financials					
AGRICULTURAL BANK OF CHINA-H 'H'CN1	68,000	-	-	-	68,000
AIA GROUP LTD USD1.00	27,200	7,200	-	-	34,400
AMMB HOLDINGS BHD MYR1	2,800	-	-	-	2,800
AXIS BANK LTD AXSB	664	-	2,656	-	3,320
AYALA CORPORATION PHP50	680	-	-	-	680
AYALA LAND INC PHP1	16,400	-	-	-	16,400
BANGKOK BANK PUBLIC CO-NVDR THB10 (NVDR)	1,200	-	-	-	1,200
BANK CENTRAL ASIA TBK PT IDR62.50	40,000	-	-	3,200	36,800
BANK DANAMON INDONESIA TBK IDR50000 SER 'A'	10,000	-	-	10,000	-
BANK MANDIRI TBK PT	28,000	-	-	-	28,000
BANK NEGARA INDONESIA PT LKD SHS(IDR7500 & IDR375)	22,000	-	-	-	22,000
BANK OF AYUDHYA PUBLIC-NVDR THB10(NVDR)	8,400	-	-	4,400	4,000
BANK OF CHINA LTD-H 'H'HKD1	200,000	-	-	8,000	192,000
BANK OF COMMUNICATIONS CO-H 'H'CN1.00	24,000	32,000	-	-	56,000
BANK OF PHILIPPINE ISLANDS	4,120	-	-	-	4,120
BANK RAKYAT INDONESIA PERSER IDR250	30,000	-	-	-	30,000
BDO UNIBANK INC	4,160	-	-	-	4,160
BOC HONG KONG HOLDINGS LTD HKD5	10,000	-	-	-	10,000
CAPITALAND LTD NPV	8,000	-	-	-	8,000
CAPITAMALL TRUST NPV (REIT)	8,000	-	-	-	8,000
CAPITAMALLS ASIA LTD NPV	4,000	-	(4,000)	-	-
CATHAY FINANCIAL HOLDING CO	22,032	-	1,101	-	23,133
CENTRAL PATTANA PCL-NVDR THB1(NVDR)	4,000	-	-	-	4,000
CHAILEASE HOLDING CO LTD TWD10	-	4,000	-	-	4,000
CHANG HWA COMMERCIAL BANK	12,000	-	240	-	12,240
CHEUNG KONG HOLDINGS LTD HKD0.50	4,000	-	-	-	4,000
CHINA CINDA ASSET MANAGEME-H	-	28,000	-	-	28,000
CHINA CITIC BANK CORP LTD-H	24,000	-	-	-	24,000
CHINA CONSTRUCTION BANK-H 'H'CN1	236,000	-	-	8,000	228,000
CHINA DEVELOPMENT FINANCIAL	40,000	-	-	-	40,000
CHINA LIFE INSURANCE CO LTD TWD10	9,680	-	968	2,648	8,000
CHINA LIFE INSURANCE CO-H 'H'CN1	20,000	-	-	-	20,000
CHINA MERCHANTS BANK - H 'H'CN1	14,000	-	-	2,000	12,000
CHINA MINSHENG BANKING-H 'H'CN1	16,000	-	3,200	-	19,200
CHINA OVERSEAS LAND & INVEST HKD0.10	8,000	-	-	-	8,000
CHINA PACIFIC INSURANCE GR-H 'H'CN1	5,600	-	-	-	5,600
CHINA RESOURCES LAND LTD HKD0.10	8,000	-	-	-	8,000
CHINA VANKE CO LTD-H	-	-	4,000	-	4,000
CHINA VANKE CO LTD -B 'B'CN1	4,000	-	(4,000)	-	-
CHINATRUST FINANCIAL HOLDING TWD10	44,000	-	1,627	5,627	40,000
CIMB GROUP HOLDINGS BHD MYR1	6,800	-	-	-	6,800
CITIC SECURITIES CNY1'H'	2,000	-	-	-	2,000
COUNTRY GARDEN HOLDINGS CO HKD0.10 (08OCT14)	20,000	-	-	-	20,000
COUNTRY GARDEN HOLDINGS-RIGHTS (08OCT14)	-	-	1,333	1,333	-
DBS GROUP HOLDINGS LTD NPV	4,000	-	-	-	4,000
E.SUN FINANCIAL HOLDINGS CO TWD10	16,000	-	1,426	-	17,426
FIRST FINANCIAL HOLDING CO TWD10	20,000	-	1,400	-	21,400
FUBON FINANCIAL HOLDING CO	20,000	-	-	-	20,000
GLOBAL LOGISTIC PROPERTIES L NPV	8,000	-	-	-	8,000
HAITONG SECURITIES 'H'CN1	4,800	-	-	-	4,800
HANA FINANCIAL GROUP KRW5000	840	-	-	-	840
HANG LUNG PROPERTIES LTD HKD1	8,000	-	-	1,000	7,000
HANG SENG BANK HKD5	2,000	-	-	-	2,000
HANWHA LIFE INSURANCE CO LTD	720	-	-	-	720
HDFC BANK LTD INR2	3,392	-	-	-	3,392
HENDERSON LAND DEVELOPMENT HKD2	4,000	-	400	-	4,400
HONG KONG EXCHANGES & CLEAR HKD1	3,200	-	-	-	3,200
HONG LEONG BANK BERHAD	1,200	-	-	-	1,200
HONG LEONG FINANCIAL GROUP MYR1	800	-	-	-	800
HONGKONG LAND HOLDINGS LTD ORD USD0.10(BERMUDA REG)	4,000	-	-	-	4,000

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the six months from 1 April 2014 to 30 September 2014

S&P Asia ex JANZ Financials ETF (continued)

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Financials (continued)					
HOUSING DEVELOPMENT FINANCE INR2	4,472	–	–	–	4,472
HUA NAN FINANCIAL HOLDINGS C	20,000	–	600	–	20,600
ICICI BANK LTD INR10(100%DEMAT)	1,632	–	–	–	1,632
IND & COMM BK OF CHINA-H 'H'CNY1	236,000	–	–	8,000	228,000
INDUSTRIAL BANK OF KOREA KRW5000	480	–	–	–	480
KASIKORNBANK PCL-NVDR THB10 (NVDR)	3,600	–	–	–	3,600
KB FINANCIAL GROUP INC KRW5000	1,120	–	–	–	1,120
KJB FINANCIAL GROUP CO LTD	–	–	64	64	–
KLCC PROPERTY HOLDINGS BHD	1,200	–	–	–	1,200
KNB FINANCIAL GROUP CO LTD	–	–	97	97	–
KOTAK MAHINDRA BANK LTD INR5	780	–	–	–	780
KRUNG THAI BANK - NVDR THB5.15(NVDR)	10,000	–	–	–	10,000
LAND & HOUSES PUB - NVDR	–	8,800	–	–	8,800
LINK REIT NPV	6,000	–	–	–	6,000
LONGFOR PROPERTIES	4,000	–	–	–	4,000
MALAYAN BANKING BHD MYR1	7,600	–	–	–	7,600
MEGA FINANCIAL HOLDING CO LT TWD10	26,000	–	–	–	26,000
METROPOLITAN BANK & TRUST PHP20	3,200	–	–	–	3,200
NEW CHINA LIFE INSURANCE C-H	1,600	–	–	–	1,600
OVERSEA-CHINESE BANKING CORP NPV	8,000	–	–	–	8,000
OVERSEA-CHINESE BANKING-R 15SEP14	–	–	1,000	1,000	–
PEOPLE'S INSURANCE 'H'CNY1	20,000	–	–	–	20,000
PICC PROPERTY & CASUALTY -H	8,000	–	–	–	8,000
PING AN INSURANCE GROUP CO-H 'H'CNY1	6,000	–	–	–	6,000
PUBLIC BANK BERHAD-RIGHTS 18JUL14	–	–	320	320	–
PUBLIC BK BHD MYR1	3,200	–	–	–	3,200
RHB CAPITAL BHD MYR1	2,000	–	–	–	2,000
RUENTEX DEVELOPMENT CO LTD TWD10	4,000	–	–	–	4,000
SAMSUNG FIRE & MARINE INS KRW500	108	–	–	12	96
SAMSUNG LIFE INSURANCE CO KRW5000	424	–	–	168	256
SHIMAO PROPERTY HOLDINDS LTD HKD0.10	4,000	–	–	–	4,000
SHIN KONG FINANCIAL HOLDING TWD10	24,000	–	1,301	–	25,301
SHINHAN FINANCIAL GROUP LTD KRW5000	1,360	–	–	–	1,360
SIAM COMMERCIAL BANK P-NVDR THB10 (NVDR)	4,400	–	–	–	4,400
SINGAPORE EXCHANGE LTD NPV	4,000	–	–	–	4,000
SINOPAC FINANCIAL HOLDINGS TWD10	24,000	–	1,939	–	25,939
SM PRIME HOLDINGS INC PHP1	22,000	–	–	–	22,000
STATE BANK OF INDIA INR10	396	–	–	–	396
SUN HUNG KA-CW16	–	–	333	333	–
SUN HUNG KAI PROPERTIES HKD0.50	4,000	–	–	–	4,000
SWIRE PACIFIC LTD 'A' 'A'HKD0.60	2,000	–	–	–	2,000
SWIRE PROPERTIES LTD HKD1	3,200	–	–	–	3,200
TAISHIN FINANCIAL HOLDINGS TWD10	20,000	–	1,986	–	21,986
TAISHIN FINANCIAL HOL-RIGHTS (03APR2014)	969	–	–	969	–
TAIWAN COOPERATIVE FINANCIAL TWD0.10	16,000	–	800	–	16,800
THAI MILITARY BANK PCL-NVDR THB10 (NVDR)	–	60,000	–	–	60,000
UEM LAND HOLDINGS BHD MYR0.5	3,600	–	–	–	3,600
UNITED OVERSEAS BANK LTD NPV	4,000	–	–	–	4,000
WHARF HOLDINGS LTD HKD1	4,000	–	–	–	4,000
WOORI FINANCE HLDG KRW5000	1,000	–	(161)	–	839
YUANTA FINANCIAL HOLDING CO LTD	28,000	–	700	–	28,700

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the six months from 1 April 2014 to 30 September 2014

S&P Asia ex JANZ IT ETF

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Information Technology					
ACER INC TWD10	21,000	–	–	–	21,000
ADVANCED SEMICONDUCTOR ENGR TWD10	49,000	–	–	–	49,000
ADVANTECH CO LTD	2,000	–	198	–	2,198
ASUSTEK COMPUTER INC TWD10	6,000	–	–	–	6,000
AU OPTRONICS CORP	70,000	–	–	–	70,000
BAIDU INC - SPON ADR ADS EACH REPR 10 ORD CLS'A	2,200	–	–	100	2,100
BOE TECHNOLOGY GROUP CO LT-B 'B' CNY1	–	10,500	–	–	10,500
CATCHER TECHNOLOGY CO LTD SHS	5,000	2,000	–	–	7,000
COMPAL ELECTRONICS	35,000	–	–	–	35,000
DELTA ELECTRONICS INC TWD10	15,000	–	–	–	15,000
EPISTAR CORP TWD10	6,000	–	–	–	6,000
FIH MOBILE LTD	21,000	–	–	–	21,000
FLEXTRONICS INTL LTD ORD	4,900	–	–	–	4,900
FOXCONN TECHNOLOGY CO LTD	7,000	–	350	–	7,350
HCL TECHNOLOGIES LTD INR2	1,708	–	–	–	1,708
HON HAI PRECISION INDUSTRY TWD10	90,000	8,000	10,800	–	108,800
HTC CORP TWD10	6,000	–	–	–	6,000
INFOSYS LTD	3,867	–	–	–	3,867
INNOLUX CORP	65,000	–	–	–	65,000
INNOLUX CORP RIGHTS 04/08/2014	–	–	4,884	4,884	–
INOTERA MEMORIES INC TWD10	18,000	–	–	–	18,000
INVENTEC CO LTD	24,000	–	–	–	24,000
LARGAN PRECISION CO LTD	1,000	–	–	–	1,000
LENOVO GROUP LTD	50,000	–	–	8,000	42,000
LG DISPLAY CO LTD	1,820	–	–	–	1,820
LITE-ON TECHNOLOGY CORP ORD	17,000	–	85	–	17,085
MEDIA TEK INC	12,000	–	–	–	12,000
NANYA TECHNOLOGY CORPORATION	28,000	–	(25,198)	2,802	–
NAVER CORP	238	–	–	21	217
NCSoft CORPORATION KRW500	–	–	–	–	–
NETEASE INC-ADR	600	–	–	–	600
NHN ENTERTAINMENT CORP KRW500	–	–	–	–	–
NOVATEK MICROELECTRONICS LTD	5,000	–	–	–	5,000
PEGATRON CORP TWD10	14,000	–	–	–	14,000
POWERTECH TECHNOLOGY INC TWD10	–	–	–	–	–
QUANTA COMPUTER INC	21,000	–	–	–	21,000
SAMSUNG ELECTRONICS CO LTD KRW5000	968	–	–	16	952
SAMSUNG ELECTRONICS-PFD PFD KRW5000	183	–	–	29	154
SAMSUNG SDI CO LTD KRW5000	301	133	–	–	434
SILICONWARE PRECISION INDS TWD10	23,000	–	–	–	23,000
SK C&C CO LTD KRW5000	–	154	–	–	154
SK HYNIX INC	4,500	–	–	–	4,500
SYNNEX TECHNOLOGY INTL CORP	10,000	–	–	–	10,000
TAIWAN SEMICONDUCTOR MANUFAC TWD10	147,000	–	–	–	147,000
TATA CONSULTANCY SVS LTD INR1	3,764	–	–	152	3,612
TECH MAHINDRA LTD INR10	–	896	–	–	896
TENCENT HOLDINGS LTD HKD0.0001	8,400	–	33,600	–	42,000
TPK HOLDING CO LTD TPK HOLDING CO LTD	2,000	–	–	2,000	–
UNIMICRON TECHNOLOGY CORP TWD10	–	–	–	–	–
UNITED MICROELECTRONICS CORP	98,000	–	–	–	98,000
WIPRO LTD	4,823	–	–	–	4,823
WISTRON CORP TWD10	19,000	–	380	–	19,380
WPG HOLDINGS CO LTD TWD10	12,000	–	–	–	12,000
ZHEN DING TECHNOLOGY HOLDING	3,000	–	–	3,000	–
ZTE CORP-H CNY1	5,600	–	–	–	5,600

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the six months from 1 April 2014 to 30 September 2014

S&P Asia ex JANZ Industrials ETF

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Industrials					
ABOITIZ EQUITY VENTURES INC PHP1	32,000	–	–	10,000	22,000
ADANI ENTERPRISES LTD INR1	–	2,636	–	–	2,636
ADANI PORTS AND SPECIAL ECONOMIC ZONE	–	4,872	–	–	4,872
AIR CHINA LIMITED-H ORD CNY1	30,000	–	–	6,000	24,000
AIRPORTS OF THAILAND PC-NVDR THB10(NVDR)	6,000	–	–	1,600	4,400
ALLIANCE GLOBAL GROUP INC PHP1	59,500	–	–	19,100	40,400
BEIJING ENTERPRISES HLDGS	7,500	–	–	2,000	5,500
BHARAT HEAVY ELECTRICALS	8,525	–	–	2,869	5,656
CHINA AIRLINES TWD10	35,000	–	–	35,000	–
CHINA CNR CORP LTD-H	–	18,000	–	–	18,000
CHINA COMMUNICATIONS CONST-H 'H' CNY1	60,000	–	–	16,000	44,000
CHINA MERCHANTS HLDGS INTL	16,000	4,000	–	4,000	16,000
CHINA RAILWAY GROUP LTD-H	55,000	–	–	15,000	40,000
CHINA RAILWAYS CONSTRUCTIO-H 'H' CNY1	25,000	–	–	7,000	18,000
CITIC LTD 267	–	56,000	–	–	56,000
CSR CORP LTD - H	25,000	–	–	5,000	20,000
DMCI HOLDINGS INC PHP1	14,500	–	–	4,580	9,920
EVA AIRWAYS CORP	25,000	–	–	25,000	–
EVERGREEN MARINE	25,000	–	–	9,000	16,000
FAR EASTERN NEW CENTURY CORP	53,000	–	840	13,840	40,000
GAMUDA BHD	–	18,000	–	–	18,000
HIWIN TECHNOLOGIES CORP TWD10	2,000	–	60	–	2,060
HUTCHISON PORT HOLDINGS TR-U	76,000	–	–	24,000	52,000
HUTCHISON WHAMPOA ORD SHS	32,000	–	–	11,000	21,000
HYUNDAI ENGINEERING & CONSTR	1,050	–	–	334	716
HYUNDAI GLOVIS CO LTD	249	–	–	81	168
HYUNDAI HEAVY INDUSTRIES	677	–	–	185	492
INTL CONTAINER TERM SVCS INC	11,200	–	–	3,280	7,920
JARDINE MATHESON HLDGS ORD	2,800	400	–	400	2,800
JARDINE STR	3,000	–	–	1,000	2,000
JASA MARGA (PERSERO) TBK	30,000	–	–	9,600	20,400
JG SUMMIT HOLDINGS INC PHP1	39,500	–	–	11,340	28,160
KCC CORP	–	52	–	–	52
KEPPEL CORP LTD	20,000	–	–	4,000	16,000
LARSEN & TOUBRO LIMITED	3,210	–	–	1,062	2,148
LG CORP	1,853	–	–	509	1,344
MALAYSIA AIRPORTS HLDGS BHD	–	5,200	–	–	5,200
MISC BHD MYR1	13,500	–	–	2,700	10,800
MTR CORP ORD SHS	19,000	–	–	5,000	14,000
SAMSUNG C&T CORP	1,810	–	–	506	1,304
SAMSUNG HEAVY INDUSTRIES	2,550	–	–	770	1,780
SAN MIGUEL CORP	13,750	–	–	4,190	9,560
SEMBCORP INDUSTRIES LIMITED	13,000	–	–	5,000	8,000
SEMBCORP MARINE LTD	11,000	–	–	3,000	8,000
SHANGHAI ELECTRIC GRP CO L-H	40,000	–	–	8,000	32,000
SIME DARBY BERHAD	35,700	–	–	10,500	25,200
SINGAPORE AIRLINES LTD	7,000	–	–	1,000	6,000
SINGAPORE TECH ENGINEERING	22,000	–	–	6,000	16,000
SK HOLDINGS	358	–	–	110	248
SM INVESTMENTS CORP SHS	4,500	–	–	1,340	3,160
TAIWAN GLASS IND CORP TAIWAN GLASS IND C	15,000	–	–	3,000	12,000
UNITED TRACTORS TBK	21,600	–	–	6,400	15,200
WESTPORTS HOLDINGS MYR0.1	–	12,000	–	–	12,000
ZOOMLION HEAVY INDUSTRY SCIENC	21,000	–	–	21,000	–

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the six months from 1 April 2014 to 30 September 2014

S&P Asia ex JANZ Energy ETF

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Energy					
ADARO ENERGY TBK	164,000	–	–	–	164,000
BHARAT PET CO COMMON	–	1,764	–	–	1,764
BUMI ARMADA BERHA MYR0.20	10,400	9,200	5,200	–	24,800
BUMI ARMADA BERHAD-RIGHTS (30SEP14)	–	–	5,200	5,200	–
CAIRN INDIA LTD	4,696	–	–	–	4,696
CHINA COAL ENERGY CO - H 'H'CN1	44,000	–	–	–	44,000
CHINA OILFIELD SERVICES LTD	16,000	–	–	–	16,000
CHINA SHENHUA ENERGY CO - H CNY1'H'	36,000	–	–	–	36,000
CNOOC LTD HKD0.02	164,000	–	–	–	164,000
COAL INDIA LTD INR10	6,512	–	–	–	6,512
FORMOSA PETROCHEMICAL CORP TWD10	16,000	–	–	–	16,000
INDIAN OIL CORPORATION LTD	2,504	–	–	–	2,504
KUNLUN ENERGY COMPANY LTD	32,000	–	–	–	32,000
OIL & NATURAL GAS CORP LTD INR10	18,524	–	–	–	18,524
OIL INDIA LTD	1,424	–	–	–	1,424
PETROCHINA CO LTD-H	216,000	–	–	–	216,000
PETRONAS DAGANGAN BHD	2,400	–	–	–	2,400
PTT EXPLOR & PROD PCL-NVDR	14,400	–	–	–	14,400
PTT PCL-NVDR	8,800	–	–	–	8,800
RELIANCE INDUSTRIES LTD	16,312	–	–	520	15,792
SAPURAKENCANA PETROLEUM BHD	27,200	–	–	–	27,200
SINOPEC CORP-H	264,000	–	–	–	264,000
SK INNOVATION CO LTD	572	64	–	–	636
S-OIL CORPORATION	428	–	–	–	428
THAI OIL PCL-NVDR THB10(NVDR)	8,400	–	–	–	8,400
YANZHOU COAL MINING CO ORD CL H	16,000	–	–	16,000	–

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the six months from 1 April 2014 to 30 September 2014

S&P Asia ex JANZ Materials ETF

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Materials					
ALUMINUM CORP OF CHINA LTD	84,000	–	–	12,000	72,000
ANHUI CONCH CEMENT CO LTD-H ORD CL H	27,000	–	–	–	27,000
ASIA CEMENT CORP SHS	48,000	–	960	–	48,960
ASIAN PAINTS LTD DEMAT EQUITY	6,042	–	–	–	6,042
CHINA STEEL CORP	252,000	–	5,040	17,040	240,000
FORMOSA CHEM N FIB	72,000	–	–	6,000	66,000
FORMOSA PLASTICS CORP	102,000	–	–	6,000	96,000
HINDUSTAN ZINC LIMITED INR10(100%DEMAT)	5,328	–	–	–	5,328
HYUNDAI STEEL CO	1,182	252	–	–	1,434
INDOCEMENT TUNGGAL PRAKARSA TBK	27,000	–	–	–	27,000
INDORAMA VENTURES PCL-NVDR THB1(NVDR)	–	33,600	–	–	33,600
JIANGXI COPPER COMPANY-H SHS	30,000	–	–	–	30,000
KOREA ZINC CO LTD	264	–	–	18	246
LG CHEM LTD-PREFERENCE	162	–	–	60	102
LG CHEMICAL LTD COMMON STOCK	918	–	–	60	858
LOTTE CHEMICAL CORP	336	–	–	18	318
NAN YA PLASTIC CORP	108,000	–	–	–	108,000
NMDC LIMITED INR1	16,656	–	–	1,278	15,378
PETRONAS CHEMICALS GROUP BHD	40,200	–	–	3,000	37,200
POSCO	1,614	–	–	60	1,554
PTT GLOBAL CHEMICAL PCL-NVDR THB10(NVDR)	34,800	–	–	2,400	32,400
SEMEN INDONESIA PERSERO TBK PT	60,000	–	–	3,600	56,400
SESA STERLITE LIMITED	–	22,998	–	–	22,998
SIAM CEMENT PCL- NVDR	6,000	–	–	–	6,000
TAIWAN CEMENT	66,000	–	–	–	66,000
TAIWAN FERTILIZER CO LTD	12,000	–	–	–	12,000
TATA STEEL LIMITED SHS	4,896	–	–	432	4,464
ULTRATECH CEMENT LTD	1,380	–	–	126	1,254
ZIJIN MINING GROUP CO LTD	120,000	–	–	12,000	108,000

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the six months from 1 April 2014 to 30 September 2014

MSCI China ETF

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Consumer Discretionary					
ANTA SPORTS PRODUCTS LTD HKD0.10	70,000	–	–	–	70,000
BELLE INTERNATIONAL HOLDINGS HKD0.01	280,000	–	–	–	280,000
BRILLIANCE CHINA AUTOMOTIVE	140,000	–	–	–	140,000
BYD CO LTD-H	35,000	–	–	–	35,000
DONGFENG MOTOR GRP CO LTD-H	140,000	–	–	–	140,000
GEELY AUTOMOBILE ORD SHS	350,000	–	–	–	350,000
GOME ELECTRICAL APPLIANCES HKD0.1	560,000	–	–	–	560,000
GREAT WALL MOTOR COMPANY-H SHS H	70,000	–	–	–	70,000
GUANGZHOU AUTOMOBILE GROUP-H	140,000	–	–	–	140,000
HAIER ELECTRONICS GROUP CO HKD0.1	70,000	–	–	–	70,000
INTIME RETAIL GROUP CO LTD	70,000	–	–	–	70,000
ZHONGSHENG GROUP HOLDINGS	35,000	–	–	–	35,000
Consumer Staples					
CHINA AGRI-INDUSTRIES LTD	140,000	–	–	–	140,000
CHINA HUIZHAN DAIR HKD0.1	–	350,000	–	–	350,000
CHINA MENGNIU DAIRY CO HKD0.1	70,000	–	–	–	70,000
HENGAN INTL GROUP CO LTD HKD0.1	35,000	–	–	–	35,000
SUN ART RETAIL GRO HKD0.30	140,000	–	–	–	140,000
TINGYI (CAYMAN ISLN) HLDG CO	140,000	–	–	–	140,000
UNI-PRESIDENT CHINA HOLDINGS	70,000	–	–	–	70,000
UNI-PRESIDENT CHINA HOLD-RTS 17JUN14	–	–	14,000	14,000	–
WANT WANT CHINA HOLDINGS LTD	350,000	–	–	–	350,000
Energy					
CHINA COAL ENERGY CO - H 'H'CNV1	210,000	–	–	–	210,000
CHINA OILFIELD SERVICES LTD	140,000	–	–	–	140,000
CHINA SHENHUA ENERGY CO - H CNY1'H'	175,000	–	–	–	175,000
CNOOC LTD HKD0.02	980,000	–	–	–	980,000
KUNLUN ENERGY COMPANY LTD	140,000	–	–	–	140,000
PETROCHINA CO LTD-H	1,120,000	–	–	–	1,120,000
SINOPEC CORP-H	1,400,000	–	–	–	1,400,000
YANZHOU COAL MINING CO ORD CL H	140,000	–	–	–	140,000
Financials					
AGILE PROPERTY HLDGS LTD - RHTS(24OCT14)	–	–	28,000	–	28,000
AGILE PROPERTY HOLDINGS LTD	140,000	–	–	–	140,000
AGRICULTURAL BK CH 'H'CNV1	1,120,000	–	–	–	1,120,000
BANK OF CHINA LTD - H CNY1	3,990,000	210,000	–	–	4,200,000
BANK OF COMMUNICATIONS - H 'H'CNV1.00	490,000	–	–	–	490,000
CHINA CINDA ASSET MANAGEME-H	210,000	70,000	–	–	280,000
CHINA CITIC BANK CORP LTD-H	420,000	–	–	–	420,000
CHINA CONSTRUCTION BANK-H	3,850,000	70,000	–	70,000	3,850,000
CHINA EVERBRIGHT BANK CO L-H	–	140,000	–	–	140,000
CHINA LIFE INSURANCE CO-H 'H'CNV1	420,000	–	–	–	420,000
CHINA MERCHANTS BANK - H	245,000	–	–	–	245,000
CHINA MINSHENG BANKING-H	280,000	–	56,000	–	336,000
CHINA OVERSEAS GRAND OCEANS HKD0.50	70,000	–	–	70,000	–
CHINA OVERSEAS LAND & INVEST	280,000	–	–	–	280,000
CHINA PACIFIC INSURANCE GR-H 'H'CNV1	140,000	–	–	–	140,000
CHINA RESOURCES LAND LTD SHS	140,000	–	–	–	140,000
CHINA TAIPING INSURANCE HOLDIN	42,000	–	–	–	42,000
CHINA VANKE CO LTD-H	–	70,000	–	–	70,000
CHONGQING RURAL CO CNY1 H SHARE	140,000	–	–	–	140,000
CITIC SECURITIES CNY1'H'	70,000	–	–	–	70,000
COUNTRY GARDEN HOLDINGS CO HKD0.10	210,000	70,000	–	–	280,000
COUNTRY GARDEN HOLDINGS-RIGHTS (08OCT14)	–	–	18,666	18,666	–
EVERGRANDE REAL ESTATE GROUP USD0.01	350,000	–	–	–	350,000
FAR EAST HORIZON L HKD0.01 REG S	70,000	–	–	–	70,000
FRANSHION PROPERTIES HKD1	140,000	–	–	–	140,000
GREENTOWN CHINA HOLDINGS HKD0.10	35,000	–	–	35,000	–

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the six months from 1 April 2014 to 30 September 2014

MSCI China ETF (continued)

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Financials (continued)					
GUANGZHOU R&F PROPERTIES - H	56,000	–	–	–	56,000
HAITONG SECURITIES 'H' CNY1	56,000	28,000	–	–	84,000
IND & COMM BK OF CHINA-H	3,920,000	70,000	–	70,000	3,920,000
LONGFOR PROPERTIES	70,000	–	–	–	70,000
NEW CHINA LIFE INSURANCE C-H	42,000	–	–	–	42,000
NEW WORLD CHINA LAND L SHS	140,000	–	–	–	140,000
PEOPLE'S INSURANCE 'H' CNY1	280,000	70,000	–	–	350,000
PICC PROPERTY & CASUALTY -H 'H' CNY1	140,000	–	–	–	140,000
PING AN INSURANCE GROUP CO-H 'H' CNY1	105,000	–	–	–	105,000
POLY PROPERTY GROUP CO LTD	140,000	–	–	–	140,000
SHIMAO PROPERTY HOLDINGS LTD HKD0.10	70,000	–	–	–	70,000
SHUI ON LAND LTD USD0.0025	175,000	–	–	–	175,000
SINO-OCEAN LAND HOLDINGS	175,000	–	–	–	175,000
SOHO CHINA LTD	105,000	–	–	–	105,000
YUEXIU PROPERTY CO LTD-RIGHTS (14OCT14)	–	–	92,400	–	92,400
YUEXIU PROPERTY COMPANY LTD	280,000	–	–	–	280,000
Health Care					
CSPC PHARMACEUTICAL GROUP LTD	140,000	–	–	–	140,000
SHANGHAI FOSUN PHARMACEUTI-A CNY1 'H'	–	35,000	–	–	35,000
SHANGHAI PHARMACEU 'H' CNY1	35,000	–	–	–	35,000
SIHUAN PHARMACEUTICAL HLDGS HKD0.01	140,000	–	140,000	–	280,000
SINO BIOPHARMACEUTICAL HKD0.025	280,000	–	–	–	280,000
SINOPHARM GROUP CO-H 'H' SHS CNY1	56,000	–	–	–	56,000
Industrials					
AIR CHINA LIMITED-H ORD CNY1	140,000	–	–	–	140,000
BEIJING CAPITAL INTL AIRPORT	140,000	–	–	–	140,000
BEIJING ENTERPRISES HLDGS	35,000	–	–	–	35,000
CHINA COMMUNICATIONS CONST-H 'H' CNY1	210,000	–	–	–	210,000
CHINA EVERBRIGHT INTL LTD HKD0.10	140,000	–	–	–	140,000
CHINA INTL MARINE 'H' CNY1	28,000	–	–	–	28,000
CHINA RAILWAY GROUP LTD-H	210,000	–	–	–	210,000
CHINA RAILWAYS CONSTRUCTIO-H 'H' CNY1	105,000	–	–	–	105,000
CHINA SHIPPING CONTAINER-H CNY1	210,000	–	–	–	210,000
CHINA STATE CONSTRUCTION INT HKD0.1	140,000	–	–	–	140,000
CITIC LTD 267	70,000	70,000	–	–	140,000
COSCO HOLDINGS - H 'H' CNY1.00	140,000	–	–	–	140,000
COSCO PACIFIC LIMITED	140,000	–	–	–	140,000
CSR CORP LTD - H	70,000	70,000	–	–	140,000
SHANGHAI ELECTRIC GRP CO L-H	140,000	–	–	–	140,000
SINOPEC ENGINEERING GROUP-H	70,000	–	–	–	70,000
ZHEJIANG EXPRESSWAY CO-H	140,000	–	–	–	140,000
ZHUZHOU CSR TIMES ELECTRIC-H 'H' CNY1	35,000	–	–	–	35,000
ZOOMLION HEAVY INDUSTRY SCIENC	70,000	–	–	–	70,000
Information Technology					
AAC TECHNOLOGIES HOLDINGS IN	35,000	–	–	–	35,000
GCL POLY ENERGY HOLDINGS LTD	560,000	–	–	–	560,000
HANERGY SOLAR GROUP LTD	560,000	–	–	–	560,000
KINGBOARD CHEMICALS HOLDINGS	35,000	–	–	–	35,000
LENOVO GROUP LTD	280,000	–	–	–	280,000
TENCENT HOLDINGS LTD ORD HKD0.0001	56,000	–	224,000	7,000	273,000
ZTE CORP-H CNY1	28,000	–	–	–	28,000
Materials					
ALUMINUM CORP OF CHINA LTD	140,000	–	–	–	140,000
ANHUI CONCH CEMENT CO LTD-H ORD CL H	70,000	–	–	–	70,000
BBMG CORPORATION - H	70,000	–	–	–	70,000
CHINA BLUECHEMICAL LTD - H 'H' CNY1	140,000	–	–	–	140,000
CHINA NATIONAL BUILDING MA-H 'H' CNY1	140,000	–	–	–	140,000
CHINA RESOURCES CEMENT	140,000	–	–	–	140,000
FOSUN INTERNATIONAL HKD0.10	70,000	35,000	–	–	105,000
JIANGXI COPPER COMPANY-H SHS	70,000	–	–	–	70,000

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the six months from 1 April 2014 to 30 September 2014

MSCI China ETF (continued)

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Materials (continued)					
LEE & MAN PAPER MANUFACTURIN	70,000	–	–	–	70,000
NINE DRAGONS PAPER HOLDINGS	70,000	–	–	–	70,000
SHOUGANG FUSHAN RESOURCES GR HKD0.10	140,000	–	–	140,000	–
SINOPEC SHANGHAI PETROCHEM	140,000	–	–	–	140,000
YINGDE GASES GROUP COMPANY USD0.000001	70,000	–	–	–	70,000
ZIJIN MINING GROUP CO LTD	280,000	–	–	–	280,000
Telecommunication Services					
CHINA COMMUNICATIONS SERVI-H 'H'CN1	140,000	–	–	–	140,000
CHINA MOBILE (HK)LTD	315,000	–	–	–	315,000
CHINA TELECOM CORP LTD SHS H	700,000	–	–	–	700,000
CHINA UNICOM HONG KONG LTD	280,000	–	–	–	280,000
CITIC 21CN CO LTD ORD SHS	–	140,000	–	–	140,000
Utilities					
BEIJING ENTERPRISES WATER GR HKD0.1	140,000	140,000	–	–	280,000
CHINA GAS HOLDINGS LTD HKD0.01	140,000	–	–	–	140,000
CHINA LONGYUAN POWER GROUP-H	140,000	–	–	–	140,000
CHINA RESOURCES POWER HOLDIN HKD1	140,000	–	–	–	140,000
DATANG INTL POWER	140,000	–	–	–	140,000
GUANGDONG INVESTMENT LTD	140,000	–	–	–	140,000
HUANENG POWER INTL ORD CL H	140,000	–	–	–	140,000

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the six months from 1 April 2014 to 30 September 2014

Hang Seng High Dividend Yield ETF

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Consumer Discretionary					
BOSIDENG INTL HLDGS LTD	5,274,000	606,000	–	–	5,880,000
MGM CHINA HLDGS LT HKD1	–	192,000	–	–	192,000
SJM HOLDINGS LIMITED	238,000	–	–	58,000	180,000
TELEVISION BROADCASTS LTD	–	102,000	–	–	102,000
WYNN MACAU LTD HKD0.001	255,600	–	–	111,600	144,000
YUE YUEN INDUSTRIAL HLDG SHS	327,500	–	–	147,500	180,000
Energy					
CNOOC LTD HKD0.02	256,000	–	–	16,000	240,000
PETROCHINA CO LTD-H	446,000	–	–	86,000	360,000
SINOPEC CORP-H	1,106,000	–	–	626,000	480,000
Financials					
AGILE PROPERTY HLDGS LTD - RHTS(24OCT14)	–	–	240,000	–	240,000
AGILE PROPERTY HOLDINGS LTD	–	1,200,000	–	–	1,200,000
AGRICULTURAL BK CH 'H'CN1	1,564,000	–	–	64,000	1,500,000
BANK EAST ASIA LTD ORD	140,000	–	–	44,000	96,000
BANK OF CHINA LTD - H CNY1	1,959,000	–	–	459,000	1,500,000
BANK OF COMMUNICATIONS - H 'H'CN1.00	897,000	123,000	–	–	1,020,000
BOC HONG KONG HOLDINGS LTD	214,500	–	–	34,500	180,000
CHAMPION REIT REIT	1,786,000	–	–	406,000	1,380,000
CHINA CITIC BANK CORP LTD-H	–	1,260,000	–	–	1,260,000
CHINA CONSTRUCTION BANK-H	871,000	89,000	–	–	960,000
CHINA EVERBRIGHT LTD	224,000	–	–	224,000	–
CHINA MERCHANTS BANK - H	384,500	–	–	84,500	300,000
CHINA MINSHENG BANKING-H	451,000	–	84,000	31,000	504,000
CHONGQING RURAL CO CNY1 H SHARE	–	1,560,000	–	–	1,560,000
EVERGRANDE REAL ESTATE GROUP USD0.01	–	3,840,000	–	–	3,840,000
FORTUNE REIT NPV (REIT)	734,000	–	–	734,000	–
HANG LUNG PROPERTIES LTD	122,000	–	–	122,000	–
HANG SENG BANK	41,000	–	–	11,000	30,000
HONG KONG EXCHANGES & CLEAR	22,400	–	–	22,400	–
HSBC HOLDINGS PLC	52,800	–	–	4,800	48,000
HYSAN DEVELOPMENT CO	98,000	–	–	98,000	–
IND & COMM BK OF CHINA-H	1,063,000	–	–	43,000	1,020,000
KWG Property HKD0.10	–	1,410,000	–	–	1,410,000
LINK REIT NPV	106,000	–	–	16,000	90,000
NEW WORLD DEVELOPMENT	354,000	126,000	–	–	480,000
NEW WORLD DEVELOPMENT-RIGHTS (17APR2014)	118,000	–	–	118,000	–
SHENZHEN INV ORD SHS	–	2,640,000	–	–	2,640,000
SINO LAND CO	456,000	–	–	96,000	360,000
SINO-OCEAN LAND HOLDINGS	–	1,260,000	–	–	1,260,000
SOHO CHINA LTD	814,000	–	–	64,000	750,000
SUN HUNG KA-CW16	–	–	3,166	3,166	–
SUN HUNG KAI PROPERTIES	38,000	–	–	38,000	–
SWIRE PAC LTD CL A	44,500	–	–	14,500	30,000
WHARF HOLDINGS	39,000	–	–	39,000	–
YUEXIU PROPERTY CO LTD-RIGHTS (14OCT14)	–	–	1,069,200	–	1,069,200
YUEXIU PROPERTY COMPANY LTD	–	3,240,000	–	–	3,240,000
YUEXIU REAL ESTATE INVESTMENT TRUST	–	1,860,000	–	–	1,860,000
Health Care					
CHINA SHINEWAY PHARMACEUTICA HKD0.10	270,000	–	–	270,000	–
Industrials					
CITIC PACIFIC COMMON	638,000	–	–	638,000	–
HOPEWELL HIGHWAY INFRASTRUCT	2,173,000	77,000	–	–	2,250,000
HOPEWELL HOLDINGS	234,500	–	–	114,500	120,000
HUTCHISON WHAMPOA ORD SHS	35,000	–	–	35,000	–
SHANGHAI INDUSTRIAL ORD SHS	200,000	–	–	200,000	–

HORIZONS EXCHANGE TRADED FUNDS SERIES

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the six months from 1 April 2014 to 30 September 2014

Hang Seng High Dividend Yield ETF (continued)

Investments	Beginning holdings as at 1 April 2014	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2014
Information Technology					
KINGBOARD LAMINATES HOLDING HKD0.10	1,801,000	–	–	1,801,000	–
VTECH HOLDINGS LTD ORD	46,900	7,100	–	–	54,000
Materials					
CHINA HONGQIAO GROUP LTD	–	780,000	–	–	780,000
ZIJIN MINING GROUP CO LTD	3,590,000	–	–	3,590,000	–
Telecommunication Services					
CHINA COMMUNICATIONS SERVI-H 'H' CNY1	692,000	268,000	–	–	960,000
CHINA MOBILE (HK) LTD	52,500	7,500	–	–	60,000
HUTCHISON TELECOMMUNICATIONS HKD0.25	1,262,000	298,000	–	–	1,560,000
PCCW LTD	1,582,000	–	–	562,000	1,020,000
SMARTONE TELECOMM HLDG ORD	582,000	–	–	132,000	450,000
Utilities					
CHEUNG KONG INFRASTRUCTURE	67,000	–	–	7,000	60,000
CHINA POWER INTERNATIONAL HKD1	–	2,100,000	–	–	2,100,000
CLP HOLDINGS LIMITED	68,500	–	–	8,500	60,000
DATANG INTL POWER	1,254,000	66,000	–	–	1,320,000
GUANGDONG INVESTMENT LTD	512,000	–	–	512,000	–
HUANENG POWER INTL ORD CL H	–	600,000	–	–	600,000
POWER ASSETS HOLDINGS LTD	57,500	2,500	–	–	60,000

HORIZONS EXCHANGE TRADED FUNDS SERIES

PERFORMANCE RECORD (UNAUDITED)

NET ASSET VALUE

	<u>As at 30 September 2014</u>		<u>As at 31 March 2014</u>		<u>As at 31 March 2013</u>	
	Dealing net asset value HK\$	Dealing net asset value per unit HK\$	Dealing net asset value HK\$	Dealing net asset value per unit HK\$	Dealing net asset value HK\$	Dealing net asset value per unit HK\$
KOSPI 200 ETF	40,655,262	20.3277	40,483,212	20.2417	29,482,256	19.6548
S&P Emerging Asia Consumer ETF	234,154,511	21.2868	235,301,414	21.3911	277,707,424	21.6959
S&P Global Consumer Brands ETF	162,619,376	27.1033	181,259,947	30.2100	188,467,622	24.7984
S&P Asia ex JANZ Financials ETF	20,445,934	25.5575	18,782,587	23.4783	49,224,669	24.6123
S&P Asia ex JANZ IT ETF	42,263,949	30.1886	39,593,740	28.2813	82,211,714	24.1799
S&P Asia ex JANZ Industrials ETF	17,594,537	21.9932	21,818,925	21.8190	52,585,524	21.9106
S&P Asia ex JANZ Energy ETF	14,547,757	18.1847	13,791,612	17.2396	15,437,347	19.2967
S&P Asia ex JANZ Materials ETF	21,887,010	18.2392	21,475,134	17.8960	21,797,026	18.1642
MSCI China ETF	313,359,222	22.3829	292,775,092	20.9126	–	–
Hang Seng High Dividend Yield ETF	252,670,213	21.0559	236,314,608	19.6929	–	–

HIGHEST ISSUE PRICE AND LOWEST REDEMPTION PRICE PER UNIT

	<u>For the period ended 30 September 2014</u>		<u>For the period ended 31 March 2014</u>		<u>For the period ended 31 March 2013</u>	
	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$
KOSPI 200 ETF	22.0860	20.3277	21.2317	16.5428	20.9724	16.4844
S&P Emerging Asia Consumer ETF ¹	22.4874	20.8472	23.2310	19.2629	22.5014	18.7318
S&P Global Consumer Brands ETF ¹	30.9705	27.1033	30.9525	23.7727	25.0827	19.2746
S&P Asia ex JANZ Financials ETF ¹	27.4456	23.4028	25.7892	21.8490	25.5139	19.1092
S&P Asia ex JANZ IT ETF ¹	32.6795	28.4540	29.2698	21.6384	25.0737	19.6922
S&P Asia ex JANZ Industrials ETF ¹	23.1863	21.7998	22.5493	19.2404	22.8255	18.5077
S&P Asia ex JANZ Energy ETF ¹	20.3359	17.3501	19.4402	15.6194	22.3627	17.1193
S&P Asia ex JANZ Materials ETF ¹	19.8931	17.8785	19.1097	15.7342	22.8138	17.4210
MSCI China ETF ²	24.6480	20.0785	23.1139	17.8478	–	–
Hang Seng High Dividend Yield ETF ²	22.8683	19.7785	21.0082	18.4980	–	–

¹The financial period of these Sub-Funds, which were new additions to the Trust during the period ended 31 March 2013, extended from 18 January 2012 (date of inception) to 31 March 2013.

²The financial period of these Sub-Funds, which were new additions to the Trust during the period ended 31 March 2014, commences from 11 June 2013 (date of inception) to 31 March 2014.

HORIZONS EXCHANGE TRADED FUNDS SERIES

PERFORMANCE RECORD (UNAUDITED) (CONTINUED)

PERFORMANCE OF THE SUB-FUNDS

	<u>For the period ended</u> <u>30 September 2014</u>		<u>For the period ended</u> <u>31 March 2014</u>		<u>For the period ended</u> <u>31 March 2013</u>	
	Sub-Fund performance (%)	Index performance (%)	Sub-Fund performance (%)	Index performance (%)	Sub-Fund performance (%)	Index performance (%)
KOSPI 200 ETF	0.42	0.46	3.82	2.21	1.33	0.71
S&P Emerging Asia Consumer ETF ¹	(0.49)	0.20	(1.35)	0.20	7.59	9.26
S&P Global Consumer Brands ETF ¹	(10.28)	(10.14)	21.76	23.49	20.54	22.15
S&P Asia ex JANZ Financials ETF ¹	8.86	9.86	(4.51)	(2.93)	20.91	22.89
S&P Asia ex JANZ IT ETF ¹	6.74	7.55	17.73	18.67	20.39	22.18
S&P Asia ex JANZ Industrials ETF ¹	0.80	2.04	(0.36)	1.57	6.40	7.61
S&P Asia ex JANZ Energy ETF ¹	5.48	6.68	(10.69)	(9.08)	(6.64)	(3.66)
S&P Asia ex JANZ Materials ETF ¹	1.92	3.17	(0.82)	0.28	(11.45)	(9.29)
MSCI China ETF ²	7.03	7.13	14.37	6.68	–	–
Hang Seng High Dividend Yield ETF ²	6.92	7.31	0.84	1.07	–	–

Fund performance and index performance for all the Sub-Funds above are calculated in HK\$.

¹The financial period of these Sub-Funds, which were new additions to the Trust during the period ended 31 March 2013, extended from 18 January 2012 (date of inception) to 31 March 2013.

²The financial period of these Sub-Funds, which were new additions to the Trust during the period ended 31 March 2014, commences from 11 June 2013 (date of inception) to 31 March 2014.

HORIZONS EXCHANGE TRADED FUNDS SERIES

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Directors of the Manager

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Mr. Jung Ho Rhee
Mr. Wan Youn Cho
Mr. Byung Ha Kim

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Participating Dealers

ABN AMRO Clearing Hong Kong Limited
70th Floor, International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

Barclays Bank PLC
41st Floor, Cheung Kong Centre
2 Queen's Road Central
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Participating Dealers (continued)

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1 Harbour View Street, Central
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⁺ In respect of Horizons KOSPI 200 ETF, Horizons MSCI China ETF and Horizons Hang Seng High Dividend Yield ETF only.

[#] In respect of Horizons MSCI China ETF and Horizons Hang Seng High Dividend Yield ETF only.

^{**} In respect of Horizons KOSPI 200 ETF, Horizons S&P Emerging Asia Consumer ETF, Horizons S&P Global Consumer Brands ETF, Horizons S&P Asia ex JANZ Financials ETF, Horizons S&P Asia ex JANZ IT ETF, Horizons S&P Asia ex JANZ Industrials ETF, Horizons S&P Asia ex JANZ Energy ETF and Horizons S&P Asia ex JANZ Materials ETF only.

