

Horizons ETF Corp. Announces No Expected 2020 Dividends

TORONTO – November 27, 2020 – Horizons ETFs Management (Canada) Inc. (“**Horizons ETFs**”), the manager of the Horizons ETF Corp. (the “**Company**”), announced today that it does not expect that the Company will declare any dividends for the 2020 tax year.

The Corporation is currently comprised of 52 non-cumulative, redeemable, non-voting classes of shares (each, a “**Corporate Class**”) and one class of voting shares, and qualifies as a mutual fund corporation under the *Income Tax Act* (Canada) (the “**Tax Act**”). Each Corporate Class is a separate exchange traded fund (“**ETF**”) having specific investment objectives and is specifically referable to a separate portfolio of investments. Each ETF currently consists of a single series of exchange traded fund shares (“**ETF Shares**”) of the applicable Corporate Class.

Although the Company may issue shares in an unlimited number of classes, each issuable in an unlimited number of series, it will be required (like any other mutual fund corporation with a multi-class structure) to compute its income and net capital gains for tax purposes as a single entity. All of the Company’s revenues, deductible expenses, non-capital losses, capital gains and capital losses in connection with all of its investment portfolios, and other items relevant to its tax position (including the tax attributes of all of its assets), will be taken into account in determining the income (and taxable income) or loss of the Company and applicable taxes payable by the Company as a whole. For the 2020 tax year, the company does not expect to incur a tax liability for any taxable income.

As a mutual fund corporation, the Company will be entitled to maintain a capital gains dividend account in respect of its net realized capital gains and from which it may elect to pay dividends (“**Capital Gains Dividends**”) which are treated as capital gains in the hands of holders of ETF Shares (each, a “**Holder**”). For the 2020 tax year, the Company does expect to pay any Capital Gains Dividends.

A Holder will be required to include in income the amount of any dividends other than Capital Gains Dividends (“**Ordinary Dividends**”) paid on ETF Shares of an ETF, whether received in cash, in the form of ETF Shares or as cash which is reinvested in additional ETF Shares. The dividend gross-up and tax credit treatment normally applicable to taxable dividends (including eligible dividends) paid by a taxable Canadian corporation will generally apply to such dividends. For the 2020 tax year, the Company does expect to pay any Ordinary Dividends.

Please note that these are the expectations of Horizons ETFs at the time of this press release. Circumstances may arise which could cause these expectations to change before the Company’s tax year-end on December 31, 2020.

Horizons ETFs expects to announce its estimates for the 2020 year-end non-cash reinvested distributions for its actively managed and index replication ETFs in a separate press release, on or about December 4, 2020.

About Horizons ETFs Management (Canada) Inc. (www.HorizonsETFs.com)

Horizons ETFs Management (Canada) Inc. is an innovative financial services company and offers one of the largest suites of exchange traded funds in Canada. The Horizons ETFs product family includes a broadly diversified range of solutions for investors of all experience levels to meet their investment objectives in a variety of market conditions. Horizons ETFs has more than \$15.8 billion of assets under management and 93 ETFs listed on major Canadian stock exchanges.



HORIZONS ETFs
by Mirae Asset

FOR IMMEDIATE RELEASE

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Certain statements may constitute a forward-looking statement, including those identified by the expression “expect” and similar expressions (including grammatical variations thereof). The forward-looking statements are not historical facts but reflect the author’s current expectations regarding future results or events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. These and other factors should be considered carefully and readers should not place undue reliance on such forward looking statements. These forward-looking statements are made as of the date hereof and the authors do not undertake to update any forward-looking statement that is contained herein, whether as a result of new information, future events or otherwise, unless required by applicable law.

*Commissions, management fees and expenses all may be associated with an investment in exchange traded products (the "Horizons Exchange Traded Products") managed by Horizons ETFs Management (Canada) Inc. The Horizons Exchange Traded Products are not guaranteed, their values change frequently and past performance may not be repeated. The prospectus contains important detailed information about the Horizons Exchange Traded Products. **Please read the relevant prospectus before investing.***