

CANL

Horizons Enhanced S&P/TSX 60 Index ETF

ETF Snapshot

LIGHT LEVERAGE, BIG OPPORTUNITIES

Horizons Enhanced S&P/TSX 60 Index ETF (CANL) is an ETF that gives investors lightly levered exposure to the S&P/TSX 60™ Index (the “Underlying Index”).

Canada’s largest and most liquid companies typically trade on the Toronto Stock Exchange, with many offering some level of income through dividend yield. With 1.25 times (1.25x) leverage, CANL can further magnify potential performance.

INVESTMENT OBJECTIVE:

CANL seeks to replicate, to the extent reasonably possible and net of expenses, 1.25 times (125%) the performance of an index of equity securities representing the large-cap market segment of the Canadian equity market.

CANL will use leverage in order to seek to achieve its investment objective. Leverage will be created through the use of cash borrowings or as otherwise permitted under applicable securities legislation.

FUND DETAILS

Name	Horizons Enhanced S&P/TSX 60 Index ETF
Inception Date	July 05, 2023
Management Fee	0.35% (Plus applicable Sales Tax)
Underlying Index	S&P/TSX 60™ Index
Bloomberg Ticker	CANL CN EQUITY
Currency	CAD
Currency Hedging	No
Investment Manager	Horizons ETFs Management (Canada) Inc.
Distributions	Monthly, if any
Eligibility	All registered and non-registered investment accounts
DRIP Eligibility	Yes

RISK RATING

Low	Low to Medium	Medium	Medium to High	High
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Key Features

WHY CHOOSE CANL?



Monthly Income: It is anticipated that CANL will make distributions to its unitholders on a monthly basis



Magnified Outcomes: Through the application of light leverage, CANL can provide 125% exposure to the Underlying Index, resulting in larger gains or losses relative to the Underlying Index.



Canadian Large-Cap Exposure: The Underlying Index is the major benchmark for large capitalization Canadian equities and offers exposure to Canada's most stable companies.

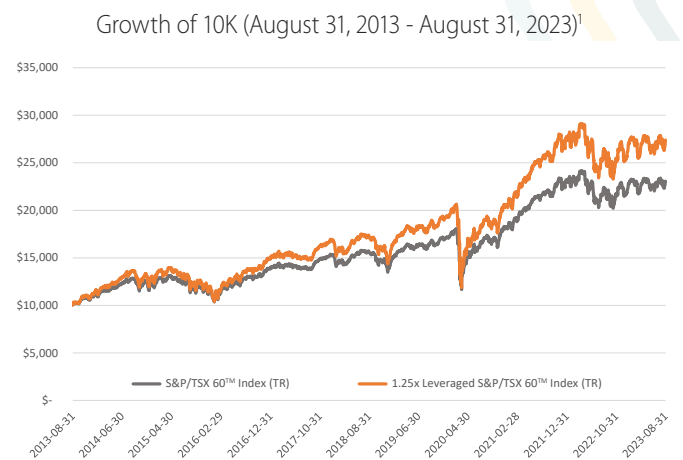


Dividend Yield Opportunity: The annualized growth rate of dividends for the Underlying Index was 8.67% for the five-year period from July 2018 to July 2023¹.

MAGNIFYING PERFORMANCE WITH LIGHT LEVERAGE

With 1.25x leverage, exposure to the performance of the large-cap market segment of the Canadian equity market is magnified by 25% - offering the potential for performance that exceeds the relative performance of the Underlying Index. However, leverage can also magnify negative performance when the Underlying Index falls.

HISTORICAL RETURN TRAJECTORY OF THE UNDERLYING INDEX WITH AND WITHOUT THE USAGE OF 1.25X LEVERAGE



FOR ILLUSTRATIVE PURPOSES ONLY. THE GROWTH OF \$10K CHART FOR THE 1.25X LEVERAGED INDEX IS HYPOTHETICAL

¹Source: Bloomberg, as at October 31, 2023

The Growth of 10K chart above is based on the Underlying Index historical annual compounded total return including changes in Underlying Index unit value and reinvestment of all distributions and does not take into account sales, transaction, brokerage, redemption, distribution or any additional charges or income taxes payable by any investor or investment fund in replicating the Underlying Index, that would have reduced its returns. The Underlying Index is not directly investible. Index returns are not guaranteed, their values change frequently and past performance may not be repeated.



Horizons Enhanced S&P/TSX 60 Index ETF

Ways to own

FOUR WAYS TO OWN LARGE-CAP CANADIAN EQUITIES

HXT: Total Return Exposure to the S&P/TSX 60™ Index. No anticipated distributions Mgmt. Fee: 0.07% ¹	CNCC: Covered Call Exposure to large cap Canadian Equities Mgmt. Fee: 0.39% ^{1,2}	CANL: 1.25x Exposure to the S&P/TSX 60™ Index Mgmt. Fee: 0.35% ¹	CNCL: 1.25x Covered Call Exposure to large cap Canadian Equities Mgmt. Fee: 0.65% ¹
Core	Covered Call Targeting Yield	Lightly Levered Targeting Growth	Lightly Levered Covered Call Targeting Yield & Growth

¹ Management Fee plus applicable Sales Tax

² Annual management fee reduced from 0.65% to 0.39%, effective July 6, 2023



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To learn more, please visit [HorizonsETFs.com/CANL](https://www.HorizonsETFs.com/CANL)



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CANL and CNCL (or the "Enhanced ETFs") are alternative mutual funds within the meaning of NI 81-102, and are permitted to use strategies generally prohibited by conventional mutual funds, such as the ability to invest more than 10% of the Enhanced ETF's net asset value in securities of a single issuer, the ability to borrow cash and to employ leverage. While these strategies will only be used in accordance with the applicable investment objectives and strategies of the Enhanced ETFs, during certain market conditions they may accelerate the risk that an investment in Units of such Enhanced ETF decreases in value.

Effective June 24, 2022, the investment objectives of the Horizons Canadian Large Cap Equity Covered Call ETF ("CNCC") (formerly Horizons Enhanced Income Equity ETF ("HEX")), were changed following receipt of the required unitholder and regulatory approvals. The new tickers began trading on the TSX on June 27, 2022. For more information, please refer to the disclosure documents of the ETFs at www.HorizonsETFs.com.

Horizons Total Return Index ETFs ("Horizons TRI ETFs") are generally index-tracking ETFs that use an innovative investment structure known as a Total Return Swap to deliver index returns in a low-cost and tax-efficient manner. Unlike a physical replication ETF that typically purchases the securities found in the relevant index in the same proportions as the index, most Horizons TRI ETFs use a synthetic structure that never buys the securities of an index directly. Instead, the ETF receives the total return of the index through entering into a Total Return Swap agreement with one or more counterparties, typically large financial institutions, which will provide the ETF with the total return of the index in exchange for the interest earned on the cash held by the ETF. Any distributions which are paid by the index constituents are reflected automatically in the net asset value (NAV) of the ETF. As a result, the Horizons TRI ETF receives the total return of the index (before fees), which is reflected in the ETF's share price, and investors are not expected to receive any taxable distributions. Certain Horizons TRI ETFs (Horizons Nasdaq-100[®] Index ETF and Horizons US Large Cap Index ETF) use physical replication instead of a total return swap.

The payment of distributions, if any, is not guaranteed and may fluctuate at any time. The payment of distributions should not be confused with an Exchange Traded Fund's ("ETF") performance, rate of return, or yield. If distributions paid by the ETF are greater than the performance of the ETF, distributions paid may include a return of capital and an investor's original investment will decrease. A return of capital is not taxable to the investor, but will generally reduce the adjusted cost base of the securities held for tax purposes. Distributions are paid as a result of capital gains realized by an ETF, and income and dividends earned by an ETF are taxable to the investor in the year they are paid. The investor's adjusted cost base will be reduced by the amount of any returns of capital. If the investor's adjusted cost base goes below zero, investors will realize capital gains equal to the amount below zero. Future distribution dates may be amended at any time. To recognize that these distributions have been allocated to investors for tax purposes the amounts of these distributions should be added to the adjusted cost base of the units held. The characterization of distributions, if any, for tax purposes, (such as dividends/other income/capital gains, etc.) will not be known for certain until after the ETF's tax year-end. Therefore, investors will be informed of the tax characterization after year-end and not with each distribution if any. For tax purposes, these amounts will be reported annually by brokers on official tax statements. Please refer to the applicable ETF distribution policy in the prospectus for more information.

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