

MTAV



HORIZONS ETFs
by Mirae Asset

Horizons Global Metaverse Index ETF

Expand your Portfolio into the Metaverse

Technology has developed to a point where the extension of human experience into digital worlds has opened up nearly limitless possibilities in how we interact. This concept of a digital universe is known as the metaverse. It could potentially represent one of the most exciting investment opportunities of the next decade as people devote greater and greater amounts of their time immersed in digital online worlds.

Large corporations such as Apple and Facebook, who recently changed their corporate name to Meta, have already invested substantial capital into building these online worlds. As a result, there are investment opportunities for investors looking to be early entrants into this theme establishing new digital economies and transforming conceptions of digital ownership.

The Horizons Global Metaverse Index ETF ("MTAV" or the "ETF") is designed to provide exposure to key leaders involved in developing the metaverse and its functions. MTAV invests in this theme using a dynamic index solution that can change as the definition of the metaverse, and what it entails, expands.

The Horizons Global Metaverse Index ETF seeks to replicate, to the extent possible and net of expenses, the performance of an index that seeks to provide exposure to global, publicly listed companies that potentially stand to benefit from the adoption and usage of technologies expected to grow and support the functioning of the metaverse. Currently, the ETF seeks to replicate the performance of the Solactive Global Metaverse Index, net of expenses. The ETF seeks to hedge any U.S. dollar portfolio exposure back to the Canadian dollar at all times.

ETF Snapshot

Name:

Horizons Global Metaverse Index ETF

Launch Date:

November 29, 2021

Ticker:

MTAV

Management Fee:

0.55% (Plus applicable sales taxes.)

Investment Manager:

Horizons ETFs Management (Canada) Inc.

Underlying Index:

Solactive Global Metaverse Index

Bloomberg Index Ticker:

SOGMETA

Currency Hedged:

USD exposure

Distributions:

Annually, if any

Rebalanced:

Quarterly

Eligibility:

All registered and non-registered investment accounts

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How Big is the Metaverse?

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According to Emergen Research, the annual revenue from the global metaverse is expected to grow at more than 40% per annum from 2021 to 2028, and the market could be worth up to \$828.95 billion by 2028.

The metaverse is much larger than just avatars and digital worlds. Important sub-themes within the broader metaverse field effectively allow world creators to monetize user engagement in their digital worlds.



Augmented/Virtual Reality: These are companies engaged in producing technologies, software and hardware that allow consumers and businesses to interact in immersive extended realities. Much of the focus on the metaverse has been on this aspect as AR/VR technology allows for full immersion into a digital world. This industry includes the production of wearable devices, specialized optics and displays, and audio and sensory equipment. These companies are expected to allow end-users to transcend physical spaces and fully immerse themselves in the metaverse. Some digital worlds can go beyond simple entertainment and extend to physical fitness (i.e. VR sports/fitness) and education (i.e. professional simulation).



Creator Economy: These companies offer consumer software tools, social media and other distribution platforms that make it possible for individual creators to create, share and transact directly with their consumers. This includes the provision of programs and services used for editing and sharing user-generated content. These companies are expected to unlock the value chain of the creator economy in the metaverse. Users will spend money within these digital worlds to enhance their experience.



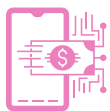
Digital Infrastructure: These are companies engaged in the development, operation and distribution of technologies, services and hardware related to network infrastructure, big data, digital platforms and cloud computing. These companies provide the crucial hardware infrastructure needed to host and develop digital worlds.



Digital Marketplace: These are companies engaged in the provision of a digital economy including platforms and services to facilitate virtual interactions and online commerce and the integration of social network platforms. These companies are expected to play a crucial role in the digital economy of the metaverse.



Gaming: These are companies involved in the provision, development and distribution of technologies, infrastructure and hardware used for the creation, streaming and consumption of online gaming and e-sports content. This includes the development of online games, the production of gaming equipment, and the provision of services and platforms necessary for the functioning of the gaming ecosystem expected to be central to the metaverse.



Digital Payments: These are companies expected to provide the payment rails for the metaverse. If digital economies are created, they will likely rely heavily on automated blockchain and digital payment solutions. There are also companies engaged in the development, distribution and integration of infrastructure, software and applications related to digital payment services and blockchain technologies. This includes digital payment processes and platforms, including fiat currency “on-ramps” to decentralized finance (DeFi) applications.

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Key Features

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- **High Growth Potential:** Direct exposure to companies poised to benefit from the expansion of digital worlds and the creation of the global metaverse
- **Long-Term Trend:** Digital engagement is expected to be a long-term technology trend as worlds become more immersive and replace traditional forms of social interaction
- **Global:** MTAV is a global solution whose Underlying Index provider will identify leaders from a global perspective. The metaverse is global, and so are the companies building it

The Solactive Global Metaverse Index

The Solactive Global Metaverse Index is the Underlying Index for MTAV and is designed to provide exposure to the performance of global, publicly listed companies that potentially stand to benefit from the adoption and usage of technologies expected to grow and support the functioning of the metaverse.

Constituents Issuers of the Underlying Index will be drawn from publicly listed companies headquartered in developed and emerging markets. The Underlying Index will not include securities that trade on the Shanghai and Shenzhen Connect exchanges but may include securities which have Hong Kong listed shares or ADRs.

In order to be eligible for inclusion in the Underlying Index, a company is considered to be a “Metaverse Company” if it is classified as having operating exposure to any of the following segments: Augmented/ Virtual Reality, Creator Economy, Digital Infrastructure, Digital Marketplace, Gaming and Digital Payments as defined by the Underlying Index provider.

Within these segments, the Underlying Index provider uses a proprietary software tool, known as ARTIS, to identify thematic exposure in companies using a broad range of data sources. The universe of the Underlying Index will be ranked by ARTIS score, and then reviewed to ensure operating exposure to at least one of the Underlying Index Categories.

- The top 50 ARTIS ranked companies are selected by the Underlying Index provider
- Each stock is weighted according to its market capitalization
- No stock can exceed a 5% weight in the Underlying Index
- The Underlying Index is rebalanced quarterly

To learn more, please visit www.HorizonsETFs.com/ETF/MTAV



Commissions, management fees and expenses all may be associated with an investment in Horizons Global Metaverse Index ETF (“The ETF”) managed by Horizons ETFs Management (Canada) Inc. The ETF is not guaranteed, its values change frequently and past performance may not be repeated. The prospectus contains important detailed information about the ETF. **Please read the prospectus before investing.**

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