



Horizons US Large Cap Index ETF
(HULC, HULC.U:TSX)



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A Message from the CEO

After 2020's challenges and uncertainty, we have seen persistent success in the global fight against the COVID-19 pandemic during the first half of 2021.

Across the world, vaccination rollouts are under way and there is growing optimism that a 'return to normal' is on the horizon. At Horizons ETFs, while we mourn the COVID-19 pandemic's toll and reflect on its lessons, we continue to work diligently to best serve our investors and clients.

Despite the impacts of the pandemic across many businesses and sectors, Canada's ETF industry and the marketplace have shown few signs of slowing down. As at May 31, 2021, Canada's ETF industry has seen \$25 billion in year-to-date inflows, with \$7 billion in May alone – a 12-month record.

Horizons ETFs is proud to continue our longstanding commitment to bringing innovative ETFs to market. In 2021, that commitment has so far resulted in eight new ETF launches.

In January, Horizons ETFs launched the Horizons Psychedelic Stock Index ETF ("**PSYK**"). PSYK is the world's first psychedelics ETF; an emerging industry that has the potential to disrupt the pharmaceutical sector and revolutionize the treatment of numerous mental health conditions.

Another global first: in April, we launched our inverse Bitcoin ETF, the BetaPro Inverse Bitcoin ETF ("**BITI**"), offering investors a unique opportunity to potentially profit from volatility in what has become one of 2021's most-watched asset classes.

In June, we launched the Horizons S&P Green Bond Index ETF ("**HGGB**"), Canada's first global green bond ETF. We believe there is growing demand for responsible investing products in the Canadian marketplace and HGGB fills an important gap for those seeking to directly fund projects that will help lead to a greener future.

Also launched in June was the Horizons Global Semiconductor Index ETF ("**CHPS**"). CHPS offers direct exposure to companies involved in the production and development of semiconductors. Despite supply being interrupted by COVID-19, we are bullish on the potential of this sector as semiconductors are at the core of technology usage.

At Horizons ETFs, following the significant growth in our assets under management in 2020 from approximately \$10 billion to more than \$17 billion, we continue to solidify our position as one of Canada's top ETF providers. In May of this year, we were honoured to be the recipient of Wealth Professionals "Fund Provider of the Year Award" for 2020. With several more innovative Horizons ETFs' funds slated to launch this year, we are optimistic about the prospect of further growth for the second half of 2021.

In 2021, several sectors that we have pioneered ETF exposure to, including the marijuana industry and the global uranium market, have seen their fortunes rise considerably. Following the election of the Biden Administration, there is renewed hope for broader federal cannabis reform in the United States, which has resulted in rallies in both the Canadian and American marijuana industries. The uranium market has also seen significant growth this year as well as continued global efforts toward decarbonization and building more sustainable power generation – both positive trends for the nuclear sector.

At Horizons ETFs, "Innovation is Our Capital," has long been our motto, and we believe this has allowed us to be nimble enough to adapt quickly when anticipating what investors are looking for. While the road ahead is still uncertain, we feel confident in our ability to retain our momentum and believe there are brighter days on the horizon.

As always, we thank you for your continued support and hope you're staying safe and healthy during this time.

Sincerely,



Steven J. Hawkins
President & CEO of Horizons ETFs Management Inc.

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MANAGEMENT REPORT OF FUND PERFORMANCE

This interim management report of fund performance for Horizons US Large Cap Index ETF (“HULC” or the “ETF”), a corporate class of shares (a “Corporate Class”) of Horizons ETF Corp. (the “Company”), contains financial highlights and is included with the unaudited interim consolidated financial statements (“financial statements” or “interim financial statements”) for the investment fund. You may request a copy of the investment fund’s unaudited interim or audited annual financial statements, interim or annual management report of fund performance, current proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosures, at no cost, by calling (toll free) 1-866-641-5739, or (416) 933-5745, by writing to Horizons ETFs Management (Canada) Inc. (“Horizons Management” or the “Manager”), at 55 University Avenue, Suite 800, Toronto, Ontario, M5J 2H7, by visiting our website at www.horizonsetfs.com or through SEDAR at www.sedar.com.

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance, or expectations that are not historical facts but instead represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements.

Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the ETF may invest and the risks detailed from time to time in the ETF’s simplified prospectus. New risk factors emerge from time to time and it is not possible for management to predict all such risk factors. We caution that the foregoing list of factors is not exhaustive, and that when relying on forward-looking statements to make decisions with respect to investing in the ETF, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, the Manager does not undertake, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

Management Discussion of Fund Performance

Investment Objective and Strategy

HULC seeks to replicate, to the extent possible, the performance of the Solactive US Large Cap Index (CA NTR) (the “Underlying Index, Bloomberg ticker: SOLUSLCC), net of expenses. The Solactive US Large Cap Index (CA NTR) is designed to measure the performance of the large-cap market segment of the U.S. equity market.

In order to achieve its investment objective and obtain direct or indirect exposure to securities of the Underlying Index’s constituent issuers, the ETF may invest in and hold the securities of constituent issuers in substantially the same proportion as they are reflected in the Underlying Index, or may invest in and hold index participation units of exchange traded funds or other derivatives, including but not limited to swap agreements, futures contracts, options on futures contracts, forward contracts, options on securities and indices, reverse repurchase agreements or a combination of the foregoing, that are based on the Underlying Index, provided that the use of such derivative instruments is in compliance with National Instrument 81-102 (“NI 81-102”) and is consistent with the investment objective of the ETF.

The ETF may also employ a “stratified sampling” strategy. Under this stratified sampling strategy, the ETF may not hold all of the securities that are included in its Underlying Index, but instead will hold a portfolio of securities and/or derivatives that closely matches the aggregate investment characteristics of the securities included in the Underlying

Management Discussion of Fund Performance (continued)

Index. The sampling process typically involves selecting a representative sample of securities in the Underlying Index, principally to enhance liquidity and reduce transaction costs while seeking to maintain a high correlation with, and similar aggregate characteristics to, the Underlying Index.

The Investment Manager does not invest the assets of the ETF on a discretionary basis or select securities based on the Investment Manager's view of the investment merit of a particular security or company, nor does it conduct conventional stock research or analysis, or forecast stock market movement or trends in managing the assets of the ETF.

About the Underlying Index

The Solactive US Large Cap Index (CA NTR) aims to track the price movements of the 500 largest companies in the United States stock market based on free float market capitalization. The Underlying Index is rebalanced semi-annually at the close of trading on the first Wednesday in May and November. The Underlying Index is a net total return index, thus dividend income is adjusted for withholding tax rates that are applicable to a Canadian investor. The Underlying Index is published in U.S. dollars and HULC does not hedge any U.S. dollar currency exposure.

Risk

The Manager performs a review of the ETF's risk rating at least annually, as well as when there is a material change in the ETF's investment objective or investment strategies. The current risk rating for the ETF is: low to medium.

Risk ratings are determined based on the historical volatility of the ETF as measured by the standard deviation of its performance against its mean. The risk categorization of the ETF may change over time and historical volatility is not indicative of future volatility. Generally, a risk rating is assigned to the ETF based on a rolling 10-year standard deviation of its returns, the return of its Underlying Index, or of an applicable proxy. In cases where the Manager believes that this methodology produces a result that is not indicative of the ETF's future volatility, the risk rating may be determined by the ETF's category. Risk ratings are not intended for use as a substitute for undertaking a proper and complete suitability or financial assessment by an investment advisor.

The Manager, as a summary for existing investors, is providing the list below of the risks to which an investment in the ETF may be subject. Prospective investors should read the ETF's most recent prospectus and consider the full description of the risks contained therein before purchasing shares.

The risks to which an investment in the ETF is subject are listed below and have not changed from the list of risks found in the ETF's most recent prospectus. A full description of each risk listed below may also be found in the most recent prospectus. The most recent prospectus is available at www.horizonsetfs.com or from www.sedar.com, or by calling Horizons ETFs Management (Canada) Inc. at (toll free) 1-866-641-5739, or at (416) 933-5745.

Management Discussion of Fund Performance (continued)

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|---|---|
| <ul style="list-style-type: none"> • General risks of investments • General risks of investing in an index fund and passive investment risk • Risks relating to index replication strategies • Calculation of index level and termination of the Underlying Index • The Underlying Index • Market disruptions risk • Derivative investments • Risk that ETF shares will trade at prices other than net asset value per ETF share • Issuer concentration risk • Currency price fluctuations • Substantial sales of the U.S. Dollar • Foreign exchange rate risk • Foreign exchange and market risk • Counterparty risk | <ul style="list-style-type: none"> • Index adjustments • Liquidity risk • Borrowing risk • Tax-related risks • Cease trading of securities risk • General risks of equity investments • Voting of index securities risk • Income trust investments risks • Exchange risk • Cyber security risk • Reliance on key personnel • Fund corporation and multi-class/series structure risk • Fluctuations in NAV and market price of the ETF shares risk • Absence of an active market for the ETF shares and lack of operating history risk |
|---|---|

Results of Operations

For the six-month period year ended June 30, 2021, the US\$ shares of the ETF returned 14.90%. By comparison, the Underlying Index returned 14.91% for the same period in U.S. dollar terms. Differences in performance between the ETF and the Underlying Index may arise due to expenses payable by the ETF, which include management fees plus applicable sales taxes; as well as the potential for tracking error arising from the physical index replication risk detailed in the ETF's prospectus.

The Solactive US Large Cap Index aims to track the price movements of the 500 largest companies in the United States stock market based on free float market capitalization. For the six-month period ended June 30, 2021, the top performers in the Underlying Index were Moderna Inc., L Brands Inc. and Novavax Inc. gaining 124.93%, 94.20% and 90.40%, respectively. The worst performers for the period were Unity Software Inc., RingCentral Inc. and Viatrix Inc. returning -28.44%, -23.32% and -23.20%, respectively.

Horizons Management does not endeavour to predict market direction, changes that may occur in global fiscal and monetary policies, the effect of additional geopolitical concerns or other unforeseen crises. Horizons Management and the ETF are agnostic as to their impact on global equity, fixed income, currency, and commodity markets generally, and the broad U.S. equity market specifically. They are only of concern to the ETF in so much as there is some minimal risk that could affect its ability to meet its investment objective. Please refer to the risk factors section in the ETF's prospectus for more detailed information.

Other Operating Items and Changes in Net Assets Attributable to Holders of ETF Shares

For the six-month period ended June 30, 2021, the ETF generated gross comprehensive income (loss) from investments and derivatives (which includes changes in the fair value of the ETF's portfolio) of \$8,740,933. This compares to \$788,072 for the period from when the ETF effectively began operations on February 5, 2020 to June 30, 2020. The ETF incurred management, and transaction expenses of \$103,405 (2020 – \$27,458) of which \$1,884 (2020 – \$357) was either paid

Management Discussion of Fund Performance (continued)

or absorbed by the Manager on behalf of the ETF. The waiving and/or absorption of such fees and/or expenses by the Manager may be terminated at any time, or continued indefinitely, at the discretion of the Manager. The ETF did not make any distributions to shareholders during the period.

Recent Developments

Other than indicated below, there have been no recent market developments of particular note, aside from the normal fluctuations of the markets, that are expected to have an undue influence on the portfolio of the ETF when compared to its benchmark.

Impact of COVID-19

The full extent of the impact that the COVID-19 epidemic will have on the Canadian and U.S. economies and the ETF's business remains uncertain and difficult to predict at this time. By their very nature, the estimates and/or judgements the Manager makes for the purposes of preparing the ETF's financial statements relate to matters that are inherently uncertain. However, the Manager maintains detailed policies and internal controls that are intended to ensure that these estimates and judgements are well controlled, and that they are consistently applied from period to period. It is the Manager's opinion that any estimates and/or judgements used in the preparation of these financial statements are appropriate as at June 30, 2021, and December 31, 2020, and for the periods ended June 30, 2021 and 2020.

Presentation

The attached financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Any mention of total net assets, net assets, net asset value or increase (decrease) in net assets in the financial statements and/or management report of fund performance is referring to net assets or increase (decrease) in net assets attributable to holders of redeemable shares as reported under IFRS.

Related Party Transactions

There were no related party portfolio transactions during the current reporting period. Certain services have been provided to the ETF by related parties, and those relationships are described below.

Manager and Investment Manager

The manager and investment manager of the Company and of the ETF is Horizons ETFs Management (Canada) Inc., 55 University Avenue, Suite 800, Toronto, Ontario, M5J 2H7, a corporation incorporated under the laws of Ontario.

Any management fees paid to the Manager (described in detail on page 12) are related party transactions, as the Manager is considered to be a related party to the ETF. The management fees are disclosed in the statements of comprehensive income in the attached financial statements of the ETF. The management fees payable by the ETF as at June 30, 2021 and December 31, 2020, are disclosed in the statements of financial position.

Financial Highlights

The following tables show selected key financial information about the ETF and are intended to help you understand the ETF's financial performance for the current interim reporting period and since it effectively began operations on February 5, 2020. This information is derived from the ETF's audited annual financial statements and the current unaudited interim financial statements. Please see the front page for information on how you may obtain the ETF's annual or interim financial statements.

The ETF's Net Assets per Share

Period ⁽¹⁾	2021	2020
Net assets, beginning of period	\$ 111.96	100.00
Increase from operations:		
Total revenue	0.86	1.67
Total expenses	(0.17)	(0.33)
Realized gains (losses) for the period	1.21	(0.09)
Unrealized gains for the period	12.26	20.52
Total increase from operations ⁽²⁾	14.16	21.77
Total distributions ⁽³⁾	–	–
Net assets, end of period (Cdn\$ Shares) ⁽⁴⁾	\$ 125.28	111.96
Net assets, end of period (US\$ Shares) ⁽⁴⁾	\$ 101.06	87.96

1. This information is derived from the ETF's unaudited interim financial statements.
2. Net assets per share and distributions are based on the actual number of shares outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of shares outstanding over the financial period.
3. Distributions, if any, were paid in cash, reinvested in additional shares of the ETF, or both.
4. The Financial Highlights are not intended to act as a continuity of the opening and closing net assets per share.

Financial Highlights (continued)

Ratios and Supplemental Data

Period ⁽¹⁾	2021	2020
Total net asset value (000's)	\$ 106,487	55,981
Number of shares outstanding (000's)	850	500
Management expense ratio ^{(2) (4)}	0.08%	0.08%
Management expense ratio excluding proportion of expenses from underlying investment funds	0.08%	0.00%
Management expense ratio before waivers and absorptions ⁽²⁾	0.09%	0.09%
Trading expense ratio ^{(3) (4)}	0.00%	0.00%
Trading expense ratio excluding proportion of costs from underlying investment funds	0.00%	0.00%
Portfolio turnover rate ⁽⁵⁾	66.94%	54.39%
Net asset value per share, end of period (Cdn\$ Shares)	\$ 125.28	111.96
Closing market price (Cdn\$ Shares)	\$ 125.31	111.34
Net asset value per share, end of period (US\$ Shares)	101.06	87.96
Closing market price (US\$ Shares)	101.06	88.00

1. This information is provided as at June 30, 2021, and December 31 of the other years shown.
2. Management expense ratio is based on total expenses, including sales tax, (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The constating documents of the ETF require that the Manager pay all the expenses of the ETF other than the management fee and any sales taxes on the management fee. The Manager, at its discretion, may waive and/or absorb a portion of the fees and/or expenses otherwise payable by the ETF. The waiving and/or absorption of such fees and/or expenses by the Manager may be terminated at any time, or continued indefinitely, at the discretion of the Manager.
3. The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.
4. The ETF's management expense ratio (MER) and trading expense ratio (TER) include and estimated proportion of the MER and TER for any underlying investment funds held in the ETF's portfolio during the year.
5. The ETF's portfolio turnover rate indicates how actively the ETF trades its portfolio investments. A portfolio turnover rate of 100% is equivalent to the ETF buying and selling all of the securities in its portfolio once in the course of a year. The higher an ETF's portfolio turnover rate in a year, the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of an ETF.

Management Fees

In consideration for management services and investment advice provided to the ETF, the Manager is entitled to a management fee. The management fee, inclusive of sales tax, is applied on a daily basis to the net asset value of the ETF. The management fees, exclusive of sales tax, are charged at the annual rate of 0.08%. Approximately 100% of management fees were used for management, investment management, operating costs of the ETF, other general administration and profit.

From the management fee, the Manager has paid substantially all of the costs and expenses relating to the operation of the business and affairs of the ETF including investment management, administration, legal, accounting, custody, audit, registrar and transfer agency fees, and taxes as well as expenses associated with advertising, marketing, sponsoring and promoting the sale of shares of the ETF.

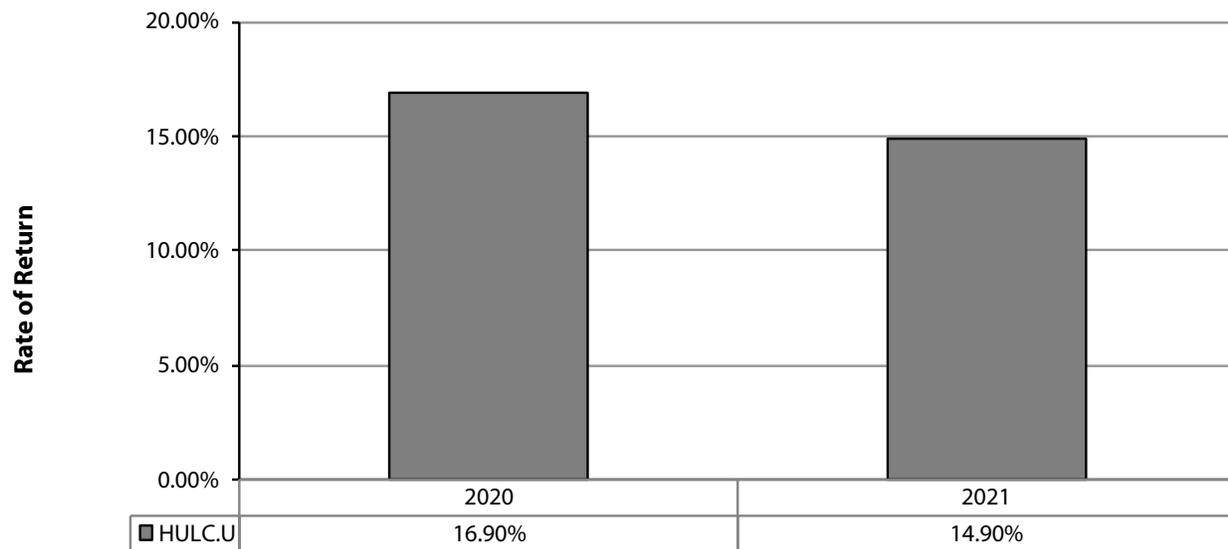
The constating documents of the ETF require that the Manager pay all the expenses of the ETF other than the management fee and any sales taxes on the management fee as may be applicable. As a result, the ETF does not have any other expenses.

Past Performance

Commissions, management fees and applicable sales taxes all may be associated with an investment in the ETF. Please read the prospectus before investing. The indicated rates of return are the historical total returns including changes in share value and reinvestment of all distributions, and do not take into account sales, redemptions, distributions or optional charges or income taxes payable by any investor that would have reduced returns. An investment in the ETF is not guaranteed. Its value changes frequently and past performance may not be repeated. The ETF's performance numbers assume that all distributions, if any, are reinvested in additional shares of the ETF. If you hold this ETF outside of a registered plan, income and capital gains distributions that are paid to you increase your income for tax purposes whether paid to you in cash or reinvested in additional shares. The amount of the reinvested taxable distributions is added to the adjusted cost base of the shares that you own. This would decrease your capital gain or increase your capital loss when you later redeem from the ETF, thereby ensuring that you are not taxed on this amount again. Please consult your tax advisor regarding your personal tax situation.

Year-by-Year Returns

The following chart presents the ETF's performance for the periods shown, and illustrates how the performance has changed from period to period. In percentage terms, the chart shows how much an investment made on the first day of the financial period would have grown or decreased by the last day of the financial period.



The ETF effectively began operations on February 5, 2020. Only the performance of the US\$ Shares is displayed above, as the US\$ Shares seek to achieve the primary investment objective of the ETF. The returns to shareholders holding Cdn\$ Shares would have been substantially similar to those of the shareholders holding US\$ Shares when adjusted for the daily Canadian/U.S. dollar exchange rate.

Summary of Investment Portfolio

As at June 30, 2021

Asset Mix	Net Asset Value	% of ETF's Net Asset Value
U.S. Equities	\$ 103,336,140	97.04%
Global Equities	2,344,063	2.20%
Cash and Cash Equivalents	551,769	0.52%
Other Assets less Liabilities	255,170	0.24%
	\$ 106,487,142	100.00%

Sector Mix	Net Asset Value	% of ETF's Net Asset Value
Information Technology	\$ 28,142,275	26.43%
Health Care	12,838,343	12.05%
Financials	12,434,782	11.68%
Consumer Discretionary	11,883,393	11.16%
Communication Services	10,876,658	10.21%
U.S. Broad Equity	9,126,719	8.57%
Industrials	7,495,465	7.04%
Consumer Staples	5,994,330	5.63%
Energy	2,579,272	2.42%
Utilities	2,266,547	2.13%
Materials	2,042,419	1.92%
Cash and Cash Equivalents	551,769	0.52%
Other Assets less Liabilities	255,170	0.24%
	\$ 106,487,142	100.00%

Summary of Investment Portfolio (continued)

As at June 30, 2021

Top 25 Holdings	% of ETF's Net Asset Value
SPDR® S&P 500 ETF Trust	8.57%
Apple Inc.	4.98%
Microsoft Corp.	4.94%
Amazon.com Inc.	3.63%
Alphabet Inc.	3.52%
Facebook Inc.	2.04%
Tesla Inc.	1.29%
NVIDIA Corp.	1.17%
JPMorgan Chase & Co.	1.15%
Johnson & Johnson	1.06%
Visa Inc.	0.97%
UnitedHealth Group Inc.	0.92%
Berkshire Hathaway Inc.	0.88%
Home Depot Inc. (The)	0.84%
PayPal Holdings Inc.	0.84%
Procter & Gamble Co. (The)	0.81%
Walt Disney Co. (The)	0.78%
MasterCard Inc.	0.78%
Bank of America Corp.	0.76%
Adobe Inc.	0.68%
Exxon Mobil Corp.	0.65%
Comcast Corp.	0.63%
Netflix Inc.	0.56%
Intel Corp.	0.56%
Verizon Communications Inc.	0.55%

The summary of investment portfolio may change due to the ongoing portfolio transactions of the ETF. The most recent interim and annual reports are available at no cost by calling toll free 1-866-641-5739, or (416) 933-5745, by writing to us at Horizons ETFs Management (Canada) Inc., 55 University Avenue, Suite 800, Toronto, Ontario, M5J 2H7, or by visiting our website at www.horizonsetfs.com or through SEDAR at www.sedar.com.

MANAGER'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim consolidated financial statements ("financial statements") of Horizons US Large Cap Index ETF (the "ETF") are the responsibility of the manager to the ETF, Horizons ETFs Management (Canada) Inc. (the "Manager"). They have been prepared in accordance with International Financial Reporting Standards using information available and include certain amounts that are based on the Manager's best estimates and judgements.

The Manager has developed and maintains a system of internal controls to provide reasonable assurance that all assets are safeguarded and to produce relevant, reliable and timely financial information, including the accompanying financial statements.

These financial statements have been approved by the Board of Directors of the Manager and by the Board of Directors of Horizons ETF Corp.



Steven J. Hawkins
Director
Horizons ETFs Management (Canada) Inc.



Thomas Park
Director
Horizons ETFs Management (Canada) Inc.

NOTICE TO SHAREHOLDERS

The Auditors of the ETF have not reviewed these Financial Statements.

Horizons ETFs Management (Canada) Inc., the Manager of the ETF, appoints an independent auditor to audit the ETF's annual financial statements.

The ETF's independent auditors have not performed a review of these interim financial statements in accordance with Canadian generally accepted auditing standards.

Consolidated Statements of Financial Position (unaudited)

As at June 30, 2021 and December 31, 2020

	2021	2020
Assets		
Cash and cash equivalents	\$ 551,769	\$ 152,325
Investments	105,680,203	55,800,551
Amounts receivable relating to accrued income	46,773	31,706
Accounts receivable relating to securities issued	6,263,949	–
Total assets	112,542,694	55,984,582
Liabilities		
Accrued management fees	6,448	3,530
Amounts payable for portfolio assets purchased	6,049,104	–
Total liabilities	6,055,552	3,530
Total net assets (note 2)	\$ 106,487,142	\$ 55,981,052
Number of redeemable shares outstanding (note 8)	850,000	500,000
Total net assets per share (Cdn\$ Shares) (note 1)	\$ 125.28	\$ 111.96
Total net assets per share (US\$ Shares) (note 1)	\$ 101.06	\$ 87.96

(See accompanying notes to financial statements)

Approved on behalf of the Board of Directors of Horizons ETF Corp.:



 Steven J. Hawkins
 Director



 Kevin S. Beatson
 Director

Consolidated Statements of Comprehensive Income (unaudited)

 For the Period from Inception on January 24 to June 30, 2020 and
 For the Period Ended June 30, 2021

	2021	2020
Income		
Dividend income	\$ 525,134	\$ 127,098
Securities lending income (note 8)	387	–
Net realized gain (loss) on sale of investments and derivatives	753,016	(66,169)
Net realized loss on foreign exchange	(14,598)	(3,231)
Net change in unrealized appreciation of investments and derivatives	7,465,532	730,637
Net change in unrealized appreciation (depreciation) of foreign exchange	11,462	(263)
	8,740,933	788,072
Expenses (note 9)		
Management fees	31,862	5,418
Transaction costs	352	8
Withholding taxes	71,191	22,032
	103,405	27,458
Amounts that were payable by the investment fund that were paid or absorbed by the Manager	(1,884)	(357)
	101,521	27,101
Increase in net assets for the period	\$ 8,639,412	\$ 760,971
Increase in net assets per share	\$ 14.16	\$ 4.65

(See accompanying notes to financial statements)

Consolidated Statements of Changes in Financial Position (unaudited)

For the Period from Inception on January 24 to June 30, 2020 and

For the Period Ended June 30, 2021

	2021	2020
Total net assets at the beginning of the period	\$ 55,981,052	\$ –
Increase in net assets	8,639,412	760,971
Redeemable share transactions		
Proceeds from the issuance of securities of the investment fund	50,441,528	21,051,486
Aggregate amounts paid on redemption of securities of the investment fund	(8,574,850)	–
Distributions:		
Total net assets at the end of the period	\$ 106,487,142	\$ 21,812,457

(See accompanying notes to financial statements)

Consolidated Statements of Cash Flows (unaudited)

 For the Period from Inception on January 24 to June 30, 2020 and
 For the Period Ended June 30, 2021

	2021	2020
Cash flows from operating activities:		
Increase in net assets for the period	\$ 8,639,412	\$ 760,971
Adjustments for:		
Net realized loss (gain) on sale of investments and derivatives	(753,016)	66,169
Net change in unrealized appreciation of investments and derivatives	(7,465,532)	(730,637)
Net change in unrealized depreciation (appreciation) of foreign exchange	(10,737)	229
Purchase of investments	(41,457,239)	(12,585,672)
Proceeds from the sale of investments	40,643,742	294,665
Amounts receivable relating to accrued income	(15,067)	(14,159)
Accrued expenses	2,918	1,497
Net cash used in operating activities	(415,519)	(12,206,937)
Cash flows from financing activities:		
Amount received from the issuance of shares	1,021,001	12,304,926
Amount paid on redemptions of shares	(216,775)	–
Net cash from financing activities	804,226	12,304,926
Net increase in cash and cash equivalents during the period	388,707	97,989
Effect of exchange rate fluctuations on cash and cash equivalents	10,737	(229)
Cash and cash equivalents at beginning of period	152,325	–
Cash and cash equivalents at end of period	\$ 551,769	\$ 97,760

Dividends received, net of withholding taxes	\$ 438,876	\$ 90,907
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(See accompanying notes to financial statements)

Schedule of Investments (unaudited)

As at June 30, 2021

Security	Shares	Average Cost	Fair Value
U.S. EQUITIES (97.04%)			
Information Technology (25.71%)			
Adobe Inc.	1,004	\$ 581,586	\$ 728,863
Advanced Micro Devices Inc.	2,546	244,612	296,445
Akamai Technologies Inc.	337	45,141	48,709
Amphenol Corp., Class 'A'	1,256	95,522	106,510
Analog Devices Inc.	775	135,088	165,392
ANSYS Inc.	182	75,554	78,299
Apple Inc.	31,257	4,464,891	5,306,676
Applied Materials Inc.	1,921	224,514	339,093
Arista Networks Inc.	118	40,523	52,996
Autodesk Inc.	462	149,973	167,170
Automatic Data Processing Inc.	900	198,174	221,588
Broadcom Inc.	827	415,867	488,832
Broadridge Financial Solutions Inc., ADR	242	43,859	48,456
Cadence Design Systems Inc.	580	82,978	98,369
CDW Corp.	293	52,759	63,433
Ceridian HCM Holding Inc.	254	30,210	30,201
Cisco Systems Inc.	8,199	485,248	538,665
Citrix Systems Inc.	234	39,232	34,016
CloudFlare Inc., Class 'A'	460	44,902	60,352
Cognex Corp.	325	30,042	33,861
Cognizant Technology Solutions Corp., Class 'A'	1,111	101,771	95,385
Corning Inc.	1,447	64,289	73,362
CoStar Group Inc.	820	83,933	84,184
Coupa Software Inc.	154	52,886	50,036
CrowdStrike Holdings Inc., Class 'A'	401	89,573	124,921
Datadog Inc., Class 'A'	436	50,493	56,252
Dell Technologies Inc., Class 'C'	543	51,933	67,088
DocuSign Inc.	396	101,801	137,236
Electronic Arts Inc.	603	99,933	107,510
Entergris Inc.	283	38,531	43,139
EPAM Systems Inc.	115	51,218	72,839
Fair Issac Corp.	54	31,067	33,649
Fidelity National Information Services Inc.	1,307	236,967	229,528
FleetCor Technologies Inc.	172	59,976	54,595
Fortinet Inc.	292	57,413	86,216
Gartner Inc.	178	37,400	53,441
GoDaddy Inc., Class 'A'	321	31,650	34,602
Hewlett Packard Enterprise Co.	2,735	45,706	49,431
HP Inc.	2,621	81,519	98,087

Schedule of Investments (unaudited) (continued)

As at June 30, 2021

Security	Shares	Average Cost	Fair Value
HubSpot Inc.	92	47,372	66,455
Intel Corp.	8,578	625,804	596,953
International Business Machines Corp.	1,881	319,023	341,802
Intuit Inc.	561	256,241	340,872
Jack Henry & Associates Inc.	144	29,971	29,187
Keysight Technologies Inc.	389	60,253	74,457
KLA Corp.	323	102,156	129,811
Lam Research Corp.	300	174,918	241,982
Leidos Holdings Inc.	295	37,303	36,971
MarketAxess Holdings Inc.	78	47,175	44,824
Marvell Technology Inc.	1,676	87,366	121,185
MasterCard Inc., Class 'A'	1,836	795,253	830,910
Maxim Integrated Products Inc.	561	57,347	73,269
Microchip Technology Inc.	556	90,464	103,203
Micron Technology Inc.	2,359	207,061	248,500
Microsoft Corp.	15,665	4,354,809	5,260,427
MongoDB Inc.	119	43,257	53,329
Monolithic Power Systems Inc.	91	39,464	42,127
Moody's Corp.	341	124,217	153,175
Motorola Solutions Inc.	355	79,754	95,427
MSCI Inc.	169	84,013	111,676
NetApp Inc.	467	36,458	47,365
Nuance Communications Inc.	595	38,898	40,153
NVIDIA Corp.	1,259	784,718	1,248,681
Okta Inc.	257	71,613	77,950
ON Semiconductor Corp.	869	40,025	41,236
Oracle Corp.	3,664	299,698	353,541
Palantir Technologies Inc.	3,243	85,291	105,968
Palo Alto Networks Inc.	200	75,465	91,991
Paychex Inc.	678	77,520	90,180
Paycom Software Inc.	107	47,111	48,210
PayPal Holdings Inc.	2,472	655,720	893,180
PTC Inc.	200	32,127	35,021
Qorvo Inc.	237	45,033	57,479
QUALCOMM Inc.	2,391	373,616	423,628
salesforce.com Inc.	1,871	519,399	566,533
ServiceNow Inc.	415	247,330	282,707
Skyworks Solutions Inc.	346	66,521	82,242
Slack Technologies Inc, Class 'A'	1,027	48,518	56,397
Snowflake Inc., Class 'A'	520	138,441	155,862
Splunk Inc.	343	69,407	61,473

Schedule of Investments (unaudited) (continued)

As at June 30, 2021

Security	Shares	Average Cost	Fair Value
Square Inc., Class 'A'	816	189,258	246,607
SS&C Technologies Holdings Inc.	465	38,997	41,536
Synopsys Inc.	319	88,372	109,056
Take-Two Interactive Software Inc.	239	50,195	52,445
Teradyne Inc.	350	45,267	58,120
Texas Instruments Inc.	1,942	391,066	462,924
TransUnion	400	47,932	54,448
Twilio Inc.	332	124,631	162,215
Twitter Inc.	1,639	104,214	139,802
Tyler Technologies Inc.	85	43,178	47,664
Unity Software Inc.	269	30,370	36,623
VeriSign Inc.	207	54,715	58,425
Vimeo Inc.	243	13,826	14,760
Visa Inc., Class 'A'	3,550	945,321	1,028,944
VMware Inc., Class 'A'	152	28,451	30,141
Western Digital Corp.	628	45,769	55,404
Workday Inc., Class 'A'	382	107,198	113,050
Xilinx Inc.	517	76,389	92,696
Zebra Technologies Corp., Class 'A'	112	52,977	73,512
Zendesk Inc.	247	37,620	44,194
Zoom Video Communications Inc.	415	182,202	199,101
Zscaler Inc.	162	34,722	43,388
		22,997,534	27,380,821
Health Care (11.55%)			
10X Genomics Inc., Class 'A'	151	33,891	36,653
Abbott Laboratories	3,705	508,399	532,434
AbbVie Inc.	3,659	466,536	510,901
ABIOMED Inc.	84	30,540	32,499
Agilent Technologies Inc.	639	90,409	117,081
Alexion Pharmaceuticals Inc.	444	77,390	101,111
Align Technology Inc.	155	85,512	117,396
Alnylam Pharmaceuticals Inc.	245	42,568	51,484
AmerisourceBergen Corp.	311	41,487	44,138
Amgen Inc.	1,211	362,744	365,907
Anthem Inc.	515	208,653	243,739
Avantor Inc.	1,035	36,252	45,559
Baxter International Inc.	1,064	113,107	106,174
Becton, Dickinson and Co.	611	195,250	184,191
Biogen Inc.	315	119,733	135,209
BioMarin Pharmaceutical Inc.	345	37,283	35,684
Bio-Rad Laboratories Inc., Class 'A'	40	28,094	31,946

Schedule of Investments (unaudited) (continued)

As at June 30, 2021

Security	Shares	Average Cost	Fair Value
Bio-Techne Corp.	81	41,394	45,210
Boston Scientific Corp.	2,984	148,144	158,168
Bristol-Myers Squibb Co.	4,633	370,073	383,752
Cardinal Health Inc.	617	42,746	43,664
Catalent Inc.	357	43,828	47,847
Centene Corp.	1,198	98,043	108,304
Cerner Corp.	636	60,425	61,620
Charles River Laboratories International Inc.	104	36,638	47,689
Cigna Corp.	730	196,470	214,527
Cooper Cos. Inc. (The)	103	46,951	50,595
Danaher Corp.	1,334	361,996	443,767
Dentsply Sirona Inc.	413	28,771	32,386
Dexcom Inc.	202	91,487	106,920
Edwards Lifesciences Corp.	1,300	138,329	166,901
Elanco Animal Health Inc.	994	37,935	42,744
Eli Lilly and Co.	1,785	395,257	507,856
Exact Sciences Corp.	353	50,482	54,395
Gilead Sciences Inc.	2,646	224,205	225,860
HCA Healthcare Inc.	555	113,964	142,233
Hologic Inc.	537	43,526	44,413
Humana Inc.	271	139,182	148,724
IDEXX Laboratories Inc.	179	98,876	140,134
Illumina Inc.	306	140,869	179,497
Incyte Corp.	391	41,922	40,776
Insulet Corp.	139	44,108	47,299
Intuitive Surgical Inc.	248	226,350	282,716
IQVIA Holdings Inc.	395	90,727	118,650
Johnson & Johnson	5,545	1,100,150	1,132,354
Laboratory Corp. of America Holdings	205	56,788	70,098
Masimo Corp.	96	30,009	28,852
McKesson Corp.	335	72,422	79,415
Merck & Co. Inc.	5,271	532,098	508,144
Mettler-Toledo International Inc.	49	65,017	84,146
Moderna Inc.	716	107,582	208,557
Molina Healthcare Inc.	109	30,013	34,193
Novavax Inc.	140	29,505	36,845
Organon & Co.	476	19,676	17,855
PerkinElmer Inc.	234	36,027	44,789
Pfizer Inc.	11,747	558,316	570,231
Quest Diagnostics Inc.	275	42,449	44,987
Regeneron Pharmaceuticals Inc.	216	140,099	149,551

Schedule of Investments (unaudited) (continued)

As at June 30, 2021

Security	Shares	Average Cost	Fair Value
ResMed Inc.	304	72,923	92,898
Seagen Inc.	279	55,270	54,603
Stryker Corp.	691	200,448	222,475
Teladoc Health Inc.	291	76,100	59,985
Teleflex Inc.	98	48,037	48,810
Thermo Fisher Scientific Inc.	826	448,991	516,532
UnitedHealth Group Inc.	1,981	857,281	983,340
Veeva Systems Inc., Class 'A'	288	92,433	111,011
Vertex Pharmaceuticals Inc.	544	160,390	135,968
Viatis Inc.	2,539	50,928	44,976
Waters Corp.	130	41,653	55,694
West Pharmaceutical Services Inc.	154	51,689	68,552
Zimmer Biomet Holdings Inc.	438	84,108	87,316
Zoetis Inc.	1,000	198,894	231,012
		11,089,842	12,301,942
Financials (11.29%)			
Aflac Inc.	1,330	78,995	88,468
Alexandria Real Estate Equities Inc.	307	66,056	69,239
Allstate Corp. (The)	617	87,558	99,765
Ally Financial Inc.	779	50,436	48,128
American Express Co.	1,273	207,613	260,735
American International Group Inc.	1,815	96,290	107,094
American Tower Corp.	934	285,501	312,764
Ameriprise Financial Inc.	245	61,836	75,585
Arthur J. Gallagher & Co.	407	61,766	70,673
AvalonBay Communities Inc.	293	67,689	75,797
Bank of America Corp.	15,900	663,257	812,628
Bank of New York Mellon Corp. (The)	1,688	93,284	107,196
Berkshire Hathaway Inc., Class 'B'	2,717	819,084	936,033
BlackRock Inc.	297	257,806	322,130
Blackstone Group Inc. (The), Class 'A'	1,424	123,515	171,471
Boston Properties Inc.	301	40,595	42,756
Capital One Financial Corp.	952	131,303	182,550
CBRE Group Inc., Class 'A'	679	56,784	72,158
Charles Schwab Corp. (The)	3,174	216,742	286,470
Cincinnati Financial Corp.	328	40,650	47,416
Citigroup Inc.	4,389	356,324	384,923
Citizens Financial Group Inc.	891	42,781	50,663
CME Group Inc.	747	184,513	196,938
Crown Castle International Corp.	906	192,570	219,112
Digital Realty Trust Inc.	591	109,033	110,228

Schedule of Investments (unaudited) (continued)

As at June 30, 2021

Security	Shares	Average Cost	Fair Value
Discover Financial Services	642	69,008	94,138
Duke Realty Corp.	786	40,165	46,134
Equity Residential	774	66,917	73,878
Essex Property Trust Inc.	137	46,010	50,949
Extra Space Storage Inc.	276	43,148	56,048
Fifth Third Bancorp	1,492	58,020	70,706
First Republic Bank	368	68,332	85,382
Fiserv Inc.	1,216	174,042	161,121
Global Payments Inc.	617	151,236	143,437
Goldman Sachs Group Inc. (The)	706	246,531	332,149
Hartford Financial Services Group Inc. (The)	750	49,996	57,613
Healthpeak Properties Inc.	1,133	44,358	46,755
Huntington Bancshares Inc.	2,127	35,520	37,625
Intercontinental Exchange Inc.	1,174	157,499	172,743
Invitation Homes Inc.	1,192	46,131	55,100
JPMorgan Chase & Co.	6,339	1,067,141	1,222,206
KeyCorp	2,038	46,050	52,168
KKR & Co. Inc.	1,165	62,312	85,550
M&T Bank Corp.	269	47,865	48,454
Markel Corp.	26	36,476	38,247
Marsh & McLennan Cos. Inc.	1,062	160,795	185,199
Medical Properties Trust Inc.	1,091	27,929	27,183
MetLife Inc.	1,440	93,159	106,834
Mid-America Apartment Communities Inc.	239	41,520	49,897
Morgan Stanley	3,130	265,854	355,752
Nasdaq Inc.	241	41,928	52,519
Northern Trust Corp.	412	51,377	59,049
PNC Financial Services Group Inc.	890	172,579	210,455
Principal Financial Group Inc.	573	38,741	44,883
Progressive Corp. (The)	1,229	144,095	149,620
Prologis Inc.	1,551	201,928	229,811
Prudential Financial Inc.	831	88,805	105,555
Public Storage Inc.	313	95,210	116,666
Raymond James Financial Inc.	260	34,157	41,866
Realty Income Corp.	786	65,088	65,026
Regions Financial Corp.	2,015	44,018	50,405
S&P Global Inc.	507	216,990	257,958
SBA Communications Corp.	228	82,879	90,074
Simon Property Group Inc.	688	88,852	111,279
State Street Corp.	692	65,457	70,580
Sun Communities Inc.	231	44,964	49,080

Schedule of Investments (unaudited) (continued)

As at June 30, 2021

Security	Shares	Average Cost	Fair Value
SVB Financial Group	114	57,733	78,632
Synchrony Financial	1,178	52,574	70,851
T. Rowe Price Group Inc.	471	93,099	115,585
Travelers Cos. Inc. (The)	528	91,914	97,986
Truist Financial Corp.	2,818	182,478	193,872
U.S. Bancorp	2,853	178,831	201,479
UDR Inc.	635	34,027	38,554
Ventas Inc.	786	49,160	55,634
VICI Properties Inc.	1,331	46,047	51,180
Wells Fargo & Co.	8,603	398,272	482,985
Welltower Inc.	878	74,483	90,443
WP Carey Inc.	332	30,534	30,710
		10,304,215	12,018,925
Consumer Discretionary (11.01%)			
Advance Auto Parts Inc.	124	25,160	31,532
Amazon.com Inc.	907	3,405,891	3,867,831
AutoZone Inc.	46	70,925	85,089
Best Buy Co. Inc.	472	63,569	67,274
Burlington Stores Inc.	139	43,775	55,480
Caesars Entertainment Inc.	419	53,247	53,887
CarMax Inc.	343	46,440	54,912
Carnival Corp.	1,784	58,884	58,294
Carvana Co.	163	50,736	60,984
Chipotle Mexican Grill Inc., Class 'A'	58	91,035	111,464
Copart Inc.	443	61,893	72,394
D.R. Horton Inc.	714	68,173	79,984
Darden Restaurants Inc.	275	40,681	49,767
Dollar Tree Inc.	485	61,827	59,820
Domino's Pizza Inc.	81	39,259	46,839
DraftKings Inc., Class 'A'	516	32,729	33,370
eBay Inc.	1,380	91,608	120,105
Etsy Inc.	266	56,804	67,872
Expedia Group Inc.	290	48,033	58,851
Ford Motor Co.	8,240	103,610	151,785
Fortune Brands Home & Security Inc.	262	30,632	32,351
General Motors Co.	2,734	154,223	200,531
Genuine Parts Co.	302	40,722	47,345
Hasbro Inc.	251	29,116	29,409
Hilton Worldwide Holdings Inc.	577	78,817	86,273
Home Depot Inc. (The)	2,263	792,309	894,555
Las Vegas Sands Corp.	913	66,149	59,632

Schedule of Investments (unaudited) (continued)

As at June 30, 2021

Security	Shares	Average Cost	Fair Value
Lennar Corp., Class 'A'	572	59,790	70,444
Lowe's Cos. Inc.	1,511	305,467	363,313
Marriott International Inc., Class 'A'	556	90,892	94,092
McDonald's Corp.	1,572	433,727	450,119
MGM Resorts International	864	44,367	45,679
Netflix Inc.	917	565,138	600,423
Nike Inc., Class 'B'	2,651	416,706	507,682
NVR Inc.	7	37,680	43,154
O'Reilly Automotive Inc.	145	85,373	101,772
Peloton Interactive Inc., Class 'A'	537	79,437	82,556
Pool Corp.	82	40,178	46,622
PulteGroup Inc.	486	30,264	32,875
Ross Stores Inc.	736	104,545	113,131
Royal Caribbean Cruises Ltd.	459	43,383	48,522
Starbucks Corp.	2,476	306,053	343,173
Target Corp.	1,047	225,667	313,745
Tesla Inc.	1,624	1,024,712	1,368,311
TJX Cos. Inc. (The)	2,343	187,604	195,813
Tractor Supply Co.	243	45,081	56,046
Ulta Beauty Inc.	115	40,755	49,291
V.F. Corp.	682	68,657	69,357
Wayfair Inc., Class 'A'	156	55,862	61,051
Whirlpool Corp.	132	34,880	35,674
Yum! Brands Inc.	628	83,548	89,547
		10,116,013	11,720,022
Communication Services (10.21%)			
Activision Blizzard Inc.	1,616	170,545	191,185
Alphabet Inc., Class 'A'	626	1,451,070	1,894,804
Alphabet Inc., Class 'C'	597	1,385,846	1,854,780
AT&T Inc.	15,013	594,190	535,599
Booking Holdings Inc.	86	222,590	233,263
Charter Communications Inc., Class 'A'	267	206,853	238,781
Comcast Corp., Class 'A'	9,570	604,439	676,427
Equinix Inc.	188	168,633	187,042
Facebook Inc., Class 'A'	5,031	1,697,179	2,168,468
IAC / InterActiveCorp.	150	31,745	28,666
Liberty Broadband Corp., Class 'C'	329	61,585	70,823
Lumen Technologies Inc.	2,309	35,625	38,898
Lyft Inc., Class 'A'	553	36,048	41,459
Match Group Inc.	532	85,702	106,339
Omnicom Group Inc.	449	39,535	44,521

Schedule of Investments (unaudited) (continued)

As at June 30, 2021

Security	Shares	Average Cost	Fair Value
Pinterest Inc., Class 'A'	1,142	97,075	111,763
RingCentral Inc.	167	62,516	60,154
Roblox Corp., Class 'A'	478	40,463	53,316
Roku Inc.	234	80,607	133,213
Snap Inc., Class 'A'	2,326	125,345	196,469
T-Mobile US Inc.	1,235	187,902	221,721
Trade Desk Inc. (The)	900	70,324	86,306
Uber Technologies Inc.	2,676	155,402	166,256
Verizon Communications Inc.	8,414	627,690	584,393
ViacomCBS Inc, Class 'B'	1,201	58,418	67,292
Walt Disney Co. (The)	3,822	765,270	832,754
Zillow Group Inc., Class 'C'	343	50,509	51,966
		9,113,106	10,876,658
U.S. Broad Equity (8.57%)			
SPDR® S&P 500 ETF Trust	17,200	9,109,656	9,126,719
Industrials (6.67%)			
3M Co.	1,216	274,526	299,406
Ametek Inc.	484	70,338	80,096
Boeing Co. (The)	1,228	349,916	364,665
C.H. Robinson Worldwide Inc.	247	28,574	28,680
Carrier Global Corp.	1,831	80,325	110,308
Caterpillar Inc.	1,146	267,141	309,161
Cintas Corp.	189	77,978	89,497
CSX Corp.	4,764	174,176	189,447
Cummins Inc.	304	85,605	91,877
Deere & Co.	592	204,032	258,834
Delta Air Lines Inc.	1,343	71,951	72,018
Dover Corp.	302	47,891	56,379
Emerson Electric Co.	1,255	126,273	149,720
Equifax Inc.	257	59,554	76,302
Expeditors International of Washington Inc.	353	42,464	55,397
Fastenal Co.	1,207	71,255	77,802
FedEx Corp.	516	158,991	190,822
Fortive Corp.	685	60,760	59,218
Generac Holdings Inc.	130	43,433	66,901
General Dynamics Corp.	521	109,926	121,584
General Electric Co.	18,393	257,697	306,888
Honeywell International Inc.	1,462	361,021	397,527
Idex Corp.	160	39,218	43,644
Illinois Tool Works Inc.	603	156,999	167,106

Schedule of Investments (unaudited) (continued)

As at June 30, 2021

Security	Shares	Average Cost	Fair Value
Ingersoll Rand Inc.	788	41,564	47,678
J.B. Hunt Transport Services Inc.	160	28,131	32,319
Jacobs Engineering Group Inc.	271	38,591	44,820
Kansas City Southern	191	51,297	67,092
L3Harris Technologies Inc.	431	109,581	115,482
Lockheed Martin Corp.	498	241,843	233,563
Masco Corp.	532	36,906	38,849
Norfolk Southern Corp.	528	157,769	173,713
Northrop Grumman Corp.	304	129,792	136,954
Old Dominion Freight Line Inc.	219	56,304	68,900
Otis Worldwide Corp.	905	79,763	91,733
PACCAR Inc.	718	79,305	79,435
Parker Hannifin Corp.	271	87,486	103,168
Raytheon Technologies Corp.	3,191	308,151	337,449
Republic Services Inc.	442	54,567	60,275
Rockwell Automation Inc.	244	74,329	86,510
Roper Technologies Inc.	220	114,685	128,229
Southwest Airlines Co.	1,241	79,070	81,671
Stanley Black & Decker Inc.	338	76,172	85,888
Teledyne Technologies Inc.	77	36,805	39,977
TransDigm Group Inc.	109	78,438	87,459
Trimble Inc.	527	41,226	53,457
Union Pacific Corp.	1,402	356,564	382,221
United Airlines Holdings Inc.	680	44,706	44,077
United Parcel Service Inc., Class 'B'	1,520	313,964	391,855
United Rentals Inc.	152	45,190	60,108
Verisk Analytics Inc.	339	76,405	73,422
W.W. Grainger Inc.	82	39,137	44,521
Wabtec Corp.	338	31,101	34,482
Waste Management Inc.	888	137,868	154,228
Xylem Inc.	377	46,654	56,061
		6,313,408	7,098,875
Consumer Staples (5.63%)			
Altria Group Inc.	3,899	221,360	230,447
Archer-Daniels-Midland Co.	1,171	79,040	87,965
Brown-Forman Corp., Class 'B'	637	59,410	59,175
Church & Dwight Co. Inc.	515	55,542	54,404
Clorox Co. (The)	264	65,560	58,876
Coca-Cola Co. (The)	8,156	548,099	547,062
Colgate-Palmolive Co.	1,781	179,782	179,599
Conagra Brands Inc.	985	45,005	44,420

Schedule of Investments (unaudited) (continued)

As at June 30, 2021

Security	Shares	Average Cost	Fair Value
Constellation Brands Inc., Class 'A'	334	87,895	96,837
Costco Wholesale Corp.	930	417,695	456,139
CVS Health Corp.	2,758	249,683	285,266
Dollar General Corp.	503	126,413	134,923
Estée Lauder Cos. Inc. (The), Class 'A'	451	144,025	177,826
General Mills Inc.	1,282	97,606	96,828
Hershey Co. (The)	307	60,229	66,285
Hormel Foods Corp.	536	33,222	31,726
J.M. Smucker Co. (The)	199	30,284	31,962
Kellogg Co.	488	40,491	38,915
Keurig Dr Pepper Inc.	1,448	58,796	63,254
Kimberly-Clark Corp.	710	126,723	117,742
Kraft Heinz Co. (The)	1,386	62,683	70,064
Kroger Co. (The)	1,499	64,945	71,186
L Brands Inc.	485	39,063	43,323
McCormick & Co. Inc.	520	59,374	56,930
Mondelez International Inc., Class 'A'	2,935	215,860	227,171
Monster Beverage Corp.	781	82,678	88,438
PepsiCo Inc.	2,906	522,828	533,749
Philip Morris International Inc.	3,276	354,172	402,479
Procter & Gamble Co. (The)	5,137	869,571	859,211
Sysco Corp.	1,030	94,922	99,270
Tyson Foods Inc., Class 'A'	612	54,854	55,957
Walgreens Boots Alliance Inc.	1,507	91,739	98,280
Walmart Inc.	3,024	524,189	528,621
		5,763,738	5,994,330
Energy (2.42%)			
Cheniere Energy Inc.	490	39,228	52,686
Chevron Corp.	3,957	479,703	513,760
ConocoPhillips	2,847	172,593	214,925
Enphase Energy Inc.	260	43,779	59,183
EOG Resources Inc.	1,226	96,126	126,808
Exxon Mobil Corp.	8,900	572,747	695,926
Halliburton Co.	1,735	47,234	49,724
Hess Corp.	593	45,461	64,188
Kinder Morgan Inc.	4,095	84,022	92,538
Marathon Petroleum Corp.	1,365	81,257	102,234
Occidental Petroleum Corp.	1,809	52,756	70,121
ONEOK Inc.	932	53,591	64,281
Phillips 66	920	88,544	97,872
Pioneer Natural Resources Co.	453	75,530	91,261

Schedule of Investments (unaudited) (continued)

As at June 30, 2021

Security	Shares	Average Cost	Fair Value
Schlumberger Ltd.	2,941	95,296	116,698
Valero Energy Corp.	858	72,709	83,044
Williams Cos. Inc. (The)	2,553	71,439	84,023
		2,172,015	2,579,272
Utilities (2.13%)			
AES Corp. (The)	1,423	40,324	45,986
Alliant Energy Corp.	475	32,423	32,832
Ameren Corp.	535	54,951	53,082
American Electric Power Co. Inc.	1,046	116,902	109,681
American Water Works Co. Inc.	381	71,511	72,794
Atmos Energy Corp.	242	31,504	28,831
CenterPoint Energy Inc.	1,045	29,331	31,763
CMS Energy Corp.	607	48,334	44,454
Consolidated Edison Inc.	721	72,835	64,100
Dominion Energy Inc.	1,694	170,746	154,488
DTE Energy Co.	406	65,076	65,225
Duke Energy Corp.	1,619	194,146	198,122
Edison International	799	62,255	57,267
Entergy Corp.	422	56,807	52,154
Evergy Inc.	427	32,724	31,986
Eversource Energy	721	79,404	71,715
Exelon Corp.	2,054	111,694	112,819
FirstEnergy Corp.	1,143	53,958	52,722
NextEra Energy Inc.	4,125	378,242	374,706
PG&E Corp.	3,165	43,527	39,900
PPL Corp.	1,620	60,249	56,168
Public Services Enterprise Group Inc.	1,062	77,943	78,645
Sempra Energy	637	107,457	104,610
Southern Co. (The)	2,229	175,606	167,193
WEC Energy Group Inc.	663	80,322	73,104
Xcel Energy Inc.	1,129	97,349	92,200
		2,345,620	2,266,547
Materials (1.85%)			
Air Products and Chemicals Inc.	465	161,828	165,823
Albemarle Corp.	245	50,282	51,162
Avery Dennison Corp.	174	35,862	45,347
Ball Corp.	686	74,084	68,896
Celanese Corp.	238	38,825	44,726
Corteva Inc.	1,558	75,695	85,653
Crown Holdings Inc.	252	31,781	31,928
Dow Inc.	1,568	109,567	122,997

Schedule of Investments (unaudited) (continued)

As at June 30, 2021

Security	Shares	Average Cost	Fair Value
DuPont de Nemours Inc.	1,123	91,347	107,760
Eastman Chemical Co.	286	35,304	41,391
Ecolab Inc.	534	142,652	136,341
FMC Corp.	271	37,451	36,348
Freeport-McMoRan Inc., Class 'B'	3,057	98,269	140,627
International Flavors & Fragrances Inc.	524	90,673	97,043
International Paper Co.	825	51,966	62,700
Martin Marietta Materials Inc.	130	48,398	56,693
Newmont Corp.	1,682	126,889	132,148
Nucor Corp.	624	49,086	74,203
Packaging Corp. of America	178	28,451	29,880
PPG Industries Inc.	499	89,219	105,013
Sherwin-Williams Co. (The)	509	150,271	171,904
Vulcan Materials Co.	279	54,559	60,202
WestRock Co.	547	31,439	36,086
Weyerhaeuser Co.	1,574	63,020	67,158
		1,766,918	1,972,029
TOTAL U.S. EQUITIES		91,092,065	103,336,140
GLOBAL EQUITIES (2.20%)			
Information Technology (0.72%)			
Accenture PLC, Class 'A'	1,338	414,848	488,934
IHS Markit Ltd.	777	87,592	108,511
Seagate Technology Holdings PLC	436	36,615	47,523
TE Connectivity Ltd.	695	100,448	116,486
		639,503	761,454
Health Care (0.50%)			
Horizon Therapeutics PLC	466	48,973	54,091
Medtronic PLC	2,837	413,784	436,534
STERIS PLC	179	41,017	45,776
		503,774	536,401
Financials (0.39%)			
Aon PLC	466	125,093	137,920
Arch Capital Group Ltd.	822	38,325	39,678
Chubb Ltd.	820	157,888	161,558
Willis Towers Watson PLC	269	76,229	76,701
		397,535	415,857

Schedule of Investments (unaudited) (continued)

As at June 30, 2021

Security	Shares	Average Cost	Fair Value
Industrials (0.37%)			
Eaton Corp. PLC	837	126,807	153,743
Johnson Controls International PLC	1,513	94,563	128,717
Trane Technologies PLC	500	91,999	114,130
		<u>313,369</u>	<u>396,590</u>
Consumer Discretionary (0.15%)			
Garmin Ltd.	318	46,707	57,016
Stellantis NV	4,353	97,355	106,355
		<u>144,062</u>	<u>163,371</u>
Materials (0.07%)			
LyondellBasell Industries NV, Class 'A'	552	63,689	70,390
		<u>63,689</u>	<u>70,390</u>
TOTAL GLOBAL EQUITIES		<u>2,061,932</u>	<u>2,344,063</u>
TOTAL INVESTMENT PORTFOLIO (99.24%)		<u>\$ 93,153,997</u>	<u>\$ 105,680,203</u>
Cash and cash equivalents (0.52%)			551,769
Other assets less liabilities (0.24%)			255,170
TOTAL NET ASSETS (100.00%)			<u>\$ 106,487,142</u>

(See accompanying notes to financial statements)

Notes to Consolidated Financial Statements - ETF Specific Information (unaudited)

For the Period from Inception on January 24 to June 30, 2020 and
For the Period Ended June 30, 2021

A. ETF INFORMATION (NOTE 1)

The following table lists specific information about the ETF, the tickers under which the Cdn\$ Shares and US\$ Shares (if applicable), as described in note 1, trade on the Toronto Stock Exchange (the "TSX"), the functional and presentation currency of the ETF in either Canadian ("CAD") or U.S. ("USD") dollars, and the effective start of operations of the ETF.

ETF Name	TSX Ticker(s)	Reporting Currency	Effective Start of Operations
Horizons US Large Cap Index ETF	HULC, HULC.U	CAD	February 5, 2020

Investment Objective

HULC seeks to replicate, to the extent possible, the performance of the Solactive US Large Cap Index (CA NTR) (the "Underlying Index, Bloomberg ticker: SOLUSLCC), net of expenses. The Solactive US Large Cap Index (CA NTR) is designed to measure the performance of the large-cap market segment of the U.S. equity market.

B. FINANCIAL INSTRUMENTS RISK (NOTE 5)
(a) Market risks
(i) Currency risk

The following table indicates the foreign currencies to which the ETF had significant exposure as at June 30, 2021 and December 31, 2020, in Canadian dollar terms and the potential impact on the ETF's net assets (including the underlying principal amount of future or forward currency contracts, if any), as a result of a 1% change in these currencies relative to the Canadian dollar:

December 31, 2020	Financial Instruments	Currency Forward and/ or Futures Contracts	Total	Impact on Net Asset Value
Currency	(\$000's)	(\$000's)	(\$000's)	(\$000's)
U.S. Dollar	100,435	–	100,435	1,004
Total	100,435	–	100,435	1,004
As % of Net Asset Value	94.3%	–	94.3%	0.9%

December 31, 2020	Financial Instruments	Currency Forward and/ or Futures Contracts	Total	Impact on Net Asset Value
Currency	(\$000's)	(\$000's)	(\$000's)	(\$000's)
U.S. Dollar	55,959	–	55,959	560
Total	55,959	–	55,959	560
As % of Net Asset Value	100.0%	–	100.0%	1.0%

Notes to Consolidated Financial Statements - ETF Specific Information (unaudited) (continued)

For the Period from Inception on January 24 to June 30, 2020 and
For the Period Ended June 30, 2021

(ii) Interest rate risk

As at June 30, 2021 and December 31, 2020, the ETF did not hold any long-term debt instruments and did not have any exposure to interest rate risk.

(iii) Market price risk

For the period ended June 30, 2021, the US\$ Shares of the ETF returned 14.90%. This compares to a return of 14.91% for the Underlying Index for the same period. The above figures are adjusted for distributions, if any.

Generally, the difference in performance between the ETF and the Underlying Index is due to expenses payable by the ETF, which include management fees plus applicable sales taxes. The net asset value of the ETF's Cdn\$ Shares are impacted by the daily Canadian/U.S. dollar exchange rate. Since the securities in the Underlying Index are traded in U.S. dollars and are unhedged, the Cdn\$ Shares of the ETF will be positively or negatively affected by an appreciation or depreciation of the U.S. dollar versus the Canadian dollar.

The table below shows the estimated impact on the ETF of a 1% increase or decrease in the Underlying Index, based on historical correlation, with all other factors remaining constant, as at the dates shown. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Underlying Index	June 30, 2021	December 31, 2020
Solactive US Large Cap Index (CA NTR)	\$1,023,683	\$541,390

(b) Credit risk

As at June 30, 2021 and December 31, 2020, due to the nature of its portfolio investments, the ETF did not have any material credit risk exposure.

C. FAIR VALUE MEASUREMENT (NOTE 6)

The following is a summary of the inputs used as at June 30, 2021, and December 31, 2020, in valuing the ETF's investments and derivatives carried at fair values:

	June 30, 2021			December 31, 2020		
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)
Financial Assets						
Equities	96,553,484	–	–	55,800,551	–	–
Exchange Traded Funds	9,126,719	–	–	–	–	–
Total Financial Assets	105,680,203	–	–	55,800,551	–	–
Total Financial Liabilities	–	–	–	–	–	–
Net Financial Assets and Liabilities	105,680,203	–	–	55,800,551	–	–

Notes to Consolidated Financial Statements - ETF Specific Information (unaudited) (continued)

For the Period from Inception on January 24 to June 30, 2020 and
For the Period Ended June 30, 2021

There were no significant transfers made between Levels 1 and 2 as a result of changes in the availability of quoted market prices or observable market inputs during the period or year shown. In addition, there were no investments or transactions classified in Level 3 for the periods ended June 30, 2021 and 2020.

D. SECURITIES LENDING (NOTE 7)

The aggregate closing market value of securities loaned and collateral received as at June 30, 2021, and December 31, 2020, was as follows:

As at	Securities Loaned	Collateral Received
June 30, 2021	\$2,698,361	\$2,839,777
December 31, 2020	–	–

Collateral may comprise, but is not limited to, cash and obligations of or guaranteed by the Government of Canada or a province thereof; by the United States government or its agencies; by some sovereign states; by permitted supranational agencies; and short-term debt of Canadian financial institutions, if, in each case, the evidence of indebtedness has a designated rating as defined by NI 81-102.

The table below presents a reconciliation of the securities lending income as presented in the statements of comprehensive income for the periods ended June 30, 2021 and 2020. It shows the gross amount of securities lending revenues generated from the securities lending transactions of the ETF, less any taxes withheld and amounts earned by parties entitled to receive payments out of the gross amount as part of any securities lending agreements.

For the periods ended	June 30, 2021	% of Gross Income	June 30, 2020	% of Gross Income
Gross securities lending income	\$662		–	
Withholding taxes	(18)	2.72%	–	–
Lending Agents' fees:				
Canadian Imperial Bank of Commerce	(257)	38.82%	–	–
Net securities lending income paid to the ETF	\$387	58.46%	–	–

E. REDEEMABLE SHARES (NOTE 8)

For the periods ended June 30, 2021 and 2020, the number of ETF Shares issued by subscription, the number of ETF Shares redeemed, the total and average number of ETF Shares outstanding was as follows:

Period	Beginning Shares Outstanding	Shares Issued	Shares Redeemed	Ending Shares Outstanding	Average Shares Outstanding
2021	500,000	425,000	(75,000)	850,000	610,083
2020	–	225,000	–	225,000	163,776

Notes to Consolidated Financial Statements - ETF Specific Information (unaudited) (continued)

 For the Period from Inception on January 24 to June 30, 2020 and
 For the Period Ended June 30, 2021

F. BROKER COMMISSIONS, SOFT DOLLARS AND RELATED PARTY TRANSACTIONS (NOTE 10)

Brokerage commissions paid to dealers in connection with investment portfolio transactions, soft dollar transactions incurred and amounts paid to related parties of the Manager, if any, for the periods ended June 30, 2021 and 2020, were as follow:

Period Ended	Brokerage Commissions Paid	Soft Dollar Transactions	Amount Paid to Related Parties
June 30, 2021	\$352	\$nil	\$nil
June 30, 2020	\$nil	\$nil	\$nil

G. OFFSETTING OF FINANCIAL INSTRUMENTS (NOTE 12)

As at June 30, 2021, and December 31, 2020, the ETF did not have any financial instruments eligible for offsetting.

H. INTERESTS IN SUBSIDIARIES, ASSOCIATES AND UNCONSOLIDATED STRUCTURED ENTITIES (NOTE 13)

As at June 30, 2021, the ETF had material investments in the subsidiaries (Sub), associates (Assc) and unconsolidated structured entities (SE) listed below:

Investee ETF as at June 30, 2021	Place of Business	Type	Ownership %	Carrying Amount
SPDR S&P 500 ETF Trust	U.S.	SE	0.00%	\$9,126,719

Notes to Consolidated Financial Statements (unaudited)

For the Period from Inception on January 24 to June 30, 2020 and
For the Period Ended June 30, 2021

1. REPORTING ENTITY

Horizons ETF Corp. (the “Company”) is a mutual fund corporation established on October 10, 2019, under the federal laws of Canada. The authorized capital of the Company includes an unlimited number of non-cumulative, redeemable, non-voting classes of shares (each, a “Corporate Class” or “ETF”), issuable in an unlimited number of series, and one class of voting shares designated as “Class J Shares”. Each Corporate Class is a separate investment fund having specific investment objectives and is specifically referable to a separate portfolio of investments. These consolidated financial statements (the “financial statements”) as at June 30, 2021, and December 31, 2020, and for the periods ended June 30, 2021 and 2020, comprise the Company and its wholly-owned entities and are presented on the basis outlined below. ETF-specific information and the investment objectives for each ETF in the Company are disclosed in the ETF-specific notes information to the consolidated financial statements of each ETF. Each ETF is a separate Corporate Class and currently consists of a single series of exchange traded fund shares (“ETF Shares”) of the applicable Corporate Class of the Company.

Each ETF is offered for sale on a continuous basis by the Company’s prospectus in ETF Shares which trade on the Toronto Stock Exchange (“TSX”) in Canadian dollars (“Cdn\$ Shares”) and, where applicable, in U.S. dollars (“US\$ Shares”). Subscriptions for US\$ Shares can be made in either U.S. or Canadian dollars. An investor may buy or sell shares of the ETF on the TSX through a registered broker or dealer in the province or territory where the investor resides. Investors are able to trade shares of the ETF in the same way as other securities traded on the TSX, including by using market orders and limit orders and may incur customary brokerage commissions when buying or selling shares.

Horizons ETFs Management (Canada) Inc. (“Horizons Management” or the “Manager” or the “Investment Manager”) is the manager and investment manager of the Company and of each Corporate Class. The Investment Manager is responsible for implementing each ETF’s investment strategies. The address of the Company’s registered office is: c/o Horizons ETFs Management (Canada) Inc., 55 University Avenue, Suite 800, Toronto, Ontario, M5J 2H7.

Investment Objective

The purpose of each ETF is to invest the net assets attributable to that ETF in accordance with its investment objectives, as defined in the Company’s prospectus. The investment objective for each ETF is set out in note A in the ETF-specific notes information.

2. BASIS OF PREPARATION**(i) Statement of compliance**

The ETF’s financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board. Any mention of total net assets, net assets, net asset value or increase (decrease) in net assets is referring to net assets or increase (decrease) in net assets attributable to holders of redeemable shares as reported under IFRS.

These financial statements were authorized for issue on August 13, 2021, by the Board of Directors of the Company.

(ii) Basis of measurement

The financial statements have been prepared on the historical cost basis except for financial instruments at fair value through profit or loss, which are measured at fair value.

Notes to Consolidated Financial Statements (unaudited) (continued)

For the Period from Inception on January 24 to June 30, 2020 and
For the Period Ended June 30, 2021

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Financial instruments

(i) Recognition, initial measurement and classification

The ETF is subject to IFRS 9, Financial Instruments (“IFRS 9”) for the classification and measurement requirements for financial instruments, including impairment of financial assets and hedge accounting.

IFRS 9 requires financial assets to be classified based on the ETF’s business model for managing the financial assets and contractual cash flow characteristics of the financial assets. The standard includes three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income, and fair value through profit or loss (“FVTPL”). IFRS9 requires classification of debt instruments, if any, based solely on payment of principal and interest, and business model tests.

The ETF’s financial assets and financial liabilities are managed and its performance is evaluated on a fair value basis. The contractual cash flows of the ETF’s debt securities, if any, consist solely of principal and interest, however, these securities are neither held in held-to-collect, or held-to-collect-and-sell business models in IFRS 9.

Financial assets and financial liabilities at FVTPL are initially recognized on the trade date, at fair value (see below), with transaction costs recognized in the statements of comprehensive income. Other financial assets and financial liabilities are recognized on the date on which they are originated at fair value.

The ETF classifies financial assets and financial liabilities into the following categories:

- Financial assets mandatorily classified at FVTPL: debt securities, equity investments and derivative financial instruments
- Financial assets at amortized cost: all other financial assets
- Financial liabilities classified at FVTPL: derivative financial instruments and securities sold short, if any
- Financial liabilities at amortized cost: all other financial liabilities

(ii) Fair value measurement

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 in the principal or, in its absence, the most advantageous market to which the ETF has access at that date. The fair value of a liability reflects its non-performance risk.

Investments are valued at fair value as of the close of business on each valuation date, as defined in the ETF’s prospectus (“Valuation Date”) and based on external pricing sources to the extent possible. Investments held that are traded in an active market through recognized public stock exchanges, over-the-counter markets, or through recognized investment dealers, are valued at their closing sale price. However, such prices may be adjusted if a more accurate value can be obtained from recent trading activity or by incorporating other relevant information that may not have been reflected in pricing obtained from external sources. Short-term investments, including notes and money market instruments, are valued at amortized cost which approximates fair value.

Notes to Consolidated Financial Statements (unaudited) (continued)

For the Period from Inception on January 24 to June 30, 2020 and
For the Period Ended June 30, 2021

Investments held that are not traded in an active market, including some derivative financial instruments, are valued using observable market inputs where possible, on such basis and in such manner as established by the Manager. Derivative financial instruments are recorded in the statements of financial position according to the gain or loss that would be realized if the contracts were closed out on the Valuation Date. Margin deposits, if any, are included in the schedule of investments as margin deposits. See also the summary of fair value measurements in note 6.

Fair value policies used for financial reporting purposes are the same as those used to measure the net asset value (“NAV”) for transactions with shareholders.

The fair value of other financial assets and liabilities approximates their carrying values due to the short-term nature of these instruments.

(iii) Offsetting

Financial assets and liabilities are offset and the net amount presented in the statements of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis for gains and losses from financial instruments at FVTPL and foreign exchange gains and losses.

(iv) Specific instruments

Cash

Cash consists of cash on deposit.

Redeemable shares

The Company has made significant judgments when determining the classification of each ETF's redeemable securities as financial liabilities in accordance with IAS 32 – Financial Instruments – Presentation (“IAS 32”).

Each ETF's redeemable shares are classes in the Company. The classes will not participate pro rata in the residual net assets of the Company in the event of the Company's liquidation and they do not have identical features. Consequently, each ETF's outstanding redeemable shares are classified as financial liabilities in accordance with the requirements of IAS 32.

Derivative agreements

In order to achieve its investment objective, the ETF may enter into derivative agreements (the “Derivative Agreements”) with one or more bank counterparties (each a “Counterparty”). The value of these derivative agreements is the gain or loss that would be realized if, on the Valuation Date, the agreements were to be closed out. That value is recorded as a derivative asset and/or derivative liability in the statements of financial position and included in the net change in unrealized appreciation (depreciation) of investments and derivatives in the statements of comprehensive income.

When these derivative contracts are closed out or mature, realized gains or losses on the derivative agreements are recognized and are included in the statements of comprehensive income in net realized gain (loss) on sale of investments and derivatives.

Notes to Consolidated Financial Statements (unaudited) (continued)

For the Period from Inception on January 24 to June 30, 2020 and
For the Period Ended June 30, 2021

(b) Investment income

Investment transactions are accounted for as of the trade date. Realized gains and losses from investment transactions are calculated on a weighted average cost basis. The difference between fair value and average cost, as recorded in the financial statements, is included in the statements of comprehensive income as part of the net change in unrealized appreciation (depreciation) of investments and derivatives. Interest income for distribution purposes from investments in bonds and short-term investments, if any, represents the coupon interest received by the ETF accounted for on an accrual basis. Dividend income, if any, is recognized on the ex-dividend date. Distribution income from investments in other funds or ETFs, if any, is recognized when earned.

Income from derivatives is shown in the statements of comprehensive income as net realized gain (loss) on sale of investments and derivatives; net change in unrealized appreciation (depreciation) of investments and derivatives; and, interest income for distribution purposes, in accordance with its nature.

Income from securities lending, if any, is included in "Securities lending income" on the statements of comprehensive income and is recognized when earned. Any securities on loan continue to be displayed in the schedule of investments and the market value of the securities loaned and collateral held is determined daily (see note 7).

If the ETF incurs withholding taxes imposed by certain countries on investment income and capital gains, such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the statements of comprehensive income.

(c) Foreign currency

Transactions in foreign currencies, if any, are translated into the ETF's reporting currency using the exchange rate prevailing on the trade date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the period-end exchange rate. Foreign exchange gains and losses, if any, are presented as "Net realized gain (loss) on foreign exchange", except for those arising from financial instruments at fair value through profit or loss, which are recognized as a component within "Net realized gain (loss) on sale of investments and derivatives" and "Net change in unrealized appreciation (depreciation) of investments and derivatives" in the statements of comprehensive income.

(d) Cost basis

The cost of portfolio investments is determined on an average cost basis.

(e) Increase (decrease) in net assets attributable to holders of redeemable shares per share

The increase (decrease) in net assets per share in the statements of comprehensive income represents the change in net assets attributable to holders of redeemable shares from operations divided by the weighted average number of shares of the ETF outstanding during the reporting period.

(f) Shareholder transactions

The value at which shares of the ETF are issued or redeemed is determined by dividing the net asset value of the ETF by the total number of shares outstanding of the ETF on the applicable Valuation Date. Amounts received on the issuance of shares and amounts paid on the redemption of shares are included in the statements of changes in financial position. Orders for subscriptions or redemptions are only permissible on valid trading days, as defined in the ETF's prospectus.

Notes to Consolidated Financial Statements (unaudited) (continued)

For the Period from Inception on January 24 to June 30, 2020 and
For the Period Ended June 30, 2021

(g) Amounts receivable (payable) relating to portfolio assets sold (purchased)

In accordance with the ETF's policy of trade date accounting for sale and purchase transactions, sales/purchase transactions awaiting settlement represent amounts receivable/payable for securities sold/purchased, but not yet settled as at the reporting date.

(h) Net assets attributable to holders of redeemable shares per share

Net assets attributable to holders of redeemable shares per share is calculated by dividing the ETF's net assets attributable to holders of redeemable shares by the number of shares of the ETF outstanding on the Valuation Date.

(i) Transaction costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, fees incurred in conjunction with the ETF's derivative agreements, levies by regulatory agencies and securities exchanges, and any applicable transfer taxes and duties. Transaction costs are expensed and are included in "Transaction costs" in the statements of comprehensive income.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these financial statements, the Manager has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

The full extent of the impact that the COVID-19 epidemic will have on the Canadian and U.S. economies and the ETF's business remains uncertain and difficult to predict at this time. By their very nature, the estimates and/or judgements the Manager makes for the purposes of preparing the ETF's financial statements relate to matters that are inherently uncertain. However, the Manager maintains detailed policies and internal controls that are intended to ensure that these estimates and judgements are well controlled, and that they are consistently applied from period to period. It is the Manager's opinion that any estimates and/or judgements used in the preparation of these financial statements are appropriate as at June 30, 2021, and December 31, 2020, and for the periods ended June 30, 2021 and 2020.

The ETF may hold financial instruments that are not quoted in active markets, including derivatives. The determination of the fair value of these instruments is the area with the most significant accounting judgements and estimates that the ETF has made in preparing the financial statements. See note 6 for more information on the fair value measurement of the ETF's financial instruments.

5. FINANCIAL INSTRUMENTS RISK

In the normal course of business, the ETF's investment activities expose it to a variety of financial risks. The Manager seeks to minimize potential adverse effects of these risks for the ETF's performance by employing professional, experienced portfolio advisors, by daily monitoring of the ETF's positions and market events, and periodically may use derivatives to hedge certain risk exposures. To assist in managing risks, the Manager maintains a governance structure that oversees the ETF's investment activities and monitors compliance with the ETF's stated investment strategies, internal guidelines and securities regulations.

Notes to Consolidated Financial Statements (unaudited) (continued)

For the Period from Inception on January 24 to June 30, 2020 and
For the Period Ended June 30, 2021

Please refer to the Company's most recent prospectus for a complete discussion of the risks attributed to an investment in the shares of the ETF. Significant financial instrument risks that are relevant to the ETF are discussed below and an analysis thereof is included in note B of the ETF-specific notes information.

(a) Market risks

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing) will affect the ETF's income or the fair value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(i) Currency risk

Currency risk is the risk that financial instruments which are denominated in currencies other than the ETF's reporting currency will fluctuate due to changes in exchange rates and adversely impact the ETF's income, cash flows or fair values of its investment holdings.

(ii) Interest rate risk

The ETF may be exposed to the risk that the fair value of future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. In general, the value of interest-bearing financial instruments will rise if interest rates fall, and conversely, will generally fall if interest rates rise. There is minimal sensitivity to interest rate fluctuation on cash and cash equivalents invested at short-term market rates since those securities are usually held to maturity and are short term in nature.

(iii) Market price risk

Other market price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment.

The ETF is subject to other market risks that will affect the value of its investments, including general economic and market conditions, as well as developments that impact specific economic sectors, industries or companies. The ETF will normally lose value on days when the securities comprising the Underlying Index declines. The ETF intends to remain fully invested regardless of market conditions.

(b) Credit risk

Credit risk on financial instruments is the risk of a financial loss occurring as a result of the default of a counterparty on its obligation to the ETF. It arises principally from debt securities held, and also from derivative financial assets, cash and cash equivalents, and other receivables.

The ETF's maximum credit risk exposure as at the reporting date is represented by the respective carrying amounts of the financial assets in the statements of financial position, including any positive mark-to-market of the ETF's Derivative Agreement(s). This amount is included in "Derivative assets" (if any) in the statements of financial position. The credit risk related to any one Derivative Agreement is concentrated in the Counterparty to that particular Derivative Agreement.

Notes to Consolidated Financial Statements (unaudited) (continued)

For the Period from Inception on January 24 to June 30, 2020 and
For the Period Ended June 30, 2021

Credit risk is managed by dealing with counterparties the Manager believes to be creditworthy and which meet the designated rating requirements of National Instrument 81-102 ("NI 81-102").

(c) Liquidity risk

Liquidity risk is the risk that the ETF will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The ETF's policy and the Investment Manager's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, including estimated redemptions of shares, without incurring unacceptable losses or risking damage to the ETF's reputation. Generally, liabilities of the ETF are due within 90 days. Liquidity risk is managed by investing the majority of the ETF's assets in investments that are traded in an active market and can be readily disposed. The ETF aims to retain sufficient cash and cash equivalent positions to maintain liquidity; therefore, the liquidity risk for the ETF is considered minimal.

6. FAIR VALUE MEASUREMENT

IFRS 13, Fair Value Measurement ("IFRS 13") requires a classification of fair value measurements of the ETF's investments based on a three level fair value hierarchy and a reconciliation of transactions and transfers within that hierarchy. The hierarchy of fair valuation inputs is summarized as follows:

- Level 1: securities that are valued based on quoted prices in active markets.
- Level 2: securities that are valued based on inputs other than quoted prices that are observable, either directly as prices, or indirectly as derived from prices.
- Level 3: securities that are valued with significant unobservable market data.

Changes in valuation methods may result in transfers into or out of an investment's assigned level. The fair value hierarchy classification of the ETF's assets and liabilities and additional disclosures relating to transfers between levels is included in note C in the ETF-specific notes information.

7. SECURITIES LENDING

In order to generate additional returns, the ETF is authorized to enter into securities lending agreements with borrowers deemed acceptable in accordance with NI 81-102. Under a securities lending agreement, the borrower must pay the ETF a negotiated securities lending fee, provide compensation to the ETF equal to any distributions received by the borrower on the securities borrowed, and the ETF must receive an acceptable form of collateral in excess of the value of the securities loaned. Although such collateral is marked to market, the ETF may be exposed to the risk of loss should a borrower default on its obligations to return the borrowed securities and the collateral is insufficient to reconstitute the portfolio of loaned securities. Revenue, if any, earned on securities lending transactions during the period is disclosed in the ETF's statements of comprehensive income.

The aggregate closing market value of securities loaned and collateral received, if any, as at June 30, 2021, and December 31, 2020, and a reconciliation of the securities lending income for the periods ended June 30, 2021 and 2020, if any, as presented in the statements of comprehensive income are presented in note D of the ETF-specific notes information.

Notes to Consolidated Financial Statements (unaudited) (continued)

For the Period from Inception on January 24 to June 30, 2020 and
For the Period Ended June 30, 2021

8. REDEEMABLE SHARES

The authorized capital of the Company includes an unlimited number of non-cumulative, redeemable, non-voting Corporate Classes, issuable in an unlimited number of series, including the ETF Shares, and one class of voting shares designated as “Class J Shares”. Each Corporate Class is a separate investment fund having specific investment objectives and is specifically referable to a separate portfolio of investments. Each ETF of the Company is a separate Corporate Class.

Each ETF Share entitles the owner to one vote at meetings of shareholders of the applicable Corporate Class to which they are entitled to vote. Each shareholder is entitled to participate equally with all other shares of the same Corporate Class or series of Corporate Class with respect to all payments made to shareholders, other than management fee rebates, including dividends and distributions and, on liquidation, to participate equally in the net assets of the applicable Corporate Class remaining after satisfaction of any outstanding liabilities that are attributable to ETF Shares of the Corporate Class.

The redeemable shares issued by the ETF provide an investor with the right to require redemption for cash at a value proportionate to the investor’s share in the ETF’s net assets at each redemption date. The ETF’s objectives in managing the redeemable shares are to meet the ETF’s investment objective, and to manage liquidity risk arising from redemptions. The ETF’s liquidity risk arising from redeemable shares is discussed in note 5.

On any valid trading day, as defined in the ETF’s prospectus, shareholders of the ETF may redeem: (i) ETF Shares for cash at a redemption price per ETF Share equal to 95% of the closing price for the ETF Shares in the applicable currency on the TSX on the effective day of the redemption, subject to a maximum redemption price per ETF Share equal to the net asset value per ETF Share on the effective day of redemption; or (ii) at the sole discretion of the Manager, a prescribed number of shares (“PNS”) or a whole multiple PNS for cash in the applicable currency equal to the net asset value of that number of ETF Shares in such currency next determined following the receipt of the redemption request, less any applicable redemption charge as determined by the Manager in its sole discretion; or (iii) at the sole discretion of the Manager, a PNS or a whole multiple PNS in exchange for securities and cash in the applicable currency equal to the net asset value of that number of ETF Shares in such currency following the receipt of the redemption request, provided that a securities redemption may be subject to redemption charges at the sole discretion of the Manager.

Shares of the ETF are issued or redeemed on a daily basis at the net asset value per share that is determined as at 4:00 p.m. (Eastern Time) each business day.

If, in any taxation year, the Company would otherwise be liable for tax on net realized capital gains, the Company intends to pay, to the extent possible, by the last day of that year, a special capital gains dividend to ensure that the Company will not be liable for income tax on such amounts under the Tax Act (after taking into account all available deductions, credits and refunds). Such distributions may be paid in the form of ETF Shares of the relevant ETF and/or cash which is automatically reinvested in ETF Shares of the relevant ETF. Any such distributions payable in ETF Shares or reinvested in ETF Shares of the relevant ETF will increase the aggregate adjusted cost base of a shareholder’s ETF Shares of that ETF. Immediately following payment of such a special distribution in ETF Shares or reinvestment in ETF Shares, the number of ETF Shares of that ETF outstanding will be automatically consolidated such that the number of ETF Shares of that ETF outstanding after such distribution will be equal to the number of ETF Shares of that ETF outstanding immediately prior to such distribution, except where there are non-resident shareholders to the extent tax is required to be withheld in respect of the distribution.

Please consult the ETF’s most recent prospectus for a full description of the subscription and redemption features of the ETF Shares.

Notes to Consolidated Financial Statements (unaudited) (continued)

For the Period from Inception on January 24 to June 30, 2020 and
For the Period Ended June 30, 2021

A summary table of the number of shares issued by subscription, the number of shares redeemed, the total and average number of shares outstanding during the relevant reporting periods is disclosed in note E of the ETF-specific notes information.

9. EXPENSES AND OTHER RELATED PARTY TRANSACTIONS**Management fees**

In consideration for management services and investment advice provided to the ETF, the Manager is entitled to a management fee. The management fee, inclusive of sales tax, is applied on a daily basis to the net asset value of the ETF. The management fees, exclusive of sales tax, are charged at the annual rate of 0.08%. Approximately 100% of management fees were used for management, investment management, operating costs of the ETF, other general administration and profit.

From the management fee, the Manager has paid substantially all of the costs and expenses relating to the operation of the business and affairs of the ETF including investment management, administration, legal, accounting, custody, audit, registrar and transfer agency fees, and applicable sales taxes as well as expenses associated with advertising, marketing, sponsoring and promoting the sale of securities of the ETF.

The ETF's constituting documents require that the Manager pay all the expenses of the ETF other than the management fees and sales tax on the management fee as may be applicable. As a result, the ETF does not have any other expenses.

The management fees paid to the Manager are considered related party transactions, as the Manager is a related party to the ETF. The management fees paid to the Manager are disclosed in the statements of comprehensive income. The management fees payable by the ETF as at June 30, 2021, and December 31, 2020, are disclosed in the statements of financial position.

10. BROKER COMMISSIONS, SOFT DOLLARS AND RELATED PARTY TRANSACTIONS

Brokerage commissions paid on securities transactions may include amounts paid to related parties of the Manager for brokerage services provided to the ETF.

Research and system usage related services received in return for commissions generated with specific dealers are generally referred to as soft dollars.

In addition to the information contained in note F of the ETF-specific notes information, the management fees paid to the Manager described in note 9 are related party transactions, as the Manager is considered to be a related party to the ETF. The management fees payable by the ETF as at June 30, 2021, and December 31, 2020, are disclosed in the statements of financial position.

Fees paid to the Independent Review Committee are also considered to be related party transactions. Both the management fees and fees paid to the Independent Review Committee are disclosed in the statements of comprehensive income.

The ETF may invest in other ETFs managed by the Manager or its affiliates, in accordance with the ETF's investment objectives and strategies. Such investments, if any, are disclosed in the schedule of investments.

Notes to Consolidated Financial Statements (unaudited) (continued)

For the Period from Inception on January 24 to June 30, 2020 and
For the Period Ended June 30, 2021

11. INCOME TAX

The Company qualifies and intends at all relevant times to qualify as a “mutual fund corporation” as defined in the Tax Act. Although the Company may issue any number of classes, in any 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.

As a mutual fund corporation, the Company is entitled, in certain circumstances, to a refund of tax paid by it in respect of its net realized capital gains determined on a formula basis that is based in part on the redemption of the ETF Shares. Also, 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 which are treated as capital gains in the hands of shareholders.

To the extent that the Company earns net income (other than dividends from taxable Canadian corporations and certain taxable capital gains and after available deductions), including in respect of derivative transactions, interest and income paid or made payable to it by a trust resident in Canada, the Company will be subject to income tax on such net income and no refund will be available in respect thereof.

The Company may, at its option, pay special year-end dividends to shareholders in the form of a capital gains dividend where the Company has net taxable capital gains upon which it would otherwise be subject to tax, or in order to recover refundable tax not otherwise recoverable upon payment of regular cash distributions.

The Company will establish a policy to determine how it will allocate income and capital gains in a tax-efficient manner among its Corporate Classes in a way that it believes is fair, consistent and reasonable for all shareholders. The amount of dividends, if any, paid to shareholders will be based on this tax allocation policy, which will be approved by the Company’s board of directors.

12. TAX LOSSES CARRIED FORWARD

Where the Company has realized a net capital loss in a taxation year, such capital loss cannot be allocated to shareholders but the Company may carry such capital loss back three years or forward indefinitely to offset capital gains realized by the Company. Non-capital losses incurred by the Company in a taxation year cannot be allocated to shareholders of the Company, but may be carried back three years or carried forward twenty years to offset income (including taxable capital gains).

Notes to Consolidated Financial Statements (unaudited) (continued)

 For the Period from Inception on January 24 to June 30, 2020 and
 For the Period Ended June 30, 2021

As at December 31, 2020, the Company and its wholly-owned entities had net capital losses and/or non-capital losses, with the year of expiry of the non-capital losses as follows:

Net Capital Losses	Non-Capital Losses	Year of Expiry of the Non-Capital Losses
\$1,272,452,068	\$126,121	2028
	\$1,961,149	2029
	\$5,668,871	2030
	\$3,237,571	2031
	\$3,138,653	2032
	\$153,021,428	2033
	\$230,454,838	2034
	\$447,405,094	2035
	\$74,326,117	2036
	\$266,066,173	2037
	\$118,767,474	2038
	\$225,583,319	2039
	\$2,509,007,967	2040

13. OFFSETTING OF FINANCIAL INSTRUMENTS

In the normal course of business, the ETF may enter into various master netting arrangements or other similar agreements that do not meet the criteria for offsetting in the statements of financial position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Amounts eligible for offset, if any, are disclosed in note G of the ETF-specific notes information.

14. INTERESTS IN SUBSIDIARIES, ASSOCIATES AND UNCONSOLIDATED STRUCTURED ENTITIES

The ETF may invest in shares or units of other ETFs as part of its investment strategies ("Investee ETF(s)"). The nature and purpose of these Investee ETFs generally, is to manage assets on behalf of third party investors in accordance with their investment objectives, and are financed through the issue of share or units to investors.

In determining whether the ETF has control or significant influence over an Investee ETF, the ETF assesses voting rights, the exposure to variable returns, and its ability to use the voting rights to affect the amount of the returns. In instances where the ETF has control over an Investee ETF, the ETF qualifies as an investment entity under IFRS 10 – *Consolidated Financial Statements*, and therefore accounts for investments it controls at fair value through profit and loss. The ETF's primary purpose is defined by its investment objectives and uses the investment strategies available to it as defined in the ETF's prospectus to meet those objectives. The ETF also measures and evaluates the performance of any Investee ETFs on a fair value basis.

Investee ETFs over which the ETF has control or significant influence are categorized as subsidiaries and associates, respectively. All other Investee ETFs are categorized as unconsolidated structured entities. Investee ETFs may be managed by the Manager, its affiliates, or by third-party managers.

Notes to Consolidated Financial Statements (unaudited) (continued)

For the Period from Inception on January 24 to June 30, 2020 and

For the Period Ended June 30, 2021

Investments in Investee ETFs are susceptible to market price risk arising from uncertainty about future values of those Investee ETFs. The maximum exposure to loss from interests in Investee ETFs is equal to the total fair value of the investment in those respective Investee ETFs at any given point in time. The fair value of Investee ETFs, if any, are disclosed in investments in the statements of financial position, listed in the schedule of investments, and further detailed in note H of the ETF-specific notes information.

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