

# Horizons Marijuana Life Sciences Index ETF (HMMJ; HMMJ.U)

## ETF Snapshot

**Name:**

Horizons Marijuana Life Sciences Index ETF

**Launch Date:**

April 5, 2017

**Ticker:**

HMMJ; HMMJ.U<sup>1</sup>

**Management Fee:<sup>2</sup>**

0.75%

**Investment Manager:**

Horizons ETFs Management (Canada) Inc.

**Underlying Index:**

North American Marijuana Index

**Bloomberg Index Ticker:**

NAMMAR

**Distribution Frequency:**

Quarterly (if applicable)

**Rebalanced:**

Quarterly

**Eligibility:**

All registered and non-registered investment accounts

<sup>1</sup>Trades in U.S. dollars.

<sup>2</sup>Plus applicable sales taxes.

### Access the World's First Marijuana ETF

The Horizons Marijuana Life Sciences Index ETF ("HMMJ") seeks to replicate, to the extent possible, the performance of the North American Marijuana Index (the "Index"), net of expenses. The Index is designed to provide exposure to the performance of a basket of North American publicly listed life sciences companies with significant business activities in the Marijuana industry.

### Key Features of HMMJ:

- **Strong growth potential:** The North American legal Marijuana market is expected to reach USD \$24.5 billion in sales by 2021\*
- **Diversified exposure:** Unlike an investment in the stock of a single Marijuana company, HMMJ provides exposure to a diversified group of companies within the industry, reducing single security risk (although an ETF provides diversification, it may also limit the upside potential of owning an individual stock)
- **Legal constraints:** HMMJ will not invest in any constituent issuers that are primarily focused on serving the medical or recreational Marijuana market in the United States. HMMJ's investment strategy permits the ETF to invest in Marijuana companies which derive some portion of their revenue, currently or in the future, from the medical and/or recreational cannabis industry in certain U.S. states where cannabis use has been legalized by state law, notwithstanding that the use, possession, sale, cultivation and transportation of cannabis remains illegal under U.S. federal law. Since the legalization of recreational marijuana in Canada, as of October 2018, HMMJ is now permitted to invest in index constituent issuers that serve the recreational Marijuana market in Canada.
- **Rebalanced quarterly:** The Marijuana industry is rapidly growing and evolving. Quarterly rebalances seek to ensure the composition of HMMJ reflects the changing leadership and drivers of growth within the industry

\* Source: Arcview Market Research, 2021.

### The North American Marijuana Index:

- Constituents are listed on North America's public equity markets with business activities that include biopharmaceuticals, medical manufacturing, distribution, bioproducts and other ancillary businesses to the Marijuana industry
- While securities may be listed on the TSX, NYSE, or Nasdaq Global Market, many of these securities may trade on North American junior exchanges that include but are not limited to the:
  - TSX Venture Exchange
  - Canadian National Stock Exchange
  - Nasdaq Capital Market
- Other filters include:
  - The issuer will generally have a market capitalization of greater than CAD \$75 million
  - The average monthly daily trading volume will generally be greater than 75,000 shares a day, with a trading value generally greater than CAD \$250,000
  - No issuer will represent more than 10% of the Index on each rebalance date



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## ETF Holdings<sup>1</sup>

Company Name	Weight (%)	Company Name	Weight (%)
CANOPY GROWTH CORP.	16.10	THE VALENS COMPANY INC.	0.81
INNOVATIVE INDUSTRIAL PROPERTI .	13.46	AUXLY CANNABIS GROUP INC.	0.74
APHRIA INC.	13.20	MEDIPHARM LABS CORP.	0.53
CRONOS GROUP INC.	11.38	SUNDIAL GROWERS INC.	0.49
GW PHARMACEUTICALS PLC.	10.58	CANOPY RIVERS INC. CL A SUB VTG	0.47
SCOTTS MIRACLE-GRO CO.	9.85	CBDMD INC.	0.41
TILRAY INC.	4.52	ALEAFIA HEALTH INC.	0.38
VILLAGE FARMS INTL INC.	3.74	FIRE & FLOWER HOLDINGS CORP.	0.32
CHARLOTTE WEB HOLDINGS INC.	3.15	GREEN ORGANIC DUTCHMAN HLDGS.	0.30
AURORA CANNABIS INC.	2.59	ZYNERBA PHARMACEUTICALS INC.	0.29
HEXO CORP.	1.44	CORBUS PHARMACEUTICALS HOLDING.	0.28
ORGANIGRAM HOLDINGS INC.	1.40	PHARMACIELO LTD NEW.	0.28
22ND CENTURY GROUP INC.	0.94	ENWAVE CO.	0.17
NEPTUNE WELLNESS SOLUTIONS INC.	0.92	SUPREME CANNABIS CO INC.	0.12

<sup>1</sup> As at December 31, 2020.

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



Commissions, management fees and applicable sales taxes all may be associated with an investment in the Horizons Marijuana Life Sciences Index ETF managed by Horizons ETFs Management (Canada) Inc. (the "ETF"). The ETF is not guaranteed, its value changes frequently and past performance may not be repeated. The prospectus contains important detailed information about the ETF. **Please read the prospectus before investing.**

The financial instrument is not sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Index and/or Index trade name or the Index Price at any time or in any other respect. The Index is calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the Index is calculated correctly. Irrespective of its obligations towards the Issuer, Solactive AG has no obligation to point out errors in the Index to third parties including but not limited to investors and/or financial intermediaries of the financial instrument. Neither publication of the Index by Solactive AG nor the licensing of the Index or Index trade name for the purpose of use in connection with the financial instrument constitutes a recommendation by Solactive AG to invest capital in said financial instrument nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in this financial instrument.

HMMJ will not knowingly invest in any constituent issuers that have exposure to the medical or recreational marijuana market in the United States, unless or until it becomes legal. HMMJ will not be directly engaged in the manufacture, possession, use, sale or distribution of marijuana in either Canada or the U.S. **Please read the full risk disclosure in the prospectus before investing.**

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