

INVESTMENT OPPORTUNITY

The Fund seeks investment results that correspond, before fees and expenses, to the price and yield performance of the Indxx REIT Preferred Stock Index.

KEY FEATURES

Targeted Exposure — The only ETF offering a diversified investment in preferred securities issued by Real Estate Investment Trusts (REITs)

Attractive Attributes — REIT preferreds tend to offer attractive yield potential, both fixed income and equity characteristics, and low equity beta

Advantages Over Traditional Preferreds — These securities are also typically exposed to less leverage with generally more predictable revenue streams than those issued by banks and insurance companies

AVERAGE ANNUAL TOTAL RETURNS (%) as of 03/31/2024

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
NAV	1.72	1.72	17.76	-1.73	1.26	n/a	2.32
Market Price	1.80	1.80	19.71	-1.38	1.51	n/a	2.46
Index	1.88	1.88	17.95	-1.00	2.09	n/a	3.13

Returns for periods of less than one year are cumulative total returns.

Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please visit virtus.com for performance data current to the most recent month end.

The Total Expense Ratio represents the Fund's Total Annual Fund Operating Expenses, which includes the management fee and other expenses where applicable, except for certain payments that are paid directly by the Fund, as described in the Prospectus.

Index: The Indxx REIT Preferred Stock Index is a market cap weighted index designed to provide diversified exposure to high yielding liquid preferred securities issued by Real Estate Investment Trusts listed in the U.S. The index is calculated on a total return basis. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.

	NYSE Arca
NAV Symbol	PFFR.NV
IOPV Symbol	PFFR.IV
CUSIP	26923G400
Inception Date	02/07/17
Total Expense Ratio	0.45%
30-day SEC Yield	7.12%
Adviser	Virtus ETF Advisers LLC
Distributor	VP Distributors, LLC
Subadviser	Infrastructure Capital Advisors
Index Provider	INDXX, LLC
Index	Indxx REIT Preferred Stock Index

The Index shown represents the Fund's performance index, which may differ from the Fund's regulatory index included in its Prospectus.

PORTFOLIO MANAGEMENT



Infrastructure Capital Advisors, LLC (ICA) is a registered investment advisor that manages an actively managed ETF and a series of hedge funds. The firm was formed in 2012 and is based in New York City.

INVESTMENT PROFESSIONALS

Jay D. Hatfield

Chief Investment Officer
 Industry start date: 2000
 Start date as Fund Portfolio Manager: 2017

Edward Ryan

Chief Operating Officer
 Industry start date: 1980
 Start date as Fund Portfolio Manager: 2017

Andrew Meleney, CFA

Portfolio Manager and Director of Research
 Industry start date: 2015
 Start date as Fund Portfolio Manager: 2024

TOP TEN HOLDINGS % Fund

DigitalBridge Group Inc	2.69
Digital Realty Trust Inc	2.51
DigitalBridge Group Inc	2.42
Kimco Realty Corp	2.06
Hudson Pacific Properties Inc	2.05
UMH Properties Inc	2.04
AGNC Investment Corp	1.91
SL Green Realty Corp	1.81
Diversified Healthcare Trust	1.75
Kimco Realty Corp	1.75

Holdings and sector weightings are subject to change.
To view the full list of holdings, please visit virtus.com.

SECTOR ALLOCATION % Fund

Mortgage REITs	31.44
Property REITs	68.56
Data Centers	12.69
Storage	11.67
Office Property	11.17
Diversified	9.30
Hotels	7.76
Shopping Centers	6.73
Health Care	3.78
Retail	2.91
Industrial	1.31
Residential	1.23

RATINGS DISTRIBUTION % Fund

A-	9.97
BBB+	1.49
BBB	6.10
BBB-	6.77
BB+	0.26
BB	2.42
BB-	10.94
Not Rated	62.05

INCOME DISTRIBUTIONS

Month		NAV at Month-End
January 2024	\$0.120000	18.61
February 2024	\$0.120000	18.67
March 2024	\$0.120000	18.40

IMPORTANT RISK CONSIDERATIONS

Exchange-Traded Funds (ETF): The value of an ETF may be more volatile than the underlying portfolio of securities it is designed to track. The costs to the portfolio of owning shares of an ETF may exceed the cost of investing directly in the underlying securities. **Equity REITs:** The portfolio may be negatively affected by factors specific to the real estate market, such as interest rates, leverage, property, and management; and factors specific to investing in a pooled vehicle such as poor management and concentration risk. **Preferred Stocks:** Preferred stocks may decline in price, fail to pay dividends, or be illiquid. **Industry/Sector Concentration:** A portfolio that focuses its investments in a particular industry or sector will be more sensitive to conditions that affect that industry or sector than a non-concentrated portfolio. **Passive Strategy/Index Risk:** A passive investment strategy seeking to track the performance of the underlying Index may result in the portfolio holding securities regardless of market conditions or their current or projected performance. This could cause the portfolio's returns to be lower than if the portfolio employed an active strategy. **Correlation to Index:** The performance of the portfolio and its index may vary due to factors such as flows, transaction costs, whether the portfolio obtains every security in the index, and timing differences associated with additions to and deletions from the index. **REIT Interest Rate:** When interest rates rise, the value of REIT securities (including preferred securities) can be expected to decline. The current historically low interest rate environment increases the risk associated with rising interest rates. **Small Companies:** The market price of equity securities may be affected by financial market, industry, or issuer-specific events. Focus on a particular style or on small or medium-sized companies may enhance that risk. **Market Price/NAV:** At the time of purchase and/or sale, an investor's shares may have a market price that is above or below the fund's NAV, which may increase the investor's risk of loss. **Non-Diversified:** The portfolio is not diversified and may be more susceptible to factors negatively impacting its holdings to the extent the portfolio invests more of its assets in the securities of fewer issuers than would a diversified portfolio. **Market Volatility:** The value of the securities in the portfolio may go up or down in response to the prospects of individual companies and/or general economic conditions. Local, regional, or global events such as war or military conflict, terrorism, pandemic, or recession could impact the portfolio, including hampering the ability of the portfolio's manager(s) to invest its assets as intended. **Prospectus:** For additional information on risks, please see the fund's prospectus.

GLOSSARY

30-day SEC Yield is a standardized yield calculated according to a formula set by the SEC, and is subject to change.

RATINGS DISTRIBUTION METHODOLOGY

Credit quality ratings on underlying securities of the Fund are received from S&P, Moody's, and Fitch and converted to the equivalent S&P major rating category. This breakdown is provided by Infrastructure Capital Advisors and takes the median rating of the three agencies when all three agencies rate a security, the lower of the two ratings if only two agencies rate a security, and one rating if that is all that is provided. Unrated securities do not necessarily indicate low quality. Below investment-grade is represented by a rating of BB and below. Ratings and portfolio credit quality may change over time.

IOPV, or Indicative Optimized Portfolio Value, is a calculation disseminated by the stock exchange that approximates the Fund's NAV every fifteen seconds throughout the trading day.

The Fund is an exchange-traded fund ("ETF"). The "net asset value" (NAV) of the Fund is determined at the close of each business day, and represents the dollar value of one share of the Fund; it is calculated by taking the total assets of the Fund, subtracting total liabilities, and dividing by the total number of shares outstanding. The NAV of the Fund is not necessarily the same as its intraday trading value. Fund investors should not expect to buy or sell shares at NAV because shares of ETFs such as the Fund are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Thus, shares may trade at a premium or discount to their NAV in the secondary market. Brokerage commissions will reduce returns. NAV returns are calculated using the Fund's daily 4:00 pm NAV, and include the reinvestment of all dividends and other distributions (reinvested at the Fund's NAV on distribution ex-date). Market price returns are calculated using the 4:00 pm midpoint between the bid and offer, and include the reinvestment of all dividends and other distributions (reinvested at the 4:00 pm bid/offer midpoint on distribution ex-date). Market price returns do not represent the return you would receive if you traded at other times.

Please consider a Fund's investment objectives, risks, charges, and expenses carefully before investing. For this and other information about any Virtus Fund, contact your financial representative, call 800-243-4361, or visit virtus.com for a prospectus or summary prospectus. Read it carefully before investing.

Not FDIC Insured | May Lose Value | Not Bank Guaranteed

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