Virtus Terranova U.S. Quality Momentum ETF

VIRTUS ETFs

INVESTMENT OPPORTUNITY

The Fund strives to deliver exposure to U.S.-listed large-cap companies that combine strong quality fundamentals with positive momentum technical trends. The Fund seeks investment results that correspond, before fees and expenses, to the performance of the Terranova U.S. Quality Momentum Index.

KEY FEATURES

Core Equity Holding — Strives to provide exposure to the best performing U.S. large-cap companies with the highest quality fundamental characteristics, resulting in a distinct portfolio built for long-term growth.

Introducing Quality Momentum — Systematically seeks to identify and capture the returns of high-conviction investment opportunities characterized by fundamental (quality) and technical (momentum) attributes.

Equal Weighted — Equal stock weightings, at the time of quarterly Index rebalance, help ensure balance and diversification, while also attempting to reduce over-concentration, single event stock risk, and limitations relative to traditional cap-weighted strategies.

INVESTMENT PROCESS

1 Screen the 500 largest U.S. companies with the highest **positive momentum**, calculated as the last 12 months' total return; the top 250 stocks are included in the selection list

2 Each security in the selection list is graded on **three quality factors** (return on equity, debt to equity, annualized sales growth rate over the past three years), and then ranked by its composite score; the 125 highest ranking stocks form the final portfolio

3 Portfolio of 125 holdings is **equal weighted** and rebalanced quarterly

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

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
NAV	12.20	12.20	26.63	10.04	n/a	n/a	11.07
Market Price	12.17	12.17	26.67	10.01	n/a	n/a	11.07
Index	12.38	12.38	27.24	10.49	n/a	n/a	11.52

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 Terranova U.S. Quality Momentum Index is an equally weighted index designed to provide diversified exposure to quality momentum large-cap equities listed in the United States. The index is calculated on a total return basis with dividends reinvested. 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	JOET.NV
IOPV Symbol	JOET.IV
CUSIP	92790A504
Inception Date	11/17/20
Gross Expense Ratio	0.29%
Adviser	Virtus ETF Advisers LLC
Distributor	VP Distributors, LLC
Index	Terranova U.S. Quality Momentum Index

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

INVESTMENT PROFESSIONALS

Seth Kadushin
Portfolio Manager,
Virtus ETF Advisers LLC
Industry start date: 1988
Start date as Fund Portfolio Manager: 2020

Matthew B. Brown
Chief Operating Officer
and Portfolio Manager
Industry start date: 1999
Start date as Fund Portfolio Manager: 2020

INVESTMENT METHODOLOGY

Joe Terranova, Senior Managing Director and Chief Market Strategist for Virtus Investment Partners, created and developed the Terranova U.S. Quality Momentum Index, whose methodology reflects the investing principles he has utilized to assess markets throughout his 30+ year career on Wall Street. Indxx, LLC is the index provider and calculation agent. The portfolio managers are affiliated with Virtus ETF Advisers, LLC, the Fund's adviser.

CHARACTERISTICS

	Fund	Index
Avg. Weighted Market Cap (bn)	175.86	803.92
Median Market Cap (bn)	50.17	35.42
Trailing P/E Ex-Negative Earnings	23.58	26.03
Price-to-Cash Flow	23.47	21.69
Price-to-Book Value	7.27	6.50
3-Year Earnings Growth Rate	22.43	16.71
5-Year Earnings Growth Rate	17.28	14.65
Active Share	76.30	

Index: S&P 500®

TOP TEN HOLDINGS

	% Fund
NVIDIA Corp	1.09
NU Holdings Ltd/Cayman Islands	0.96
Quanta Services Inc	0.96
Palantir Technologies Inc	0.96
Valero Energy Corp	0.96
Diamondback Energy Inc	0.95
Marathon Petroleum Corp	0.95
Discover Financial Services	0.94
Steel Dynamics Inc	0.92
Icon PLC	0.92

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

SECTOR ALLOCATIONS

	% Equity	% Index
Information Technology	26.54	29.57
Industrials	18.20	8.80
Financials	14.75	13.16
Consumer Discretionary	10.07	10.34
Health Care	8.83	12.42
Energy	7.10	3.95
Materials	6.09	2.37
Communication Services	4.64	8.95
Real Estate	2.23	2.28
Consumer Staples	1.55	5.97
Utilities	0.00	2.20

Index: S&P 500®

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 Securities:** The market price of equity securities may be adversely affected by financial market, industry, or issuer-specific events. Focus on a particular style or on small, medium, or large-sized companies may enhance that risk. **Momentum Factor Investing:** Momentum investing is subject to the risk that the securities may be more volatile than the market as a whole. There may be periods when the momentum style of investing is out of favor and therefore, the investment performance of the portfolio may suffer. **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. **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. **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. **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

Avg. Weighted Market Cap (bn): The sum of each security's weight within the fund (or index) multiplied by the security's market capitalization.**Trailing P/E Ex-Negative Earnings:** Per share stock price divided by the latest 12-months earnings per share.**Price-to-Cash Flow:** Per-share stock price divided by the per-share operating cash flow.**Price-to-Book Value:** A ratio used to compare a stock's market value to its book value.**3-Year Earnings Growth Rate:** Average of earnings per share growth for latest 3-year period.**5-Year Earnings Growth Rate:** Average of earnings per share growth for latest 5-year period.**Active Share:** A measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index.

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.