

INVESTMENT OPPORTUNITY

The Fund actively invests in senior-secured, floating rate leveraged loans, seeking to generate high levels of current income. Time-tested, fundamental research targets the strongest and most undervalued credits, aiming to capture upside potential while limiting downside risk.

KEY FEATURES

Actively Managed — Provides discerning leveraged loan investors ongoing fundamental credit risk management and enhanced liquidity in a transparent and cost effective vehicle

Diversification — Leveraged loans offer the potential for higher income and lower correlations to other fixed income asset classes, and though they may potentially provide protection in a rising interest rate environment, they have historically performed well in periods of stable interest rates

Higher Quality Loans — The Seix leveraged loan investment philosophy emphasizes BB- and B-rated loans, seeking to invest in the healthiest and most undervalued credits in the non-investment grade space

INVESTMENT PROCESS

- 1 **Idea Generation** — The process begins by focusing on the healthier segment of the leveraged loan universe, BB and B rated loans.
- 2 **Key Investment Tenets** — Identify the strongest credits with solid asset protection, improving cash flow, seasoned and capable management teams, defined liquidity sources, and competitive industry positions.
- 3 **Industry Disciplines** — Positive industry fundamentals, improving outlooks, and defensible/durable business models are pursued, allowing for significant, yet controlled weightings to different industries.
- 4 **Relative Value & Diversification** — Portfolio managers work with analysts to assess relative value within a sector, and then across industries.
- 5 **Structure Review** — Companies are then subject to a thorough structural review.
- 6 **Recommendation & Execution** — Following a comprehensive group discussion, portfolio managers make final decision across industries while traders review technicals and implement strategy.
- 7 **Ongoing Surveillance** — Continuous fundamental credit monitoring, ongoing loan covenant review, and a strict sell discipline.

AVERAGE ANNUAL TOTAL RETURNS (%) as of 06/30/2024

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
NAV	1.57	3.59	10.15	5.44	5.19	n/a	5.03
Market Price	1.65	3.49	10.46	5.53	5.20	n/a	5.05
Index	1.86	4.44	11.04	5.96	5.36	n/a	5.21

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 Credit Suisse Leveraged Loan Index is a market-weighted index that tracks the investable universe of the U.S. dollar denominated leveraged loans. 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	SEIX.NV
IOPV Symbol	SEIX.IV
CUSIP	92790A405
Inception Date	04/24/19
Gross Expense Ratio	0.63%
Net Expense Ratio	0.62%
30-day SEC Yield	8.52%
30-day SEC Yield (unsubsidized)	8.51%
Adviser	Virtus ETF Advisers LLC
Distributor	VP Distributors, LLC
Subadviser	Seix Investment Advisors
Index	Credit Suisse Leveraged Loan Index

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

The Adviser has agreed to waive a portion of the management fee equal to 0.01% through at least November 28, 2024, which will have the effect of reducing the Fund's total expenses to 0.62%, excluding certain expenses as discussed above.

PORTFOLIO MANAGEMENT



Seix Investment Advisors is a specialty fixed income manager providing investment grade and leveraged finance capabilities that can serve as the core of a fixed income allocation or as a dynamic complement to an existing portfolio. Seix seeks to generate competitive absolute and relative risk-adjusted returns over the full market cycle through a bottom-up focused, top-down aware process. Seix employs multi-dimensional approaches based on strict portfolio construction methodology, sell disciplines and trading strategies with prudent risk management as a cornerstone.

Seix Investment Advisors is a division of Virtus Fixed Income Advisers, LLC ("VFIA"), an SEC registered investment adviser.

INVESTMENT PROFESSIONALS

George Goudelias

Managing Director, Head of Leveraged Finance, Senior Portfolio Manager
Industry start date: 1987
Start date as Fund Portfolio Manager: 2019

Vincent Flanagan

Portfolio Manager, Senior Leveraged Finance Research Analyst
Industry start date: 1997
Start date as Fund Portfolio Manager: 2019

Eric Guevara

Head of Leveraged Loan Trading and Portfolio Manager
Industry start date: 2000
Start date as Fund Portfolio Manager: 2019

For more information, contact us at 800-243-4361 or visit us at virtus.com.

SEIX

RATINGS DISTRIBUTION	% Fund
BBB	1.87
BB	28.41
B	56.36
CCC	5.16
Below CCC	0.04
NR	5.80
Cash & Equivalents	2.35

FIXED CHARACTERISTICS	Fund
Effective Duration	0.06
Weighted Average Maturity	3.78

INCOME DISTRIBUTIONS		
Month		NAV at Month-End
April 2024	\$0.199820	23.83
May 2024	\$0.155310	23.93
June 2024	\$0.166980	23.81

TOP TEN HOLDINGS	% Fund
WaterBridge Midstream Operating LLC Initial Term Loan, 06/22/2026	1.27
New Fortress Energy Inc. Initial Term Loan, 10/30/2028	1.25
Oscar AcquisitionCo LLC Term B Loan, 04/30/2029	1.24
American Airlines Inc Initial Term Loan, 04/20/2028	1.04
Indivior Finance S.a r.l. Existing Term Loans, 06/30/2026	1.04
Rand Parent LLC Term B Loan, 03/18/2030	1.02
Zacapa Sarl Initial Term Loans 2022, 03/22/2029	1.01
Allwyn International a.s. Term Loan B, 06/30/2031	0.98
Ahead DB Holdings LLC Term B Loan, 02/03/2031	0.96
WaterBridge Midstream Operating LLC Term Loan B, 06/22/2026	0.96

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

INDUSTRY ALLOCATION	% Fund
Information Technology	12.89
Financial	11.48
Aerospace/Defense/Airlines	7.51
Services/Environmental/Other	7.47
Telecom Ex Wireless	5.81
Healthcare	5.63
Gaming/Leisure	5.54
Chemicals	4.90
Housing/Building Materials	4.77
Energy	4.25
Manufacturing/Capital Goods	3.77
Diversified Media	3.74
Utilities	3.58
Cable	2.60
Forest Products/Containers	2.41
Cash & Equivalents	2.35
Retail	2.33
Metals/Minerals	2.28
Wireless	1.79
Consumer Products/Textiles	1.73
Broadcasting	1.64
Food/Drug/Restaurants	1.51

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. **Credit & Interest:** Debt instruments are subject to various risks, including credit and interest rate risk. The issuer of a debt security may fail to make interest and/or principal payments. Values of debt instruments may rise or fall in response to changes in interest rates, and this risk may be enhanced with longer-term maturities. **High Yield Fixed Income Securities (Junk Bonds):** There is a greater risk of issuer default, less liquidity, and increased price volatility related to high yield securities than investment grade securities. **Bank Loans:** Bank loans may be unsecured or not fully collateralized, may be subject to restrictions on resale, may be less liquid and may trade infrequently on the secondary market. Bank loans settle on a delayed basis; thus, sale proceeds may not be available to meet redemptions for a substantial period of time after the sale of the loan. **Foreign & Emerging Markets:** Investing in foreign securities, especially in emerging markets, subjects the portfolio to additional risks such as increased volatility, currency fluctuations, less liquidity, and political, regulatory, economic, and market 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. **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

Effective Duration: The change in the value of a fixed income security that will result from a 1% change in interest rates while taking into account the way changes in rates will affect the expected cash flows of any bond with an embedded option such as call or prepayment option. This measure assigns a probability to the exercise of a call option, where applicable, based on specified shifts in the yield curve. Duration is expressed as a number of years, and generally, the larger the duration, the greater the interest rate risk or reward for a portfolio's underlying bond prices. **Weighted Average Maturity:** The length of time until the average security in a fund

will mature, be redeemed by its issuer, or paid down over time, which is the case with most securitized assets. **30-day SEC Yield** is a standardized yield calculated according to a formula set by the SEC, and is subject to change. **30-day SEC Yield (unsubsidized)** is the 30 day SEC yield without the effect of applicable expense waivers.

RATINGS DISTRIBUTION METHODOLOGY

The ratings issued by Nationally Recognized Statistical Rating Organizations assess the credit worthiness of a corporation's or government's debt issues. The ratings apply to the fund's holdings and not the fund. Ratings are provided by Standard & Poor's, Moody's, and Fitch. For certain securities that are not rated by any of these three agencies, credit ratings from other agencies may be used. Where the rating agencies rate a security differently, Newfleet uses the higher rating. If a rating is not available, the bond is placed in the Not Rated category. Credit ratings are subject to change. Aaa, Aa, A, and Baa are investment grade ratings; Ba, B, Caa, Ca, C, and D are belowinvestment grade ratings.

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.

The Fund is an actively managed exchange-traded fund and does not seek to replicate the performance of a specified index. The Fund may have a higher portfolio turnover than funds that seek to replicate the performance of an index.

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/NCUSIF Insured | May Lose Value | Not Bank Guaranteed

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