MARB

As of 9/30/25

First Trust Merger Arbitrage ETF

Fund Objective

This actively managed exchange-traded fund seeks to provide investors with capital appreciation.

Fund Facts

Fund Ticker	MARB
CUSIP	33740J203
Intraday NAV	MARBIV
Fund Inception Date	2/4/20
Primary Listing	NYSE Arca

Fees and Expenses^

Management Fees	1.25%
Other Expenses	0.45%
Total Expense Ratio	1.74%

Fund Description

- The First Trust Merger Arbitrage ETF seeks to achieve its investment objective by establishing long and short positions in the equity securities of companies that are involved in a publicly-announced significant corporate event, such as a merger or acquisition.
- Through the investment process, First Trust Capital Management L.P., the fund's sub-advisor, aims to take advantage of the return opportunity presented by the potential profit, or "spread", emerging from the announcement of a merger or acquisition.
  - The First Trust Capital Management L.P. investment process relies on real-time quantitative-based research to evaluate how attractive each transaction is relative to other deals in the arbitrage universe. The fund adheres to that quantitative criteria to separate which deals to invest in and which to avoid.
  - The portfolio may include equity securities issued by U.S. and non U.S. companies, including ADRs. The fund may invest in small, mid and large capitalization securities. Only securities of companies that have publicly announced transactions of mergers and/or acquisitions are eligible for inclusion in the fund's portfolio. Sector concentration is limited to approximately 25%.
  - First Trust Capital Management L.P. will generally go "long" the target company and may at times go "short" the acquiring company. In the event that the sub-advisor cannot find enough securities that satisfy its investment criteria, the fund may hold cash or cash equivalents.†

Fund Sub-Advisor

- First Trust Capital Management L.P. is the sub-advisor to the fund and will manage the fund's portfolio.
  - First Trust Capital Management L.P. is an SEC registered investment adviser that specializes in structuring and managing alternative investment, multi-manager, and multi-strategy mutual funds.
  - First Trust Capital Management L.P. prides itself on its ability to combine rigorous research and risk management processes with disciplined portfolio construction and management.

Performance Summary (%)

	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Fund Inception
Fund Performance*							
Net Asset Value (NAV)	1.46	4.48	5.55	2.86	2.40	–	1.60
After Tax Held	0.49	3.47	4.12	1.80	1.76	–	1.04
After Tax Sold	0.87	2.65	3.27	1.73	1.57	–	0.98
Market Price	1.51	4.63	5.66	2.85	2.35	–	1.60
Index Performance**							
S&P 500® Index	8.12	14.83	17.60	24.94	16.47	–	15.10
S&P Merger Arbitrage Index	3.07	7.34	7.11	6.16	4.72	–	4.19

Calendar Year Total Returns (%)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD
MARB	–	–	–	–	–	–	0.56	3.46	2.56	0.42	4.48
S&P 500® Index	–	–	–	–	–	–	28.71	-18.11	26.29	25.02	14.83
S&P Merger Arbitrage Index	–	–	–	–	–	–	–	–	–	5.90	7.34

3-Year Statistics

	Standard Deviation (%)	Alpha	Beta	Sharpe Ratio	Correlation
MARB	3.27	-2.79	0.05	-0.55	0.21
S&P 500® Index	13.37	–	1.00	1.39	1.00

Performance data quoted represents past performance. Past performance is not a guarantee of future results and current performance may be higher or lower than performance quoted. Investment returns and principal value will fluctuate and shares when sold or redeemed, may be worth more or less than their original cost. You can obtain performance information which is current through the most recent month-end by visiting www.ftportfolios.com.

^"Other Expenses" consist of margin interest expense and dividend expense on investments sold short.

*NAV returns are based on the fund's net asset value which represents the fund's net assets (assets less liabilities) divided by the fund's outstanding shares. **After Tax Held** returns represent return after taxes on distributions. Assumes shares have not been sold. **After Tax Sold** returns represent the return after taxes on distributions and the sale of fund shares. Returns do not represent the returns you would receive if you traded shares at other times. **Market Price** returns are determined by using the midpoint of the national best bid offer price ("NBBO") as of the time that the fund's NAV is calculated. Returns are average annualized total returns, except those for periods of less than one year, which are cumulative. After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown. The after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

**Performance information for each listed index is for illustrative purposes only and does not represent actual fund performance. Indexes do not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the performance shown. Indexes are unmanaged and an investor cannot invest directly in an index.

†"Long" and "short" are investment terms used to describe ownership of securities. To buy securities is to "go long." The opposite of going long is "selling short." Short selling is an advanced trading strategy that involves selling a borrowed security. Short sellers make a profit if the price of the security goes down and they are able to buy the security at a lower amount than the price at which they sold the security short.

First Trust Merger Arbitrage ETF

As of 9/30/25

» Portfolio Information – Long Exposure

Number Of Holdings	13
Maximum Market Cap.	$28.52 Billion
Median Market Cap.	$4.82 Billion
Minimum Market Cap.	$427 Million
Price/Book	2.65
Price/Cash Flow	19.64
Price/Sales	2.50

» Portfolio Information – Short Exposure

Number Of Holdings	0

» Top Holdings (%) – Long Exposure

AvidXchange Holdings, Inc.	4.06
Informatica Inc. (Class A)	3.61
Kellanova	3.24
Frontier Communications Parent, Inc.	2.70
Surmodics, Inc.	1.73
ProAssurance Corporation	1.53
Bristol-Myers Squibb Co. - CVR	0.00
Chinook Therapeutics Cvr	0.00
Icosavax Inc Cvr	0.00
Johnson & Johnson - CVR	0.00

» Top Holdings (%) – Short Exposure

Chevron Corporation	-3.17
Schlumberger Limited	-3.06
James Hardie Industries Plc (ADR)	-2.20
Synopsys, Inc.	-1.97
Capital One Financial Corporation	-0.14

» Top Sector (%) – Long Exposure

Financials	5.59
Information Technology	3.61
Consumer Staples	3.24
Communication Services	2.70
Health Care	1.73

» Top Sector (%) – Short Exposure

Energy	-6.23
Materials	-2.20
Information Technology	-1.97
Financials	-0.14

» Fund Exposure (%)

Long Exposure	16.87
Short Exposure	0.00
Net Exposure	16.87

You should consider the fund's investment objectives, risks, and charges and expenses carefully before investing. Contact First Trust Portfolios L.P. at 1-800-621-1675 or visit www.ftportfolios.com to obtain a prospectus or summary prospectus which contains this and other information about the fund. The prospectus or summary prospectus should be read carefully before investing.

Risk Considerations

You could lose money by investing in a fund. An investment in a fund is not a deposit of a bank and is not insured or guaranteed. There can be no assurance that a fund's objective(s) will be achieved. Investors buying or selling shares on the secondary market may incur customary brokerage commissions. Please refer to each fund's prospectus and Statement of Additional Information for additional details on a fund's risks. The order of the below risk factors does not indicate the significance of any particular risk factor.

Unlike mutual funds, shares of the fund may only be redeemed directly from a fund by authorized participants in very large creation/redemption units. If a fund's authorized participants are unable to proceed with creation/redemption orders and no other authorized participant is able to step forward to create or redeem, fund shares may trade at a premium or discount to a fund's net asset value and possibly face delisting and the bid/ask spread may widen.

A fund may be subject to the risk that a counterparty will not fulfill its obligations which may result in significant financial loss to a fund.

Current market conditions risk is the risk that a particular investment, or shares of the fund in general, may fall in value due to current market conditions. For example, changes in governmental fiscal and regulatory policies, disruptions to banking and real estate markets, actual and threatened international armed conflicts and hostilities, and public health crises, among other significant events, could have a material impact on the value of the fund's investments.

A fund is susceptible to operational risks through breaches in cyber security. Such events could cause a fund to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures and/or financial loss.

Depositary receipts may be less liquid than the underlying shares in their primary trading market and distributions may be subject to a fee. Holders may have limited voting rights, and investment restrictions in certain countries may adversely impact their value.

Equity securities may decline significantly in price over short or extended periods of time, and such declines may occur in the equity market as a whole, or they may occur in only a particular country, company, industry or sector of the market.

Health care companies may be affected by government regulations and government health care programs, increases or decreases in the cost of medical products and services and product liability claims, among other factors. Many health care companies are heavily dependent on patent protection, and the expiration of a company's patent may adversely affect that company's profitability. Health care companies are also subject to competitive forces that may result in price discounting, may be thinly capitalized and susceptible to product obsolescence.

A fund may be a constituent of one or more indices or models which could greatly affect a fund's trading activity, size and volatility.

Large capitalization companies may grow at a slower rate than the overall market.

Leverage may result in losses that exceed the amount originally invested and may accelerate the rates of losses. Leverage tends to magnify, sometimes significantly, the effect of any increase or decrease in a fund's exposure to an asset or class of assets and may cause the value of a fund's shares to be volatile and sensitive to market swings.

Certain fund investments may be subject to restrictions on resale, trade over-the-counter or in limited volume, or lack an active trading market. Illiquid securities may trade at a discount and may be subject to wide fluctuations in market value.

The portfolio managers of an actively managed portfolio will apply investment techniques and risk analyses that may not have the desired result.

Market risk is the risk that a particular security, or shares of a fund in general may fall in value. Securities are subject to market fluctuations caused by such factors as general economic conditions, political events, regulatory or market developments, changes in interest rates and perceived trends in securities prices. Shares of a fund could decline in value or underperform other investments as a result. In addition, local, regional or global events such as war, acts of terrorism, spread of infectious disease or other public health issues, recessions, natural disasters or other events could have significant negative impact on a fund.

A fund faces numerous market trading risks, including the potential lack of an active market for fund shares due to a limited number of market makers. Decisions by market makers or authorized participants to reduce their role or step away in times of market stress could inhibit the effectiveness of the arbitrage process in maintaining the relationship between the underlying values of a fund's portfolio securities and a fund's market price.

Investments in companies that are the subject of a publicly announced transaction carry the risk the transaction is renegotiated, takes longer to complete than originally planned and that the transaction is never completed. Any such event could cause a fund to incur a loss. The risk/reward payout of merger arbitrage strategies typically is asymmetric, with the losses in failed transactions often far exceeding the gains in successful transactions.

A fund that holds cash or invests in money market or short-term securities may be less likely to achieve its investment objective and could lose money.

A fund classified as "non-diversified" may invest a relatively high percentage of its assets in a limited number of issuers. As a result, a fund may be more susceptible to a single adverse economic or regulatory occurrence affecting one or more of these issuers, experience increased volatility and be highly concentrated in certain issuers.

Securities of non-U.S. issuers are subject to additional risks, including currency fluctuations, political risks, withholding, lack of liquidity, lack of adequate financial information, and exchange control restrictions impacting non-U.S. issuers.

A fund and a fund's advisor may seek to reduce various operational risks through controls and procedures, but it is not possible to completely protect against such risks. The fund also relies on third parties for a range of services, including custody, and any delay or failure related to those services may affect the fund's ability to meet its objective.

High portfolio turnover may result in higher levels of transaction costs and may generate greater tax liabilities for shareholders.

The market price of a fund's shares will generally fluctuate in accordance with changes in the fund's net asset value ("NAV") as well as the relative supply of and demand for shares on the exchange, and a fund's investment advisor cannot predict whether shares will trade below, at or above their NAV.

Short selling creates special risks which could result in increased gains or losses and volatility of returns. Because losses on short sales arise from increases in the value of the security sold short, such losses are theoretically unlimited.

A fund with significant exposure to a single asset class, country, region, industry, or sector may be more affected by an adverse economic or political development than a broadly diversified fund.

Securities of small- and mid-capitalization companies may experience greater price volatility and be less liquid than larger, more established companies.

Special purpose acquisition companies ("SPACs"), have no operating history or ongoing business other than seeking acquisitions. The value of a SPAC's securities is particularly dependent on the ability of its management to identify and complete a profitable acquisition. There is no guarantee that the SPACs in which a fund may invest will complete an acquisition or that any acquisitions completed by the SPACs will be profitable.

Trading on an exchange may be halted due to market conditions or other reasons. There can be no assurance that a fund's requirements to maintain the exchange listing will continue to be met or be unchanged.

Warrants and rights do not include the right to dividends, voting, or to the assets of the issuer and the value of the warrants and rights does not necessarily change with the value of the underlying securities. The market for warrants and rights may be limited.

First Trust Advisors L.P. is the adviser to the fund. First Trust Advisors L.P. is an affiliate of First Trust Portfolios L.P., the fund's distributor.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory framework. Financial professionals are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.

Definitions

Standard Deviation is a measure of price variability (risk). **Alpha** is an indication of how much an investment outperforms or underperforms on a risk-adjusted basis relative to its benchmark. **Beta** is a measure of price variability relative to the market. **Sharpe Ratio** is a measure of excess reward per unit of volatility. **Correlation** is a measure of the similarity of performance. The **Credit Suisse Merger Arbitrage Liquid Index** aims to gain broad exposure to the merger arbitrage strategy using a pre-defined quantitative methodology to invest in a liquid, diversified and broadly representative set of announced merger deals. The **S&P 500® Index** is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance.

Not FDIC Insured • Not Bank Guaranteed • May Lose Value