INVESTMENT OVERVIEW
The Fund seeks attractive long-term returns by investing in U.S. companies that are owned or operated by wealthy individuals with a significant vested personal stake in the business, and thereby committed to building long-term value (e.g., shareholders’ equity).

KEY FEATURES
Alignment of Interests — Owner-operators have significant common equity interests, frequently using their companies as a primary means to generate personal wealth – a potential positive for the shareholders they invest alongside
Real Value vs. Quarterly Results — Owner-operators tend to be more concerned with capturing long-term business performance and less concerned with short-term results
Informational Advantage — Owner-operators with successful long-term track records have access to a denser network of business relationships, deal opportunities, and capital on more favorable terms

Performance data quoted represents past results. Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate, so your shares, when redeemed, may be worth more or less than their original cost. Please visit Virtus.com for performance data current to the most recent month-end.

The fund class gross expense ratio is 1.47%. The net expense ratio is 1.25%, which reflects a contractual expense reimbursement in effect through 1/31/2020.

Average annual total return is the annual compound return for the indicated period and reflects the change in share price and the reinvestment of all dividends and capital gains. Returns for periods of one year or less are cumulative returns.
Class A shares have a maximum sales charge of 5.75%. A contingent deferred sales charge of 1% may be imposed on certain redemptions within 18 months on purchases on which a finder’s fee has been paid. POP (Public Offering Price) performance reflects the deduction of the maximum sales charge.

ANNUAL PERFORMANCE (%)

GROWTH OF $10,000

This chart assumes an initial investment of $10,000 made on 9/5/2012. As of 9/30/2019 the fund value would have been $17,893.56. Fund performance assumes reinvestment of dividends and capital gain distributions and reflects a front end sales charge of 5.75%.

INVESTMENT ADVISER
Virtus Investment Advisers, Inc.

INVESTMENT SUBADVISER
Horizon Kinetics Asset Management, a subsidiary of Horizon Kinetics, LLC believes that companies managed or influenced by individuals who have significant personal wealth invested in their firms will outperform the broad equity market.

PORTFOLIO MANAGERS
Murray Stahl
Industry start date: 1978
Start date as Fund Portfolio Manager: 2012

Matthew Houk
Industry start date: 2005
Start date as Fund Portfolio Manager: 2012
CHALLENGES OF HORIZON WEALTH MASTERS FUND

- **Beta:** A quantitative measure of the volatility, or systematic risk, of a security or a benchmark index.
- **Alpha:** A risk-adjusted measure of an investment's excess return relative to a benchmark index.
- **Active Share:** A measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index.
- **Sharpe Ratio:** A risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk.
- **Standard Deviation:** A measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index.

GROWTH RATES

- **3-Year EPS Growth Rate:** Average of earnings per share growth for the latest 3-year period.
- **5-Year EPS Growth Rate:** Average of earnings per share growth for the latest 5-year period.

**INDEX DEFINITION**

Index: The S&P 500® Index is a free-float market capitalization-weighted index of 500 of the largest U.S. companies. 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.

RISKS

- **Volatility:** Measured by standard deviation, which shows the variability of returns around the average return for an investment portfolio. Higher standard deviation suggests greater risk.
- **Correlation to Index:** The performance of the fund and its index are compared to measure the strength of the relationship between the two.
- **R2:** Measures the percentage of stock holdings in a manager's portfolio that differ from the benchmark index.

**RISK STATISTICS**

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Fund</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg. Weighted Market Cap (bn)</td>
<td>30.22 249.72</td>
<td>30.22 249.72</td>
</tr>
<tr>
<td>Median Market Cap (bn)</td>
<td>5.39 22.73</td>
<td>5.39 22.73</td>
</tr>
<tr>
<td>Trailing P/E Ex-Negative Earnings</td>
<td>16.89 20.65</td>
<td>16.89 20.65</td>
</tr>
<tr>
<td>Price-to-Cash Flow</td>
<td>13.08 18.80</td>
<td>13.08 18.80</td>
</tr>
<tr>
<td>Price-to-Book Value</td>
<td>3.73 5.85</td>
<td>3.73 5.85</td>
</tr>
<tr>
<td>3-Year EPS Growth Rate</td>
<td>11.18 14.30</td>
<td>11.18 14.30</td>
</tr>
<tr>
<td>5-Year EPS Growth Rate</td>
<td>7.46 8.13</td>
<td>7.46 8.13</td>
</tr>
<tr>
<td>Active Share</td>
<td>92.45 n/a</td>
<td>92.45 n/a</td>
</tr>
</tbody>
</table>

**TOP TEN HOLDINGS**

<table>
<thead>
<tr>
<th>Holding</th>
<th>% Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban Outfitters Inc</td>
<td>0.75</td>
</tr>
<tr>
<td>PriceSmart Inc</td>
<td>0.73</td>
</tr>
<tr>
<td>Dillard's Inc</td>
<td>0.70</td>
</tr>
<tr>
<td>Dick's Sporting Goods Inc</td>
<td>0.69</td>
</tr>
<tr>
<td>WW International Inc</td>
<td>0.69</td>
</tr>
<tr>
<td>Cintas Corp</td>
<td>0.68</td>
</tr>
<tr>
<td>Colony Capital Inc</td>
<td>0.67</td>
</tr>
<tr>
<td>Oracle Corp</td>
<td>0.66</td>
</tr>
<tr>
<td>DR Horton Inc</td>
<td>0.66</td>
</tr>
<tr>
<td>Interactive Brokers Group Inc</td>
<td>0.66</td>
</tr>
</tbody>
</table>

**SECTOR ALLOCATIONS**

- **Utilities:** 0.00 3.59
- **Energy:** 4.80 4.52
- **Consumer Staples:** 2.96 13.65
- **Consumer Discretionary:** 24.52 10.11
- **Information Technology:** 8.11 21.93
- **Real Estate:** 8.88 3.22
- **Materials:** 5.00 2.73
- **Health Care:** 2.96 13.65
- **Financials:** 13.49 12.94
- **Communication Services:** 13.28 10.36
- **Industrials:** 11.93 9.34

**INDEX DEFINITION**

Index: The S&P 500® Index is a free-float market capitalization-weighted index of 500 of the largest U.S. companies. 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.