INVESTMENT OVERVIEW

The Fund seeks to generate attractive risk-adjusted long-term returns by investing in the stocks of U.S. large-cap growth companies with durable competitive advantages, excellent management, lower financial risk, and strong growth trajectories. A disciplined investment process is employed to identify businesses that are differentiated by above-average returns on capital.

KEY FEATURES

**High-Quality Businesses** — Searches for quality large-cap growth companies with solid balance sheets, consistent growth, and market dominant business models

**Lower Volatility Approach** — Extensive fundamental research favors companies with less business risk, as defined by consistent and profitable growth, high returns on capital, strong free cash flow, and a low organic need for external financing, all of which can help to protect profits in difficult markets

**High-Conviction Portfolio** — Focused on the portfolio team’s 25-50 strongest investment opportunities, with a long-term, low-turnover approach to realize full stock value potential

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 1.22%. 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.

The fund class gross expense ratio is 1.22%. 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 (%)

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</tr>
</thead>
<tbody>
<tr>
<td>Fund</td>
<td>-7.77</td>
<td>35.15</td>
<td>-1.23</td>
<td>9.00</td>
<td>11.38</td>
<td>29.09</td>
<td>13.44</td>
<td>-4.43</td>
<td>16.03</td>
<td>37.21</td>
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<tr>
<td>Index</td>
<td>-1.51</td>
<td>30.21</td>
<td>7.08</td>
<td>5.67</td>
<td>13.05</td>
<td>33.48</td>
<td>15.26</td>
<td>2.64</td>
<td>16.71</td>
<td>37.21</td>
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</table>

GROWTH OF $10,000

This chart assumes an initial investment of $10,000 made on 10/16/1995. As of 9/30/2019 the fund value would have been $46,990.58. 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

Kayne Anderson Rudnick

Kayne Anderson Rudnick believes that superior risk-adjusted returns may be achieved through investment in high-quality companies with market dominance, excellent management, financial strength, and consistent growth, purchased at reasonable prices.

PORTFOLIO MANAGER

Douglas S. Foreman, CFA

Industry start date: 1986
Start date as Fund Portfolio Manager: 2011
Portfolio in comparison to the market as a whole.

**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 index's.

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

**Price-to-Cash Flow:** Per-share stock price divided by the latest 12-months earnings per share.

**Trailing P/E Ex-Negative Earnings:** Per-share stock price divided by the latest 12 months earnings per share.

**Price-to-Book Value:** A ratio used to compare a stock's market value to its book value.

**Price-to-Cash Flow:** A ratio used to compare a stock's market value to its cash flow.

**median market price:** A measure that represents the percentage of stock prices.

**PER SHARE EARNINGS:** The total dollar market value of all of a company's outstanding shares.

**PER SHARE EARNINGS:** A measure of earnings per share.

**PER SHARE EARNINGS:** A measure of earnings per share.

**Average:** A measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index.

**Beta:** A quantitative measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole.

**R²:** A measure that represents the percentage of a fund's or security's movements that can be explained by movements in a benchmark index.

**Sharpe Ratio:** A risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk.

**Standard Deviation:** Measures variability of returns around the average return for an investment portfolio.

Higher standard deviation suggests greater risk.

**SECTOR ALLOCATIONS**

**% Equity**

**% Index**

**Consumer Discretionary**

**Information Technology**

**Communication Services**

**Industrials**

**Health Care**

**Financials**

**Consumer Staples**

**Materials**

**Real Estate**

**Energy**

**RISK STATISTICS (3 YEAR)**

<table>
<thead>
<tr>
<th>Fund</th>
<th>Index</th>
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<tbody>
<tr>
<td>Alpha</td>
<td>-4.79</td>
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<tr>
<td>Beta</td>
<td>1.18</td>
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<tr>
<td>R²</td>
<td>0.90</td>
</tr>
<tr>
<td>Sharpe Ratio</td>
<td>0.77</td>
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<tr>
<td>Standard Deviation</td>
<td>16.26</td>
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</table>

**TOP TEN HOLDINGS**

<table>
<thead>
<tr>
<th>% Fund</th>
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</thead>
<tbody>
<tr>
<td>Amazon.com Inc</td>
</tr>
<tr>
<td>Facebook Inc</td>
</tr>
<tr>
<td>Visa Inc</td>
</tr>
<tr>
<td>Alibaba Group Holding Ltd</td>
</tr>
<tr>
<td>Paycom Software Inc</td>
</tr>
<tr>
<td>Netflix Inc</td>
</tr>
<tr>
<td>Zoetis Inc</td>
</tr>
<tr>
<td>NIKE Inc</td>
</tr>
<tr>
<td>Bank of America Corp</td>
</tr>
<tr>
<td>Workday Inc</td>
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</table>

Holdings and sector weightings are subject to change.

**CHARACTERISTICS**

<table>
<thead>
<tr>
<th>Fund</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg. Weighted Market Cap (bn)</td>
<td>208.85</td>
</tr>
<tr>
<td>Median Market Cap (bn)</td>
<td>44.72</td>
</tr>
<tr>
<td>Trailing P/E Ex-Negative Earnings</td>
<td>33.26</td>
</tr>
<tr>
<td>Price-to-Cash Flow</td>
<td>27.67</td>
</tr>
<tr>
<td>Price-to-Book Value</td>
<td>10.38</td>
</tr>
<tr>
<td>3-Year EPS Growth Rate</td>
<td>27.72</td>
</tr>
<tr>
<td>5-Year EPS Growth Rate</td>
<td>22.65</td>
</tr>
<tr>
<td>Active Share</td>
<td>82.00</td>
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</tbody>
</table>

**RISK CONSIDERATIONS**

**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 or medium-sized companies may enhance that risk.

**Prospectus:** For additional information on risks, please see the fund's prospectus.

**GLOSSARY**

**Avg. Weighted Market Cap (bn):** The total dollar market value of all of a company's outstanding shares.

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

**5-Year EPS 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.

**Alpha:** A risk-adjusted measure of an investment's excess return relative to a benchmark.

**Beta:** A quantitative measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole.

**R²:** A measure that represents the percentage of a fund's or security's movements that can be explained by movements in a benchmark index.

**Sharpe Ratio:** A risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk.

**Standard Deviation:** Measures variability of returns around the average return for an investment portfolio. Higher standard deviation suggests greater risk.

**INDEX DEFINITION**

The Russell 1000® Growth Index is a market capitalization-weighted index of growth-oriented stocks of the 1,000 largest companies in the Russell Universe, which comprises the 3,000 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.

Please carefully consider a fund's investment objectives, risks, charges, and expenses before investing. For this and other information about any Virtus mutual fund, contact your financial representative, call 1-800-243-4361, or visit Virtus.com for a prospectus or summary prospectus. Read it carefully before investing.

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