

**INVESTMENT OVERVIEW**

The Fund seeks to generate attractive risk-adjusted long-term returns by investing in the stocks of U.S. small-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 and trading at attractive valuations.

**KEY FEATURES**

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

**Lower Volatility Approach** — Extensive fundamental research favors companies with less business risk, as defined by lower earnings variability, 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 25-35 strongest investment opportunities, with a long-term, low-turnover approach to realize full stock value potential

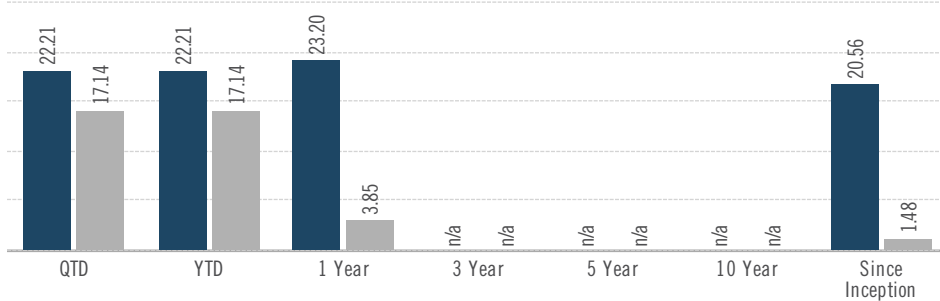
**FUND INFORMATION**

	<b>Ticker</b>	<b>CUSIP</b>
I Shares	PXSGX	92828N593
A Shares	PSGAX	92828N627
C Shares	PSGCX	92828N619
R6 Shares	VRSGX	92828N247

Inception Date	01/30/18
AUM (\$ millions)	4,826.3
Number of Holdings	27
Dividends	Semi-Annually
Morningstar Category	Small Growth
Lipper Category	Small-Cap Growth Funds
Index	Russell 2000® Growth Index

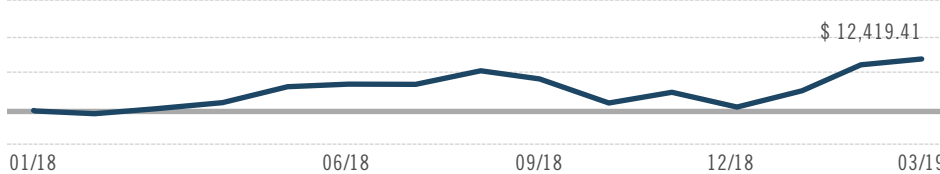
AVERAGE ANNUAL TOTAL RETURNS (%) as of 03/31/19



**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 1.04% and reflects the direct and indirect expenses paid by the Fund. The gross expense ratio minus the indirect expenses incurred by the underlying funds in which the Fund invests is 1.00%. 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 R6 shares have no sales charges or distribution or service fees, therefore their returns do not reflect these expenses. Fees and expenses vary, and other share classes are subject to sales charges and fees. Class R6 shares are offered primarily to investors who do not require the Fund or an affiliate of the Fund to make or pay any type of servicing, administrative or participation payments with respect to the shares. Class R6 shares may not be available to all investors. For fund performance on other share classes, please visit [www.virtus.com](http://www.virtus.com).

**GROWTH OF \$10,000**



This chart assumes an initial investment of \$10,000 made on 1/30/2018. As of 3/29/2019 the fund value would have been \$12,419.41. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

**INVESTMENT ADVISER**  
Virtus Investment Advisers, Inc.

**INVESTMENT SUBADVISER**



Kayne Anderson Rudnick  
A VIRTUS INVESTMENT PARTNER

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 MANAGERS**

**Jon Christensen, CFA**  
Industry start date: 1995  
Start date as Fund Portfolio Manager: 2009

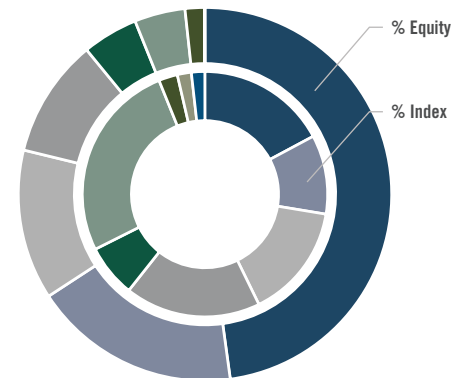
**Todd Beiley, CFA**  
Industry start date: 1999  
Start date as Fund Portfolio Manager: 2008

CHARACTERISTICS	Fund	Index
Avg. Weighted Market Cap (bn)	7.23	2.67
Median Market Cap (bn)	5.37	0.87
Trailing P/E Ex-Negative Earnings	31.93	22.05
Price-to-Cash Flow	28.76	18.38
Price-to-Book Value	8.13	4.79
3-Year EPS Growth Rate	27.25	15.01
5-Year EPS Growth Rate	13.75	12.67
Active Share	98.25	n/a

TOP TEN HOLDINGS	% Fund
Autohome Inc	11.56
Auto Trader Group PLC	8.17
Rightmove PLC	5.54
Paycom Software Inc	5.40
Fox Factory Holding Corp	5.38
Copart Inc	4.61
Old Dominion Freight Line Inc	4.56
Aspen Technology Inc	4.16
MarketAxess Holdings Inc	4.14
Interactive Brokers Group Inc	4.03

Holdings and sector weightings are subject to change.

### SECTOR ALLOCATIONS



	% Equity	% Index
Technology	47.84	17.18
Financial Services	17.97	10.43
Producer Durables	13.00	15.15
Consumer Discretionary	10.26	17.91
Materials & Processing	4.83	6.94
Health Care	4.39	26.29
Consumer Staples	1.71	2.48
Utilities	0.00	1.84
Energy	0.00	1.78

### IMPORTANT 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. **Limited Number of Investments:** Because the fund has a limited number of securities, it may be more susceptible to factors adversely affecting its securities than a less concentrated fund. **Industry/Sector Concentration:** A fund that focuses its investments in a particular industry or sector will be more sensitive to conditions that affect that industry or sector than a non-concentrated fund. **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.

### INDEX DEFINITION

Index: The Russell 2000® Growth Index is a market capitalization-weighted index of growth-oriented stocks of the smallest 2,000 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.

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