

MORNINGSTAR RATINGS AND RANKINGS as of 12/31/23
 I shares (PICMX) rated within Mid-Cap Growth category

Overall Rating **★★★** (Out of 523 Funds)

Time Period	# of Stars	# of Funds
3 Year	★★	523
5 Year	★★★	492
10 Year	★★★★	395

Time Period	Percentile Ranking	Ranking/# of Peers
3 Year	85th	436/523
5 Year	20th	97/492
10 Year	5th	17/395

Morningstar ratings are based on risk-adjusted returns. **Rankings** are based on fund share class total return and do not include the effect of the fund's sales load, if applicable. Each fund is ranked within a universe of funds similar in portfolio characteristics and capitalization. Strong ratings are not indicative of positive fund performance.

High-Quality Mid-Cap Growth Companies

The mid-cap stage in a company's lifecycle can represent an exciting period of growth, and quality businesses that emerge as industry leaders have the potential to offer compelling returns.

Uncovering Innovators and Disruptors

The Fund seeks to generate meaningful excess returns, drawing from KAR's extensive fundamental research to find well-run companies with sustainable competitive advantages.

High-Conviction Portfolio Has Generated Long-Term Outperformance

The portfolio team focuses on 25-50 of the strongest mid-cap opportunities, given the greater efficiency and coverage of the mid-cap market.



Kayne Anderson Rudnick
 A VIRTUS INVESTMENT PARTNER

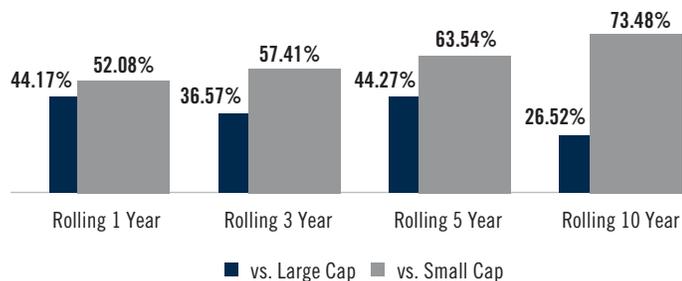
"The mid-cap space offers a deep pool of quality businesses with strong growth potential, including many disruptive innovators currently reshaping their industries. We search for companies with durable competitive advantages that can generate above-average growth over full market cycles."

Douglas S. Foreman, CFA
 Start date as Fund Portfolio Manager: 2012

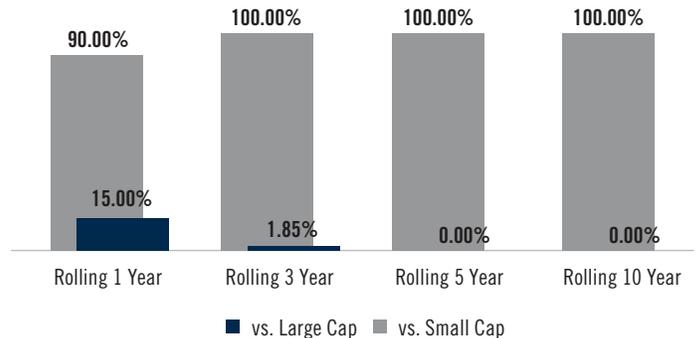
Mid-Cap Growth Segment: A Market Sweet Spot

Mid-cap stocks offer the greater upside potential of small-cap stocks and the liquidity of large-cap stocks, yet are often missing from investors' portfolios. During the past 20 years, mid-cap growth funds had strong performance relative to large-cap growth funds and small-cap growth funds in rolling one-, three-, five-, and 10-year periods—and with less or comparable volatility, as measured by standard deviation.

STRONG RELATIVE PERFORMANCE...



...WITH LESS RISK THAN SMALL CAPS



Source: Morningstar Direct, as of 12/31/23. Morningstar categories represented: Mid-Cap Growth (MCG), Large Growth (LG) and Small Growth (SG). Left side shows percentage of time MCG outperformed LG and SG over different rolling periods, while right side shows percentage of time MCG exhibited lower volatility (standard deviation).

Past performance is no guarantee of future results.

Quality: Differentiated Businesses with Exceptional Economics

Five Criteria KAR Looks for in a Company

1 Solid balance sheets

Low capital intensity
Low debt

2 High cash flows

Strong, recurring free cash flow
Self financing

3 Durable income

Sustainable earnings growth
High return on capital
Ability to exceed consensus forecasts

4 Market control

Develops and protects its market
Effective competitive differentiation
Innovator and industry disrupter potential

5 Management excellence

Develops and adheres to core competencies
Disciplined capital allocation

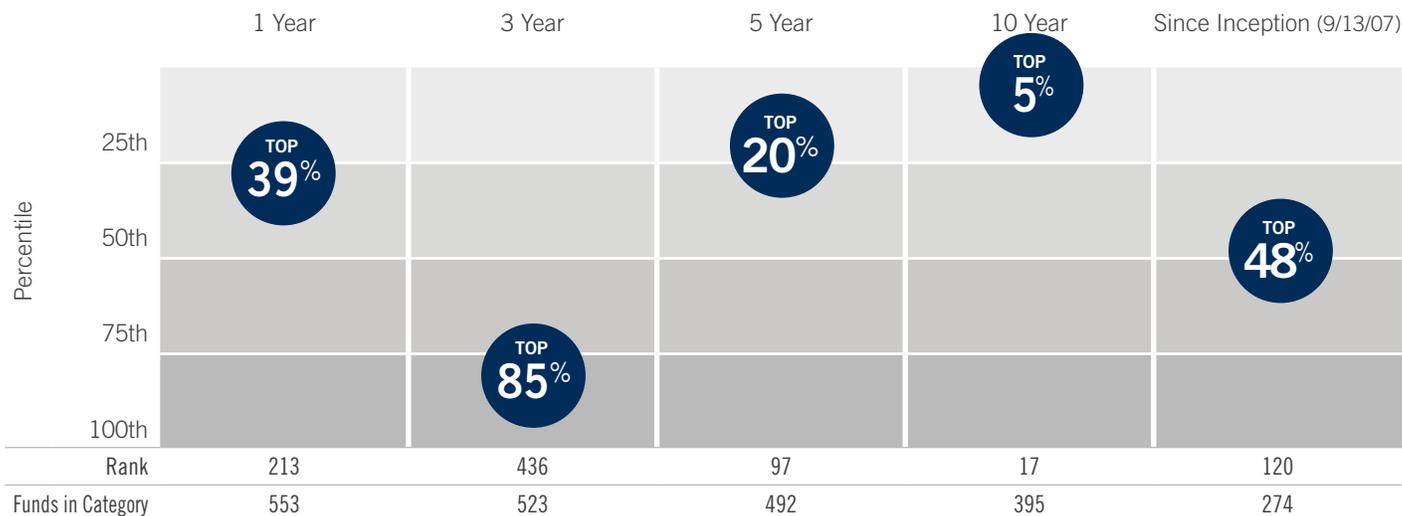
HIGH QUALITY

Disciplined Investing: Strong Long-Term Results

Guided by KAR’s time-tested approach refined over 30 years, the Fund has delivered strong annualized performance since inception. Though performance over the last few years has been challenged by the outperformance of lower-quality stocks, the benefits of KAR’s high-quality approach over the long run are apparent.

MORNINGSTAR PERCENTILE RETURN RANKINGS

Mid-Cap Growth Category Based on Total Returns as of 12/31/23



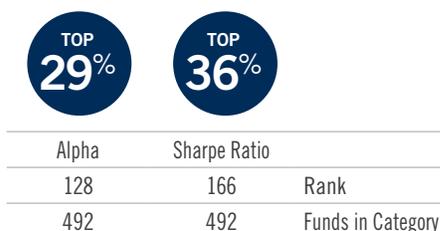
Source: Morningstar Direct. Number of Funds in Category may vary due to the date data is pulled.

Active Management Unlocks Opportunity

KAR maintains a strict philosophy of investing in well-run, strongly positioned businesses believed to be undervalued relative to their future growth potential. This produces a low-turnover, true stock-picker’s strategy with a high active share and a strong track record of skilled security selection, as measured by the Fund’s attractive alpha and a high Sharpe ratio, relative to its peers.

5-YEAR ALPHA AND SHARPE RATIO

Percentile Ranking as of 12/31/23



ACTIVE SHARE

as of 12/31/23

82.2%

Past performance is no guarantee of future results.

Source: Morningstar Direct. Number of funds in category may vary due to the date data is pulled.

Performance (I Shares)

AVERAGE ANNUAL TOTAL RETURNS (%)

as of 12/31/23

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception 09/13/07
Class I	9.73	22.30	22.30	-6.11	14.34	11.91	8.74
Russell Midcap® Growth Index	14.55	25.87	25.87	1.31	13.81	10.57	9.57

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. This share class has no sales charges and is not available to all investors. Other share classes have sales charges. See virtus.com for details.

The fund class gross expense ratio is 1.03%.

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.

ANNUAL PERFORMANCE (%)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	22.30	-33.31	1.47	65.38	42.76	7.80	33.80	2.17	2.84	4.01
Index	25.87	-26.72	12.73	35.59	35.47	-4.75	25.27	7.33	-0.20	11.90

GROWTH OF \$10,000



This chart assumes an initial investment of \$10,000 made on 09/13/07. As of 12/31/23 the fund value would have been \$39,176.63. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

CHARACTERISTICS

	Fund	Index
Avg. Weighted Market Cap (bn)	28.69	28.05
Median Market Cap (bn)	23.96	11.99
Trailing P/E Ex-Negative Earnings	37.43	27.77
Price-to-Cash Flow	32.83	28.86
Price-to-Book Value	8.89	9.99
3-Year EPS Growth Rate	19.46	18.54
5-Year EPS Growth Rate	16.23	18.06

RISK STATISTICS (5 YEAR)

	Fund	Index
Alpha	0.62	n/a
Beta	1.02	n/a
R ²	89.88	n/a
Sharpe Ratio	0.53	0.54
Standard Deviation	23.71	22.11

See Glossary on last page for definitions of these metrics.

TOP TEN HOLDINGS

	% Fund
Celsius Holdings Inc.	6.90
Fair Isaac Corp.	6.57
Gartner Inc.	5.53
MercadoLibre Inc.	3.97
Amphenol Corp.	3.63
SiteOne Landscape Supply Inc.	3.32
Goosehead Insurance Inc.	3.18
Equifax Inc.	3.16
Pool Corp.	2.90
IDEXX Laboratories Inc.	2.82

Holdings are subject to change.

FUND INFORMATION

Inception Date	9/13/07
Portfolio Management at KAR	Since 2/22/12
AUM (\$ millions)	1,537.9
Number of Holdings	45
Dividends	Semi-Annually
Morningstar Category	Mid-Cap Growth
Index	Russell Midcap® Growth Index

PORTFOLIO MANAGERS



Douglas S. Foreman, CFA
Industry start date: 1986
Start date as Fund Portfolio Manager: 2012



Chris Armbruster, CFA
Industry start date: 2004
Start date as Fund Portfolio Manager: 2020



Noran Eid, CFA
Industry start date: 2006
Start date as Fund Portfolio Manager: 2023

Index: The Russell Midcap® Growth Index is a market capitalization-weighted index of medium-capitalization, growth-oriented stocks of 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.

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, medium, or large-sized companies may enhance that risk. **Technology Concentration:** Because the portfolio is presently heavily weighted in the technology sector, it will be impacted by that sector's performance more than a portfolio with broader sector diversification. **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

Avg. Weighted Market Cap (bn): The sum of each security's weight within the fund (or index) multiplied by the security's market capitalization. **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 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.

Morningstar: Morningstar Rating™ for funds, or 'star rating,' is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take into account the effect of sales charges and loads.

© 2024 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

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 professional, call 800-243-4361, or visit virtus.com for a prospectus or summary prospectus. Read it carefully before investing.

Not FDIC Insured | May Lose Value | Not Bank Guaranteed

Distributed by VP Distributors, LLC, member FINRA and subsidiary of Virtus Investment Partners, Inc.