

**INVESTMENT OVERVIEW**

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

**KEY FEATURES**

**High-Quality Businesses** — Searches for quality small- and mid-cap growth stocks 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 potential, 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 20-35 strongest investment ideas, with a long-term, low-turnover approach to realize full stock value potential

**FUND INFORMATION**

	<b>Ticker</b>	<b>CUSIP</b>
A Shares	VAKSX	92836N817
C Shares	VCKSX	92836N791
I Shares	VIKSX	92836N783
R6 Shares	VRKSX	92836N775

Inception Date	12/08/20
AUM (\$ millions)	9.3
Number of Holdings	27
Dividends	Semi-Annually
Morningstar Category	Mid-Cap Growth
Lipper Category	Mid-Cap Growth Funds
Index	Russell 2500™ Growth Index

**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**

**Julie Biel, CFA**

Industry start date: 2004

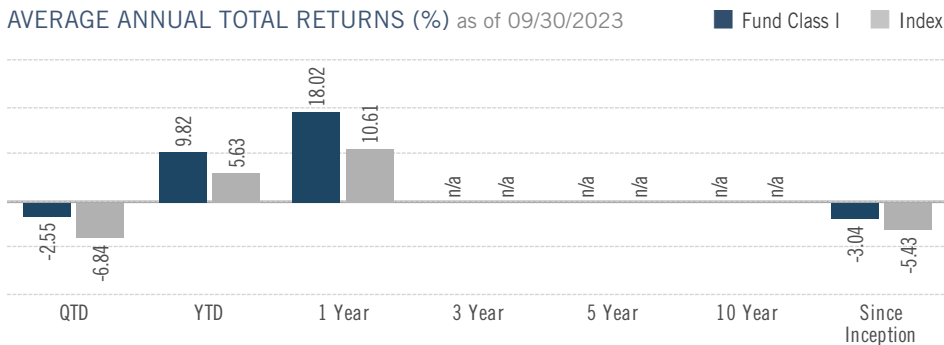
Start date as Fund Portfolio Manager: 2020

**Chris Wright, CFA**

Industry start date: 2012

Start date as Fund Portfolio Manager: 2022

**AVERAGE ANNUAL TOTAL RETURNS (%) as of 09/30/2023**



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](http://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](http://virtus.com) for details.

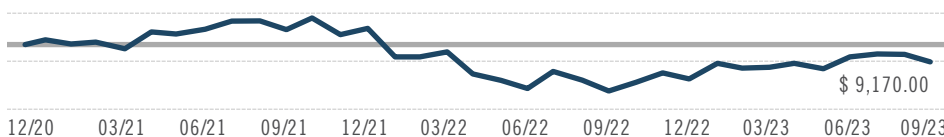
The fund class gross expense ratio is 2.57%. The net expense ratio is 1.05%, which reflects a contractual expense reimbursement in effect through 1/31/2024.

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 (%)**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Fund</b>	-22.54	5.38	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Index</b>	-26.21	5.04	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

**GROWTH OF \$10,000**



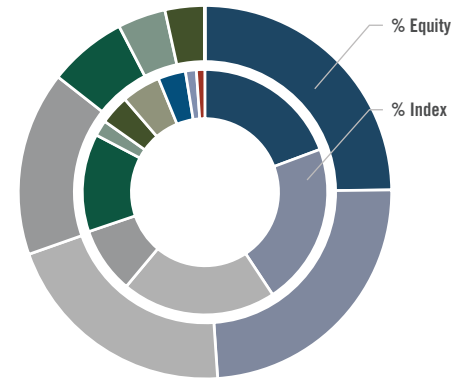
This chart assumes an initial investment of \$10,000 made on 12/8/2020. As of 9/30/2023 the fund value would have been \$9,170.00. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

CHARACTERISTICS	Fund	Index
Avg. Weighted Market Cap (bn)	13.40	5.80
Median Market Cap (bn)	10.58	1.39
Trailing P/E Ex-Negative Earnings	41.31	20.99
Price-to-Cash Flow	31.39	20.69
Price-to-Book Value	5.89	5.57
3-Year Earnings Growth Rate	13.76	20.52
5-Year Earnings Growth Rate	16.11	19.37
Active Share	97.02	n/a

TOP TEN HOLDINGS	% Fund
West Pharmaceutical Services Inc	5.63
Ryan Specialty Holdings Inc	5.43
Fair Isaac Corp	5.24
Bentley Systems Inc	4.78
HEICO Corp	4.41
nCino Inc	4.37
Copart Inc	4.26
HealthEquity Inc	4.08
Rightmove PLC	3.95
Saia Inc	3.78

Holdings and sector weightings are subject to change.

### SECTOR ALLOCATIONS



Sector	% Equity	% Index
Industrials	24.81	19.33
Information Technology	24.11	21.39
Health Care	20.69	20.37
Financials	15.98	8.71
Consumer Discretionary	6.82	12.92
Communication Services	4.15	2.08
Consumer Staples	3.44	3.89
Energy	0.00	5.15
Materials	0.00	3.62
Real Estate	0.00	1.43
Utilities	0.00	1.12

### 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. **Limited Number of Investments:** Because the portfolio has a limited number of securities, it may be more susceptible to factors adversely affecting its securities than a portfolio with a greater number of securities. **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 Earnings Growth Rate:** Average of earnings per share growth for latest 3-year period. **5-Year Earnings 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 2500™ Growth Index is a market capitalization-weighted index of growth-oriented stocks of the 2,500 smallest 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.

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**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.**

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