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

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 fund with a greater number of securities. Market Volatility: Local, regional, or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant impact on the portfolio and its investments, including hampering the ability of the portfolio manager(s) to invest the portfolio’s assets as intended. Prospectus: For additional information on risks, please see the fund’s prospectus.

INDEX DEFINITION

Index: The Russell 2500® Growth Index is a market capitalization-weighted index of growth-oriented stocks of the smallest 2,500 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 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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