

MORNINGSTAR RATINGS AND PEER GROUP RANKINGS as of 09/30/21
 Institutional shares (PRNIX) rated within Mid-Cap Value category

Overall Rating **★★★**

Time Period	# of Stars	# of Funds
3 Year	★★★	391
5 Year	★★★★★	348
10 Year	★★★	250

Time Period	Percentile Ranking	Ranking/ # of Peers
1 Year	97th	398/408
5 Year	29th	84/348
10 Year	61st	135/250
Since inception (12/30/97)	26th	9/42

Morningstar ratings are based on risk-adjusted returns. Morningstar 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 or rankings are not indicative of positive future performance.

A Modern Value Approach

The Fund searches for mid-capitalization companies across industries with high-quality characteristics that have the potential to outperform over time. NFJ Investment Group (NFJ), the Fund's subadviser, derives investment conviction from a combination of quantitative parameters that strive to eliminate emotional bias, analysis of company fundamentals, and strict adherence to a disciplined investment process.

Intersection of Value, Quality, and Shareholder Yield

NFJ's rigorous stock selection process begins with a solid foundation of fundamental research focused on identifying companies with strong quality characteristics, attractive shareholder yield, and consistent financials. Sophisticated data analytics are used to uncover differentiated insights into valuations quickly and efficiently.

Dynamic, Multidisciplinary Team

NFJ's value approach is brought to life by a talented, tightly knit investment team with diverse skill sets and an entrepreneurial mindset, driven by a shared commitment to client returns and strict adherence to their value discipline.



A Virtus
Investment Partner

“At NFJ, we believe a diversified portfolio of attractively valued stocks with higher-quality characteristics and income-producing potential should be well positioned to outperform over time. We have strong investment conviction in our holdings drawn from our extensive analysis of company fundamentals and proven risk-disciplined process.”

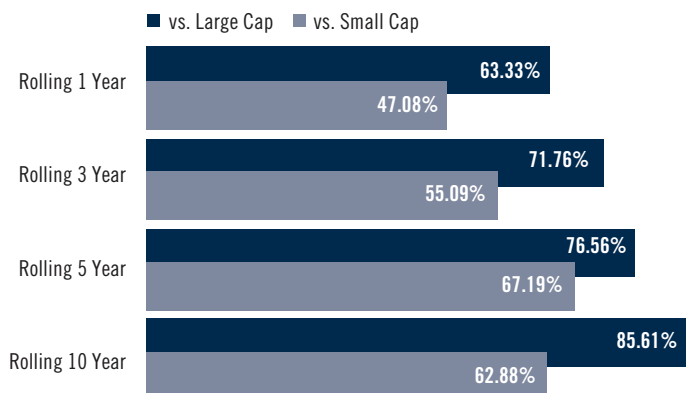
John R. Mowrey, CFA
 Years Managing Fund: 7

Exploiting Greater Market Inefficiencies with Mid-Cap Stocks

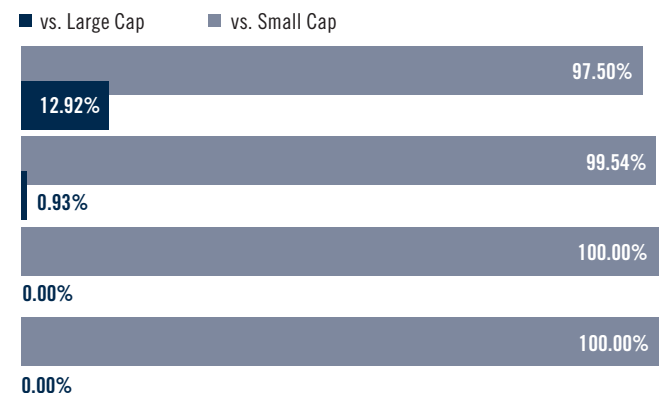
Mid caps are often considered the “sweet spot” of equity markets. These companies tend to be in an early phase of their life cycle but with established business models and higher growth potential. Despite their attractive appeal and diversification benefits, mid-cap stocks are often overlooked and underutilized within investor portfolios. As shown below, mid-cap value funds outpaced large-cap value funds in most rolling 1-, 3-, 5-, and 10-year periods over 20 years with lower volatility (as measured by standard deviation) than small-cap value funds.

MID CAPS OUTPERFORMED LARGE CAPS AND SMALL CAPS...

20-year period as of 09/30/21



...WITH LESS RISK VS. SMALL CAPS



Source: Morningstar Direct. Morningstar categories represented: Mid-Cap Value (MCV), Large Value (LV), and Small Value (SV). Left bars show percentage of time MCV outperformed LV and SV over different rolling periods, while right bars show percentage of time MCV exhibited lower volatility (standard deviation). **Past performance is no guarantee of future results.**

Effective February 1, 2021, this Fund's name and investment adviser have changed. The Fund's distributor is now VP Distributors, LLC.

Quality-Driven Fundamentals

NFJ places a strong emphasis on quality, focusing research on balance sheets, cash flow statements, return on equity, and return on assets. The team diligently seeks to avoid areas of concern or poor quality, and pays close attention to leverage and off-balance sheet debt, as well as short interest.

Valuation	Fund	Index
Price-To-Earnings (trailing 1-yr)	16.7x	17.5x
Price-To-Earnings (forward 1-yr est.)	16.0x	16.3x
Profitability		
Return on Equity (5-yr avg.)	15.9%	8.3%
Return on Assets	7.9%	4.2%
Earnings Growth		
Earnings Growth (trailing 3-yr)	14.6%	9.2%
Earnings Growth (trailing 5-yr)	15.7%	9.4%

As of 09/30/21
Index: Russell Midcap® Value Index

Strong Performance, High Sharpe Ratio

NFJ believes a diversified portfolio of attractively valued stocks that return value to shareholders and exhibit higher-quality fundamental characteristics should outperform with lower relative risk over time, as measured by the Sharpe ratio.

MORNINGSTAR PERCENTILE RANKINGS

Fund Institutional Class as of 09/30/21



*Morningstar Category: Mid-Cap Value.

Past performance is no guarantee of future results.
Source: Morningstar Direct. As of 09/30/21

Mitigating Downside Risk

The Fund’s portfolio managers’ emphasis on tight risk controls—through extensive company research, broad industry diversification, and disciplined sell criteria—seeks to help preserve investors’ assets at times when they need it most. The income provided by dividend-paying companies has also historically offered a significant contribution to total return that can play an especially important role during times of volatility when stock valuations are falling. A close look at price momentum and short interest enables the team to identify potential risk.

DOWNSIDE AND UPSIDE CAPTURES Since Fund Inception (12/30/97)

Downside Capture	Upside Capture
96.17 Virtus NFJ Mid-Cap Value Fund	96.73 Virtus NFJ Mid-Cap Value Fund
98.96 Morningstar Peer Group Average	98.47 Morningstar Peer Group Average

Past performance is no guarantee of future results.

Source: Morningstar Direct. As of 09/30/21. Morningstar Category: Mid-Cap Value. There is no assurance or guarantee that companies that issue dividends will declare or continue to pay or increase dividends.

The NFJ Value Difference

NFJ's disciplined process, honed over 30 years, revolves around three core investment tenets — innovative valuation, risk management, and an emphasis on quality, income, and growth — which the investment team believes are essential ingredients to intelligent portfolio construction and the generation of alpha.

Innovative Approach to Valuation

- Valuation is paramount to delivering outperformance
- Refined proprietary process driven by big data and data analytics to increase efficiency
- Use big data to create custom peer groups and identify differentiated valuation insights

Focus on Risk Management

- Quantitative tools and qualitative assessment identify investment candidates with attractive risk / reward characteristics
- Risk-aware at every step: initial parameters/focus on quality, diversification, portfolio construction
- Actively seek to manage risk at stock and portfolio levels

Quality, Income, and Growth

- Fundamentals that reflect economic moat
 - Earnings consistency and stability
 - ROE, ROA, and dividend growth
- Focus is on income generation
 - Not absolute dividend yield
 - Growing dividends

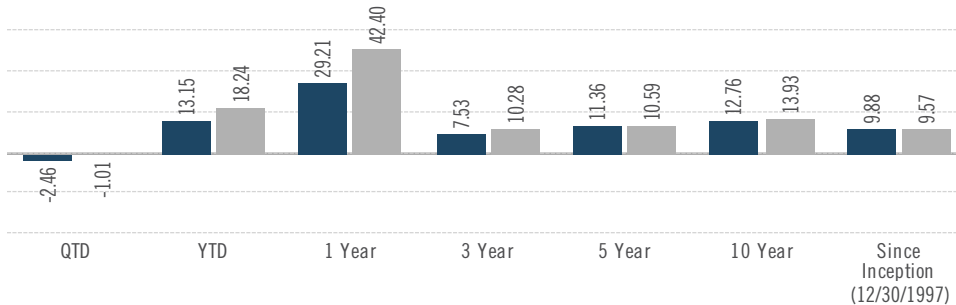
Intelligent Portfolio Construction

- Alpha generation begins with intelligent portfolio construction
- Diversification avoids idiosyncratic risks
- Guides every buy / sell decision
- Optimizes downside capture



AVERAGE ANNUAL TOTAL RETURNS (%)

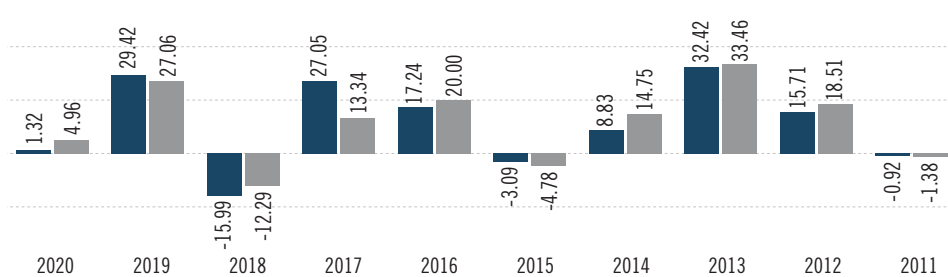
as of 09/30/21



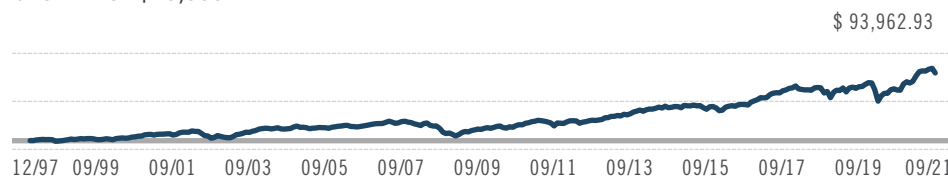
Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance 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 0.80%. The net expense ratio is 0.65%, which reflects a contractual expense reimbursement in effect through 2/1/2023. 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 (%)



GROWTH OF \$10,000



This chart assumes an initial investment of \$10,000 made on 12/30/1997. As of 9/30/2021 the fund value would have been \$93,962.93. 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)	29.20	20.68
Median Market Cap (bn)	23.29	10.32
Trailing P/E Ex-Negative Earnings	16.68	17.47
Price-to-Cash Flow	19.19	18.32
Price-to-Book Value	4.05	3.19
3-Year EPS Growth Rate	14.59	9.18
5-Year EPS Growth Rate	15.69	9.39
Active Share	79.29	n/a
3-Year DPS Growth Rate	10.62	6.47

RISK STATISTICS (3 YEAR)

	Fund	Index*
Alpha	-1.82	n/a
Beta	0.90	1.00
R ²	0.94	1.00
Sharpe Ratio	0.30	0.40
Standard Deviation	21.58	23.11

*Index: Russell Midcap® Value Index
See Glossary on last page for definitions of these metrics.

PORTFOLIO MANAGERS



Paul A. Magnuson
Industry start date: 1985
Start date as Fund Portfolio Manager: 2009



John R. Mowrey, CFA
Industry start date: 2007
Start date as Fund Portfolio Manager: 2014



Jeff N. Reed, CFA
Industry start date: 2004
Start date as Fund Portfolio Manager: 2011



J. Garth Reilly
Industry start date: 2005
Start date as Fund Portfolio Manager: 2020

AUM (\$ millions)	1,384.0
Number of Holdings	120
Dividends	Annually
Morningstar Category	Mid-Cap Value
Lipper Category	Multi-Cap Value Funds
Index	Russell Midcap® Value Index

Index: The Russell Midcap® Value Index is a market capitalization-weighted index of medium-capitalization, value-oriented stocks of U.S. companies. The Russell 1000® Value Index measures the performance of those Russell 1000 companies with lower price/book ratios and lower forecasted growth values. The Russell 1000® Growth Index measures the performance of those Russell 1000 companies with higher price/book ratios and higher forecasted growth values. The S&P 500® Index is a free-float market-capitalization weighted index of 500 of the largest U.S. companies. These indexes are calculated on a total return basis with dividends reinvested. They are unmanaged, their returns do not reflect any fees, expenses, or sales charges, and they are not available for direct investment.

IMPORTANT RISK CONSIDERATIONS

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. **Issuer Risk:** The portfolio will be affected by factors specific to the issuers of securities and other instruments in which the portfolio invests, including actual or perceived changes in the financial condition or business prospects of such issuers. **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

P/E Ratio: A ratio calculated by dividing the company's stock price divided by its earnings per share times 100. The higher the P/E ratio, the more an investor pays for the company's earnings. A low P/E generally indicates a better value, while a high P/E denotes an expensive stock with earnings that investors expect will grow rapidly. A negative P/E is generally indicative of companies with losses or negative earnings. **ROA (Return on Assets):** An indicator of how profitable a company is relative to its total assets. ROA gives an idea as to how efficient management is at using its assets to generate earnings. **ROE (Return on Equity):** The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested. **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**

TOP TEN HOLDINGS

	% Fund
Teradyne, Inc.	1.89
Atmos Energy Corporation	1.50
American Tower Corporation	1.39
Xcel Energy Inc.	1.37
PulteGroup, Inc.	1.27
Micron Technology, Inc.	1.25
Best Buy Co., Inc.	1.22
McCormick & Company, Incorporated	1.20
Eversource Energy	1.17
Mercury Systems, Inc.	1.12

Holdings are subject to change.

NFJ INVESTMENT GROUP

NFJ Investment Group (NFJ) is a global value equity manager with a rich heritage and deep roots in Dallas, Texas, dating to 1989. NFJ is unwavering in its commitment to investing at the intersection of value, quality, and shareholder yield, seeking to identify companies with low market expectations and the strongest prospects for returning capital to shareholders.

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. **3-Year DPS Growth Rate:** Average of dividends per share growth for latest 3-year period. **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.

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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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