

INVESTMENT OVERVIEW

The Fund seeks total return by investing in stocks of dividend-paying U.S. mid-cap companies that appear undervalued. Securities are in the market capitalization range of the Russell Midcap® Value Index and selected through a disciplined investment process focused on dividend policy, attractive valuations, and improving company fundamentals.

KEY FEATURES

Low Valuation Levels — Searches for mid-cap stocks trading at the lower end of historical valuation ranges relative to peers, industry, market, and company history

The Power of Dividends — Dividend-paying stocks offer insights into company earnings potential and provide an added total return source that can help lower overall volatility

Extensive Fundamental Research — Bottom-up analysis strives to identify catalysts that could drive meaningful price gains, such as new management, restructurings, or product innovations

AVERAGE ANNUAL TOTAL RETURNS (%) as of 12/31/2023

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Class I	11.80	10.97	10.97	7.20	10.13	7.65	9.12
Class A NAV	11.69	10.63	10.63	6.90	9.80	7.33	9.85
Class A POP	5.55	4.55	4.55	4.90	8.56	6.72	9.54
Class R6	11.94	11.21	11.21	7.45	10.37	n/a	7.91
Index	12.11	12.71	12.71	8.36	11.16	8.26	9.63

ANNUAL PERFORMANCE (%)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Class I	10.97	-13.92	28.99	-1.20	33.08	-7.83	11.68	20.16	-6.00	11.00
Index	12.71	-12.03	28.34	4.96	27.06	-12.29	13.34	20.00	-4.78	14.75

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.

Class I Shares have no sales charges and are not available to all investors. The fund class gross expense ratio is 1.01%.

Class A Shares have a maximum sales charge of 5.50%. A contingent deferred sales charge of 1% may be imposed on certain redemptions within 18 months on purchases on which a finder's fee has been paid. The fund class gross expense ratio is 1.28%.

Class R6 Shares have no sales charges and are not available to all investors. The fund class gross expense ratio is 0.86%. The net expense ratio is 0.79%, which reflects a contractual expense reimbursement in effect through 4/30/2024.

Other share classes may have sales charges. See virtus.com for details.

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.

Index: The Russell Midcap® Value Index is a market capitalization-weighted index of medium-capitalization, value-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.

Since inception performance for the index reflects a start date of 11/30/2001, the same date as the inception of the Fund's Class I Shares. Class A inception date: 10/27/2003. Class R6 inception date: 8/1/2014.

SHARE CLASSES

	Ticker	CUSIP
I Shares	SMVTX	92837F458
A Shares	SAMVX	92837F474
C Shares	SMVZX	92837F466
R6 Shares	SMVZX	92837F441

FUND INFORMATION

Inception Date (Class I)	11/30/01
AUM (\$ millions)	2,200.0
Number of Holdings	60
Dividends	Semi-Annually
Morningstar Category	Mid-Cap Value
Index	Russell Midcap® Value Index

The Index shown represents the Fund's performance index, which may differ from the Fund's regulatory index included in its Prospectus.

MORNINGSTAR RATINGS (CLASS I)

Time Period	# of Stars	# of Funds
Overall	★★★	383
3 Year	★★	383
5 Year	★★	363
10 Year	★★★	274

Morningstar ratings are based on risk-adjusted returns. Strong ratings are not indicative of positive fund performance.

INVESTMENT ADVISER

Virtus Fund Advisers, LLC

INVESTMENT SUBADVISER

CEREDEX
VALUE ADVISORS
A VIRTUS INVESTMENT PARTNER

Ceredex Value Advisors is a value equity boutique that has managed money for institutions, endowments, foundations and high-net-worth investors since 1995. Portfolio managers and analysts collaborate to execute on bottom-up, company-by-company research, seeking to identify catalysts in undervalued, dividend-paying stocks when constructing value-oriented portfolios.

PORTFOLIO MANAGERS

Don Wordell, CFA

Industry start date: 1996

Start date as Fund Portfolio Manager: 2001

Cody P. Smith, CFA

Industry start date: 2004

Start date as Fund Portfolio Manager: 2023

CHARACTERISTICS

	Fund	Index
Avg. Weighted Market Cap (bn)	29.99	23.02
Median Market Cap (bn)	22.79	10.09
Forward Price/Earnings	17.69	15.87
Price-to-Cash Flow	13.58	14.26
Price-to-Book Value	3.08	2.97
3-Year Earnings Growth Rate	10.24	12.52
5-Year Earnings Growth Rate	12.22	11.38
Active Share	86.49	n/a

RISK STATISTICS (3 YEAR)

	Fund	Index
Alpha	-0.57	n/a
Beta	0.89	1.00
R ²	0.95	1.00
Sharpe Ratio	0.28	0.32
Standard Deviation	17.73	19.31

TOP TEN HOLDINGS

	% Fund
Humana Inc	3.12
Marvell Technology Inc	2.88
First Citizens BancShares Inc/NC	2.71
Ovintiv Inc	2.70
Chesapeake Energy Corp	2.54
Target Corp	2.36
Allstate Corp/The	2.13
Global Payments Inc	2.02
Dell Technologies Inc	2.00
PPL Corp	1.97

Holdings and sector weightings are subject to change.

SECTOR ALLOCATIONS

	% Equity	% Index
Industrials	22.55	19.14
Financials	19.23	17.60
Information Technology	10.23	9.49
Materials	10.13	7.59
Real Estate	9.78	10.59
Utilities	8.73	7.16
Energy	5.40	5.24
Consumer Discretionary	5.12	9.41
Health Care	5.02	6.81
Consumer Staples	3.80	3.74
Communication Services	0.00	3.23

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. **Value Stocks:** Value stocks are subject to the risk that the broad market may not recognize their intrinsic value. **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. **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. **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 insured by FDIC/NCUSIF or any federal government agency. No bank guarantee. Not a deposit. May lose value.

Mutual funds distributed by VP Distributors, LLC, member FINRA and subsidiary of Virtus Investment Partners, Inc.

1165 01-24 © 2024 Virtus Mutual Funds

