

INVESTMENT OVERVIEW

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

KEY FEATURES

High-Quality Businesses — Searches for quality small-mid capitalization value companies 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, 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 25-35 strongest investment opportunities, with a long-term, low-turnover approach to realize full stock value potential

FUND INFORMATION

	Ticker	CUSIP
A Shares	VKSDX	92836N767
C Shares	VKSEX	92836N759
I Shares	VKAFX	92836N742
R6 Shares	VKSGX	92836N734

Inception Date	08/03/21
AUM (\$ millions)	5.8
Number of Holdings	30
Dividends	Semi-Annually
Morningstar Category	Mid-Cap Blend
Lipper Category	Small-Cap Growth Funds
Index	Russell 2500™ Value Index

INVESTMENT ADVISER

Virtus Investment Advisers, Inc.

INVESTMENT SUBADVISER



Keyne Anderson Rudnick

A VIRTUS INVESTMENT PARTNER

Keyne 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 Kutasov

Industry start date: 2001

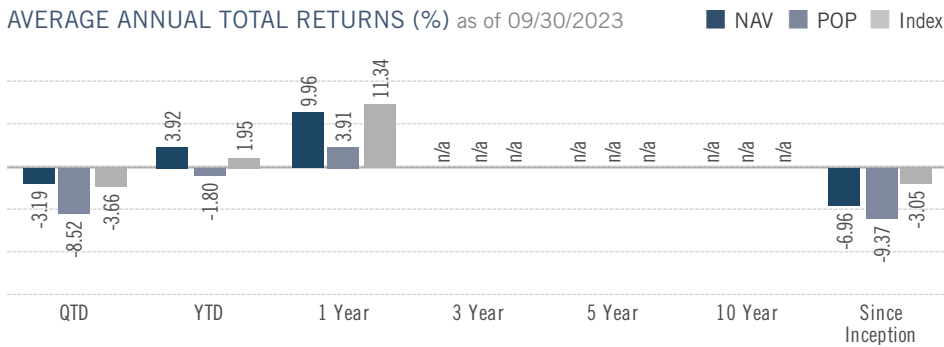
Start date as Fund Portfolio Manager: 2021

Craig Stone

Industry start date: 1989

Start date as Fund Portfolio Manager: 2021

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 for performance data current to the most recent month end. 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.

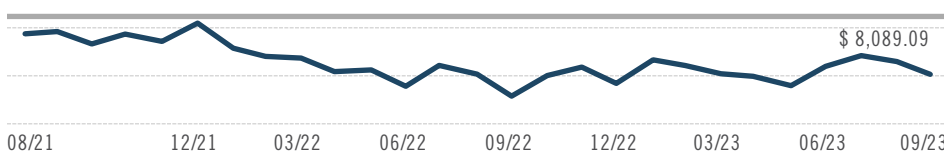
The fund class gross expense ratio is 4.09%. The net expense ratio is 1.17%, which reflects a contractual expense reimbursement in effect through 1/31/2024.

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
Fund	-20.64	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Index	-13.08	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

GROWTH OF \$10,000



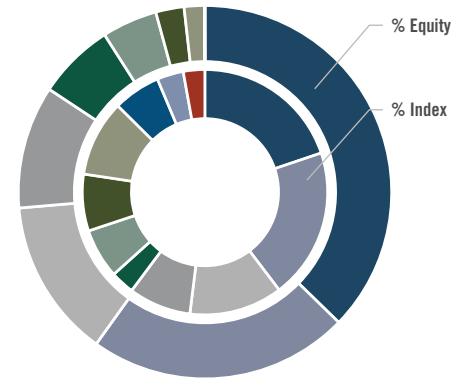
This chart assumes an initial investment of \$10,000 made on 8/3/2021. As of 9/30/2023 the fund value would have been \$8,089.09. Fund performance assumes reinvestment of dividends and capital gain distributions and reflects a front end sales charge of 5.50%.

CHARACTERISTICS	Fund	Index
Avg. Weighted Market Cap (bn)	8.84	6.31
Median Market Cap (bn)	6.98	1.14
Trailing P/E Ex-Negative Earnings	23.15	11.41
Price-to-Cash Flow	17.47	10.28
Price-to-Book Value	3.75	2.12
3-Year Earnings Growth Rate	12.27	18.23
5-Year Earnings Growth Rate	12.26	11.71
Active Share	97.83	n/a

TOP TEN HOLDINGS	% Fund
TransUnion	4.85
W R Berkley Corp	4.71
Broadridge Financial Solutions Inc	4.45
Lennox International Inc	4.25
Gentex Corp	4.21
LPL Financial Holdings Inc	4.19
RBC Bearings Inc	4.18
Thor Industries Inc	4.17
Landstar System Inc	4.13
Jack Henry & Associates Inc	3.88

Holdings and sector weightings are subject to change.

SECTOR ALLOCATIONS



	% Equity	% Index
Industrials	37.28	19.83
Financials	22.63	19.84
Consumer Discretionary	13.75	12.31
Information Technology	10.64	8.22
Consumer Staples	6.67	3.14
Materials	4.79	6.55
Health Care	2.44	7.49
Real Estate	1.80	10.05
Energy	0.00	6.24
Utilities	0.00	3.48
Communication Services	0.00	2.84

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™ Value Index is a market capitalization-weighted index of value-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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