

INVESTMENT OVERVIEW

The Fund seeks to achieve both capital appreciation and current income through a diversified portfolio of global stocks and fixed income securities. Disciplined fundamental analysis is employed to construct a diversified portfolio typically allocated to U.S. equity (25%-60%), non-U.S. equity (5%-30%), and fixed income (35%-60%).

KEY FEATURES

Actively Balances Risk and Reward — Leverages diverse investment expertise from across Virtus to deliver a portfolio that adjusts underlying allocations as warranted based on changing market conditions

Global Equity Exposure — Extensive fundamental research guides discrete, actively managed investment styles in the U.S. equity and international equity allocations

Multi-Sector Fixed Income Exposure — Employs a time-tested approach of active sector rotation, extensive credit research, and disciplined risk management

AVERAGE ANNUAL TOTAL RETURNS (%) as of 06/30/2024

| | QTD | YTD | 1 Year | 3 Year | 5 Year | 10 Year | Since Inception |
|-------------|-------|------|--------|--------|--------|---------|-----------------|
| Class I | 0.49 | 8.26 | 16.24 | -0.92 | 7.60 | n/a | 9.38 |
| Class A NAV | 0.52 | 8.21 | 16.15 | -1.13 | 7.40 | 6.09 | 9.04 |
| Class A POP | -5.01 | 2.26 | 9.76 | -2.98 | 6.20 | 5.49 | 8.97 |
| Class R6 | 0.62 | 8.46 | 16.49 | -0.75 | n/a | n/a | 2.61 |
| Index | 3.76 | 9.08 | 17.06 | 3.77 | 9.47 | 8.73 | 10.71 |

ANNUAL PERFORMANCE (%)

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---------|-------|--------|-------|-------|------|------|------|------|------|------|
| Class I | 22.60 | -28.22 | 6.82 | 32.95 | n/a | n/a | n/a | n/a | n/a | n/a |
| Index | 22.87 | -21.16 | 12.82 | 22.33 | n/a | n/a | n/a | n/a | n/a | n/a |

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 0.86%. The net expense ratio is 0.76%, which reflects a contractual expense reimbursement in effect through 1/31/2025.

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 1.07%. The net expense ratio is 0.99%, which reflects a contractual expense reimbursement in effect through 1/31/2025.

Class R6 Shares have no sales charges and are not available to all investors. The fund class gross expense ratio is 0.77%. The net expense ratio is 0.60%, which reflects a contractual expense reimbursement in effect through 1/31/2025.

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 Virtus Tactical Allocation Fund Linked Benchmark consists of 45% Russell 1000® Growth Index (a market capitalization-weighted index of growth-oriented stocks of the 1,000 largest companies in the Russell Universe, which comprises the 3,000 largest U.S. companies, calculated on a total return basis with dividends reinvested), 15% MSCI ACWI ex USA SMID Cap Index (a free float-adjusted market capitalization-weighted index that measures mid- and small-cap foreign market equity performance, calculated on a total return basis with net dividends reinvested), and 40% Bloomberg U.S. Aggregate Bond Index (an index that measures the U.S. investment grade fixed rate bond market, calculated on a total return basis). Performance of the Virtus Tactical Allocation Fund Linked Benchmark between 9/7/2016 and 6/3/2019 represents an allocation consisting of 45% Russell 1000® Growth Index, 15% MSCI EAFE® Index, and 40% Bloomberg U.S. Aggregate Bond Index. Prior to 9/7/2016, the allocation consisted of 50% S&P 500® Index and 50% Bloomberg U.S. Aggregate Bond Index. 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 1/29/2019, the same date as the inception of the Fund's Class I shares. Class A inception date: 9/6/1940. Class R6 inception date: 10/20/2020.

SHARE CLASSES

| SHARE CLASSES | Ticker | CUSIP |
|---------------|--------|-----------|
| I Shares | VTAIX | 92836N502 |
| A Shares | NAINX | 92828N791 |
| C Shares | POICX | 92828N775 |
| R6 Shares | VTARX | 92836N866 |

FUND INFORMATION

| | |
|--------------------------|--|
| Inception Date (Class I) | 01/29/19 |
| AUM (\$ millions) | 646.0 |
| Number of Holdings | 601 |
| Dividends | Quarterly |
| Morningstar Category | Moderate Allocation |
| Index | Virtus Tactical Allocation Fund Linked Benchmark |

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

MORNINGSTAR RATINGS (CLASS I)

| Time Period | # of Stars | # of Funds |
|-------------|------------|------------|
| Overall | ★★ | 689 |
| 3 Year | ★ | 689 |
| 5 Year | ★★★ | 649 |
| 10 Year | Not Rated | n/a |

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

INVESTMENT ADVISER

Virtus Investment Advisers, Inc.

INVESTMENT SUBADVISERS



Kayne Anderson Rudnick

A VIRTUS INVESTMENT PARTNER



Newfleet Asset Management is a division of Virtus Fixed Income Advisers, LLC ("VFIA"), an SEC registered investment adviser.

PORTFOLIO MANAGERS

David L. Albrycht, CFA

Industry start date: 1985

Start date as Fund Portfolio Manager: 2011

Craig Thrasher, CFA

Industry start date: 2003

Start date as Fund Portfolio Manager: 2019

Hyung Kim

Industry start date: 2004

Start date as Fund Portfolio Manager: 2019

Chris Armbruster, CFA

Industry start date: 2004

Start date as Fund Portfolio Manager: 2020

Stephen H. Hooker, CFA

Industry start date: 1993

Start date as Fund Portfolio Manager: 2020

Noran Eid, CFA

Industry start date: 2006

Start date as Fund Portfolio Manager: 2023

EQUITY CHARACTERISTICS

| | Fund | Index |
|-----------------------------------|--------|---------|
| Avg. Weighted Market Cap (bn) | 458.94 | 1135.41 |
| Median Market Cap (bn) | 29.97 | 1.74 |
| Trailing P/E Ex-Negative Earnings | 31.30 | 27.12 |
| Price-to-Cash Flow | 24.74 | 24.28 |
| Price-to-Book Value | 6.28 | 6.82 |
| 3-Year Earnings Growth Rate | 15.31 | 20.37 |
| 5-Year Earnings Growth Rate | 14.59 | 18.20 |
| Active Share | 76.04 | n/a |

FIXED CHARACTERISTICS

| | Fund |
|---------------------------|------|
| Effective Duration | 5.87 |
| Weighted Average Maturity | 9.22 |

RISK STATISTICS (3 YEAR)

| | Fund | Index |
|--------------------|-------|-------|
| Alpha | -4.48 | n/a |
| Beta | 1.14 | 1.00 |
| R ² | 0.94 | 1.00 |
| Sharpe Ratio | -0.25 | 0.04 |
| Standard Deviation | 16.24 | 13.79 |

ASSET ALLOCATIONS

| | % Invested Assets |
|----------------------------|-------------------|
| Domestic Equity | 46.39 |
| Domestic Fixed Income | 31.83 |
| International Equity | 17.51 |
| International Fixed Income | 4.27 |

SECTOR ALLOCATIONS

| | % Equity | % Index |
|------------------------|----------|---------|
| Information Technology | 25.68 | 38.48 |
| Consumer Discretionary | 16.72 | 13.35 |
| Communication Services | 15.50 | 10.73 |
| Financials | 12.80 | 7.69 |
| Industrials | 12.32 | 8.69 |
| Health Care | 8.18 | 9.24 |
| Consumer Staples | 3.00 | 4.31 |
| Materials | 2.91 | 3.04 |
| Real Estate | 2.03 | 2.16 |
| Energy | 0.85 | 1.31 |
| Utilities | 0.00 | 0.99 |

SECTOR ALLOCATIONS

| | % Fixed |
|------------------------------|---------|
| Corporate - High Quality | 27.19 |
| Non-Agency Residential MBS | 17.79 |
| Treasury | 16.09 |
| Asset Backed Securities | 12.15 |
| Bank Loans | 7.14 |
| Mortgage Backed Securities | 5.56 |
| Non-Agency Commercial MBS | 5.08 |
| Corporate - High Yield | 5.07 |
| Yankee - High Quality | 1.69 |
| Cash | 1.21 |
| Emerging Market - High Yield | 1.01 |
| Equity | 0.02 |

RATINGS DISTRIBUTION

| | % Fund |
|--------------------|--------|
| Aaa | 44.45 |
| Aa | 5.59 |
| A | 10.97 |
| Baa | 25.69 |
| Ba | 7.03 |
| B | 3.67 |
| Caa | 0.43 |
| Ca | 0.00 |
| C | 0.03 |
| D | 0.00 |
| NR | 0.94 |
| Cash & Equivalents | 1.21 |

TOP TEN HOLDINGS

| | % Fund |
|------------------------------|--------|
| NVIDIA Corp | 4.66 |
| Amazon.com Inc | 2.86 |
| Visa Inc | 2.54 |
| Meta Platforms Inc | 2.44 |
| Amphenol Corp | 2.25 |
| Fair Isaac Corp | 1.82 |
| Eli Lilly & Co | 1.52 |
| Trade Desk Inc/The | 1.50 |
| Baltic Classifieds Group PLC | 1.42 |
| Uber Technologies Inc | 1.40 |

Holdings and asset allocations are subject to change.

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. **Credit & Interest:** Debt instruments are subject to various risks, including credit and interest rate risk. The issuer of a debt security may fail to make interest and/or principal payments. Values of debt instruments may rise or fall in response to changes in interest rates, and this risk may be enhanced with longer-term maturities. **Foreign & Emerging Markets:** Investing in foreign securities, especially in emerging markets, subjects the portfolio to additional risks such as increased volatility, currency fluctuations, less liquidity, and political, regulatory, economic, and market risk. **Allocation:** The risk that the portfolio's exposure to equities and fixed income securities, or to different asset classes, may vary from the intended allocation or may not be optimal for market conditions at a given time. **High Yield Fixed Income Securities (Junk Bonds):** There is a greater risk of issuer default, less liquidity, and increased price volatility related to high yield securities than investment grade 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. **Effective Duration:** The change in the value of a fixed income security that will result from a 1% change in interest rates while taking into account the way changes in rates will affect the expected cash flows of any bond with an embedded option such as call or prepayment option. This measure assigns a probability to the exercise of a call option, where applicable, based on specified shifts in the yield curve. Duration is expressed as a number of years, and generally, the larger the duration, the greater the interest rate risk or reward for a portfolio's underlying bond prices. **Weighted Average Maturity:** The length of time until the average security in a fund will mature, be redeemed by its issuer, or paid down over time, which is the case with most securitized assets. **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. **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.

RATINGS DISTRIBUTION METHODOLOGY

The ratings issued by Nationally Recognized Statistical Rating Organizations assess the credit worthiness of a corporation's or government's debt issues. The ratings apply to the fund's holdings and not the fund. Ratings are provided by Standard & Poor's, Moody's, and Fitch. For certain securities that are not rated by any of these three agencies, credit ratings from other agencies may be used. Where the rating agencies rate a security differently, Newflect uses the higher rating. If a rating is not available, the bond is placed in the Not Rated category. Credit ratings are subject to change. Aaa, Aa, A, and Baa are investment grade ratings; Ba, B, Caa, Ca, C, and D are below-investment grade ratings.

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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