

INVESTMENT OVERVIEW

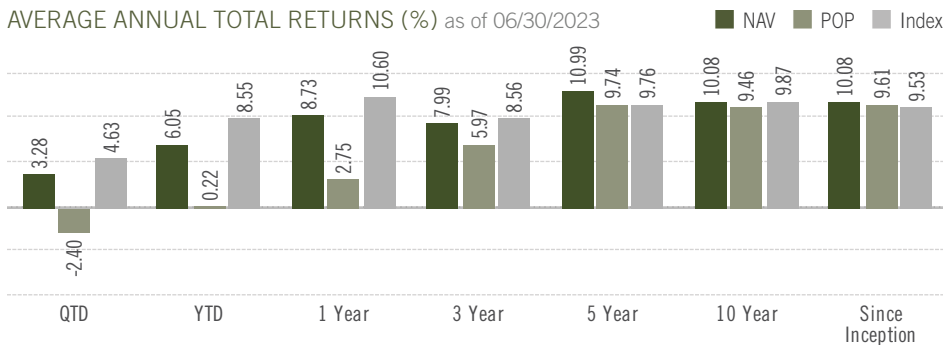
The Fund seeks to capture the upside potential of equities with the reduced volatility of fixed income securities by investing in the most compelling U.S. dollar-denominated convertibles.

KEY FEATURES

Favorable Asymmetric Risk/Reward — Seeks to identify and invest in convertible securities with an asymmetric risk/reward profile. Convertible bonds with this structure, also known as total return convertibles, are expected to participate in the upside of the underlying equity and provide downside protection from the bond floor

Disciplined, Fundamental, Bottom-Up Research Process — Facilitates the early identification of issuers demonstrating the ability to improve their fundamental characteristics. The companies selected for the portfolio exceed minimum underlying metrics and exhibit future operating performance visibility. Macro factors are assessed at the industry and individual issuer level

Attractive Risk/Reward Profile — Since inception, the Fund has provided equity-like returns with less volatility



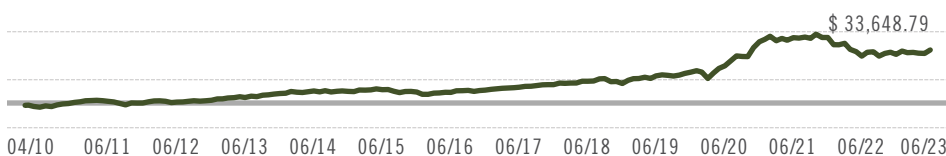
Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance 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 1.10%. The net expense ratio is 0.97%, which reflects a contractual expense reimbursement in effect through 2/1/2024. This ratio reflects the direct and indirect expenses paid by the Fund. The net expense ratio minus the indirect expenses incurred by the underlying funds in which the Fund invests is 0.96%. 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	-18.83	4.99	55.45	26.05	2.76	14.81	5.50	-1.84	6.32	25.23
Index	-18.71	6.34	46.22	23.15	0.15	13.70	10.43	-2.99	9.44	24.92

GROWTH OF \$10,000



This chart assumes an initial investment of \$10,000 made on 4/12/2010. As of 6/30/2023 the fund value would have been \$33,648.79. Fund performance assumes reinvestment of dividends and capital gain distributions and reflects a front end sales charge of 5.50%.

FUND INFORMATION

	Ticker	CUSIP
A Shares	ANZAX	92838V791
ADMIN Shares	ANNAX	92838V841
C Shares	ANZCX	92838V817
Institutional Shares	ANNPX	92838V833
P Shares	ANCMX	92838V106
R6 Shares	VAADX	92838V353

Inception Date	04/12/10
AUM (\$ millions)	1,574.0
Number of Holdings	113
Dividends	Quarterly
Morningstar Category	Convertibles
Lipper Category	Convertible Securities Funds
Index	ICE BofA US Convertibles Index

MORNINGSTAR RATINGS

Time Period	# of Stars	# of Funds
Overall	★★★★★	76
3 Year	★★★★★	76
5 Year	★★★★★	72
10 Year	★★★★★	57

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

INVESTMENT ADVISER

Virtus Investment Advisers, Inc.

INVESTMENT SUBADVISER



INVESTMENT MANAGEMENT

Voya Investment Management (Voya IM) strives to help investors push what's possible. As the asset management business of Voya Financial (NYSE: VOYA), Voya IM seeks to understand and anticipate client needs, delivering differentiated solutions across public and private fixed income, equity, and multi-asset platforms, including private markets and alternatives.

PORTFOLIO MANAGERS

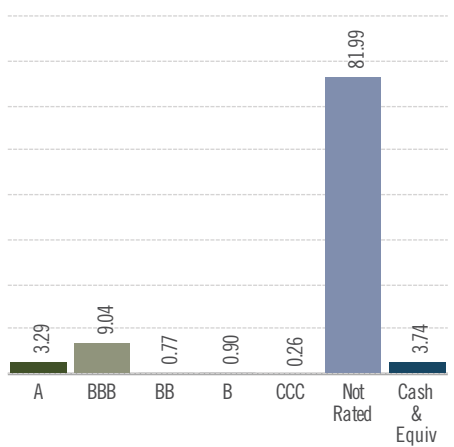
Justin M. Kass, CFA
Industry start date: 1998
Start date as Fund Portfolio Manager: 2003

Michael E. Yee
Industry start date: 1994
Start date as Fund Portfolio Manager: 2022

David J. Oberto
Industry start date: 2003
Start date as Fund Portfolio Manager: 2022

Ethan Turner, CFA
Industry start date: 2005
Start date as Fund Portfolio Manager: 2023

RATINGS DISTRIBUTION



CHARACTERISTICS

Characteristic	Fund
30-day SEC Yield ¹	1.80
30-day SEC Yield (unsubsidized) ²	1.69

¹ 30-day SEC Yield is a standardized yield calculated according to a formula set by the SEC, and is subject to change.

² 30-day SEC Yield (unsubsidized) is the 30 day SEC yield without the effect of applicable expense waivers.

TOP TEN HOLDINGS

Company	% Fund
Dexcom, Inc. 0.25% 15-nov-2025	2.74
Palo Alto Networks, Inc. 0.375% 01-jun-2025	2.66
Wells Fargo & Company 7.5 % Non Cum Perp Conv Pfd Registered Shs A Series L	2.32
Exact Sciences Corporation 0.375% 15-mar-2027	2.28
Zillow Group, Inc. 2.75% 15-may-2025	2.11
Southern Company 3.875% 15-dec-2025	1.94
Liberty Broadband Corporation. 3.125% 31-mar-2053	1.83
NCL Corp Ltd	1.54
On Semiconductor Corporation 0.5% 01-mar-2029	1.51
Sunnova Energy International Inc. 2.625% 15-feb-2028	1.49

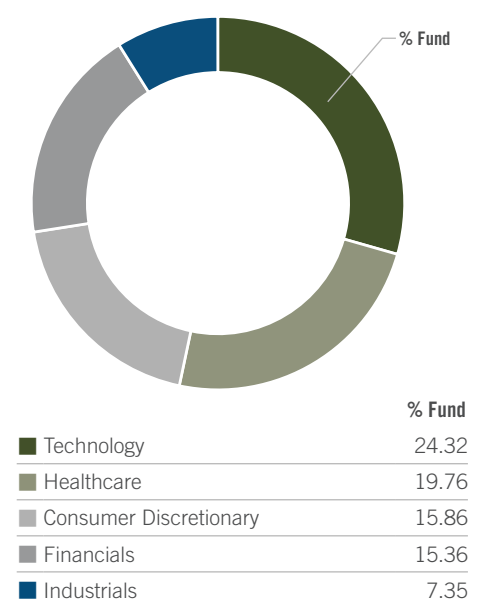
INCOME DISTRIBUTIONS

Month	NAV at Month-End
June 2023	\$0.092048

RISK STATISTICS (3 YEAR)

	Fund	Index
Alpha	-0.53	n/a
Beta	1.00	1.00
R ²	0.98	1.00
Sharpe Ratio	0.43	0.47
Standard Deviation	15.55	15.28

SECTOR ALLOCATION



Holdings and sector weightings are subject to change.

IMPORTANT RISK CONSIDERATIONS

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, terrorism, pandemic, or recession could impact the portfolio, including hampering the ability of the portfolio's manager(s) to invest its 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. **Convertible Securities:** A convertible security may be called for redemption at a time and price unfavorable to the portfolio. **Interest Rate:** The values of debt instruments may rise or fall in response to changes in interest rates, and this risk may be enhanced for securities with longer maturities. **Counterparties:** There is risk that a party upon whom the portfolio relies to complete a transaction will default. **Credit Risk:** If the issuer of a debt instrument fails to pay interest or principal in a timely manner, or negative perceptions exist in the market of the issuer's ability to make such payments, the price of the security may decline. **Prepayments/Calls:** If issuers prepay or call fixed rate obligations when interest rates fall, it may force the portfolio to reinvest at lower interest rates. **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. **High Yield Fixed Income Securities:** There is a greater risk of issuer default, less liquidity, and increased price volatility related to high yield securities than investment grade securities. **Prospectus:** For additional information on risks, please see the fund's prospectus.

GLOSSARY

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.

INDEX DEFINITION

Index: The ICE BofA US Convertibles Index tracks the performance of publicly issued US dollar denominated convertible securities of U.S. companies. The index is calculated on a total return basis. 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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RATINGS DISTRIBUTION METHODOLOGY

Credit ratings issued by Nationally Recognized Statistical Rating Organizations assess the credit worthiness of the issuers of the underlying securities and not to the Fund or its shares. Ratings are measured using a scale that ranges from AAA (highest) to NR (not rated). Not rated securities do not necessarily indicate low quality. The security's credit rating does not eliminate risk and credit ratings are subject to change. Credit Quality reflects the higher of the ratings of Standard & Poor's Corporation and Moody's Investors Service, Inc. Only one rating will be utilized if only one is available. Ratings are then adjusted to the Standard & Poor's rating tiers shown.

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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