



Virtus GF U.S. Small Cap Focus Fund

February 28, 2017

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This Document does not constitute an offer or solicitation to invest in the Funds. The Funds are a sub-fund of Virtus Global Funds plc (the “Company”), a public limited company with variable capital incorporated in Ireland and authorized and regulated by the Central Bank of Ireland as an Undertaking for Collective Investment in Transferable Securities (“UCITS”). The offering of the shares of Virtus Global Funds plc is restricted in many jurisdictions and investors must inform themselves of and observe applicable restrictions in their jurisdiction. The Funds are distributed by VP Distributors, LLC, 100 Pearl Street, Hartford, CT 06103, USA. The Fund’s current prospectus and key investor information document (“KIID”) contain more information as well as the risks of investing and may be obtained free of charge from BNY Mellon Fund Services (Ireland) Limited, Transfer Agency Department, c/o Virtus Global Funds plc, Building 6100, Avenue 6000, Cork Airport Business Park, Kinsale Road, Cork, Ireland, by calling (+ 353 21) 438 00 99, or by visiting www.virtusglobalfunds.com. None of the Funds have been or will be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and none of such shares may be offered, sold, transferred or delivered, directly or indirectly, in the United States or to U.S. residents or citizens. None of the Funds have been or will be registered as an investment company under the U.S. Investment Company Act of 1940, as amended (the “1940 Act”).

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Virtus Investment Partners

Virtus Investment Advisers, Inc. is the Investment Manager and Promoter to Virtus Global Funds, plc. Virtus Global Funds plc is registered in Ireland as an open-end investment company with variable capital, established as an umbrella fund with segregated liability between its funds, pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011. Virtus Global Funds is advised by Virtus Investment Advisers, Inc., an affiliate of Virtus Investment Partners.

- Independent publicly traded asset management company managing \$45.4 billion for individuals and institutions through:
 - Virtus Mutual Funds
 - Closed-End Funds
 - Variable Insurance Funds
 - Separately Managed Accounts
 - Institutional Accounts
 - Collective Investment Trusts
 - Offshore Funds (UCITS)
 - ETFs
- Disciplined, institutional-quality money management offered by affiliated managers and select subadvisers, each with a distinct investment style, autonomous investment process, and individual brand
- One of the nation's fastest-growing asset managers, with industry-leading sales and organic growth rates

Virtus offers an array of distinctive capabilities from our investment partners.



*Virtus Investment Partners has an ownership interest in the firm.



Kayne Anderson Rudnick
Investment Management, LLC

Introduction:

- Organization originally established to manage founder capital
- Boutique firm specializing in small cap equity strategies with over three decades of experience
- A disciplined and repeatable investment process that produces high-conviction portfolios
- A wholly-owned, independent subsidiary of Virtus Investment Partners

Portfolio Management:

A differentiated “business analyst” investment approach focusing on high-quality businesses

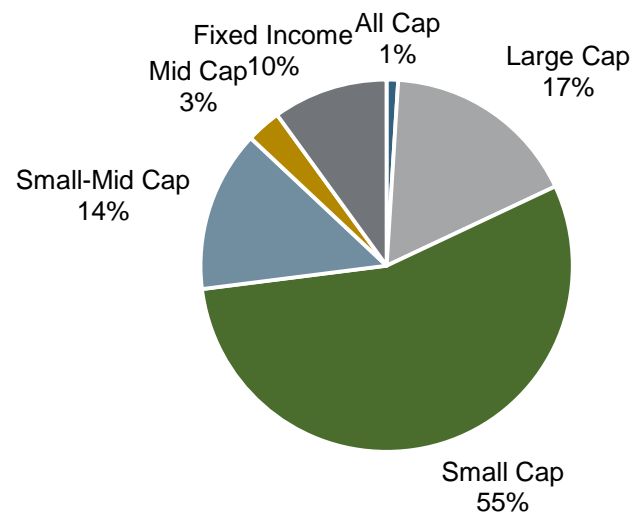
Average Investment Experience: 15 years

Location: Los Angeles, CA, U.S.A.

Year Founded: 1984

AUM (Billion)*: \$12.8 billion in total assets

Investment Professionals: 14 Investment Professionals



*As of December 30, 2016

Portfolio Manager/Analysts	Responsibility	Years of Research Experience	Years with KAR
Douglas S. Foreman, CFA	Chief Investment Officer	30	5
Julie Kutasov	Portfolio Manager & Senior Research Analyst Sector Coverage: Energy and Financials	15	15
Craig Stone	Portfolio Manager & Senior Research Analyst Sector Coverage: Producer Durables	27	16
Todd Beiley, CFA	Senior Research Analyst Sector Coverage: Financials and Producer Durables	17	14
Jon Christensen, CFA	Senior Research Analyst Sector Coverage: Health Care	21	15
Chris Benway, CFA	Research Analyst Sector Coverage: Materials and Processing and Producer Durables	7	2
Julie Biel, CFA	Research Analyst Sector Coverage: Technology and Consumer Discretionary	8	3
Chris Wright, CFA	Research Analyst Sector Coverage: Consumer Discretionary, Consumer Staples, and Financials	6	5

Investment Philosophy

We believe that purchasing high-quality businesses with competitive protections at attractive valuations will achieve excess returns over a complete market cycle

Investment Objectives

To achieve a return meaningfully above that of the Russell 2000[®] Index over a several year period without incurring substantial risk

Investment Methodology

Utilize our firm's extensive knowledge of high-quality companies to construct a portfolio of the best opportunities

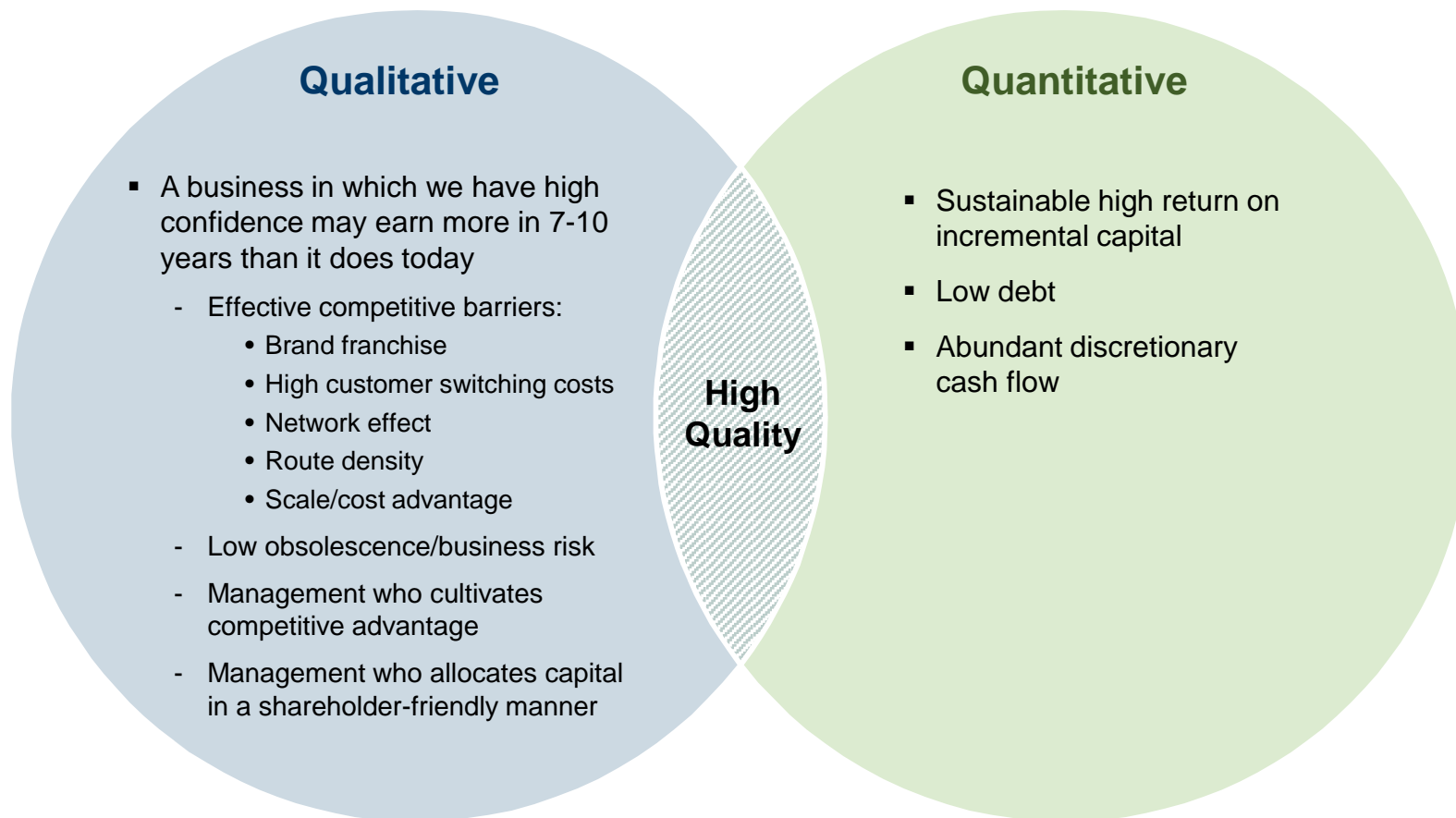
Pay only an attractive price

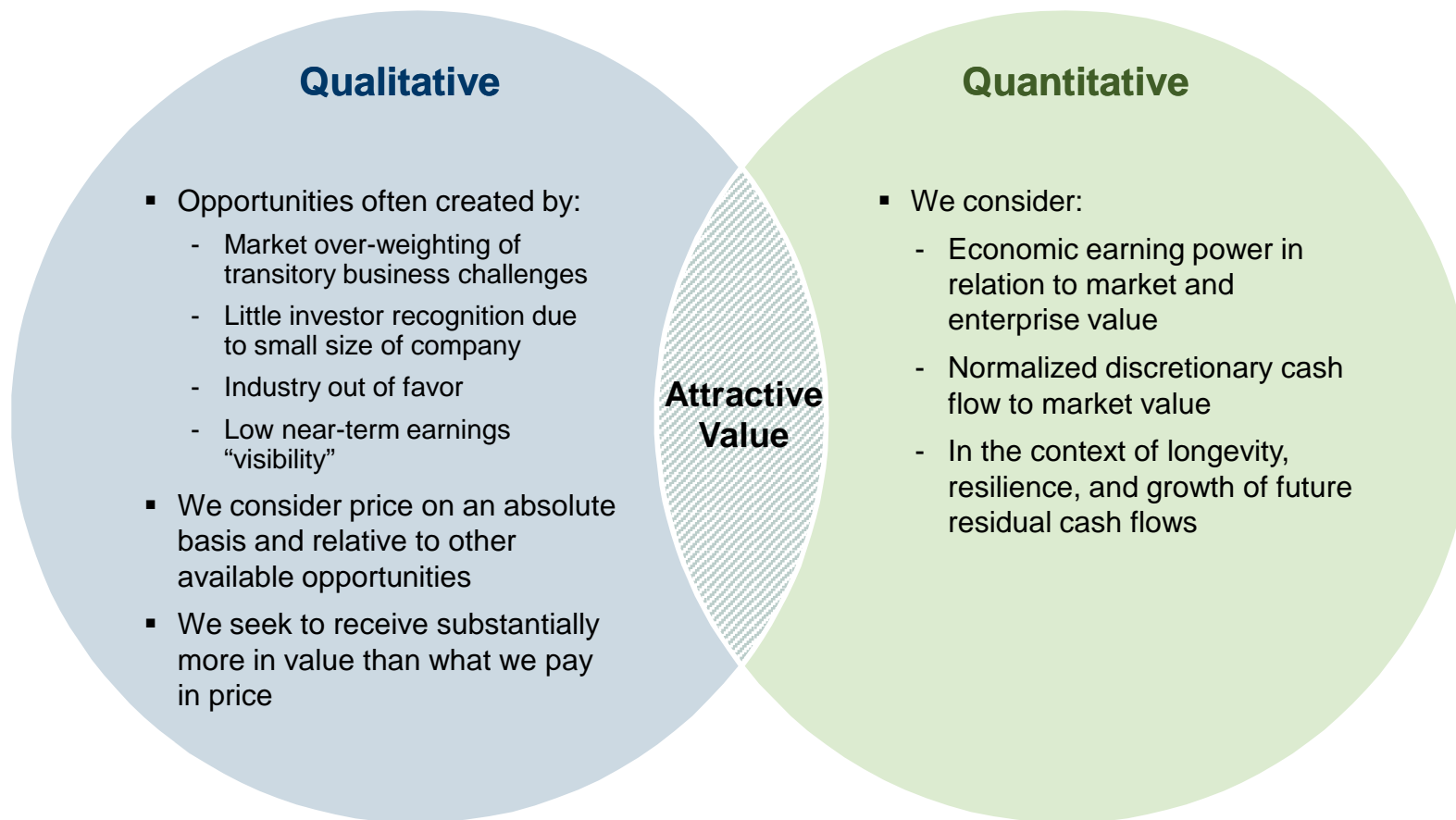
Have a long-term orientation

Focus the portfolio in 15-35 positions

No style or sector weight considerations

Research, research, research





Small Cap Universe

**KAR Universe—
We source our
investment
universe in a
number of ways**

**Quantitative
Screens**

High return on capital over a full economic cycle

Long and resilient earnings history

High return on net operating assets

Minimal debt

**Other
Resources**

Research on existing portfolio holdings

Meetings with companies

Industry reviews

Investment conferences

Third-party research

**U.S. Small Cap
Focus
Universe**

Qualitative Analysis

Purpose: Determine if competitive advantage exists and evaluate its strength.

- Review regulatory filings, company materials, industry data, and third party research
- Conduct comprehensive interviews with management; contact other relevant parties
- Understand basis of competition within industry
- Assess competitive threats and obsolescence risk: What protects the business?

Understand link between
business character and
financial character

Financial Analysis

Purpose: Evaluate source, level, and sustainability of economic profitability.

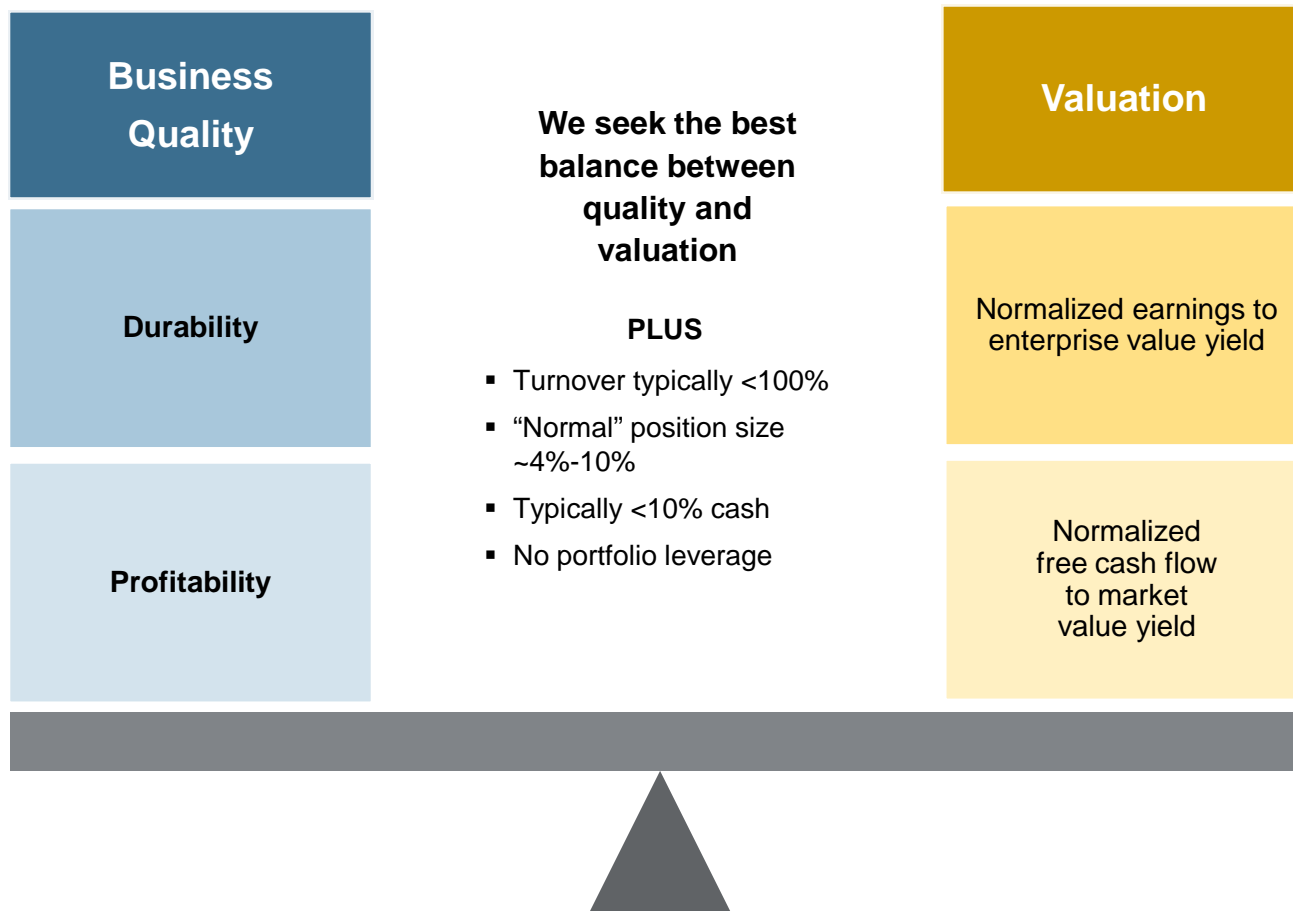
- Seek: High and resilient return on capital
- Seek: Persistent earning power
- Seek: Abundant discretionary cash flow
- Seek: Under-levered balance sheet
- Assess management's capital allocation practices; favor high insider ownership

Research
analysts and
portfolio
managers work
together to
develop in-depth
business
knowledge

Valuation Analysis

Purpose: Estimate total return over several year period; compare to other opportunities considering varying levels of certainty

- Consider economic earning power in relation to enterprise value
- Mispricing can be created by: Underfollowed company, investors over-react to short-term challenges, improved competitive position not yet recognized



Extended Valuation

- Significant premium to intrinsic value
- Expected annual return insufficient

Portfolio Upgrade

- Better business, better price

Acquisition Activity

- Our holding acquired
- Our holding acquires a company diminishing its business or value

Negative Company or Industry Changes

- Position review research report written for any of the following conditions:
 - Stock price declines 20% or more in a short time period absent a broad market decline
 - Validity deteriorates for one or more of the reasons for purchase
 - Credit-quality profile deteriorates
 - Quality parameters reviewed by the Chief Investment Officer with the Portfolio Managers
-

Lower Business Risk

- Portfolio businesses have durable competitive protections:

	<u>KAR</u>	vs.	Russell 2000® <u>Index</u>
5-Year Average ROE	21.7%		10.3%
10-Year Earning Variance	39.6%		85.2%

Lower Financial Risk

- Portfolio businesses have minimal debt:

	<u>KAR</u>	vs.	Russell 2000® <u>Index</u>
Total Debt/EBITDA	1.9x		4.9x

Lower Valuation Risk

- Portfolio businesses are attractively priced:

	<u>KAR</u>	vs.	Russell 2000® <u>Index</u>
Free Cash Flow Yield*	4.6%		3.0%

Minimize Common Risk Exposure Among Holdings

- Control industry overlap
- Maximum industry exposure 35%

*Free cash flow data is as of December 30, 2016. Prices are as of February 28, 2017. Excludes financials.

Data is representative of the securities held in the portfolio, not of the fund itself. Data is obtained from FactSet Research Systems and BNY Mellon and is assumed to be reliable. Other principal consultant firms may use different algorithms to calculate selected statistics. Estimates are based on certain assumptions and historical information. **Past performance is not a guarantee of future results.**



Virtus GF U.S. Small Cap Focus Fund

	U.S. Small Cap Focus Fund	Russell 2000® Index
Return on Equity—5 Year Average	21.7%	10.3%
Total Debt/EBITDA	1.9x	4.9x
Earnings Variance—Past 10 Years	39.6%	85.2%
Earnings Per Share Growth—Past 10 Years	7.7%	6.7%
P/E Ratio—Trailing 12 Months	29.0x	36.3x
Free Cash Flow Yield*	4.6%	3.0%
\$ Weighted Average Market Cap	\$4.4 B	\$2.3 B

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Top Ten Holdings	Fund (%)
Primerica, Inc.	9.8
Autohome, Inc. Sponsored ADR Class A	9.5
Chef's Warehouse, Inc.	8.3
Shutterstock, Inc.	7.9
NVE Corporation	4.9
CDW Corp.	4.7
Old Dominion Freight Line, Inc.	4.7
Teledyne Technologies Incorporated	4.6
Dril-Quip, Inc.	4.5
Ollie's Bargain Outlet Holdings, Inc.	4.3

Sector Allocations	Fund (%)	Index
Producer Durables	12.0	13.5
Technology	19.1	14.6
Utilities	0.0	4.6
Consumer Discretionary	24.1	12.7
Consumer Staples	8.3	2.4
Financial Services	12.8	28.3
Healthcare	2.3	12.9
Materials & Processing	0.0	7.8
Energy	4.5	3.3
Cash	17.0	0.0

Characteristics	Fund	Index
Average Weighted Market Cap (bn)	\$3.4	\$2.2
Median Market Cap (bn)	\$2.4	\$0.8
Trailing P/E	27.0x	20.8x
Price-to-Cash Flow	18.8x	16.2x
Price-to-Book Value	4.6x	2.9x
3-Year EPS Growth Rate	9.7	9.0

As of February 28, 2017

Holdings and sector weightings are subject to change.

VIRTUS GF U.S. SMALL CAP FOCUS FUND

Sub-Investment Manager	Kayne Anderson Rudnick Investment Management
Investment Objective	The investment objective of the Fund is to pursue long-term capital appreciation.
Investment Strategy	<ul style="list-style-type: none"> ▪ Fund will invest at least 80% of its assets in the equity securities of small market capitalization companies, primarily located in the United States and across industry sectors. ▪ At any time, the Fund will hold shares in approximately 15 to 35 different small market capitalization companies. ▪ Small market capitalization companies that are believed to be undervalued relative to such company's future growth potential are selected for investment.
Benchmark	Russell 2000® Index
Profile of Typical Investor	<ul style="list-style-type: none"> ▪ Fund is suitable for investors seeking capital appreciation and that are prepared to accept a moderate to high level of volatility. ▪ Investors should be prepared to maintain a long-term investment in the Virtus GF U.S. Small Cap Focus Fund.
Investment Professional	Todd Beiley, CFA Portfolio Manager & Senior Research Analyst 17 years experience

Performance as of February 28, 2017



VIRTUS GF U.S. SMALL CAP FOCUS FUND

AVERAGE ANNUAL TOTAL RETURNS	1 Month	1 Quarter	YTD	1 Year	Since Inception
Virtus GF Virtus GF U.S. Small Cap Focus Fund * (Class I)	-0.40%	7.76%	5.40%	27.81%	7.80%
Russell 2000® Index	1.93%	5.20%	2.33%	36.11%	6.72%

*Fund inception date: March 12, 2014

Class I operating expenses are 1.15%.

Average annual total returns reflect the change in share price and the reinvestment of all dividends and capital gains. Class I shares have no entry charge and therefore its returns do not reflect the deduction of an entry charge, which if applied, would reduce returns. Fees and expenses vary among share classes and other share classes do carry entry charges. For Fund Performance for other share classes, please see the Virtus Global Funds Performance Report.

Performance data quoted represents past results. Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate so your shares, when redeemed, may be worth more or less than their original cost. Please visit www.virtusglobalfunds.com for performance data current to the most recent month-end.

Index: The Russell 2000® Index is a market capitalization-weighted index of the 2,000 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. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.

IMPORTANT RISK CONSIDERATIONS: Equity Securities: The market price of equity securities may be 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. **Limited Number of Investments:** Because the fund has a limited number of securities, it may be more susceptible to factors adversely affecting its securities than a less concentrated fund.

Industry/Sector Concentration: A fund that focuses its investments in a particular industry or sector will be more sensitive to conditions that affect that industry or sector than a non-concentrated fund. **Prospectus:** For additional information on risks, please see the fund's prospectus.



Appendix

PORTFOLIO MANAGER/SENIOR RESEARCH ANALYST

Todd Beiley, CFA

Portfolio Manager and Senior Research Analyst with primary research responsibilities for the small and mid-capitalization financials and producer-durables sectors

Before joining Kayne Anderson Rudnick in 2002, Mr. Beiley worked as an Associate Analyst in equity research at Prudential Securities and before that was an Equity Research Associate at RNC Capital Management. He has approximately 17 years of equity research experience. Mr. Beiley earned a B.S. in Finance from Northern Arizona University and an M.B.A. from the University of Southern California. Mr. Beiley is a Chartered Financial Analyst charterholder.

CHIEF INVESTMENT OFFICER

Douglas S. Foreman, CFA

Chief Investment Officer and Member of the Executive Management Committee

Mr. Foreman has approximately 30 years of investment experience. Before joining Kayne Anderson Rudnick in 2011, Mr. Foreman was Director of Equities at HighMark Capital Management and before that he was Group Managing Director and Chief Investment Officer of U.S. equities at Trust Company of the West (TCW). He earned a B.S. in Marine Engineering from The U.S. Naval Academy and an M.B.A. with a concentration in Finance from Harvard University. Mr. Foreman is a Chartered Financial Analyst charterholder.

SENIOR RESEARCH ANALYSTS

Jon K. Christensen, CFA

Senior Research Analyst with primary research responsibilities for the small and mid-capitalization health care sector

Before joining Kayne Anderson Rudnick in 2001, Mr. Christensen was a Portfolio Manager and Senior Research Analyst for Doheny Asset Management and has approximately 21 years of equity research experience. He earned a B.S. in Mathematics/Applied Science from the University of California, Los Angeles, and an M.B.A. from the California State University, Long Beach. Mr. Christensen is a Chartered Financial Analyst charterholder.

Craig Stone

Senior Research Analyst with primary research responsibilities for the small and mid-capitalization producer durables sector

Mr. Stone has approximately 27 years of equity research experience. Before joining Kayne Anderson Rudnick in 2000, Mr. Stone was a Portfolio Manager at Doheny Asset Management. He earned a B.S. in International Business from San Francisco State University and an M.B.A. from the University of Southern California.

Julie Kutasov

Senior Research Analyst with primary research responsibilities for the small and mid-capitalization energy and financials sectors

Before joining Kayne Anderson Rudnick in 2001, Ms. Kutasov worked at Goldman Sachs in a program focused on investment management for high-net worth individuals and at Arthur Andersen as a Senior Associate leading teams that provided financial-audit and business-advisory services to a variety of clients in service-related industries. Ms. Kutasov holds a Certified Public Accountant license (currently inactive) in the state of California. She has approximately 15 years of equity research experience. Ms. Kutasov earned a B.A. in Business Economics from the University of California, Los Angeles, where she graduated summa cum laude, and an M.B.A. from Harvard Business School.

RESEARCH ANALYSTS

Chris Benway, CFA

Research Analyst with primary research responsibilities for the small and mid-capitalization materials and processing and producer durables sectors

Before joining Kayne Anderson Rudnick in 2014, Mr. Benway worked at Hotchkis & Wiley Capital Management as a Research Associate covering global financial sectors and at Palisades Investment Partners as an Equity Research Analyst. He has approximately seven years of equity research experience. Mr. Benway earned a B.A. in Psychology, with a minor in Business Administration, from the University of Colorado, Boulder and an M.B.A. from the University of California, Los Angeles where he was selected for the Student Investment Fund. Mr. Benway is a Chartered Financial Analyst charterholder.

Chris Wright, CFA

Research Analyst with primary research responsibilities for the small and mid-capitalization consumer discretionary, consumer staples, and financials sectors

Before joining Kayne Anderson Rudnick in 2011, Mr. Wright worked at Alvarez & Marsal as a Senior Associate in Turnarounds and Restructuring, Trust Company of the West as a summer Analyst in Equity Research, and at Houlihan Lokey Howard & Zukin as an Associate in the Investment Banking Financial Institutions Group. He has approximately six years of equity research experience. Mr. Wright earned a B.S.E., concentration in Finance, from the Wharton School at the University of Pennsylvania and an M.B.A. from the University of California, Los Angeles where he was selected for the Student Investment Fund. Mr. Wright is a Chartered Financial Analyst charterholder.

Julie Biel, CFA

Research Analyst with primary research responsibilities for the small and mid-capitalization technology and consumer discretionary sectors

Before joining Kayne Anderson Rudnick in 2013, Ms. Biel worked at Imperial Capital as an Equity Research Associate. Prior to business school, Ms. Biel was an Equity Research Associate at Merrill Lynch. She has approximately eight years of equity research experience. Ms. Biel earned a B.A., in Economics and Psychology from New York University and an M.B.A. from the University of California, Los Angeles. Ms. Biel is a Chartered Financial Analyst charterholder.

Company	Virtus Global Funds plc
Sub Funds & Sub-Investment Manager	<ul style="list-style-type: none"> ▪ Virtus GF Multi-Sector Short Duration Bond—Newfleet Asset Management ▪ Virtus GF U.S. Small Cap Focus Fund—Kayne Anderson Rudnick
Investment Manager and Promoter	Virtus Investment Advisers, Inc.
Legal Structure	UCITS IV. An open-end, limited liability investment with variable capital. Trust is an umbrella series with segregated liability between its funds.
Domicile	Ireland
Fund Auditors	PricewaterhouseCoopers
Fund Administrator	BNY Mellon Fund Services (Ireland) Limited
Registrar and Transfer Agent	BNY Mellon Fund Services (Ireland) Limited
Custodian and Administrative Agent	BNY Mellon Trust Company (Ireland) Limited
Distributor	VP Distributors, LLC
Compliance Consultant and MLRO	KB Associates
Fund Counsel	Dechert LLP

	A Shares	C Shares	R Shares	I Shares
Client Type	Retail	Retail	Retail	Institutional
Currency	USD EUR GBP	USD EUR GBP	USD EUR GBP	USD EUR GBP
Hedge	Unhedged	Unhedged	Unhedged	Unhedged
Expense Limitation	2.00%	2.50%	1.25%	1.15%
Management Fee	1.65%	2.15%	0.90%	0.80%
Entry Charge	Up to 5%	None	None	None
Exit Charge	None	1.00% 1st year	None	None
Conversion Charge	Up to 5%	Up to 5%	Up to 5%	Up to 5%
Dividends*	-	-	-	-
Minimum Initial Investment	\$5,000	\$5,000	\$5,000	\$1 million
Minimum Subsequent Investment	\$1,000	\$1,000	\$1,000	\$250,000

*Any income less expenses earned by the Fund will be accumulated in the Net Asset Value (NAV) of the Fund itself



Lijo “LJ” John, Managing Director, Offshore Distribution

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