Virtus Zevenbergen Innovative Growth Stock Fund

VIRTUS FUNDS

INVESTMENT OVERVIEW

The Fund seeks long-term capital appreciation by investing in a concentrated portfolio of companies across capitalizations and in different phases of their life cycle, which exhibit strong growth expectations. A strongly independent approach to research and disciplined active management aims to preserve objectivity from Wall Street biases and to help capture meaningful potential return advantages.

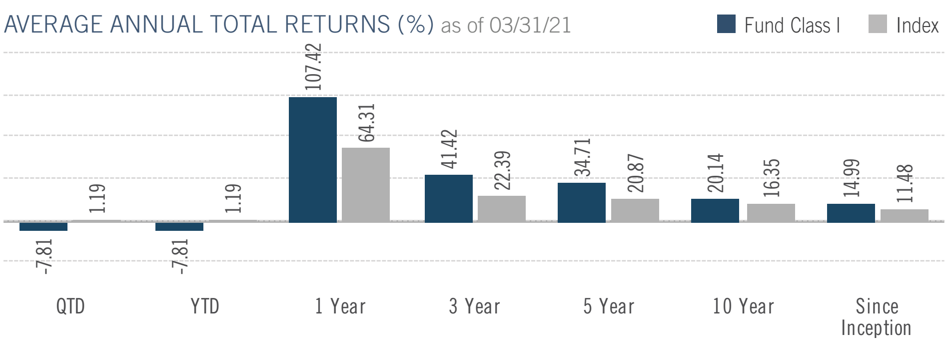
KEY FEATURES

High-Growth Focus — Searches for well-run, high-growth companies prompting disruptive business landscape changes, often through technological advances

Rigorous Fundamental Research — Bottom-up analysis strives to identify stocks poised to benefit from price catalysts from positive revenue, cash flow, and earnings growth

High-Conviction Portfolio — Focused on the portfolio team's strongest investment opportunities, with a long-term, low-turnover approach to realize full stock value potential

AVERAGE ANNUAL TOTAL RETURNS (%) as of 03/31/21



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. This share class has no sales charges and is not available to all investors. Other share classes have sales charges. See virtus.com for details.

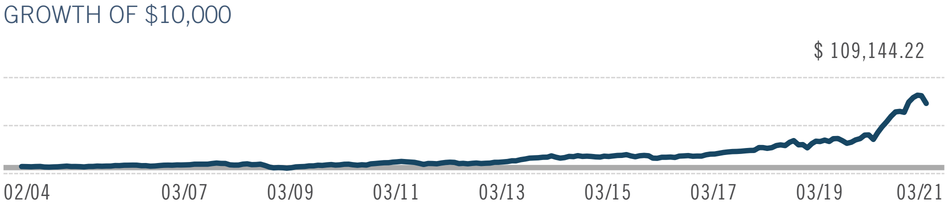
The fund class gross expense ratio is 1.07%. The net expense ratio is 1.00%, which reflects a contractual expense reimbursement in effect through 4/30/2022.

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 (%)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Fund	119.67	37.02	11.07	34.29	-2.12	7.02	2.22	59.73	7.85	-10.41
Index	38.26	35.85	-2.12	29.59	7.39	5.09	12.44	34.23	15.21	2.18

GROWTH OF $10,000



This chart assumes an initial investment of $10,000 made on 2/23/2004. As of 3/31/2021 the fund value would have been $109,144.22. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

FUND INFORMATION

	Ticker	CUSIP
A Shares	SAGAX	92837F318
I Shares	SCATX	92837F292
R6 Shares	VZGRX	92837X640

Inception Date	02/23/04
AUM ($ millions)	1,409.2
Number of Holdings	40
Dividends	Semi-Annually
Morningstar Category	Large Growth
Lipper Category	Multi-Cap Growth Funds
Index	Russell 3000® Growth Index

MORNINGSTAR RATINGS

Time Period	# of Stars	# of Funds
Overall	★★★★★	1,186
3 Year	★★★★★	1,186
5 Year	★★★★★	1,065
10 Year	★★★★★	788

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

INVESTMENT ADVISER

Virtus Fund Advisers, LLC

INVESTMENT SUBADVISER

ZVNBRGN® zevenbergen capital investments

Zevenbergen Capital Investments LLC is a growth equity boutique. The investment team applies rigorous fundamental research to build exclusively high-growth portfolios.

PORTFOLIO MANAGERS

Nancy Zevenbergen, CFA, CIC
Industry start date: 1981
Start date as Fund Portfolio Manager: 2004

Brooke de Boutray, CFA, CIC
Industry start date: 1982
Start date as Fund Portfolio Manager: 2004

Leslie Tubbs, CFA, CIC
Industry start date: 1994
Start date as Fund Portfolio Manager: 2004

Joseph Dennison, CFA
Industry start date: 2011
Start date as Fund Portfolio Manager: 2015

Anthony Zackery, CFA
Industry start date: 2011
Start date as Fund Portfolio Manager: 2015

CHARACTERISTICS

	Fund	Index
Avg. Weighted Market Cap (bn)	176.44	653.40
Median Market Cap (bn)	31.02	2.38
Trailing P/E Ex-Negative Earnings	125.07	38.25
Price-to-Cash Flow	55.47	30.50
Price-to-Book Value	16.99	12.26
3-Year EPS Growth Rate	26.83	29.76
5-Year EPS Growth Rate	44.42	20.71
Active Share	86.43	n/a

RISK STATISTICS (3 YEAR)

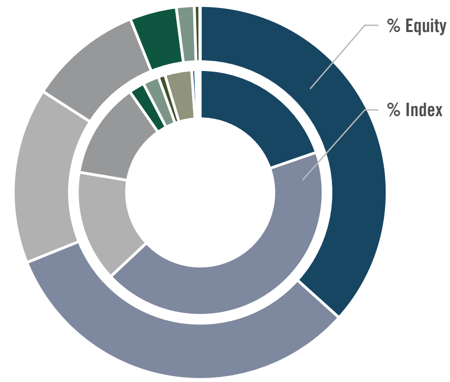
	Fund	Index
Alpha	11.75	n/a
Beta	1.25	1.00
R^2	0.72	1.00
Sharpe Ratio	1.39	1.08
Standard Deviation	28.66	19.40

TOP TEN HOLDINGS

	% Fund
Tesla Inc	7.71
Shopify Inc	6.14
Exact Sciences Corp	5.46
MercadoLibre Inc	5.04
Trade Desk Inc/The	4.80
Square Inc	4.50
NVIDIA Corp	4.05
Zillow Group Inc	4.00
Teladoc Health Inc	3.84
Okta Inc	3.69

Holdings and sector weightings are subject to change.

SECTOR ALLOCATIONS



	% Equity	% Index
Consumer Discretionary	36.69	19.72
Technology	32.20	43.28
Health Care	15.21	14.65
Industrials	9.82	12.65
Real Estate	4.04	2.04
Financials	1.55	2.12
Telecommunications	0.50	0.90
Consumer Staples	0.00	3.53
Basic Materials	0.00	0.51
Energy	0.00	0.37
Utilities	0.00	0.23

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 or medium-sized companies may enhance that risk. **Foreign Investing:** Investing in foreign securities subjects the portfolio to additional risks such as increased volatility, currency fluctuations, less liquidity, and political, regulatory, economic, and market risk. **Sector Focused Investing:** Events negatively affecting a particular market sector in which the portfolio focuses its investments may cause the value of the portfolio to decrease. **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:** Local, regional, or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant impact on the portfolio and its investments, including hampering the ability of the portfolio manager(s) to invest the portfolio's assets as intended. **Prospectus:** For additional information on risks, please see the fund's prospectus.

GLOSSARY

Avg. Weighted Market Cap (bn): The total dollar market value of all of a company's outstanding shares. **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 EPS Growth Rate:** Average of earnings per share growth for latest 3-year period. **5-Year EPS 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. **R^2:** 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 Russell 3000® Growth Index is a market capitalization-weighted index of growth-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.

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.

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.

VIRTUS FUNDS