

INVESTMENT OVERVIEW

The Fund seeks to generate attractive risk-adjusted long-term returns by investing in the stocks of U.S. mid-cap growth 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.

KEY FEATURES

High-Quality Businesses — Searches for quality mid-cap growth companies with solid balance sheets, consistent growth, and market dominant business models

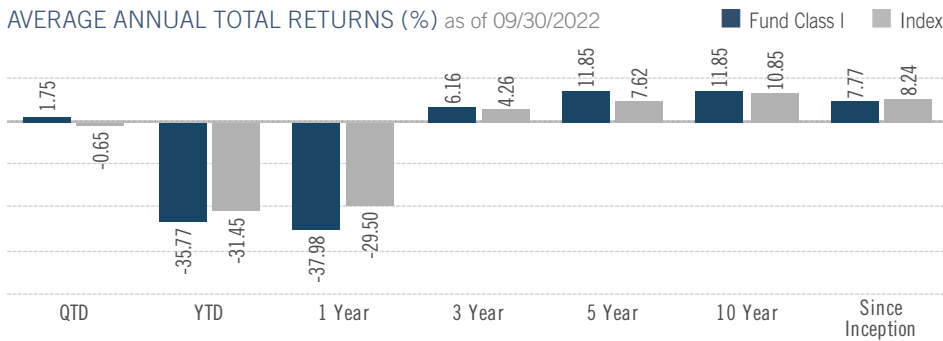
Uncovering Innovators and Disruptors — Draws on KAR’s extensive fundamental research to identify companies with products and services with the potential to disrupt the business landscape and exceed investor expectations

High-Conviction Portfolio — Focused on the portfolio team’s 25-50 strongest investment opportunities, with a long-term, low-turnover approach to realize full stock value

FUND INFORMATION

	Ticker	CUSIP
A Shares	PHSKX	92828N767
C Shares	PSKCX	92828N742
I Shares	PICMX	92828N734
R6 Shares	VRMGX	92828N254

Inception Date	09/13/07
AUM (\$ millions)	1,586.6
Number of Holdings	48
Dividends	Semi-Annually
Morningstar Category	Mid-Cap Growth
Lipper Category	Mid-Cap Growth Funds
Index	Russell Midcap® Growth Index



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.

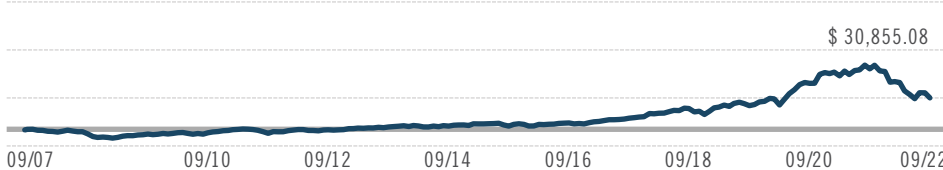
The fund class gross expense ratio is 1.00%.

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 (%)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fund	1.47	65.38	42.76	7.80	33.80	2.17	2.84	4.01	25.09	15.55
Index	12.73	35.59	35.47	-4.75	25.27	7.33	-0.20	11.90	35.74	15.81

GROWTH OF \$10,000



This chart assumes an initial investment of \$10,000 made on 9/13/2007. As of 9/30/2022 the fund value would have been \$30,855.08. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

MORNINGSTAR RATINGS

Time Period	# of Stars	# of Funds
Overall	★★★★★	532
3 Year	★★★★	532
5 Year	★★★★★	491
10 Year	★★★★★	379

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



Kayne Anderson Rudnick

A VIRTUS INVESTMENT PARTNER

Kayne 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

Douglas S. Foreman, CFA

Industry start date: 1986

Start date as Fund Portfolio Manager: 2012

Chris Armbruster, CFA

Industry start date: 2004

Start date as Fund Portfolio Manager: 2020

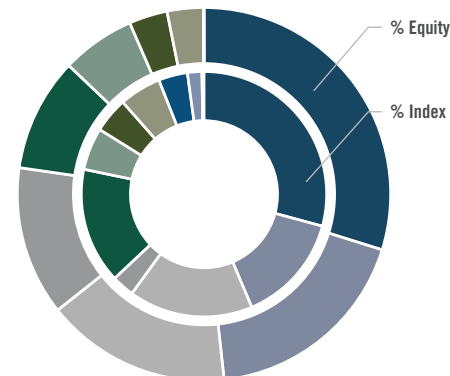
CHARACTERISTICS	Fund	Index
Avg. Weighted Market Cap (bn)	18.29	21.94
Median Market Cap (bn)	13.86	10.00
Trailing P/E Ex-Negative Earnings	25.87	22.48
Price-to-Cash Flow	28.35	23.77
Price-to-Book Value	6.55	7.44
3-Year Earnings Growth Rate	22.79	20.77
5-Year Earnings Growth Rate	23.22	21.05
Active Share	87.98	n/a

RISK STATISTICS (3 YEAR)	Fund	Index
Alpha	2.15	n/a
Beta	1.02	1.00
R ²	0.90	1.00
Sharpe Ratio	0.22	0.15
Standard Deviation	25.78	23.85

TOP TEN HOLDINGS	% Fund
Gartner Inc	5.09
Celsius Holdings Inc	4.56
Paycom Software Inc	4.02
SiteOne Landscape Supply Inc	3.68
Fair Isaac Corp	3.54
HealthEquity Inc	3.37
Amphenol Corp	2.92
Brown-Forman Corp	2.86
Pool Corp	2.76
Mettler-Toledo International Inc	2.73

Holdings and sector weightings are subject to change.

SECTOR ALLOCATIONS



	% Equity	% Index
Information Technology	29.82	29.21
Consumer Discretionary	18.46	14.43
Health Care	16.06	16.37
Consumer Staples	12.94	2.98
Industrials	9.83	15.27
Financials	6.40	5.57
Energy	3.33	4.66
Communication Services	3.17	5.53
Materials	0.00	3.83
Real Estate	0.00	1.89
Utilities	0.00	0.26

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. **Technology Concentration:** Because the portfolio is presently heavily weighted in the technology sector, it will be impacted by that sector's performance more than a portfolio with broader sector diversification. **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. Price changes may be short- or long-term. Local, regional, or global events such as war (e.g., Russia's invasion of Ukraine), acts of terrorism, the spread of infectious illness (e.g., COVID-19 pandemic) 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's 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 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. **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 Russell Midcap® Growth Index is a market capitalization-weighted index of medium-capitalization, 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.

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