

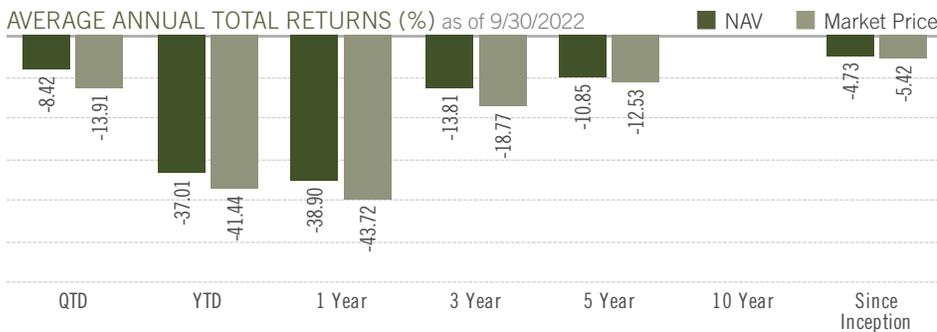
INVESTMENT OPPORTUNITY

The Fund's primary investment objective is to maximize total return, which consists of income on its investments and capital appreciation. The Fund will normally invest at least 80% of its net assets (plus any borrowings made for investment purposes) in emerging markets debt.

Flexibility - Managed portfolio of emerging markets debt combined with an ability to invest in emerging markets equity, structured to maximize total return potential.

Portfolio Diversification - Attractive income and total return potential versus traditional single sector emerging markets debt and equity portfolios. Potential for low correlation and competitive risk/return profile compared to traditional fixed income portfolios.

Depth of Experience in EMD - Stone Harbor's demonstrated ability in managing emerging markets debt is rooted in teamwork with a 30-year history, a disciplined research and investment process, and the experience to make what are believed to be sound investment judgments.



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.

The fund class gross expense ratio is 2.70%. The net expense ratio is 2.66%, which reflects a contractual expense reimbursement in effect through 4/10/2024.

Excluding interest expense on borrowings the net expense ratio would have been 2.22%. The Adviser has contractually agreed to limit the Fund's annual operating expenses (subject to exclusions such as investment advisory fees and expenses relating to financial leverage) to not exceed, on an annualized basis, 0.70%. For more details, see the most recent shareholder report.

Performance reflects the deduction of Fund operating expenses. Performance does not reflect the incurrence of brokerage expenses, which typically apply to exchange traded products. Total return net of brokerage expenses would be lower than the total returns on market value shown in the table.

Average annual total return is the annual compound return for the indicated period. It 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
NAV	-0.41	-3.17	12.59	-18.36	19.63	22.49	-12.09	-5.80	-13.33	n/a
Market Price	-4.30	-10.35	27.51	-19.53	27.46	38.77	-14.69	-11.54	-15.70	n/a

NYSE Ticker	EDI
Inception Date	10/25/2012
Number of Investments	117
Market Price (\$)	4.12
Net Asset Value (\$)	4.35
Discount to NAV (%)	-5.29
Shares Outstanding (m)	10.0
Average Daily Volume	39,322
Total Net Assets (\$m)	43.44
Preferred Assets (\$m)	0.00
Reverse Repos (\$m)	20.34
Total Managed Assets (\$m)	63.78
Distribution Frequency	Monthly
Investment Adviser	Virtus Alternative Investment Advisers, Inc.
Investment Subadviser	Stone Harbor Investment Partners

52-Week Ranges	High	Low
NAV (\$)	8.16	4.34
Market Price (\$)	8.63	4.12

FUND MANAGEMENT



Stone Harbor is a global credit specialist with expertise in emerging and developed markets debt. With three decades of informed experience allocating risk in complex areas of the fixed income markets, Stone Harbor manages global credit portfolios for institutional clients around the world.

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

INVESTMENT PROFESSIONALS

Peter J. Wilby, CFA

Industry start date: 1980
Start date Fund Portfolio Manager: 2012

James E. Craige, CFA

Industry start date: 1988
Start date as fund Portfolio Manager: 2012

Kumaran Damodaran, Ph.D.

Industry start date: 2000
Start date as fund Portfolio Manager: 2012

Stuart Sclater-Booth

Industry start date: 1992
Start date as fund Portfolio Manager: 2012

William Perry

Industry start date: 1984
Start date as fund Portfolio Manager: 2012

David A. Oliver, CFA

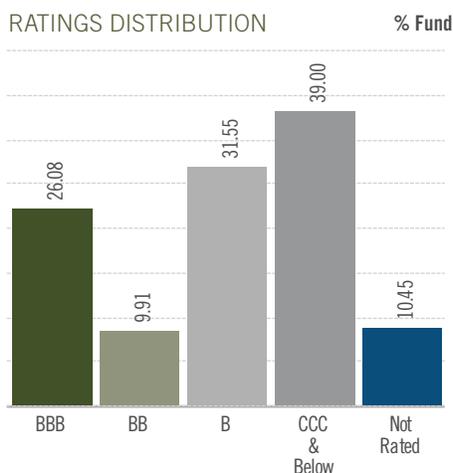
Industry start date: 1986
Start date as fund Portfolio Manager: 2012

Effective April 11, 2022, this Fund's name and investment adviser have changed.

PORTFOLIO BREAKDOWN	% Fund
Sovereign Hard Currency	72.65
Corporate Hard Currency	27.73
Sovereign Local Currency	16.61
Net Cash	-16.98

GEOGRAPHIC BREAKDOWN	% Fund
Latin America	52.10
Africa	34.12
Asia	17.90
Europe	6.65
Middle East	6.21
Net Cash	-16.98

CHARACTERISTICS	% Fund
Effective Duration	4.54
Weighted Average Life	6.38



TOP TEN COUNTRIES	% Fund
Mexico	20.94
Argentina	13.12
South Africa	9.94
Angola	7.99
Indonesia	6.02
Ecuador	6.01
Malaysia	5.71
Nigeria	5.17
Egypt	4.86
Brazil	4.40

DISTRIBUTION HISTORY	
Ex-Date	Per Share
9/12/22	\$0.0700
8/8/22	\$0.0700
7/11/22	\$0.0700
6/6/22	\$0.0700
5/9/22	\$0.0700
4/8/22	\$0.0700

FOR MORE INFORMATION

Contact your financial representative for more information, or call Virtus Closed-End Funds for service at 1-866-270-7788. Information on the Fund is available at www.virtus.com.

IMPORTANT RISK CONSIDERATIONS

Non-Diversified: The portfolio is not diversified and may be more susceptible to factors negatively impacting its holdings to the extent the portfolio invests more of its assets in the securities of fewer issuers than would a diversified portfolio. **Management:** The portfolio's ability to identify and invest in attractive opportunities is dependent upon the Investment Manager. If one or more key individuals leave the Investment Manager, it may not be able to hire qualified replacements, or may require an extended time to do so. This could prevent the portfolio from achieving its investment objective. As with any managed fund, the Investment Manager may not be successful in selecting the best-performing securities, leverage strategy or investment techniques, and the portfolio's performance may lag that of similar funds as a result. **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. **Emerging Markets Investing:** Emerging markets securities may be more volatile, or more greatly affected by negative conditions, than those of their counterparts in more established foreign markets. **Foreign Investing:** Investing in foreign securities subjects the portfolio to additional risks such as increased volatility; currency fluctuations; less liquidity; less publicly available information about the foreign investment; and political, regulatory, economic, and market risk. **Currency Rate:** Fluctuations in the exchange rates between the U.S. dollar and foreign currencies may negatively affect the value of the portfolio's shares. **Sovereign Debt Obligations:** Certain emerging market countries have historically experienced, and may continue to experience, high rates of inflation, high interest rates, exchange rate fluctuations, large amounts of external debt, balance of payments and trade difficulties and extreme poverty and unemployment. The issuer or governmental authority that controls the repayment of an emerging country's debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. **Derivatives:** Derivatives may include, among other things, futures, options, forwards and swap agreements and may be used in order to hedge portfolio risks, create leverage, or attempt to increase returns. Investments in derivatives may result in increased volatility and the portfolio may incur a loss greater than its principal investment. **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. **Counterparties:** There is risk that a party upon whom the portfolio relies to complete a transaction will default. **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. **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. **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. **Preferred Stocks:** Preferred stocks may decline in price, fail to pay dividends, or be illiquid. **Exchange-Traded Funds (ETF):** The value of an ETF may be more volatile than the underlying portfolio of securities it is designed to

track. The costs to the portfolio of owning shares of an ETF may exceed the cost of investing directly in the underlying securities. **Leverage:** When a portfolio is leveraged, the value of its securities may be more volatile and all other risks may be compounded. **Closed-End Funds:** Closed-end funds may trade at a discount or premium from their net asset values, which may affect whether an investor will realize gains or losses. They may also employ leverage, which may increase volatility.

GLOSSARY

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 Life:** The length of time to repayment of principal on a security whereby the time to each principal payment is weighted by the proportional size of the corresponding payment.

NET ASSET VALUE VS. MARKET PRICE

Net Asset Value (NAV) represents the total value of all assets held by the Fund (minus its total liabilities), divided by the total number of common shares outstanding. The net asset value returns reflect the performance of the manager. Market Price is the price at which investors may purchase or sell shares of the Fund. Market Price is determined in the open market by buyers and sellers, based on supply and demand. The Fund's Market Price fluctuates throughout the day and may differ from its underlying NAV. Shares of the Fund may trade at a premium (higher than) or a discount (lower than) to NAV. This characteristic is a risk separate and distinct from the risk that the Fund's net asset value could decline. The Fund has no control over the market price. The difference between the market price and the NAV (Premium/Discount) is expressed as a percentage of NAV.

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. In determining the average credit quality of a security, Stone Harbor uses the following hierarchy: S&P; if S&P is unavailable, Moody's; if Moody's is unavailable, Fitch. If no rating is available, Stone Harbor applies its internal rating methodology to assign a rating. A security that has not been assigned a credit rating through Stone Harbor's methodology is listed as 'not rated'. Ratings have been converted to the equivalent S&P rating category. Cash and currency forwards generally are assigned the AAA rating. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C, and D are below-investment grade ratings.