

Virtus Stone Harbor Closed-End Funds Announce Expected Reorganization

HARTFORD, CT, March 2, 2022 – The Boards of Trustees of the [Virtus Stone Harbor Emerging Markets Income Fund](#) (NYSE: EDF) and [Virtus Stone Harbor Emerging Markets Total Income Fund](#) (NYSE: EDI) have approved the reorganization of EDI with and into EDF. The surviving fund will continue to be known as Virtus Stone Harbor Emerging Markets Income Fund and will retain the EDF ticker symbol.

At the annual meeting of shareholders of EDF scheduled for May 22, 2023, EDF shareholders will be asked to approve the fund's issuance of additional shares of common stock to effect the reorganization. No action is needed by shareholders of EDI in connection with the reorganization. The transaction is expected to qualify as a tax-free reorganization for federal income tax purposes and will be effected at each fund's respective net asset value (NAV) at the time of the reorganization.

The boards of EDI and EDF have approved this reorganization as a result of a comprehensive assessment of the two funds, which have substantially similar investment objectives and strategies, and are managed by the same investment adviser, Virtus Alternative Investment Advisers, Inc., and subadviser, Stone Harbor Investment Partners. The boards believe this reorganization will benefit shareholders of both funds through the creation of a larger fund that may offer economies of scale, including lower portfolio trading costs and a lower total annual operating expense ratio, as the fixed expenses of the combined fund would be spread over a larger asset base. The boards also believe shareholders may benefit from enhanced market liquidity for the combined fund's common stock, which could positively impact trading in the combined fund's shares.

A proxy statement containing information about the meeting and the proposal to issue additional shares of EDF to facilitate the reorganization will be mailed to EDF's shareholders of record as of March 31, 2023. An information statement and prospectus containing information about the reorganization will be mailed to EDI's shareholders prior to the reorganization. Shareholders are advised to read the proxy statement (for EDF) or information statement and prospectus (for EDI) because each will contain important information about the transaction and related matters. When filed with the Securities and Exchange Commission, the proxy statement, information statement, and prospectus will be available for free at www.sec.gov.

About the Funds

[Virtus Stone Harbor Emerging Markets Income Fund](#) (EDF) and [Virtus Stone Harbor Emerging Markets Total Income Fund](#) (EDI) are non-diversified, closed-end management investment companies that are managed by [Stone Harbor Investment Partners](#). EDF's investment objective is to maximize total return, which consists of income on its investments and capital appreciation. EDI's investment objective is to maximize total return, which consists of income and capital appreciation on its investments in emerging markets securities. There is no assurance that either fund will achieve its investment objective.

For more information on these funds, contact Shareholder Services at (866) 270-7788, by email at closedendfunds@virtus.com, or through the [Closed-End Funds](#) section of virtus.com.

Fund Risks

An investment in a fund is subject to risk, including the risk of possible loss of principal. A fund's shares may be worth less upon their sale than what an investor paid for them. Shares of closed-end funds may trade at a premium or discount to their NAV. For more information about each fund's investment objective and risks, please see the fund's annual report. A copy of each fund's most recent annual report may be obtained free of charge by contacting Shareholder Services as set forth at the end of this press release.

About Stone Harbor

[Stone Harbor Investment Partners](#) is a global institutional fixed-income investment manager specializing in credit and asset allocation strategies. The firm manages institutional clients' assets in a range of investment strategies including emerging markets debt, global high yield, bank loans, as well as multi-sector credit products including unconstrained and total return approaches. The firm's investment strategies are based on fundamental insights, derived from a combination of proprietary research and the in-depth knowledge and specialized experience of the firm's team. Founded in 2006, it is based in New York City with additional offices in London and Singapore. Stone Harbor Investment Partners is a division of Virtus Fixed Income Advisers, LLC, a registered investment adviser affiliated with Virtus Investment Partners. For more information, visit shipemd.com.

About Virtus Investment Partners, Inc.

[Virtus Investment Partners](#) (NASDAQ: VRTS) is a distinctive partnership of boutique investment managers singularly committed to the long-term success of individual and institutional investors. The company provides investment management products and services through its affiliated managers

and select subadvisers, each with a distinct investment style, autonomous investment process, and individual brand. For more information, visit virtus.com.

Additional Information

The information in this press release is for informational purposes only and shall not constitute an offer to sell, the solicitation of an offer to sell, the solicitation of an offer to buy any securities, or the solicitation of any vote or approval in any jurisdiction pursuant to or in connection with the transaction or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

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For Further Information:

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