

Virtus Convertible & Income Fund and Virtus Convertible & Income Fund II Announce Private Placement of Mandatory Redeemable Preferred Shares

HARTFORD, CT, May 26, 2023 – [Virtus Convertible & Income Fund](#) (NYSE: NCV) and [Virtus Convertible & Income Fund II](#) (NYSE: NCZ), closed-end funds, today announced the issuance of mandatory redeemable preferred (“MRP”) shares.

NCV issued shares in two series:

Series	# of Shares	Total Offering	Maturity Date
A	2,040,000	\$51 million	May 26, 2028
B	600,000	\$15 million	May 26, 2030

NCZ issued:

Series	# of Shares	Total Offering	Maturity Date
A	880,000	\$22 million	May 26, 2028

The shares of each series mentioned above have a par value of \$0.00001 per share, a liquidation value of \$25, a fixed rate of 5.95% per annum, and will pay dividends on a quarterly basis. Each Fund intends to use the net proceeds from its issuance, along with security sales, to pay down its respective temporary liquidity facilities, which were put into place on November 1, 2022, coincident with the settlement of the tender offer for the Funds’ auction rate preferred shares (ARPS).

The newly issued MRP shares are part of a larger capital restructuring for the Funds that is intended to help reduce overall borrowing levels and create a more flexible capital structure by having short-, mid- and long-term borrowings for each Fund. In addition to the MRP shares, each Fund’s borrowing structure will still consist of an allocation to a short-term liquidity facility as well as cumulative preferred shares for the purpose of providing financial leverage to common shareholders.

The MRP shares were privately placed with an institutional investor by UBS Securities LLC, the placement agent for the offerings.

About the Funds

[Virtus Convertible & Income Fund](#) (NCV) and [Virtus Convertible & Income Fund II](#) (NCZ) each have an investment objective to provide total return through a combination of capital appreciation and

high current income. Virtus Investment Advisers, Inc. is the investment adviser and [Voya Investment Management](#) is the subadviser to each fund. For more information on the 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 net asset value. For more information about each fund's investment objective and risks, please see the fund's annual report. A copy of the most recent annual report may be obtained free of charge by contacting Shareholder Services.

This press release shall not constitute an offer to sell or a solicitation to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer or solicitation or sale would be unlawful prior to registration or qualification under the laws of such state or jurisdiction.

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For Further Information:

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