



NEWS RELEASE

# Virtus Diversified Income & Convertible Fund Announces Special Year-End Distribution and Discloses Sources of Distribution – Section 19(a) Notice

2025-12-19

HARTFORD, Conn.--(BUSINESS WIRE)-- **Virtus Diversified Income & Convertible Fund** (NYSE: ACV) today announced the following special year-end distribution to holders of its common shares:

Ticker	Amount of Distribution	Ex-Date/Record Date	Payable Date
ACV	\$0.384	December 29, 2025	January 9, 2026

This special year-end distribution, which is in addition to the regular monthly distribution paid to holders of its common shares, is being paid by the Fund to manage certain federal tax requirements.

The Fund previously announced the following monthly distribution on November 19, 2025:

Ticker	Amount of Distribution	Ex-Date/Record Date	Payable Date
ACV	\$0.18	December 11, 2025	December 30, 2025

The Fund provides this estimate of the sources of the special distribution and the December 2025 and fiscal year-to-date distributions made pursuant to the Fund’s Managed Distribution Plan:

Distribution Estimates	December 2025 (MTD)		Special Year-End Distribution Sources		Fiscal Year-to-Date (YTD) (1)	
	Per Share	Percentage	Per Share	Percentage	Per Share	Percentage

(Sources)	per Share Amount	of Current Distribution	per Share Amount	of Current Distribution	per Share Amount	of Current Distribution
Net Investment Income	\$ 0.000	0.0%	\$ 0.000	0.0%	\$ 0.055	2.3%
Net Realized Short-Term Capital Gains	0.180	100.0%	0.023	6.0%	1.948	82.4%
Net Realized Long-Term Capital Gains	0.000	0.0%	0.361	94.0%	0.361	15.3%
Return of Capital (or other Capital Source)	0.000	0.0%	0.000	0.0%	0.000	0.0%
<b>Total Distribution</b>	<b>\$ 0.180</b>	<b>100.0%</b>	<b>\$ 0.384</b>	<b>100.0%</b>	<b>\$ 2.364</b>	<b>100.0%</b>

(1)Fiscal year started February 1, 2025.

Under the terms of its Managed Distribution Plan, the Fund seeks to maintain a consistent distribution level that may be paid in part or in full, from net investment income and realized capital gains, or a combination thereof. Shareholders should note, however, that if the Fund's aggregate net investment income and net realized capital gains are less than the amount of the distribution level, the difference will be distributed from the Fund's assets and will constitute a return of the shareholder's capital. You should not draw any conclusions about the Fund's investment performance from the amount of this distribution or from the terms of the Fund's Managed Distribution Plan.

Information regarding the Fund's performance and distribution rates is set forth below. Please note that all performance figures are based on the Fund's net asset value (NAV) and not the market price of the Fund's shares. Performance figures are not meant to represent individual shareholder performance.

<b>November 28, 2025</b>	
Average Annual Total Return on NAV for the 5-year period(2)	8.37%
Annualized Current Distribution Rate(3)	8.36%
Fiscal YTD Cumulative Total Return on NAV(4)	19.99%
Fiscal YTD Cumulative Distribution Rate(5)	8.45%

(2)Average Annual Total Return on NAV is the annual compound return for the five-year period. It reflects the change in the Fund's NAV and reinvestment of all distributions.

(3)Annualized Current Distribution Rate is the current distribution rate (\$0.18 per share) annualized as a percentage of the Fund's NAV at month end.

(4)Fiscal YTD Cumulative Total Return on NAV is the percentage change in the Fund's NAV from the first day of the fiscal year to this month end, including distributions paid and assuming reinvestment of those distributions.

(5)Fiscal YTD Cumulative Distribution Rate is the dollar value of distributions from the first day of the fiscal year to this month end (inclusive of the special year-end distribution) as a percentage of the Fund's NAV at month end. The Fiscal YTD Cumulative Distribution Rate would be 6.97% if the special year-end distribution of \$0.384 per share was excluded.

The amounts and sources of distributions reported in this notice are estimates only and are not being provided for

tax reporting purposes. The actual amounts and sources of the distributions for tax purposes will depend on the Fund's investment experience during the remainder of its fiscal year and may be subject to changes based on tax regulations. The Fund or your broker will send you a Form 1099-DIV for the calendar year that will tell you what distributions to report for federal income tax purposes.

## About the Fund

**Virtus Diversified Income & Convertible Fund** is a diversified closed-end fund that seeks to provide total return through a combination of current income and capital appreciation, while seeking to provide downside protection against capital loss. The Fund strives to dynamically allocate across convertibles, equities, and income-producing securities. The Fund normally invests at least 50% of total managed assets in convertibles and has the latitude to write covered call options on the stocks held in the equity portion. The Fund has a limited term and will terminate on the first business day following the 15th anniversary of the effective date of its registration statement, May 22, 2030, absent approval by the Fund's Board of Trustees to extend the Fund's term by up to 12 months. Virtus Investment Advisers, LLC, a registered investment adviser affiliated with Virtus Investment Partners, Inc., is the investment adviser to the Fund and **Voya Investment Management** is its subadviser.

For more information on the Fund, contact shareholder services at (866) 270-7788, by email at [closedendfunds@virtus.com](mailto:closedendfunds@virtus.com), or through the **Closed-End Funds** section of [virtus.com](http://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 the Fund's investment objective and risks, please see the Fund's annual report. A copy of the Fund's most recent annual report can be accessed through the **Closed-End Funds** section of [virtus.com](http://virtus.com) and may be obtained free of charge by contacting "Shareholder Services" as set forth at the end of this press release.

## About Virtus Investment Partners, Inc.

**Virtus Investment Partners** (NYSE: VRTS) is a distinctive partnership of boutique investment managers singularly committed to the long-term success of individual and institutional investors. We provide investment products and services from our **investment managers**, each with a distinct investment style and autonomous investment process, as well as select subadvisers. Investment solutions are available across multiple disciplines and product types to meet a wide array of investor needs. Additional information about our firm, investment partners, and strategies is available at [virtus.com](http://virtus.com).

### For Further Information:

Shareholder Services

(866) 270-7788

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Source: Virtus Diversified Income & Convertible Fund