

CION Ares Diversified Credit Fund

CLASS W CADFX

FUND OVERVIEW

CION Ares Diversified Credit Fund (CADC) is a diversified, unlisted closed-end management investment company registered under the 1940 Act as an interval fund. The Fund will seek to capitalize on market inefficiencies and relative value opportunities by dynamically allocating a portfolio of directly originated loans, secured floating and fixed rate syndicated loans, corporate bonds, asset-backed securities, commercial real estate loans and other types of credit instruments which, under normal circumstances, will represent at least 80% of the Fund's assets.

KEY FACTS

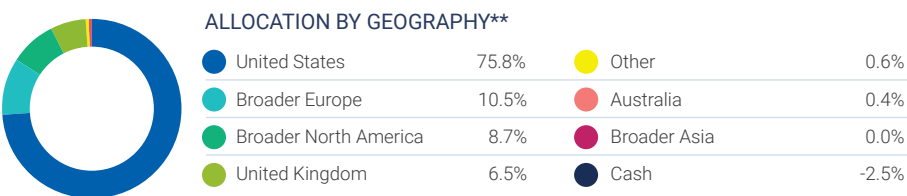
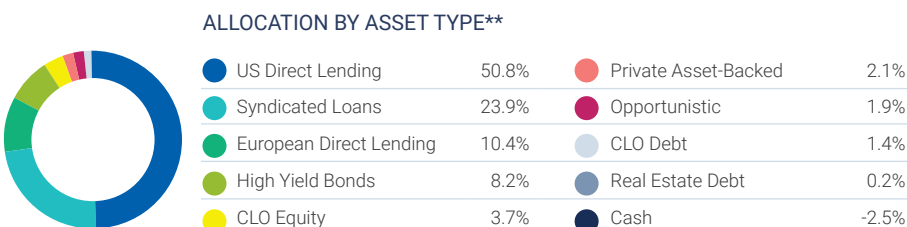
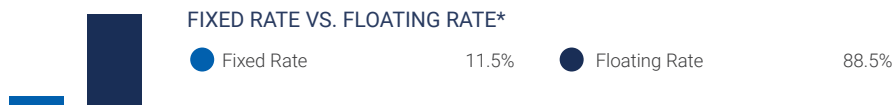
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|---|------------|
| INCEPTION | 11/30/2018 |
| TOTAL MANAGED ASSETS** | \$4.7B |
| TOTAL ISSUERS | 706 |
| DISTRIBUTION FREQUENCY ¹ | Monthly |
| MONTH-END DISTRIBUTION RATE ² | 8.72% |
| MONTH-END LEVERAGE ³ | 29.40% |
| SHARPE RATIO (ANNUALIZED) ⁴ | 0.99 |
| STANDARD DEVIATION ⁵ | 4.15% |
| ASSET COVERAGE ⁶ | 6.56 |
| PREFERRED STOCK ASSET COVERAGE ⁷ | 4.29 |

FUND PERFORMANCE

| | MTD | YTD | 1 YR | 3 YR (Annualized) | 5 YR (Annualized) | Since Inception (Annualized) |
|-------------------|--------|--------|--------|----------------------|----------------------|---------------------------------|
| CLASS W CADFX | 0.93% | 1.64% | 11.91% | 6.78% | 6.07% | 6.49% |
| with sales charge | -2.10% | -1.41% | 8.55% | 5.71% | 5.15% | 5.87% |

Returns include reinvestment of distributions and reflect fund expenses. The estimated expense ratio is 3.92% when excluding interest payments on borrowed funds of 1.84%. See disclosures for full breakdown of expenses. Expense ratios are annualized and calculated as a percentage of estimated average net assets. The sales charge for Class W is up to 3.00%. Share values will fluctuate, therefore if repurchased, they may be worth more or less than their original cost. Past performance is not indicative of future results. Current performance may differ and can be obtained at cioninvestments.com.

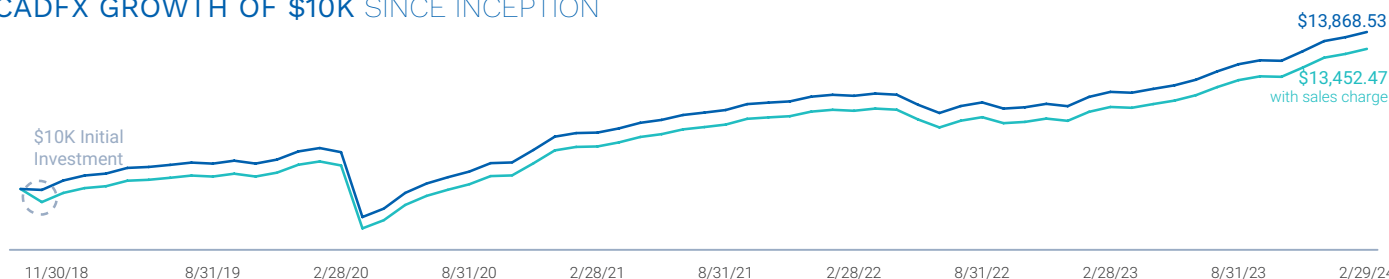
PORTFOLIO CHARACTERISTICS



* Excludes cash, other net assets and equity instruments.

** Holdings and allocations, unless otherwise indicated, are based on the total managed assets and subject to change without notice. Total managed assets is defined as the total assets (including any assets attributable to financial leverage) minus accrued liabilities (other than debt representing financial leverage). Data shown is for informational purposes only and not a recommendation to buy or sell any security.

CADFX GROWTH OF \$10K SINCE INCEPTION



This graph illustrates the performance of a hypothetical \$10,000 investment made in this Fund from the inception date of the product. This is represented as the change in total return at monthly intervals. Total return is a measure of the change in NAV including reinvestment of all distributions and is presented on a net basis reflecting the deduction of fund expenses and applicable fees with expense support provided by CAM. The performance quoted represents past performance, is no guarantee of future results and may not provide an adequate basis for evaluating the performance of the Fund over varying market conditions or economic cycles. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance data quoted.

TOP 10 HOLDINGS % OF PORTFOLIO

| | |
|-------------------------------|------|
| Kaseya | 1.0% |
| Mimecast | 1.0% |
| Nielsen | 1.0% |
| Ardonagh Packaging | 0.9% |
| High Street Insurane Partners | 0.9% |
| DigiCert | 0.9% |
| TurnPoint Services | 0.9% |
| Global Medical Response | 0.8% |
| Citrix | 0.8% |
| eCapital | 0.8% |

ALLOCATION BY INDUSTRY % OF PORTFOLIO

| | |
|------------------------------------|-------|
| Software & Services | 20.9% |
| Commercial & Professional Services | 9.1% |
| Health Care Equipment & Services | 9.0% |
| Financial Services | 8.7% |
| Capital Goods | 8.0% |
| Consumer Services | 6.9% |
| Structured Products | 6.6% |
| Insurance | 6.3% |
| Other | 27.0% |
| Cash | -2.5% |

Holdings and allocations, unless otherwise indicated, are based on the total managed assets and subject to change without notice. Total managed assets is defined as the total assets (including any assets attributable to financial leverage) minus accrued liabilities (other than debt representing financial leverage). Data shown is for informational purposes only and not a recommendation to buy or sell any security.

RISK DISCLOSURES & GLOSSARY

Risks and limitations include, but are not limited to, the following: investment instruments may be susceptible to economic downturns; most of the underlying credit instruments are rated below investment grade and considered speculative; there is no guarantee all shares can be repurchased; the Fund's business and operations may be impacted by fluctuations in the capital markets; the Fund is a diversified, closed-end investment company with limited operating history; diversification does not eliminate the risk of investment losses.

- ¹ **Distribution Frequency** – there is no assurance monthly distributions paid by the Fund will be maintained at the targeted level or paid at all.
- ² **Month-End Distribution Rate** – month-end distribution rate is expressed as a percentage equal to the projected annualized distribution amount (which is calculated by annualizing the current cash distribution per share without compounding), divided by the current net asset value. The month-end distribution rate shown may be rounded.
- ³ **Month-End Leverage** – as a percentage of total managed assets. The Fund utilizes leverage as part of its investment strategy and currently has borrowings under a credit facility as well as mandatory redeemable preferred shares. The Fund's leverage under the credit facility without the use of mandatory redeemable preferred shares was 17.45%.
- ⁴ **Sharpe Ratio** – a risk-adjusted measure that measures reward per unit of risk. The higher the Sharpe Ratio, the better. The numerator is the difference between a portfolio's return and the return of a risk-free instrument. The denominator is the portfolio's standard deviation. Figures shown here are based on non-loaded daily NAV total returns utilizing data since inception.
- ⁵ **Standard Deviation** – a widely used measure of an investment's performance volatility. Standard deviation shows how much variation from the mean exists with a larger number indicating the data points are more spread out over a larger range of values. Figures shown here are based on non-loaded daily NAV total returns utilizing data since inception.
- ⁶ **Asset coverage** – calculated pursuant to the Investment Company Act of 1940, is the ratio of the total assets of the Fund, less all liabilities and indebtedness not represented by senior securities, divided by total senior securities outstanding of \$679,067,530.00 as of December 31, 2023. Calculation: Total Assets less other liabilities (excluding secured revolving debt) divided by outstanding secured revolving debt.
- ⁷ **Preferred stock asset coverage** – calculated pursuant to the Investment Company Act of 1940, is the ratio of the total assets of the Fund, less all liabilities and indebtedness not represented by senior securities, divided by sum of total outstanding debt and aggregate value of the involuntary liquidation preference of the preferred stock of \$1,039,067,530.00 as of December 31, 2023. Calculation: Total Assets less Other Liabilities (excluding secured revolving debt and preferred stock) divided by outstanding secured revolving debt and preferred stock.

Estimated Annual Fund Expenses: Management Fee 1.79%; Incentive Fee 1.09%; Interest Payments on Borrowed Funds 1.84%; Distribution Fee 0.50%; Remaining Other Expenses 0.54%. Expenses are annualized and calculated as a percentage of estimated average net assets.

A portion of distributions may be a direct result of expense support payments provided by CION Ares Management, LLC (CAM), which are subject to repayment by CADC within three years. The purpose of this arrangement is to ensure that CADC bears an appropriate level of expenses. Any such distributions may not be entirely based on investment performance and can only be sustained if positive investment performance is achieved in future periods and/or CAM continues to make such expense support payments. Future repayments will reduce cash otherwise potentially available for distributions. There can be no assurance that such performance will be achieved in order to sustain these distributions. CAM has no obligation to provide expense support payments in future periods.

CADC may fund distributions from unlimited amounts of offering proceeds or borrowings, which may constitute a return of capital, as well as net income from operations, capital and non-capital gains from the sale of assets, dividends or distributions from equity investments and expense support payments from CAM, which are subject to repayment. For the year ending December 31, 2023, distributions were paid from taxable income and did not include a return of capital for tax purposes. It is not anticipated that the current distribution rate will contain a return of capital. If expense support payments from CAM were not provided, some or all of the distributions may have been a return of capital which would reduce the available capital for investment. The sources of distributions may vary periodically. Please refer to the semi-annual or annual reports filed with the SEC for the sources of distributions.

This is neither an offer to sell nor a solicitation to purchase the securities described herein. An offering is made only by the prospectus which must precede or accompany this piece. Please read the prospectus prior to making any investment decision and consider the risks, charges, expenses and other important information described therein. Additional copies of the prospectus may be obtained by contacting CION Securities at 800.435.5697 or by visiting cioninvestments.com.

Please be aware that the Fund, the Advisers, the Distributor or the Wholesale Marketing Agent and their respective officers, directors, employees and affiliates do not undertake to provide impartial investment advice or to give advice in a Fiduciary capacity in connection with the Fund's public offering of shares.

CION Securities, LLC (CSL) is the wholesale marketing agent for CION Ares Diversified Credit Fund, advised by CION Ares Management, LLC (CAM) with marketing services provided by ALPS Distributors, Inc (ADI). CSL, member FINRA, and CAM are not affiliated with ADI, member FINRA.

MANAGEMENT TEAM

- **Mitch Goldstein**, *Co-Head of Ares Credit Group*
28 Years of Experience
- **Greg Margolies**, *Partner, Ares Management*
35 Years of Experience
- **Michael Smith**, *Co-Head of Ares Credit Group*
28 Years of Experience
- CADC's allocation committee consists of an additional 13 members, averaging nearly 25 years of experience.

ABOUT CION INVESTMENTS

CION Investments is a leading manager of investment solutions designed to redefine the way individual investors can build their portfolios and help meet their long-term investment goals. With more than 30 years of experience in the alternative asset management industry, CION strives to level the playing field. CION currently manages CION Investment Corporation, a leading BDC, and sponsors, through CION Ares Management, CION Ares Diversified Credit Fund, a globally diversified interval fund.

ABOUT ARES MANAGEMENT

Ares Management Corporation (NYSE: ARES) is a leading global alternative investment manager operating three integrated businesses across Credit, Private Equity and Real Estate. Ares Management's investment groups collaborate to deliver innovative investment solutions which seek to provide consistent and attractive investment returns throughout market cycles. Ares Management's global platform had \$419 billion of assets under management as of December 31, 2023 with approximately 2,000+ employees in over 25+ offices in more than 10 countries. Please visit www.aresmgmt.com for additional information.