CION Ares Diversified Credit Fund

August 2026

Looking beyond traditional bonds for income, diversification and lower volatility



CION INVESTMENTS | ARES

CAD000413-1228

Important Information and Disclosures

All potential investors must read the prospectus prior to making any investment decision and consider the risks, charges, expenses, and other important information described therein. Copies of the prospectus may be obtained by contacting CION Investments at 800.435.5697 or by visiting cioninvestments.com.

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. Indices are provided for illustrative purposes only and not indicative of any investment. Investors cannot invest directly in an index.

Please be aware that the Fund, the Advisor, 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 to retail investors.

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.

Risks

An investment in shares of the Fund's common stock involves a high degree of risk and is considered speculative. Potential investors should carefully consider the risk factors described in the prospectus before deciding to invest. An investment in the Fund is subject to, among others, the following risks:

- There is not expected to be any secondary trading market in the Shares.
- Unlike an investor in most closed-end funds, Shareholders should not expect to be able to sell their Shares regardless of how the Fund performs. An investment in the Fund is considered illiquid.
- If a Shareholder is able to sell its Shares outside the quarterly repurchase process, the Shareholder likely will receive less than their purchase price and the then current NAV per Share.
- An investor may pay a sales load of up to 5.75% depending on the share class.
- There is no assurance that monthly distributions paid by the Fund will be maintained at the targeted level or that dividends will be paid at all.
- The Fund's distributions may be funded from unlimited amounts of offering proceeds or borrowings, which may constitute a return of capital and reduce the amount of capital available to the Fund for investment. Any capital returned to Shareholders through distributions will be distributed after payment of fees and expenses.
- A return of capital to Shareholders is a return of a portion of their original investment in the Fund, thereby reducing the tax basis of their investment. As a result from such reduction in tax basis, Shareholders may be subject to tax in connection with the sale of Fund Shares, even if such Shares are sold at a loss relative to the Shareholder's original investment.

Most of the credit instruments in which the Fund invests will be rated below investment grade by rating agencies or would be rated below investment grade if they were rated. Credit instruments that are rated below investment grade (commonly referred to as "high yield" securities or "junk bonds") are regarded as having predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. Because of the risks associated with investing in high yield securities, an investment in the Fund should be considered speculative. Some of the credit instruments will have no credit rating at all.

CION Ares Diversified Credit Fund (CADC)

A Dynamic Approach to Diversified Credit Investing

1.
Access to the alternative investing spectrum of liquid and illiquid credit

2.
Ares Management's institutional credit platform is an established leader in credit investing

3.
Individuals can invest through an accessible interval fund structure

Dynamic Allocation Offers the Potential for Enhanced Income and Downside Mitigation

- Exposure to U.S. and European private credit
- Ability to take advantage of market opportunities outside private credit
- Effective management of liquid credit assets
- Historically low correlation to public markets
- Reduced portfolio volatility

Ares Management: An Attractive Track Record and a Broad and Deep Platform

- Attractive track record and market-commanding position
- Broad global credit platform
- Direct origination can add value
- Deep bench of work out professionals
- Experience through all market cycles

Interval Fund Structure: Transparency, Accessibility and Semi-Liquidity

- Portfolio transparency
- Daily NAV
- Periodic liquidity
- Simplified 1099 tax reporting

Diversification does not assure profit or protect against market loss. References to downside risk mitigation are not guarantees against loss of investment capital or value. Past performance is not indicative of future results.

A Diversified Approach to Credit Investing



Non-Traditional vs Traditional Credit Performance

Private credit, high yield and leveraged loans have dominated credit performance throughout several market cycles.

Annual Returns of Key Indices Ranked in Order of Performance (2016-2025)

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total Return [1]
17.1% High Yield	10.9% Global Private Credit	6.1% U.S. Private Credit	14.3% High Yield	8.0% U.S. Treasuries	17.9% U.S. Private Credit	5.2% U.S. Private Credit	13.4% High Yield	8.9% Leveraged Loans	9.2% Global Private Credit	8.6% U.S. Private Credit
10.1% Leveraged Loans	9.8% U.S. Private Credit	5.1% Global Private Credit	8.7% Investment Grade Bonds	7.5% Investment Grade Bonds	15.5% Global Private Credit	3.8% Global Private Credit	13.3% Leveraged Loans	8.7% U.S. Private Credit	8.6% High Yield	8.3% Global Private Credit
9.7% U.S. Private Credit	7.5% High Yield	1.8% 1-3 Month T-Bill	8.6% Leveraged Loans	7.1% High Yield	5.3% High Yield	1.5% 1-3 Month T-Bill	10.2% Global Private Credit	8.2% High Yield	7.3% Investment Grade Bonds	6.5% High Yield
8.5% Global Private Credit	4.1% Leveraged Loans	0.9% U.S. Treasuries	7.6% U.S. Private Credit	5.8% Global Private Credit	5.2% Leveraged Loans	-0.8% Leveraged Loans	9.4% U.S. Private Credit	7.3% Global Private Credit	7.1% U.S. Private Credit	5.8% Leveraged Loans
2.6% Investment Grade Bonds	3.5% Investment Grade Bonds	0.4% Leveraged Loans	6.9% U.S. Treasuries	4.9% U.S. Private Credit	0.0% 1-3 Month T-Bill	-11.2% High Yield	5.5% Investment Grade Bonds	5.3% 1-3 Month T-Bill	6.3% U.S. Treasuries	2.2% 1-3 Month T-Bill
1.0% U.S. Treasuries	2.3% U.S. Treasuries	0.0% Investment Grade Bonds	6.8% Global Private Credit	3.1% Leveraged Loans	-1.5% Investment Grade Bonds	-12.5% U.S. Treasuries	5.1% 1-3 Month T-Bill	1.3% Investment Grade Bonds	5.9% Leveraged Loans	2.0% Investment Grade Bonds
0.3% 1-3 Month T-Bill	0.8% 1-3 Month T-Bill	-2.1% High Yield	2.2% 1-3 Month T-Bill	0.5% 1-3 Month T-Bill	-2.3% U.S. Treasuries	-13.0% Investment Grade Bonds	4.1% U.S. Treasuries	0.6% U.S. Treasuries	4.3% 1-3 Month T-Bill	1.4% U.S. Treasuries

Source: MSCI, Morningstar, Bloomberg, as of 12/31/2025. Represents the annual returns for the respective calendar year, ranked in order of performance. The asset classes presented are based on the following indices: MSCI Global Private Credit Closed-End Fund Index for Global Private Credit, MSCI U.S. Private Credit Closed-End Fund Index for U.S. Private Credit, Bloomberg U.S. Corporate High Yield Index for High Yield, Morningstar LSTA U.S. Leveraged Loan Index for Leveraged Loans, Bloomberg U.S. Aggregate Bond Index for Investment Grade Bonds, Bloomberg U.S. Treasury Total Return Unhedged Index for U.S. Treasuries, Bloomberg Short Treasury Total Return Index for 1-3 Month T-Bill. Past performance is not necessarily indicative of future results. There can be no assurance any alternative asset classes will achieve their objectives or avoid significant losses. The volatility and risk profile of the indices is likely materially different from that of a fund. The indices employ different investment guidelines / criteria than a fund and do not employ leverage; a fund's holdings and the liquidity of such holdings may differ significantly from securities comprising the indices. An investment cannot be made in an index. Indices do not account for sales charges or expenses, which would otherwise negatively impact the stated performance of each index. The indices' performance has not been selected to represent an appropriate benchmark to compare to a fund's performance, but rather is disclosed to allow for comparison to that of well-known and widely recognized indices. The indices are not necessarily the top performing indices in the given asset class and recipients should consider this when comparing the performance of any fund or investment to that of the indices. 1. Total return is calculated over the period 1/1/2016-12/31/2025. See slide 23 for Index Definitions and an important index disclosure and slide 26 for pro forma alternative credit note.

Why Are Investors Allocating to Private Credit?

Institutions have allocated to private credit for decades. Individual investors can now access the growing opportunity.

90%

Financial advisor survey respondents plan to increase or maintain allocations to private credit in the next year[1]

9.5%

Since Inception Return, 2004 – 2025[2]

>5-10%

Allocation to private credit in client portfolios[1]

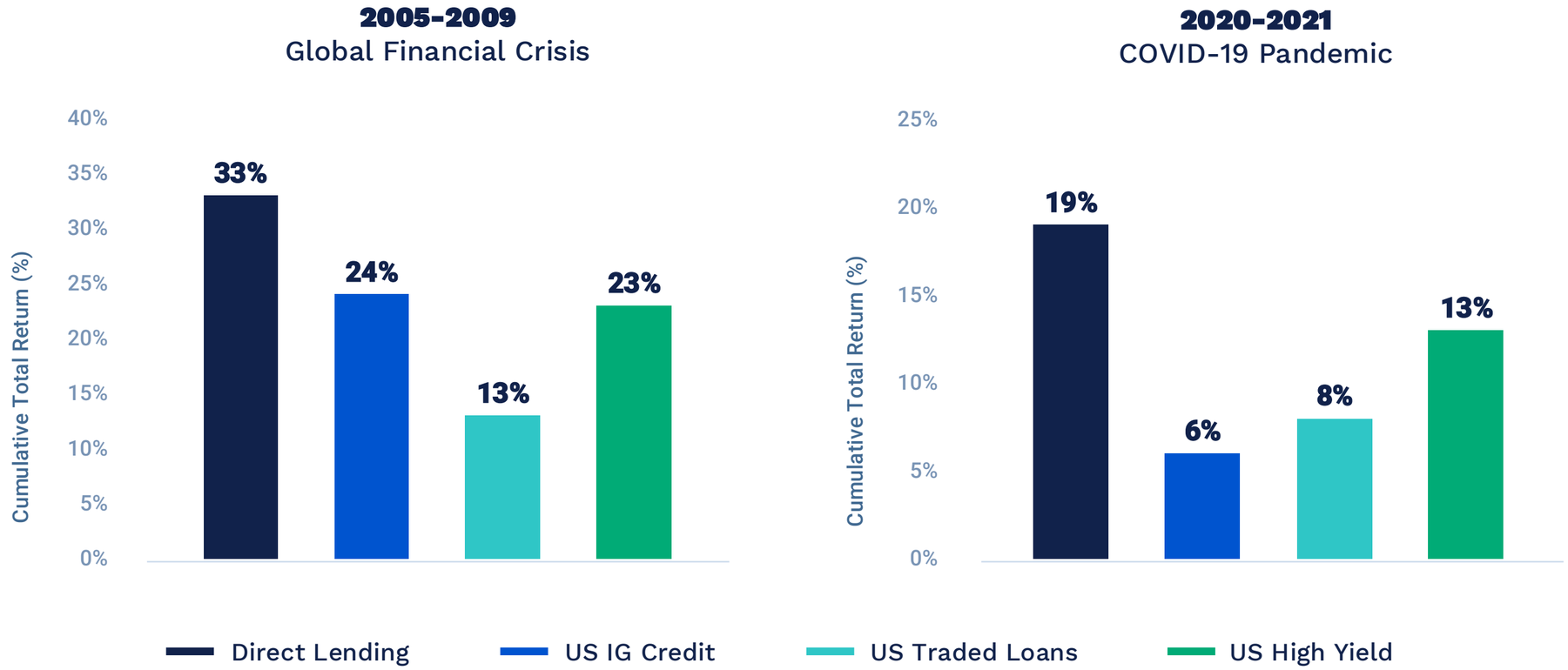
2-4%

Typically higher returns than other traditional credit asset classes[3]

1. 2026 CAIS and Mercer Alternative Investment Survey: The State of Alternative Investments in Wealth Management
2. Ares; Cliffwater Direct Lending Index. The Cliffwater Direct Lending Index was officially launched on September 30, 2015. Any information provided before the index's launch date is purely hypothetical (back-tested). Hypothetical results do not represent actual investor experience and have inherent limitations. Actual investor results may differ materially. See slide 23 for Index Definitions and an important index disclosure.
3. Federal Reserve, Who Invests in Private Credit and Why, January 2024.

Past performance doesn't guarantee future results.

Private Credit Has Shown Resiliency During Economic Downturns



Source: CION Investments, Bloomberg. Data: US Traded Loans represented by the S&P UBS Leveraged Loan Index. Bloomberg U.S. Credit Index (Investment Grade Credit), Cliffwater Direct Lending Index and Bloomberg US Corporate High Yield Total Return Index Value Unhedged. Dates of data for GFC are January 1, 2005-December 31, 2009. Dates for COVID-19 Pandemic are January 1, 2020-December 31, 2021. The Cliffwater Direct Lending Index was officially launched on September 30, 2015. Any information provided before the index's launch date is purely hypothetical (back-tested). Hypothetical results do not represent actual investor experience and have inherent limitations. Actual investor results may differ materially.

An investment cannot be made in an index. The indices referenced are used solely for benchmarking purposes. Indices do not account for sales charges or expenses, which would otherwise negatively impact the stated performance of each index. Past performance is no guarantee of future results.
Please see slide 23 for Index Definitions and an important index disclosure.

Interval Funds Can Provide Access to the Illiquidity Premium

CADC's innovative structure can allow the investor to access capital while meeting the needs of the manager in managing a long-term strategy.

	TRADITIONAL ALTERNATIVES[1]	INTERVAL FUNDS	TRADITIONAL MUTUAL FUNDS
Eligibility	Qualified Purchasers and/or Accredited Investors	All Investors	All Investors
Offering	One-Time Raise	Continuous	Continuous
Minimum Investment	Typically High Minimums	Typically Low Minimums	Varies
Liquidity	Multi-Year Lock-Up	Periodic Repurchase	Daily Redemption
Pricing/Valuation	Annually with Third Party Valuation	Daily @ NAV	Daily @ NAV
Maximum Allowed Illiquid Assets	No Limit	No Limit[2]	15%
Taxed	Schedule K-1	Form 1099	Form 1099

1. Examples include direct participation programs such as equipment leasing and finance funds, oil and gas programs, and real estate investment trusts.
2. The fund will retain sufficient liquid assets in order to meet liquidity needs and to cover repurchase offers.

Please see slide 28 for Additional Information on Traditional Alternatives and Mutual Funds.

We Believe A Manager With Breadth, Depth and a Track Record Through All Cycles Is Key



CION Ares Management : Our Joint Venture

To execute on a diversified credit strategy, CION sought out a manager with experience across the breadth of liquid and illiquid credit assets and a track record of performance.



Past performance is not indicative of future results.

Ares: An Established Leader in Credit

Over a 20+ year track record, Ares has built a broad and deep platform of global credit investing.

$440.5B
Global Credit AUM

20+
Direct Lending Offices

565+
Dedicated Investment Professionals

DIRECT LENDING
$286B AUM

- First lien and second lien loans
- Mezzanine loans
- Preferred equity / equity co-invest
- Project finance
- Asset-based loans

LIQUID CREDIT
$62B AUM

- Leveraged loans
- High yield bonds
- Global multi-asset credit

ALTERNATIVE CREDIT
$59B AUM

- Non-traditional credit
- Secured debt or structured equity backed (financial, specialty)

REAL ESTATE DEBT
$27B AUM

- Senior fixed rate
- Senior floating rate
- Mezzanine
- Preferred equity

As of June 30, 2026. Global credit AUM includes funds managed by Ivy Hill Asset Management, L.P., a wholly owned subsidiary of Ares Capital Corporation and registered investment advisor.

Ares Direct Lending[1]: An Established Global Platform

The Development of Ares' Direct Lending Platform				Ares Global Direct Lending Today
Founded	2004	2007	2009	
Region	U.S. 	Europe 	Asia-Pacific 	
AUM[2]	$193 bn	€87 bn	$12 bn	$292 bn
Investment Professionals / Offices[3]	235 / 9	99 / 7	67 / 12	401 / 28
Net Invested Capital Since Inception[4]	$223 bn	€87 bn	$17 bn	$341 bn
LTM Committed Capital[5]	$56 bn	€15 bn	$1 bn	$75 bn
Investments Since Inception[6]	2,720+	455+	295+	3,470+

Note: As of March 31, 2026, unless otherwise noted. Asia-Pacific data include Asia Special Situations, Asia Direct Lending and Ares Credit Asia Pacific Strategies. Total invested capital in Asia-Pacific includes $7.3 billion that is not composed of direct lending. Past performance is not indicative of future results. No representation is being made that any investor will or is likely to achieve profits or losses similar to those shown. Actual results may vary substantially.
1. See Endnotes on slide 24 for footnotes information.

Ares Direct Origination Focus Can Add Value

ARES UNDERWRITING ROLE[1]

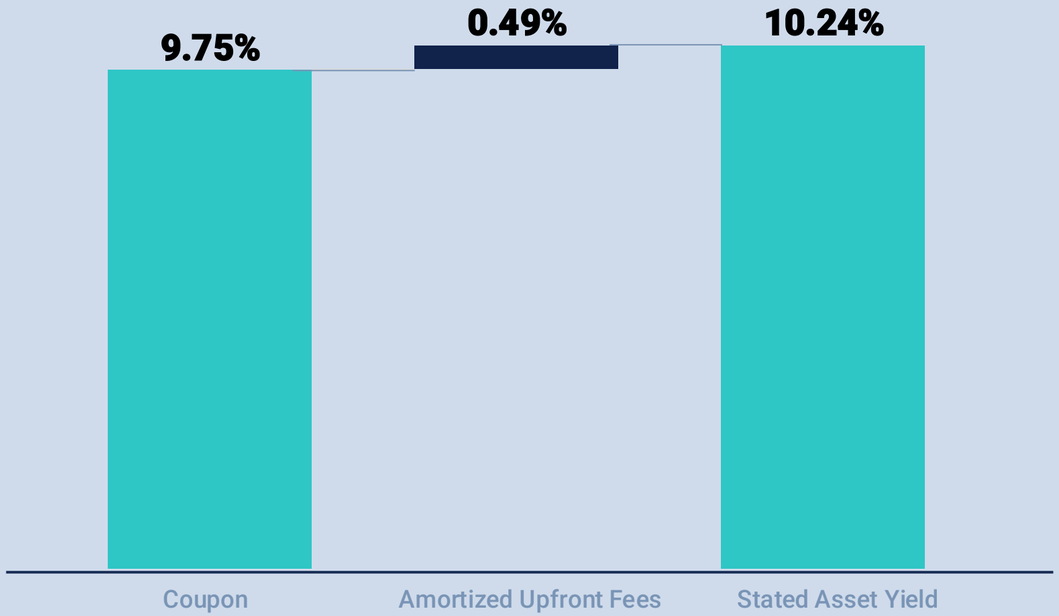


ARES U.S. CORPORATE DIRECT LENDING: CLOSING CONVERSION RATES[2]

High degree of selectivity, with an average

~5.0% closing rate from 2017-2025

CADC DIRECT LENDING ECONOMICS[3]



For illustrative purposes only.

1. Calculated based on the cost basis of Ares U.S. Direct Lending portfolio as of December 31, 2025, excluding equity-only investments and legacy investments from portfolio acquisitions.
2. Calculation based on Ares U.S. Corporate Direct Lending portfolio reviewed and closed transactions with new portfolio companies (excludes any additional investments in existing portfolio companies) in each calendar year excluding equity-only investments and legacy investments from portfolio acquisitions. As of December 31, 2025.
3. Data is of CADC Direct Lending portfolio as of December 31, 2025. Upfront fees and coupon are for deals allocated to the fund during the last twelve months. These figures reflect the yield assuming the full coupon amount is repaid and there is no loss of principal. The borrowers for these loans are generally not rated by any rating agency, and, if they were, they would likely receive a rating of below investment grade. The risk of loss of principal and/or failure of the borrower to make interest payments is substantial and, if this were to occur, you would suffer losses that would reduce the return of the investment and would result in the loss of some or all of the invested capital. Yields shown do not reflect the deduction of fees and expenses.

CADC Is Designed to Deliver Consistent Income, Portfolio Diversification and Downside Risk Mitigation



Diversification does not assure profit or protect against market loss. References to downside risk mitigation are not guarantees against loss of investment capital or value.

Key Attributes

Diversified portfolio designed to generate attractive returns without taking excess risk.

Diversification*

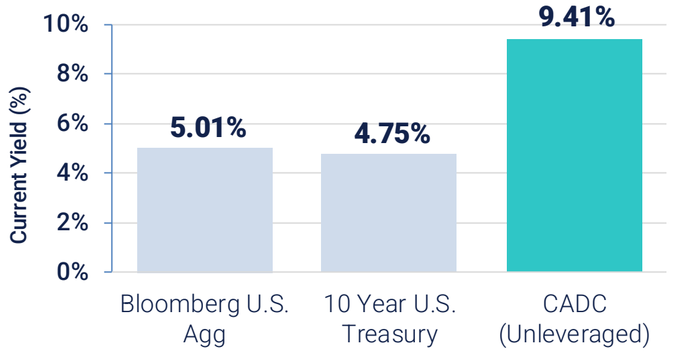
922
Issuers

10
Credit Sectors

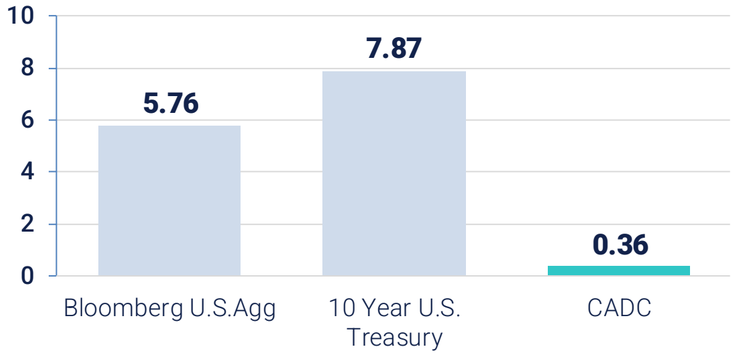
<0.11%
Avg. Position Size

24
Industries

Attractive Current Yield (%)



Low Duration (Years)



Emphasis on Direct Origination

86.8%

Directly Originated Assets[1]

Defensive Posture

89.3%

Secured Debt Instruments[2]

Predominantly Floating Rate[3]



Note: As of August 31, 2026. *Diversification does not assure profit or protect against market loss. Yields shown do not reflect the deduction of fees and expenses. See slide 23 for Index Definitions and an important index disclosure.

1. Includes Direct Lending, Alternative Credit, Real Estate Debt, Infrastructure Debt, and Opportunistic investments.
2. Includes First Lien, Second Lien, Structured Credit Debt and Structured Credit Equity investments.
3. Excludes cash, other net assets and equity instruments. Past performance doesn't guarantee future results.

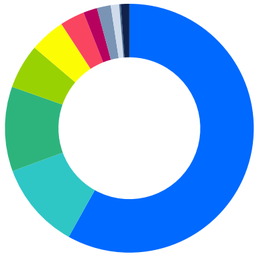
Current Portfolio Snapshot

as of 8/31/26

Characteristics

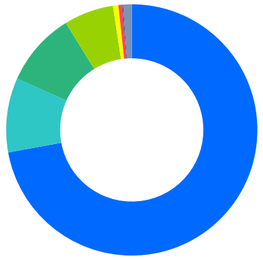
Number of Issuers	**922**
Top Ten Issuers	**10.22%**
Distribution Rate (Class I – CADUX)*	**8.91%**
Floating Rate Assets	**92.6%**
Annualized Return (Class I – CADUX)**	**6.55%**
Standard Deviation (Class I – CADUX)	**3.59%**
Sharpe Ratio (Class I – CADUX)	**0.97**

Allocation By Asset Type



US Direct Lending	**58.1%**	CLO Debt	**1.8%**
European Direct Lending	**11.3%**	Infrastructure Debt	**1.8%**
Syndicated Loans	**11.0%**	High Yield Bonds	**1.1%**
CLO Equity	**5.8%**	Real Estate Debt	**0.2%**
Private Asset-Backed	**4.6%**	Cash	**1.1%**
Opportunistic	**3.2%**		

Allocation By Geography



United States	**72.2%**	Australia	**0.7%**
Broader North America	**9.6%**	Other	**0.5%**
Broader Europe	**9.5%**	Broader Asia	**0.1%**
United Kingdom	**6.4%**	Cash	**1.1%**

* Source: Ares. Paid monthly. Current Distribution based on 8/31/26 NAV of $23.87. Distribution rate is expressed as a percentage equal to the projected annualized distribution amount (which is calculated by annualizing the current daily cash distribution per share without compounding), divided by the relevant net asset value per share.

** Class I Share since inception 7/12/2017. Returns include reinvestment of distributions and reflect fund expenses. The estimated net expense ratio is 3.76% when excluding interest payments on borrowed funds of 3.14%. Expense ratios are annualized and calculated as a percentage of estimated average net assets. Total estimated gross annual expense ratio is 6.90%. 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. There is no assurance that monthly distributions paid by the fund will be maintained at a targeted level or that they will be paid at all. 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.

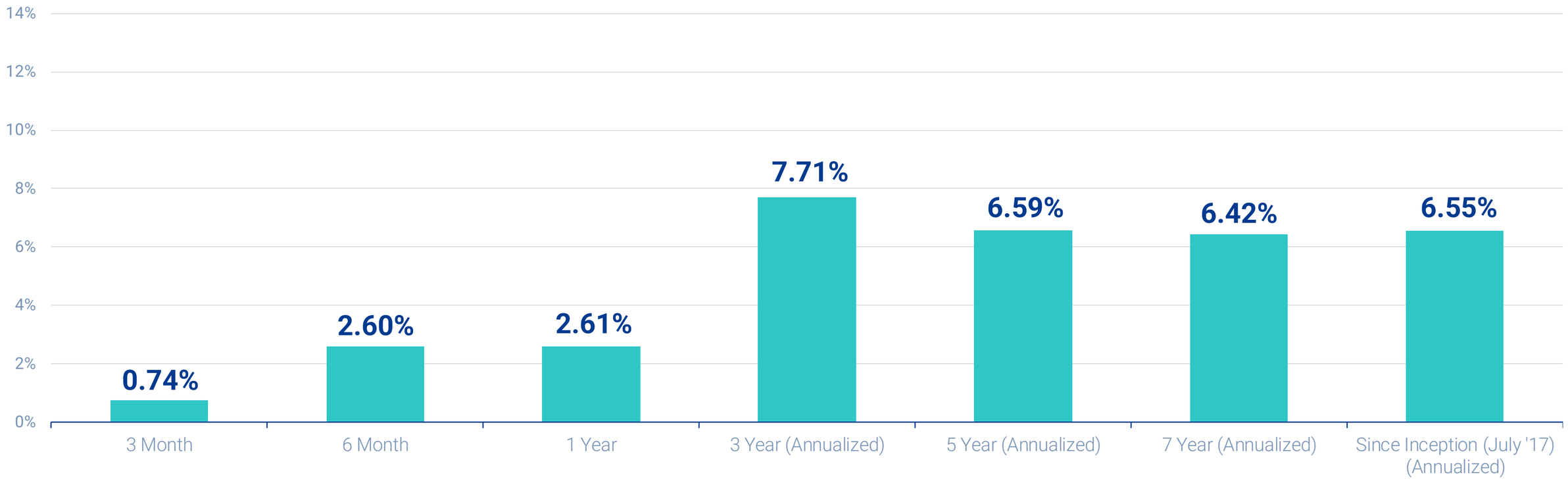
Other share classes may be available at certain intermediaries. Please consult cioninvestments.com or your CION Investments sales team member for specific information regarding fees and expenses associated with other share classes.

Note: Portfolio characteristics of CADC are as of August 31, 2026 and are subject to change.

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. For the year ending December 31, 2025 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. 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.

Fund Performance

CION Ares Diversified Credit Fund (I Share): CADUX*

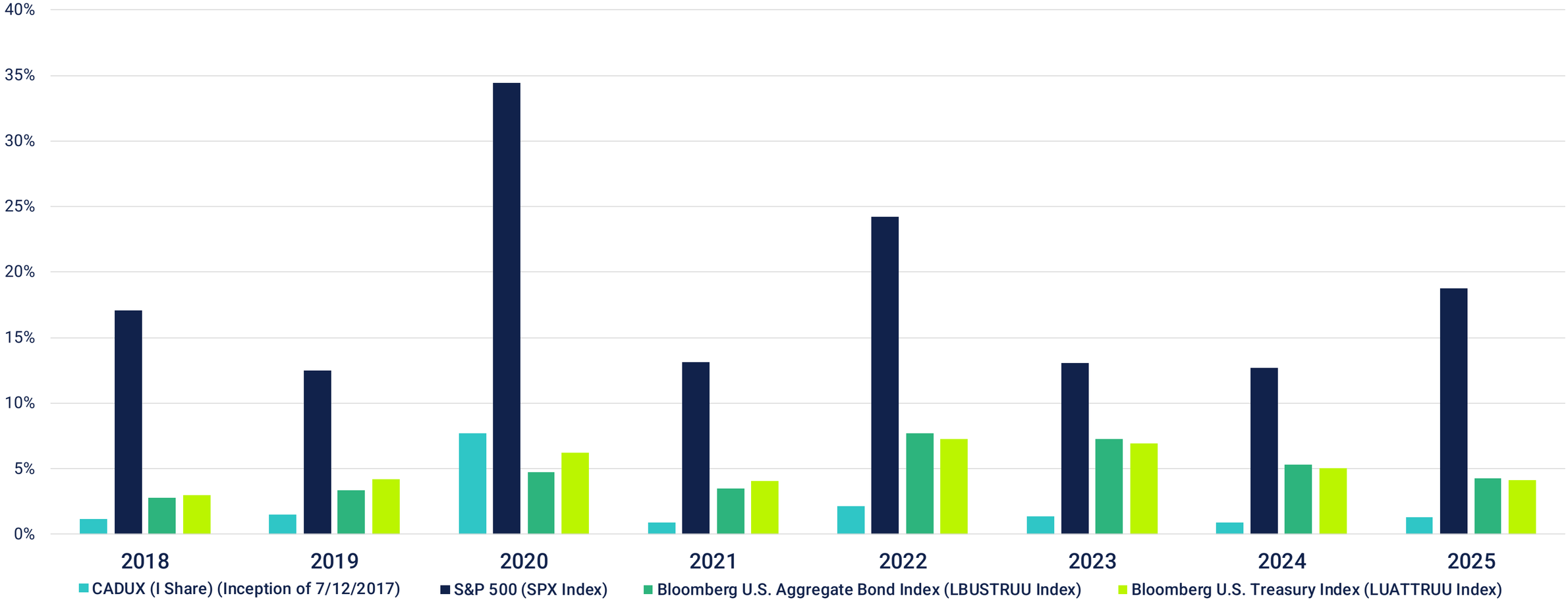


Note: As of August 31, 2026. Returns include reinvestment of distributions and reflect fund expenses. The estimated net expense ratio is 3.76% when excluding interest payments on borrowed funds of 3.14%. Expense ratios are annualized and calculated as a percentage of estimated average net assets. Total estimated gross annual expense ratio is 6.90%. 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. There is no assurance that monthly distributions paid by the fund will be maintained at a targeted level or that they will be paid at all. 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.

* Other share classes may be available at certain intermediaries. Please consult cioninvestments.com or your CION Investments sales team member for specific information regarding fees and expenses associated with other share classes.

Resilience Amid Market Volatility

Standard Deviation, by year (2018-2025)



Note: As of December 31, 2025. Index data is provided for comparison purposes only. The information related to the various indices is sourced from the providers' websites. Ares is not responsible for any historic revision made to the indices. The indices include the reinvestment of dividends, interest and other earnings and have not been adjusted for management fees or expenses. Please refer to slide 23 for Index Definitions and an important index disclosure.

Other share classes may be available at certain intermediaries. Please consult cioninvestments.com or your CION Investments sales team member for specific information regarding fees and expenses associated with other share classes.

Ballast in a Portfolio to Anchor Risk-Adjusted Returns

CADC[1]

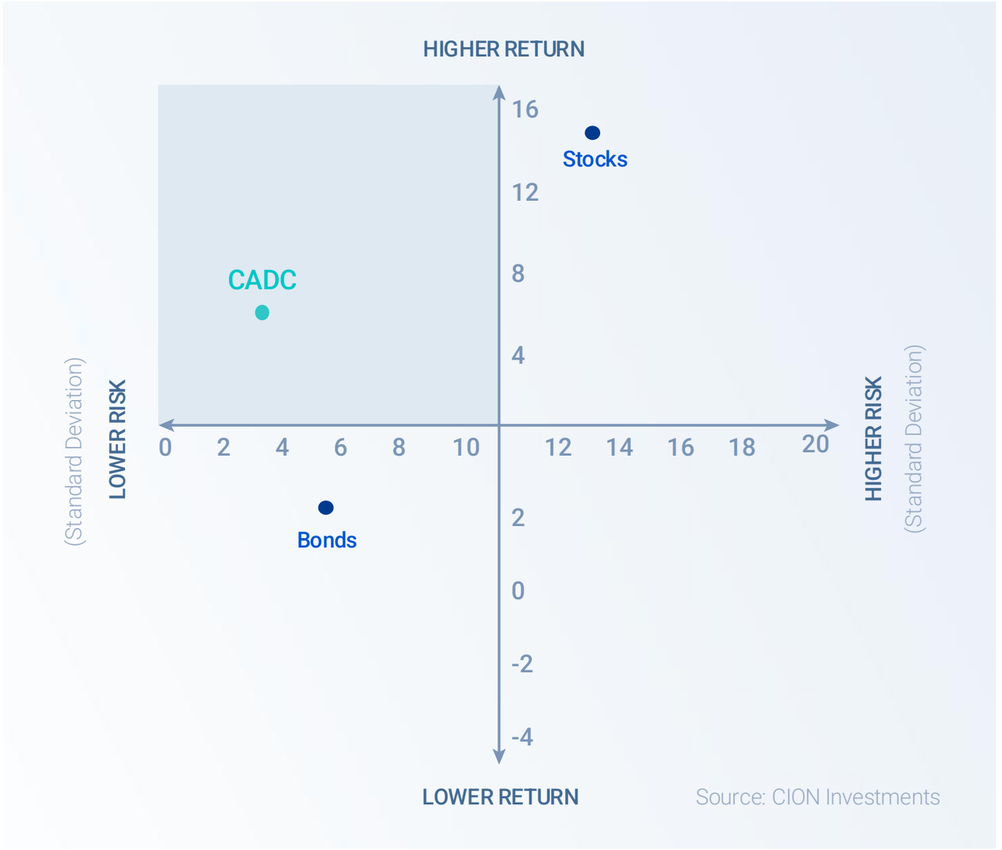
Performance: **6.55%**
Standard Deviation: **3.59%**
Distribution Rate: **8.91%**

Stocks[2]

Performance: **15.27%**
Standard Deviation: **12.94%**
Yield: **1.06%**

Bonds[3]

Performance: **1.79%**
Standard Deviation: **5.60%**
Yield: **5.01%**



1. CADC represented by CION Ares Diversified Credit Fund I Class (CADUX) for period ending August 31, 2026. Returns include reinvestment of distributions and reflect fund expenses. The estimated expense ratio is 3.76% when excluding interest payments on borrowed funds of 3.14%. Expense ratios are annualized and calculated as a percentage of estimated average net assets. Total estimated gross annual expense ratio is 6.90%. Please refer to slide 23 for index definitions and slide 25 for additional important disclosures. Share values will fluctuate, therefore if repurchased, they may be worth more or less than their original cost. There is no assurance that distributions paid by the fund will be maintained at a targeted level or that they will be paid at all.
2. Stocks represented by S&P 500 Index annualized performance from January 26, 2017 to August 31, 2026.
3. Bonds represented by Bloomberg U.S. Aggregate Bond Index annualized performance from January 26, 2017 to August 31, 2026.

Standard deviation is calculated on a monthly basis. Past performance is not indicative of future results. Current performance may differ and can be obtained at cioninvestments.com.

Other share classes may be available at certain intermediaries. Please consult cioninvestments.com or your CION Investments sales team member for specific information regarding fees and expenses associated with other share classes.

CADC's Core Attributes[1]

01.

ILLIQUIDITY/ COMPLEXITY PREMIUM

Illiquid credit assets have provided enhanced yield and lower correlation to public markets in exchange for daily liquidity

02.

CADC OFFERS EXPERIENCED MANAGEMENT

CADC gives individual investors direct access to the Ares credit platform

03.

A DIVERSIFIED STRATEGY BRINGS FLEXIBILITY

Dynamically managed to seek relative value opportunities and superior risk-adjusted returns

04.

DOWNSIDE RISK MITIGATION

Portfolio consists predominantly of floating rate, senior secured loans underwritten by professionals across the Ares Credit Group

1. Based on Ares observations as of June 30, 2025.
References to "downside risk mitigation" or similar language are not guarantees against loss of investment capital or value.

CADC Offering Profile

FUND OBJECTIVE

To provide superior risk adjusted returns across various market cycles by investing in a diversified portfolio of liquid and illiquid asset classes. The Fund seeks to achieve this objective by capitalizing on market inefficiencies and relative value opportunities throughout the entire global credit spectrum.

INVESTMENT UNIVERSE

The Fund invests primarily in 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.

1. Subject to a 1.00% contingent deferred sales charge if redeemed during the first 365 days after purchase.
2. Subject to a shareholder servicing fee of up to 0.25% per year.
3. Subject to a 0.75% (Class C, Class U), 0.25% (Class L), 0.50% (Class U-2) annual distribution fee.
4. Subject to management fees and other expenses.
5. Subject to selling dealer discretion.

Note: For illustrative purposes only. Diversification does not assure profit or protect against market loss. There is no assurance that investment objectives will be achieved. All investments involve risk, including possible loss of principal. Please refer to the Fund's Risk factors on slide 3. The above summary does not constitute a commitment, a contract to provide a commitment or an offer to make a commitment on these or any other terms. No legally binding terms shall be created until definitive documentation is executed and delivered.

The Structure

1940 Act continuously offered unlisted closed-end interval fund

Symbol

Class A: CADEX
Class C: CADCX
Class I: CADUX
Class L: CADWX
Class U-2: CADSX
Class U: CADZX

Inception Date

Class A: January 2017
Class C: July 2017
Class I: July 2017
Class L: November 2017
Class U-2: April 2020
Class U: July 2019

Tax Reporting

1099-DIV

Limited Liquidity / Repurchase Offer

Quarterly at NAV. No less than 5% of the outstanding shares

Dividend Reinvestment Plan

Automatic participation, unless otherwise elected

Sales Load

Class A: Up to 5.75% front-end load[2,4]
Class C: No front-end load[1,2,3,4]
Class I: No load[4]
Class L: Up to 4.25% front-end load[2,3,4]
Class U-2: Up to 2.50% front-end load[2,3,4]
Class U: No front-end load[3, 4, 5]

Important Disclosure and Index Definitions to Slides 6, 7, 8, 16, 19 and 20

Note: Indices are provided for illustrative purposes only and not indicative of any investment. They have not been selected to represent appropriate benchmarks or targets for the strategy. Rather, the indices shown are provided solely to illustrate the performance of well-known and widely recognized indices. Any comparisons herein of the investment performance of a strategy to an index are qualified as follows: (i) the volatility of such index will likely be materially different from that of the strategy; (ii) such index will, in many cases, employ different investment guidelines and criteria than the strategy and, therefore, holdings in such strategy will differ significantly from holdings of the securities that comprise such index and such strategy may invest in different asset classes altogether from the illustrative index, which may materially impact the performance of the strategy relative to the index; and (iii) the performance of such index is disclosed solely to allow for comparison on the referenced strategy's performance to that of a well-known index. Comparisons to indices have limitations because indices have risk profiles, volatility, asset composition and other material characteristics that will differ from the strategy. The indices do not reflect the deduction of fees or expenses. You cannot invest directly in an index. No representation is being made as to the risk profile of any benchmark or index relative to the risk profile of the strategy presented herein. There can be no assurance that the future performance of any specific investment, investment strategy, or product will be profitable, equal any corresponding indicated historical performance, or be suitable for a portfolio. The information related to the various indices is sourced from the providers' websites. Ares is not responsible for any historic revision made to the indices. The indices include the reinvestment of dividends, interest and other earnings and have not been adjusted for management fees or expenses. Correlation results have been calculated using the monthly returns of the below reference indices:

1. The Cliffwater Direct Lending Index ("CDLI") seeks to measure the unlevered, gross of fees performance of U.S. middle market corporate loans, as represented by the underlying assets of Business Development Companies ("BDCs"), including both exchange-traded and unlisted BDCs, subject to certain eligibility criteria. The CDLI is asset-weighted and calculated quarterly using financial statements and other information contained in the U.S. Securities and Exchange Commission ("SEC") filings of all eligible BDCs. The loans captured by the CDLI represent a large share of the direct lending universe and, importantly, represent loans that are originated and held to maximize risk-adjusted return to shareholders and investors.
2. The MSCI Global Private Credit Closed-End Fund Index and MSCI U.S. Private Credit Closed-End Fund Index aim to measure the net-of-fees aggregate performance in unlisted closed-end private credit fund vehicles. To achieve this objective, the indexes are constructed top-down using the complete cash flow and valuation history of private credit funds. Inception date: 10/1/1984 (MSCI Global Private Credit Closed-End Fund Index, MSCI U.S. Private Credit Closed-End Fund Index). The fund-level transaction data used in constructing the MSCI Private Capital Closed-End Fund Indexes are sourced exclusively through MSCI limited partner (LP) clients, which are investing into the fund vehicles. Additionally, the eligibility of each fund and a complete profile of attributes are determined using the financial statements as issued by the General Partners (GPs). When available and appropriate, MSCI may supplement this data with information from public sources. To effectively represent the performance of a market, market segment, or strategy, MSCI Private Capital Closed-End Fund Indexes use the Net Asset Values (NAVs) reported by the private capital funds quarterly.
3. The Bloomberg U.S. Corporate High Yield Bond Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below.
4. The Bloomberg US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, fixed-rate agency MBS, ABS and CMBS (agency and non-agency). Provided the necessary inclusion rules are met, US Aggregate-eligible securities also contribute to the multi-currency Global Aggregate Index and the US Universal Index. The US Aggregate Index was created in 1986, with history backfilled to January 1, 1976.
5. The Morningstar LSTA US Leveraged Loan Index is a market-value weighted index designed to measure the performance of the US leveraged loan market. The index serves as the market standard for the US leveraged loan asset class and tracks the performance of more than 1,400 USD denominated loans.
6. The Bloomberg US Treasury: Intermediate Index measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury with maturities of 1 to 9.9999 years to maturity.
7. The Bloomberg Short Treasury Total Return Index measures the performance of the US treasury bills, notes, and bonds under 1 year to maturity.
8. Bloomberg U.S. Credit Index: measures the investment grade, US dollar-denominated, fixed-rate, taxable corporate and government-related bond markets. It is composed of the US Corporate Index and a non-corporate component that includes non-US agencies, sovereigns, supranationals and local authorities. The US Credit Index was called the US Corporate Index until July 2000, when it was renamed to reflect its inclusion of both corporate and non-corporate issuers. The US Credit Index is a subset of the US Government/Credit Index and US Aggregate Index. Index history is available back to 1973.
9. The Bloomberg US Treasury Index measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. Treasury bills are excluded by the maturity constraint but are part of a separate Short Treasury Index. STRIPS are excluded from the index because their inclusion would result in double-counting. The US Treasury Index is a component of the US Aggregate, US Universal, Global Aggregate and Global Treasury Indices. The index includes securities with remaining maturity of at least one year. The US Treasury Index was created in March 1994, and has history back to January 1, 1973.
10. S&P UBS Leveraged Loan Index ("S&P UBS LLI") tracks the investable market of the U.S. dollar denominated leveraged loan market. It consists of issues rated "5B" or lower, meaning that the highest rated issues included in this index are Moody's/S&P ratings of Baa1/BB+ or
    Ba1/BBB+. All loans are funded term loans with a tenor of at least one year and are made by issuers domiciled in developed countries.
11. Bloomberg Index Services Limited. BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). Bloomberg or Bloomberg's licensors own all proprietary rights in the Bloomberg Indices. Bloomberg does not approve or endorse this material or guarantee the accuracy or completeness of any information herein, nor does Bloomberg make any warranty, express or implied, as to the results to be obtained therefrom, and, to the maximum extent allowed by law, Bloomberg shall not have any liability or responsibility for injury or damages arising in connection therewith.

Endnotes to Slide 13: Ares Direct Lending Platform

1. Information presented in this slide relates to the Sponsor, not the Issuer. Interests of the Sponsor and Issuer may not be aligned.

2. As of March 31, 2026. U.S. Direct Lending AUM amounts include Ares Capital Corporation ("ARCC"), Senior Direct Lending Program ("SDLP"), private commingled funds, separately managed accounts, and funds managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of Ares Capital Corporation and a registered investment adviser. There is no assurance that anticipated transactions will occur as expected or at all. Ares EDL AUM is defined as all unrealized investments made by the Ares European Direct Lending Team in its comingled funds (ACE I, ACE II, ACE III, ACE IV, ACE V, and ACE VI) since inception in July 2007, including all separately managed accounts ("SMAs") managed within the European Direct Lending strategy.

3. Offices as of June 30, 2026. Offices in the U.S. reflect originating offices. New Delhi office is operated by a third party with whom Ares Asia maintains an ongoing relationship relating to the sourcing, acquisition and/or management of investments.

4. As of December 31, 2025, Asia Pacific data include Asia Special Situations, Asia Direct Lending and Ares Credit Asia Pacific Strategies. Total invested capital includes approximately $15 billion that is not comprised primarily of direct lending. U.S. invested capital includes capital deployed by ARCC, the SDLP, funds and SMAs. For investments made through the SSLP and SDLP, invested capital represents the total facility amount funded by the SDLP. Excludes capital deployed by Ares Commercial Finance and Ivy Hill Asset Management. Excludes $1.8 billion of assets acquired as part of ARCC's acquisition of American Capital on January 3, 2017. Invested capital represents the book value of investments net of OID and syndications within one year of investment closing and excludes warrants, CLO investments, LP/vehicles and investments inherited from portfolio acquisitions.

5. As of March 31, 2026. Reflects gross committed investments.

6. U.S. Direct Lending data is as of March 31, 2026 and includes First Lien investments (excluding syndication and other fees or income and includes all realized First Lien investments of the Credit Group's U.S. direct lending team (excluding venture investments, oil & gas investments, private asset backed securities, investments warehoused or held for seasoning and syndication purposes (including investments held for less than 30 days and other investments determined to be temporarily held by Ares in conjunction with syndication processes),and investments inherited from portfolio acquisitions), including investments made through Ares Capital Corporation and from separately managed accounts and other funds)) and U.S. Direct Lending Junior Debt investments (includes all second lien, mezzanine, and other private high yield debt investments of the Credit Group's U.S. direct lending team (excluding warrants and investments held for less than 30 days and investments inherited from portfolio acquisitions)), including more than 90% from Ares Capital Corporation and the remaining from separately managed accounts and other funds. EDL transactions as of March 31, 2026 and exclude the Barclays portfolio purchase. Ares Asia transactions is as of March 31, 2026 and includes Ares Asia Special Situations funds and Secured Lending funds. U.S. invested capital includes capital deployed by ARCC and the Senior Direct Lending Program.

Endnotes to Slides 17, 18 and 20: Fund Expenses and Distribution Rate

Estimated Annual Fund Expenses: Management Fee 1.89%; Incentive Fee 1.39%; Interest Payments on Borrowed Funds 3.14%; Remaining Other Expenses 0.48%. Expenses are annualized and calculated as a percentage of estimated average net assets. Total estimated gross annual expense ratio is 6.90%.

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. For the year ending December 31, 2025, 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. 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.

Current distribution rate is expressed as a percentage equal to the projected annualized distribution amount (which is calculated by annualizing the current daily cash distribution per share without compounding), divided by the relevant net asset value per share.

Pro Forma Performance Notes Alt Credit Track Record

Past performance is not indicative of future results. Please see the below performance disclosures for important information about the results shown herein. The investments reflected herein are intended to be illustrative and are not intended to be used as an indication of current or future performance of any Ares strategy or investment. Further, reference to these particular investments is not necessarily indicative that any Ares fund or strategy will offer or hold any or all of the investments. The opportunity to invest in future Ares funds, strategies or investments on an ongoing basis is not guaranteed and will be made by means of definitive offering memoranda, which will be furnished to qualified investors at their request.

The Alternative Credit track record includes the following:

- all CLOs in commingled funds and separately managed accounts executed by investment professionals within Ares Credit Group for the period January 1, 2012 to December 31, 2025;
- all FINCO debt investments in Ares Capital Corporation executed by investment professionals within Ares Credit Group for the period from January 1, 2012 to December 31, 2025;
- all directly-originated Alternative Credit investments in commingled funds and separately managed accounts executed by investment professionals within Ares Credit Group;
- all private IG (or rated private ABS) investments in commingled funds and separately managed accounts executed by investment professionals within Ares Credit Group;
- all REDS in commingled funds and separately managed accounts executed by investment professionals within Ares Credit Group for the period January 1, 2018 to December 31, 2025; and
- all K-Series investments in separately managed accounts executed by investment professionals within Ares Real Estate Group.

IG Solutions reflects all non-opportunistic Alternative Credit investments. Pathfinder Strategies reflects all opportunistic Alternative Credit investments.

The pro forma performance results shown have been compiled by Ares from actual realized and unrealized investments that were not collectively part of an actual portfolio. However, these results are based on a grouping of assets that are representative of the strategy. Pro forma results are hypothetical and have inherent limitations, and no representation is being made that any account will or is likely to achieve results similar to those shown. Had a fund focused on the assets represented by this performance actually existed, Ares may not have made the same investment decisions. Given Ares did not offer an investment vehicle that held all of the assets included in the pro forma track record, an investor was not able to invest in these assets as presented. There are factors related to the markets in general, or to the implementation of any specific portfolio strategy, which cannot be fully accounted for in the preparation of pro forma portfolio performance, all of which can adversely affect actual portfolio results. Returns of unrealized investments herein are based in part on unrealized valuations and the actual realized returns of such unrealized investments may differ materially from the returns indicated herein. The performance information summarized herein has not been audited. Past performance is not indicative of future results. No individual investor has received the investment performance indicated by the pro forma returns presented herein. Certain assumptions, not all of which are described herein, have been made to calculate pro forma returns and the use of different assumptions could produce materially different results. Assumptions are based upon what Ares believes represents a reasonable fee analysis. Fees and expenses for the strategy may be materially different than the fee and expense assumptions provided herein.

a. Represents total losses on all realized investments divided by total invested capital.

Additional Definitions and Risks

Corporate bond is a type of debt security issued by corporations to raise capital for ongoing operations, expanding the business or a merger and acquisition and pays periodic interest (coupon) payments to investors. A corporate bond is typically liquid because they generally have a secondary market in which they can be traded. Credit ratings, market size and interest rates affect the liquidity of the bond which opens them up to additional risks. The cost of a corporate bond depends on the bond price and coupon rate and tends to fluctuate less than the company's stock which makes them riskier than U.S. Treasury and Municipal bonds, however they are not insured. Corporate bond interest is typically taxable at both federal and state levels.

Risks: Interest rate risk, inflationary risk, liquidity risk, default risk, reinvestment risk, and credit risk.

U.S. Treasury bond is a debt security issued by the U.S. Treasury department that represents a loan by the buyer of the bond to the government for a pre-determined amount of time and in turn the buyer receives interest payments every six months at a rate set at the time you buy the bond. It is more liquid than private credit because treasuries are some of the most widely traded. Cost varies depending on market prices and conditions and high inflation is a concern for income. Although they are not insured and potentially callable, they are considered low risk because they're backed by a promise from the U.S. government to repay the bond's face amount (which does not fluctuate) plus interest if held to maturity. Interest income from Treasury bonds is exempt from state and local income taxes, but subject to federal income taxes.

Risks: Interest rate risk, inflationary risk, and call risk.

Municipal Bond is a debt security issued by public entities (local, county, and state governments) that uses the loan to fund public projects. They are considered relatively safe although they are not insured.
The market price of municipal bonds fluctuates with changes in interest rates. The bond's principal amount does not fluctuate and return of principal amount is guaranteed if the bond is held to maturity. Liquidity can be an issue as municipal bonds are not traded on a regular basis. Municipal bond interest is generally tax-exempt from federal income tax and in some cases state or local income tax or capital gain tax depending on your residency status and tax bracket.

Risks: Inflationary risk, liquidity risk, default risk, credit risk, and call risk.

Interest Rate risk is the potential for investment losses that can be triggered by a move upward in the prevailing rates for new debt instruments.
Inflationary risk refers to the risk that inflation will undermine the performance of an investment, the value of an asset, or the purchasing power of a stream of income.
Liquidity risk is the risk that a company or individual will not have enough cash to meet its financial obligations on time. Default risk can occur when the issuers cannot pay the interest or principal on time.
Reinvestment risk is the possibility an investor will be unable to reinvest cash flows received from an investment, such as coupon payments or interest, at a rate comparable to their current rate of return.
Credit risk is the probability of a financial loss resulting from a borrower's failure to repay a loan.
Call risk is the risk that the bond issuers will redeem (call) a callable bond prior to maturity date.

Additional Information on Traditional Alternatives and Mutual Funds

Hedge Fund is a pooled investment fund (alternative investment) that holds liquid assets and that makes use of complex trading and risk management techniques. Their ability to use leverage and more complex investment techniques distinguishes them from regulated investment funds available to the retail market, commonly known as mutual funds and ETFs. They are also considered distinct from private equity funds and other similar closed-end funds, as hedge funds generally invest in relatively liquid assets and are usually open-ended. Risks: Investment risk, fraud risk, style drift risk, operational risk, market risk and leverage risk.

Real Estate Investment Trust (REIT) is a security that trades like a stock on the major exchanges and owns—and in most cases operates—income-producing real estate or related assets. Publicly traded REITs are registered with the SEC and are publicly traded on a stock exchange. Others may be registered with the SEC but are not publicly traded which are referred to as non-traded REITs. REITs receive special tax considerations and typically offer investors high dividend yields, as well as a liquid method of investing in real estate. REITs pay non-qualified dividends, resulting in higher tax liabilities. Risks: Interest rate risk, tenant default, lack of transparency, liquidity risk, sector risk and geographical risk.

Master Limited Partnerships (MLPs) are publicly listed limited partnerships that trade on a national securities exchange. Most MLPs have general partners and many limited partners (the investors). MLPs primarily focus on natural resource-related activities, including oil, gas, coal, timber, and certain ways of transporting commodities. While MLPs have historically paid higher distributions, investors should be aware of the complexity of the securities and the additional risks that are presented. Risks: Regulatory/legislative risk, interest rate risk, operational risk and volatility risk.

Mutual Fund is a company that pools money from many investors and invests the money in securities such as stocks, bonds, and short-term debt. The combined holdings of the mutual fund are known as its portfolio. Investors buy shares in mutual funds. Each share represents an investor's part of ownership in the fund and the income it generates. The price that investors pay for the mutual fund is the fund's per share net asset value plus any fees charged at the time of purchase, such as sales loads. Mutual fund shares are "redeemable," meaning investors can sell the shares back to the fund at any time. All funds carry some level of risk.
With mutual funds, you may lose some or all of the money you invest because the securities held by a fund can go down in value. Dividends or interest payments may also change as market conditions change.

Risks: Market risk, liquidity risk, concentration risk, interest rate risk and credit risk.

Credit risk is the probability of a financial loss resulting from a borrower's failure to repay a loan.
Concentration risk is the risk of investing too much in a single sector, region, or asset class.
Fraud risk: refers to the potential exposure to deceptive or dishonest actions which can result in financial losses, reputational damage or legal consequences which is more prevalent in hedge funds due to the lack of regulation compared to mutual funds.
Geographical risk is the potential for loss that arises when a portfolio or financial institution has significant exposure to a particular geographic area.
Interest rate risk is the potential for investment losses that can be triggered by a move upward in the prevailing rates for new debt instruments.
Investment risk is the risk of investors losing some or all of their investment.
Leverage risk is the magnification of an investor's risk/return that occurs when the investor takes on financial leverage through an investment product. Leveraged is used to amplify potential returns.
Liquidity risk is the risk that a company or individual will not have enough cash to meet its financial obligations on time.
Market risk is the possibility of losses due to factors that affect the overall performance of investments in the financial markets.
Operational risk summarizes a company's uncertainties and hazards when attempting to do its day-to-day business activities within a field or industry.
Sector risk affects all companies within the same industry that arises from factors that impact the industry as a whole, such as regulatory changes, technological advancements, or shifts in consumer preferences.
Style drift risk is the risk that a hedge fund may deviate from their stated investment strategies.
Regulatory/legislative risk is the potential for changes in laws, regulations or legislation by the government to significantly alter or have a negative impact on businesses and investments.
Volatility risk is the risk of an adverse change in price due to changes in the market.