

## November 2022 - Monthly Fact Sheet

Performance	1 month %	CYTD %	1 year %	3 years % p.a.	5 years % p.a.	Inception %
Fund return (gross) <sup>1</sup>	1.0	-0.3	0.7	-	-	4.0
Fund return (net) <sup>2</sup>	1.0	-0.4	0.6	-	-	3.9

<sup>1</sup>Returns are calculated before fees have been deducted and assume distributions have been reinvested. No allowance is made for tax when calculating these figures.

<sup>2</sup>Returns are calculated after fees have been deducted and assume distributions have been reinvested. No allowance is made for tax when calculating these figures. **Past performance is not a reliable indicator of future performance. Past performance figures that are less than 12 months are for informational purposes only and are not to be relied upon when considering the likely future performance of the Fund. Data Source: Fidante Partners Limited, 30 November 2022.**

### Underlying Fund

The Fund primarily invests in a diversified portfolio of global liquid and illiquid asset classes via its investment in the CION Ares Diversified Credit Fund (**Underlying Fund**). The Fund also invests in cash and foreign exchange hedging instruments. In this report, where we refer to the Fund's investments we generally do so on a 'look-through' basis; that is, we are referring to the underlying assets that the Fund is exposed to through its investment in the Underlying Fund.

### Underlying Fund Overview

The Underlying Fund's investment objective is to provide superior risk-adjusted returns across various market cycles by investing in a diversified portfolio of liquid and illiquid asset classes. The Underlying Fund seeks to capitalise on market inefficiencies and relative value opportunities throughout the entire global credit spectrum. The Underlying Fund seeks to achieve its investment objective by employing an opportunistic, dynamic and unconstrained global credit investments strategy based on absolute and relative value considerations and its analysis of credit markets. It seeks risk-adjusted returns over full market cycles by creating and managing a portfolio with balanced exposures to multiple industry sectors and geographic regions, systematically allocating capital across multiple segments of the global fixed-income markets, including U.S. and non-U.S. credit instruments.

### Underlying Fund Facts<sup>5</sup>

Portfolio managers	Mitch Goldstein and Greg Margolies
Inception date	12 July 2017
Management fee	1.25% p.a.
Performance fee	15% subject to a hurdle rate of 1.5% per quarter (6% annualised), and subject to a catch-up feature.
Total Issuers	610
Total Managed Assets <sup>3</sup>	US\$3.6BN
Sharpe Ratio <sup>7</sup>	0.95
Standard Deviation	3.95%
Yield to Maturity (YTM)	11.32%
Distribution Rate <sup>7</sup>	6.57%
Running Yield	9.97%
Interest rate duration	0.48
Spread Duration	2.28

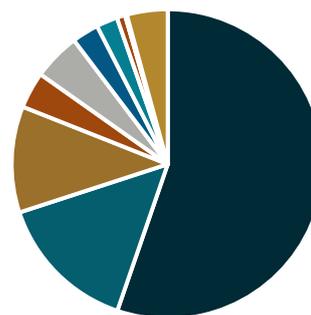
<sup>3</sup>Total assets (including any assets attributable to financial leverage) minus accrued liabilities (other than debt representing financial leverage)

### Fund Facts

Inception date	17 December 2020
Fund FUM	\$382M
Management Fee	Nil <sup>4</sup>
Performance fee	Nil <sup>4</sup>
Buy/sell spread	+0.00%/-0.00%
Distribution Frequency	Monthly
Distribution Rate <sup>7</sup>	0.53%

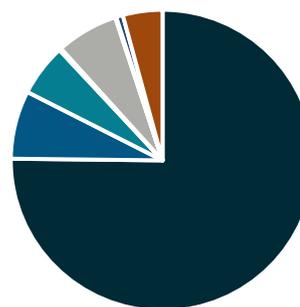
### Underlying Fund Allocation<sup>5</sup>

#### Asset Allocation



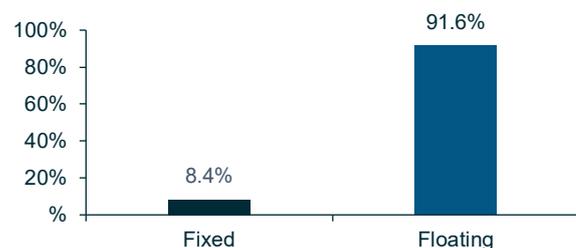
- US Direct Lending 55.2%
- Syndicated Loans 14.7%
- European Direct Lending 11.1%
- CLO Equity 3.8%
- High Yield Bonds 4.9%
- Opportunistic 2.8%
- Private Asset-Backed 2.2%
- CLO Debt 0.9%
- Real Estate Debt 0.2%
- Cash 4.2%

#### Geographic Allocation



- United States 75.2%
- Broader North America 7.3%
- United Kingdom 5.6%
- Broader Europe 0.2%
- Other 6.6%
- Australia 0.1%
- Broader Asia 0.7%
- Cash 4.2%

#### Interest Type<sup>6</sup>



<sup>4</sup>The only fee is a recoverable expense, which is currently 3 bps.

<sup>6</sup>Excludes cash, other net assets and equity instruments.

<sup>7</sup>There can be no guarantee that the disbursement rate will accrue at such amount and there is no assurance that distributions will be maintained at the targeted level or at all

### Underlying Fund Top 10 Holdings<sup>5</sup>

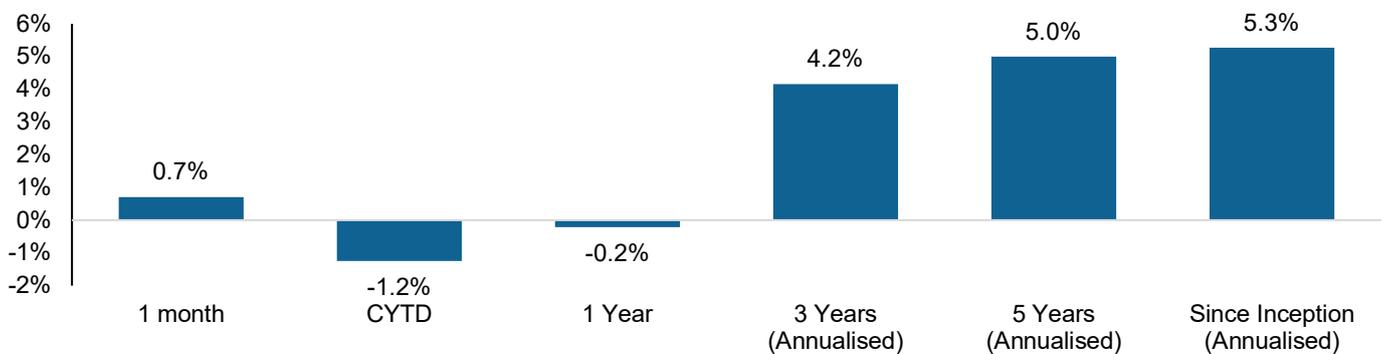
Nielsen	1.3%
Mimecast	1.3%
Kaseya	1.3%
DigiCert	1.1%
TurnPoint Services	1.1%
High Street Insurance Partners	1.0%
Global Medical Response, Inc.	1.0%
eCapital	1.0%
Conservice Midco, LLC	1.0%
Premium Credit	0.9%

### Underlying Fund Industry Allocation<sup>5</sup>

Software & Services	21.5%
Commercial & Professional Services	10.6%
Health Care Equipment & Services	8.9%
Diversified Financials	8.2%
Capital Goods	6.6%
Structured Products	6.3%
Insurance	5.6%
Consumer Services	5.6%
Other	22.4%
Cash	4.2%

<sup>5</sup> As of 30 November 2022. Holdings and allocations, unless otherwise indicated, are based on the total portfolio and subject to change without notice. Data shown is for informational purposes only and not a recommendation to buy or sell any security.

### Underlying Fund Historical Performance<sup>8</sup>



<sup>8</sup> As of 30 November 2022. Returns of the CION Ares Diversified Credit Fund Class I Shares. Returns are in USD and include reinvestment of distributions and reflect fund expenses inclusive of recoupment of previously provided expense support. The expense ratio was 3.88% as of June 30, 2022. Expense ratios are annualised and calculated as a percentage of estimated average net assets. 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. The performance shown is on a 'look-through' basis to the performance of the Underlying Fund. The performance of the Fund may not exactly replicate the performance of the Underlying Fund.



*The outbreak of a novel and highly contagious form of coronavirus ("COVID-19"), which the World Health Organization has declared to constitute a pandemic, has resulted in numerous deaths, adversely impacted global commercial activity and contributed to significant volatility in certain equity and debt markets. The global impact of the outbreak is rapidly evolving, and many countries have reacted by instituting quarantines, prohibitions on travel and the closure of offices, businesses, schools, retail stores and other public venues. Businesses are also implementing similar precautionary measures. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19, are creating significant disruption in supply chains and economic activity and are having a particularly adverse impact on energy, transportation, hospitality, tourism, entertainment and other industries. The impact of COVID-19 has led to significant volatility and declines in the global financial markets and oil prices and it is uncertain how long this volatility will continue. As COVID-19 continues to spread, the potential impacts, including a global, regional or other economic recession, are increasingly uncertain and difficult to assess. Any public health emergency, including any outbreak of COVID-19 or other existing or new epidemic diseases, or the threat thereof, and the resulting financial and economic market uncertainty could have a significant adverse impact on the Fund, the value of its investments and its portfolio companies. The performance and portfolio company information herein is as of the dates herein and not all of the effects, directly or indirectly, resulting from COVID-19 and/or the current market environment may be reflected herein. The full impact of COVID-19 and its ultimate potential effects on portfolio company performance and valuations is particularly uncertain and difficult to predict.*

**For further information, please contact:**

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