

May 2021 - Monthly Fact Sheet

Performance	1 month %	CYTD %	1 year %	3 years % p.a.	5 years % p.a.	Inception %
Fund return (gross) ¹	0.5	3.0	-	-	-	3.4
Fund return (net) ²	0.5	2.9	-	-	-	3.3

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

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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 Facts⁵

Portfolio managers	Mitch Goldstein and Greg Margolies
Inception date	26 January 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	508
Strategy FUM³	US\$1.61BN
Sharpe Ratio	1.02
Standard Deviation	4.41%
Yield to Maturity (YTM)	7.17%
Distribution Rate	5.45%
Running Yield	6.86%
Interest rate duration	1.75

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

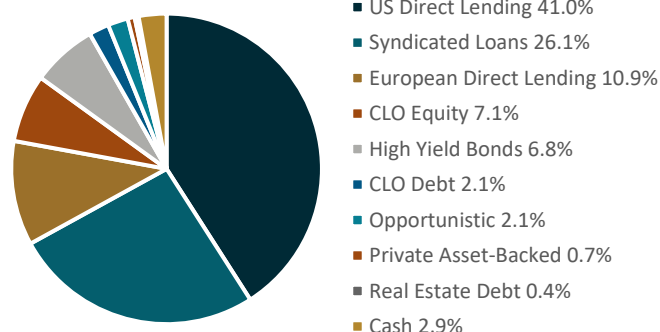
Fund Facts

Inception date	17 December 2020
Fund FUM	\$87.1 M
Management Fee	Nil ⁴
Performance fee	Nil ⁴
Buy/sell spread	Nil
Distribution Frequency	Monthly
Distribution Rate	0.37%

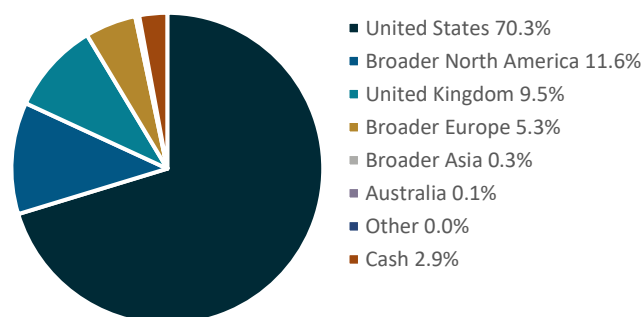
⁴ The only fee is a recoverable expense, which is currently 10 bps.

Underlying Fund Allocation⁵

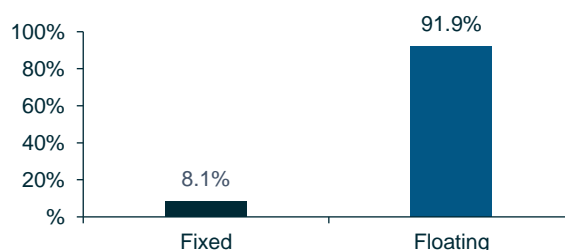
Asset Allocation



Geographic Allocation



Interest Type⁶



⁶ Excludes cash, other net assets and equity instruments.

Underlying Fund Top 10 Holdings⁵

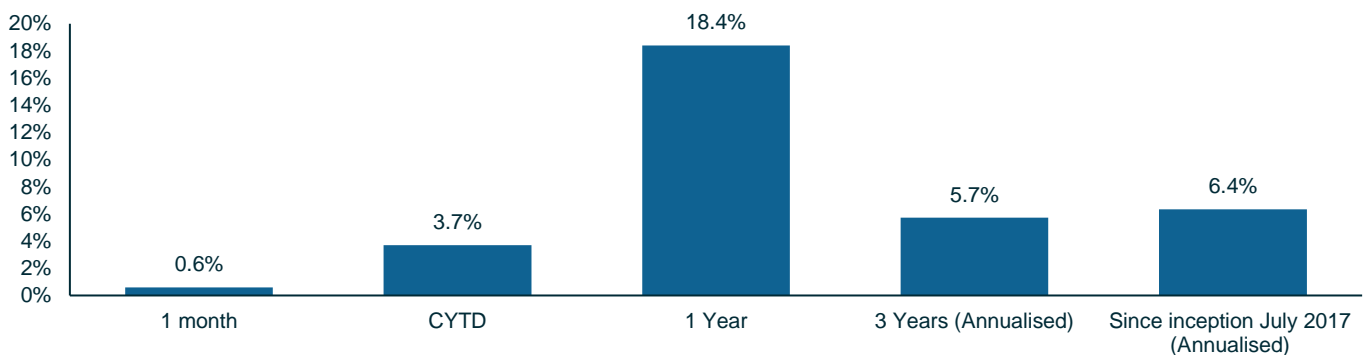
CEP V I 5 Midco Limited (aka Mak System)	1.6%
DecoPac, Inc.	1.3%
DigiCert	1.3%
True Potential Group Limited	1.1%
Commercial Trailer Leasing, Inc.	0.9%
eResearch Technology	0.9%
TurnPoint Services	0.9%
Capstone	0.9%
Pluralsight, Inc.	0.8%
Survitec	0.8%

Underlying Fund Industry Allocation⁵

Software & Services	21.6%
Structured Products (CLOs & Private ABS)	10.5%
Health Care Equipment & Services	9.0%
Commercial & Professional Services	6.7%
Insurance	6.4%
Capital Goods	6.1%
Consumer Services	5.9%
Diversified Financials	5.7%
Materials	3.6%
Retailing	2.7%

⁵ As of 31 May 2021. 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 Performance⁶



⁶ As of 31 May 2021. 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 estimated expense ratio is 3.52%. 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.

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This material has been prepared by Ares Australia Management Pty Ltd ABN 51 636 490 732 (AAM), the investment manager of the Ares Diversified Credit Fund (ARSN 644 797 599) (Fund). AAM is an Authorised Representative No. 001280423 of Fidante Partners Limited ABN 94 002 835 592 AFSL 234668 (Fidante). Fidante is the responsible entity of the Fund. Other than information which is identified as sourced from Fidante in relation to the Fund, Fidante is not responsible for the information in this material, including any statements of opinion. It is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. The Information Memorandum (IM) for the Fund, issued by Fidante, should be considered before deciding whether to acquire or hold units in the Fund. The IM can be obtained by calling 13 51 53 or visiting our website www.fidante.com. Neither AAM, Fidante or any of its respective related bodies corporate guarantees the performance of the Fund or the returns of an investor's capital. Past performance is not indicative of future performance. Any forward-looking statements in this document: are made as of the date of such statements; are not guarantees of future performance; and are subject to numerous assumptions, risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. AAM undertakes no obligation to update such statements. AAM's address is Level 2, 5 Martin Place, Sydney NSW 2000. Fidante's address is Level 2, 5 Martin Place, Sydney NSW 2000. AAM, Fidante, their related bodies corporate, their directors and employees and associates of each may receive remuneration in respect of advice and other financial services provided by AAM or Fidante. AAM and Fidante have entered into arrangements in connection with the distribution and administration of financial products to which this document relates. In connection with those arrangements, AAM and Fidante may receive remuneration or other benefits in respect of financial services provided by the parties. The information in this report is provided solely to investors in the Fund and for informational purposes only. It may not be forwarded to any other person without Fidante's prior consent.