



CION Investment Corporation

First Quarter 2023
Earnings Presentation



Disclosures and Forward-Looking Statements

The information contained in this earnings presentation should be viewed in conjunction with the earnings conference call of CION Investment Corporation (NYSE: CION) (“CION” or the “Company”) held on May 10, 2023 as well as the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 that was filed with the Securities and Exchange Commission (the “SEC”) on May 10, 2023. The information contained herein may not be used, reproduced or distributed to others, in whole or in part, for any other purpose without the prior written consent of the Company.

This earnings presentation may contain forward-looking statements that involve substantial risks and uncertainties, including the impact of COVID-19, inflation, rising interest rates, supply-chain disruptions and the risk of recession on the business, future operating results, access to capital and liquidity of the Company and its portfolio companies. You can identify these statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “anticipate,” “project,” “target,” “estimate,” “intend,” “continue,” or “believe” or the negatives thereof or other variations thereon or comparable terminology, including references to assumptions, forecasts of future results, shareholder diversification, institutional research coverage and availability and access to capital. You should read statements that contain these words carefully because they discuss the Company’s plans, strategies, prospects and expectations concerning its business, operating results, financial condition and other similar matters. These statements represent the Company’s belief regarding future events that, by their nature, are uncertain and outside of the Company’s control, such as the price at which the Company’s shares of common stock will trade on the NYSE. Any forward-looking statement made by the Company in this earnings presentation speaks only as of the date on which the Company makes it. Factors or events that could cause the Company’s actual results to differ, possibly materially from its expectations, include, but are not limited to, the risks, uncertainties and other factors the Company identifies in the sections entitled “Risk Factors” and “Forward-Looking Statements” in filings the Company makes with the SEC, and it is not possible for the Company to predict or identify all of them. The Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

This earnings presentation does not constitute a prospectus and should under no circumstances be understood as an offer to sell or the solicitation of an offer to buy the Company’s common stock or any other securities nor will there be any sale of common stock or any other securities referred to in this earnings presentation in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such state or jurisdiction.

Nothing in these materials should be construed as a recommendation to invest in any securities that may be issued by the Company or as legal, accounting or tax advice. An investment in securities of the type described herein presents certain risks. The Company is managed by CION Investment Management, LLC, an affiliate of the Company. Nothing contained herein shall be relied upon as a promise or representation whether as to past or future performance.

The information contained in this earnings presentation is summary information that is intended to be considered in the context of other public announcements that the Company may make, by press release or otherwise, from time to time. The Company undertakes no duty or obligation to publicly update or revise the information contained in this earnings presentation, except as required by law. These materials contain information about the Company, certain of its personnel and affiliates and its historical performance. You should not view information related to past performance of the Company as indicative of its future results, the achievement of which cannot be assured.

Past performance does not guarantee future results, which may vary. The value of investments and the income derived from investments will fluctuate and can go down as well as up. A loss of principal may occur.

First Quarter and Other Highlights – Ended March 31, 2023

- Net investment income and earnings per share for the quarter ended March 31, 2023 were \$0.54 per share and \$(0.56) per share, respectively;
- Net asset value per share was \$15.11 as of March 31, 2023 compared to \$15.98 as of December 31, 2022. The decrease was primarily due to the underperformance of certain investments during the quarter;
- As of March 31, 2023, the Company had \$1,011 million of total principal amount of debt outstanding, of which 72% was comprised of senior secured bank debt and 28% was comprised of unsecured debt. The Company's net debt-to-equity ratio was 1.02x as of March 31, 2023 compared to 0.98x as of December 31, 2022;
- As of March 31, 2023, the Company had total investments at fair value of \$1,657 million in 109 portfolio companies across 23 industries. The investment portfolio was comprised of 91.2% senior secured loans, including 88.8% in first lien investments;¹
- During the quarter, the Company had new investment commitments of \$15 million, funded new investment commitments of \$14 million, funded previously unfunded commitments of \$9 million, and had sales and repayments totaling \$66 million, resulting in a net decrease to the Company's funded portfolio of \$43 million;
- As of March 31, 2023, investments on non-accrual status amounted to 3.5% and 6.8% of the total investment portfolio at fair value and amortized cost, respectively;
- During the quarter, the Company repurchased 338,029 shares of its common stock under its 10b5-1 trading plan at an average price of \$10.63 per share for a total repurchase amount of \$3.6 million. Through March 31, 2023, the Company repurchased a total of 1,996,985 shares of its common stock under its 10b5-1 trading plan at an average price of \$9.53 per share for a total repurchase amount of \$19.0 million; and
- On February 28, 2023, the Company completed a public offering in Israel pursuant to which the Company issued approximately \$80.7 million of its unsecured Series A Notes due 2026, which bear interest at a rate equal to the Secured Overnight Financing Rate, or SOFR, plus a credit spread of 3.82% per year payable quarterly.

DISTRIBUTIONS

- For the quarter ended March 31, 2023, the Company paid a regular quarterly distribution totaling \$18.7 million, or \$0.34 per share, which was an increase of \$0.03 per share, or 9.7%, from the \$0.31 per share regular distribution paid for the fourth quarter of 2022; and
- On May 8, 2023, the Company's co-chief executive officers declared a second quarter 2023 regular distribution of \$0.34 per share payable on June 15, 2023 to shareholders of record as of June 1, 2023.

Selected Financial Highlights

(\$ in millions)	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Investment portfolio, at fair value ⁽¹⁾	\$1,657	\$1,749	\$1,797	\$1,791	\$1,740
Total debt outstanding ⁽²⁾	\$1,011	\$958	\$958	\$948	\$875
Net assets	\$830	\$884	\$915	\$905	\$922
Debt-to-equity	1.22x	1.08x	1.05x	1.05x	0.95x
Net debt-to-equity	1.02x	0.98x	0.99x	0.98x	0.91x
Total investment income	\$65.0	\$55.5	\$54.2	\$43.6	\$41.7
Net investment income	\$29.9	\$23.9	\$25.6	\$19.3	\$19.5
Net realized and unrealized (losses) gains	(\$60.9)	(\$14.4)	\$8.4	(\$20.6)	(\$11.6)
Net (decrease) increase in net assets resulting from operations	(\$31.0)	\$9.5	\$34.0	(\$1.3)	\$7.9
Per Share Data					
Net asset value per share	\$15.11	\$15.98	\$16.26	\$15.89	\$16.20
Net investment income per share	\$0.54	\$0.43	\$0.45	\$0.34	\$0.34
Net realized and unrealized (losses) gains per share	(\$1.10)	(\$0.26)	\$0.15	(\$0.36)	(\$0.20)
Earnings per share	(\$0.56)	\$0.17	\$0.60	(\$0.02)	\$0.14
Distributions declared per share ⁽³⁾	\$0.34	\$0.58	\$0.31	\$0.28	\$0.28

(1) The discussion of the investment portfolio excludes short term investments.

(2) Total debt outstanding excludes netting of debt issuance costs. Please refer to page 10 for debt net of issuance costs.

(3) Includes a special distribution of \$0.27 per share during the quarter ended December 31, 2022.

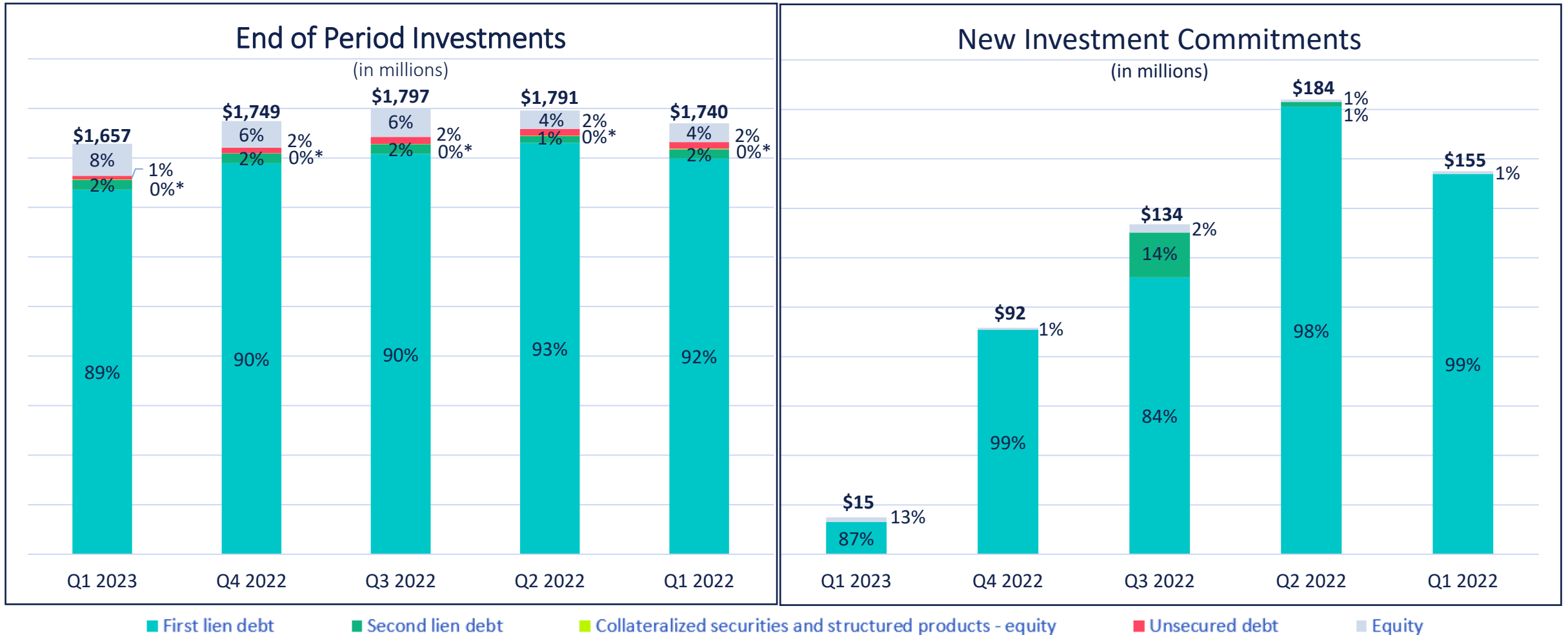
Investment Activity

- New investment commitments for the quarter were \$15 million, of which \$14 million were funded and \$1 million was unfunded.
- New investment commitments were made across 10 existing portfolio companies.
- Fundings of previously unfunded commitments for the quarter were \$9 million.
- Sales and repayments totaled \$66 million for the quarter primarily driven by the full sale or repayment of investments in 4 portfolio companies.

(\$ in millions)	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
New investment commitments	\$15	\$92	\$134	\$184	\$155
Funded	\$14	\$83	\$127	\$165	\$123
Unfunded	\$1	\$9	\$7	\$19	\$32
Fundings of previously unfunded commitments	\$9	\$16	\$14	\$8	\$15
Repayments	(\$57)	(\$102)	(\$143)	(\$103)	(\$59)
Sales	(\$9)	(\$42)	(\$12)	(\$7)	(\$2)
Net funded investment activity	(\$43)	(\$46)	(\$14)	\$63	\$77
Total Portfolio Companies	109	113	119	121	115

The discussion of the investment portfolio excludes short term investments. Unfunded commitments are generally subject to borrowers meeting certain criteria such as compliance with covenants and certain operational metrics. These amounts may remain outstanding until the commitment period of an applicable loan expires, which may be shorter than the loan's maturity date.

Portfolio Asset Composition



* Less than 1%.

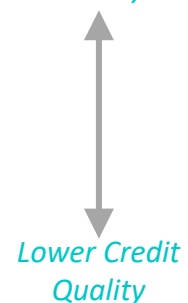
The discussion of the investment portfolio is at fair value and excludes short term investments.

Credit Quality of Investments

INTERNAL INVESTMENT RISK RATINGS⁽¹⁾

(% of Total Portfolio, Fair Value)

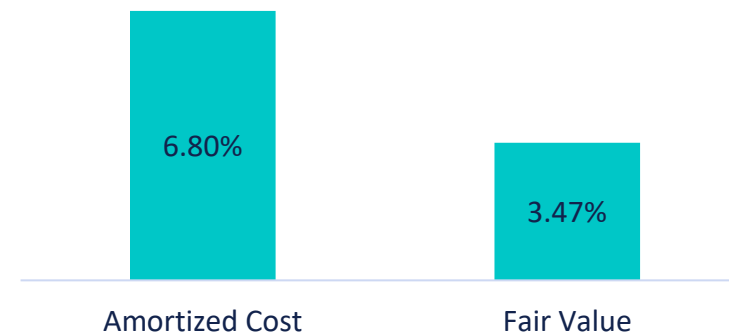
Higher Credit Quality



Rating	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
1	0.1%	1.4%	3.5%	7.3%	2.6%
2	85.1%	81.5%	84.7%	82.8%	86.2%
3	11.3%	14.9%	11.4%	8.4%	10.6%
4	1.9%	2.2%	0.4%	1.5%	0.4%
5	1.6%	0.0%*	0.0%*	0.0%*	0.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

* - Less than 1%.

Q1 2023 NON-ACCRUAL %⁽¹⁾



Internal Investment Risk Rating Definitions

Rating Definition

- Indicates the least amount of risk to our initial cost basis.
The trends and risk factors for this investment since origination or acquisition are generally favorable, which may include the performance of the portfolio company or a potential exit.
- Indicates a level of risk to our initial cost basis that is similar to the risk to our initial cost basis at the time of origination or acquisition.
This portfolio company is generally performing in accordance with our analysis of its business and the full return of principal and interest or dividend is expected.
- Indicates that the risk to our ability to recoup the cost of such investment has increased since origination or acquisition, but full return of principal and interest or dividend is expected. A portfolio company with an investment rating of 3 requires closer monitoring.**
- Indicates that the risk to our ability to recoup the cost of such investment has increased significantly since origination or acquisition, including as a result of factors such as declining performance and noncompliance with debt covenants.
We expect some loss of interest, dividend or capital appreciation, but still expect an overall positive internal rate of return on the investment.
- Indicates that the risk to our ability to recoup the cost of such investment has increased materially since origination or acquisition and the portfolio company likely has materially declining performance.
Loss of interest or dividend and some loss of principal investment is expected, which would result in an overall negative internal rate of return on the investment.

(1) The discussion of the investment portfolio excludes short term investments.

Portfolio Summary

Portfolio Characteristics (as of March 31, 2023)

Investment Portfolio

Total investments and unfunded commitments	\$1,717.2 million
Unfunded commitments	\$60.2 million
Investments at fair value	\$1,657.0 million
Yield on debt and other income producing investments at amortized cost ⁽¹⁾	11.97%
Yield on performing loans at amortized cost ⁽¹⁾	12.90%
Yield on total investments at amortized cost	11.18%

Portfolio Companies

Number of portfolio companies	109
Weighted average leverage (net debt/EBITDA) ⁽²⁾	5.11x
Weighted average interest coverage ⁽²⁾	2.07x
Median EBITDA ⁽³⁾	\$35.0 million

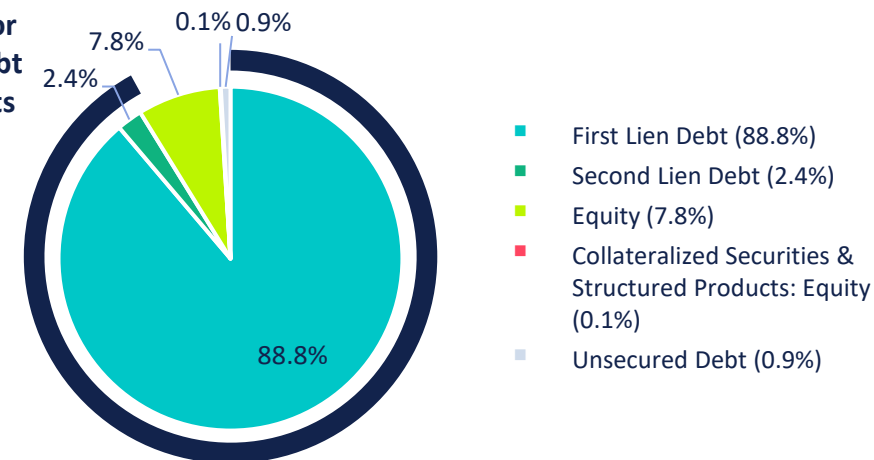
Industry Diversification⁽⁴⁾

Industry	% of Investment Portfolio
Services: Business	23.0%
Healthcare & Pharmaceuticals	14.0%
Media: Diversified & Production	7.6%
Services: Consumer	6.4%
Diversified Financials	4.9%
Other (≤ 4.0% each)	44.1%

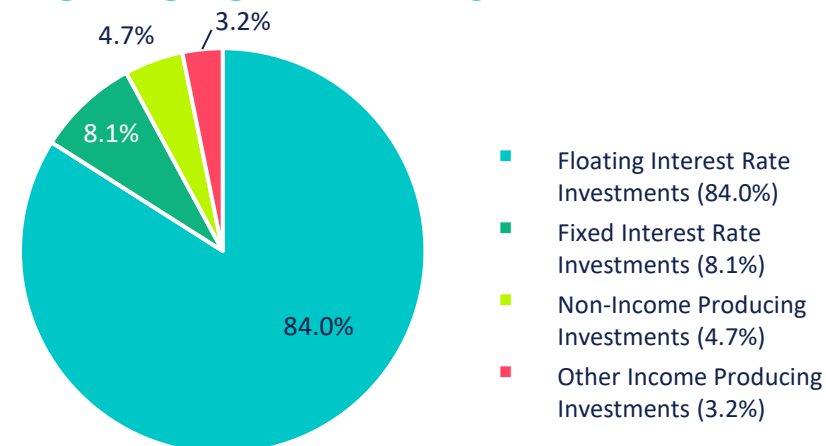
(1) See endnote 4 in our press release filed with the SEC on May 10, 2023. (2) See endnote 5 in our press release filed with the SEC on May 10, 2023. (3) See endnote 6 in our press release filed with the SEC on May 10, 2023. (4) The discussion of the investment portfolio excludes short term investments.

PORTFOLIO BY SECURITY TYPE⁽⁴⁾

91.2% Senior Secured Debt Investments



PORTFOLIO BY INTEREST RATE TYPE⁽⁴⁾



Quarterly Operating Results

All figures in thousands, except share and per share data	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Investment income					
Interest income ⁽¹⁾	\$ 53,781	\$ 53,238	\$ 49,532	\$ 40,932	\$ 40,195
Dividend income	8,131	1,288	70	53	46
Fee income	3,063	974	4,561	2,567	1,442
Total investment income	\$ 64,975	\$ 55,500	\$ 54,163	\$ 43,552	\$ 41,683
Expenses					
Management fees	\$ 6,676	\$ 6,925	\$ 6,942	\$ 6,839	\$ 6,655
Interest and other debt expenses	19,309	16,855	13,469	10,841	8,459
Incentive fees	6,335	5,065	5,421	4,091	4,133
Other operating expenses	2,792	2,431	2,760	2,493	2,942
Total expenses before taxes	\$ 35,112	\$ 31,276	\$ 28,592	\$ 24,264	\$ 22,189
Income tax expense, including excise tax	5	347	14	-	11
Net investment income after taxes	\$ 29,858	\$ 23,877	\$ 25,557	\$ 19,288	\$ 19,483
Net realized and unrealized (losses) gains					
Net realized (loss) gain	\$ (4,525)	\$ (15,692)	\$ (17,169)	\$ 180	\$ (69)
Net change in unrealized (depreciation) appreciation	(56,378)	1,350	25,595	(20,734)	(11,525)
Net realized and unrealized (losses) gains	\$ (60,903)	\$ (14,342)	\$ 8,426	\$ (20,554)	\$ (11,594)
Net (decrease) increase in net assets resulting from operations	\$ (31,045)	\$ 9,535	\$ 33,983	\$ (1,266)	\$ 7,889
Per share data					
Net investment income	\$ 0.54	\$ 0.43	\$ 0.45	\$ 0.34	\$ 0.34
Net realized (loss) gain and unrealized (depreciation) appreciation on investments	\$ (1.10)	\$ (0.26)	\$ 0.15	\$ (0.36)	\$ (0.20)
Earnings per share	\$ (0.56)	\$ 0.17	\$ 0.60	\$ (0.02)	\$ 0.14
Distributions declared per share ⁽²⁾	\$ 0.34	\$ 0.58	\$ 0.31	\$ 0.28	\$ 0.28
Weighted average shares outstanding	55,109,482	55,505,248	56,816,992	56,958,440	56,958,440
Shares outstanding, end of period	54,961,455	55,299,484	56,262,964	56,958,440	56,958,440

Quarterly Balance Sheet

All figures in thousands, except per share data and asset coverage ratio	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Assets					
Investments, at fair value	\$1,723,352	\$1,760,030	\$1,807,048	\$1,805,452	\$1,755,297
Cash	96,016	82,739	43,661	42,542	17,500
Interest receivable on investments	27,333	26,526	26,976	21,962	21,298
Receivable due on investments sold	3,239	1,016	7,146	2,713	7,303
Dividend receivable on investments	-	1,275	-	-	-
Prepaid expenses and other assets	4,552	825	841	2,112	3,618
Total Assets	\$1,854,492	\$1,872,411	\$1,885,672	\$1,874,781	\$1,805,016
Liabilities & Net Assets					
Financing arrangements (net of debt issuance costs) ⁽¹⁾	\$1,002,396	\$951,322	\$950,486	\$939,651	\$867,364
Payable for investments purchased	-	-	-	11,635	-
Accounts payable and accrued expenses	1,075	1,012	1,853	1,194	862
Interest payable	7,007	7,820	5,143	5,603	3,173
Accrued management fees	6,676	6,924	6,943	6,839	6,655
Accrued subordinated incentive fee on income	6,334	5,065	5,421	4,091	4,133
Accrued administrative services expense	694	1,703	604	530	376
Share repurchase payable	-	-	316	-	-
Shareholder distribution payable	-	14,931	-	-	-
Total Liabilities	\$1,024,182	\$988,777	\$970,766	\$969,543	\$882,563
Total Net Assets	\$830,310	\$883,634	\$914,906	\$905,238	\$922,453
Total Liabilities and Net Assets	\$1,854,492	\$1,872,411	\$1,885,672	\$1,874,781	\$1,805,016
Net Asset Value per share	\$15.11	\$15.98	\$16.26	\$15.89	\$16.20
Asset coverage ratio⁽²⁾	1.82	1.92	1.96	1.96	2.05

(1) The Company had debt issuance costs of \$8,316 as of March 31, 2023, \$6,178 as of December 31, 2022, \$7,014 as of September 30, 2022, \$7,849 as of June 30, 2022 and \$7,636 as of March 31, 2022.

(2) Asset coverage ratio is equal to (i) the sum of (a) net assets at the end of the period and (b) total senior securities outstanding at the end of the period (excluding unfunded commitments), divided by (ii) total senior securities outstanding at the end of the period.

Q1 2023 Net Asset Value Bridge

Per Share Data



Debt Summary

\$100 million in available capacity within existing senior secured facilities

DEBT SCHEDULE

(\$ in millions)

	Total Commitment Amount	Principal Amount Outstanding	Interest Rate	Maturity Date
JPM Credit Facility	\$675	\$600	L + 3.10% ⁽²⁾	5/15/2024 ⁽³⁾
UBS Facility	150	125	L + 3.375%	11/19/2023 ⁽³⁾
Unsecured Notes, 2026 ⁽¹⁾	125	125	4.50%	2/11/2026
Series A Unsecured Notes, 2026	81	81	S + 3.82%	8/31/2026
2022 Unsecured Term Loan ⁽¹⁾	50	50	S + 3.50%	4/27/2027
2021 Unsecured Term Loan ⁽¹⁾	30	30	5.20%	9/30/2024
Total Debt	\$1,111	\$1,011	7.5%	

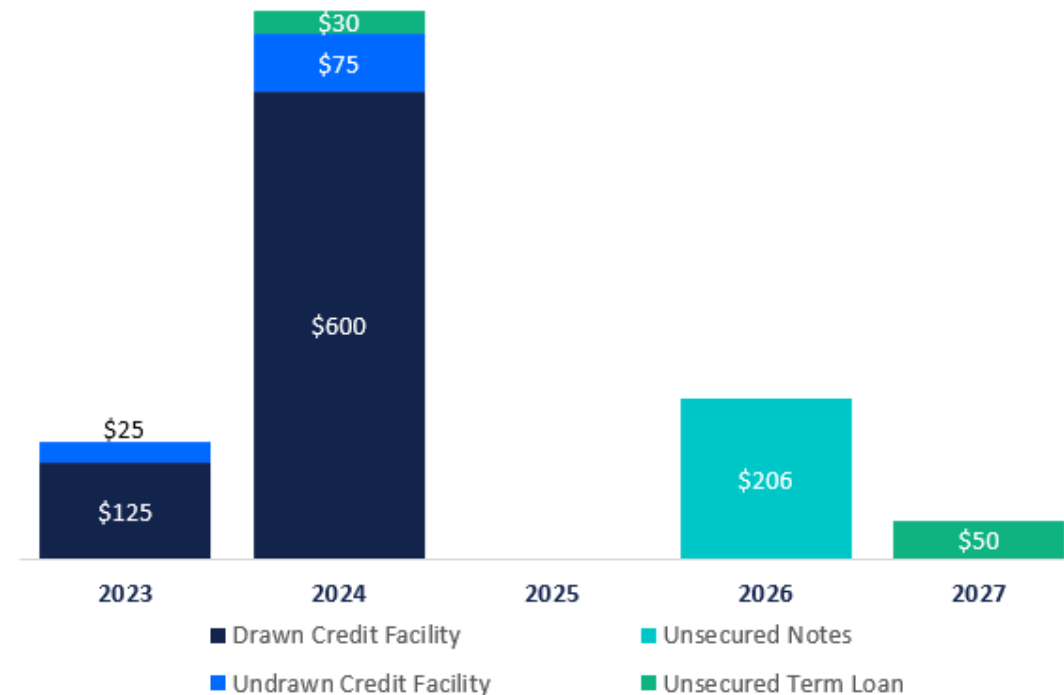
(1) Investment grade credit rating.

(2) \$100 million bears interest at a rate of SOFR + 3.10% and a LIBOR to SOFR credit spread adjustment of 0.15%.

(3) Parties have agreed in principle on terms for a one-year extension.

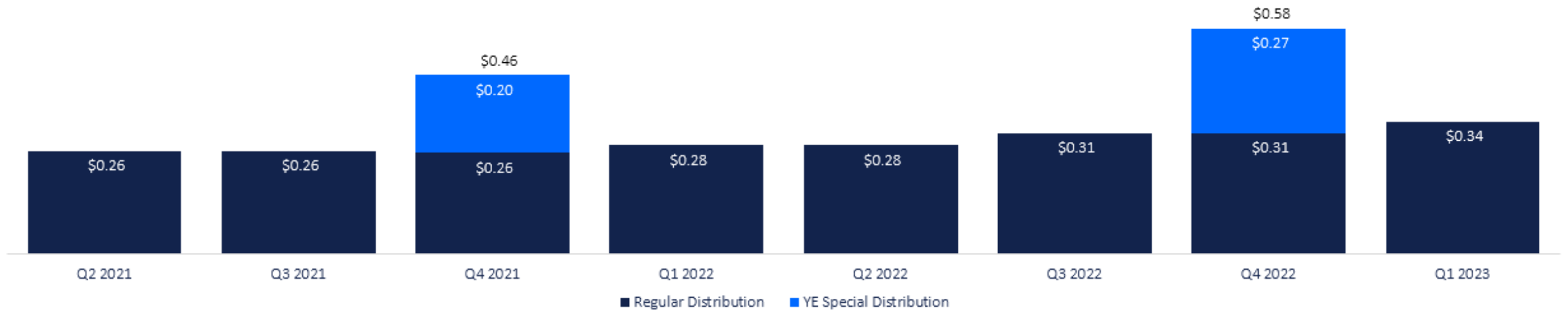
DEBT MATURITIES

(\$ in millions)



Distribution Per Share and Distribution Coverage

	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Net Investment Income (per share)	\$0.33	\$0.35	\$0.32	\$0.34	\$0.34	\$0.45	\$0.43	\$0.54
Distribution (per share)	\$0.26	\$0.26	\$0.46	\$0.28	\$0.28	\$0.31	\$0.58	\$0.34
Distribution coverage	1.24x	1.32x	0.70x	1.21x	1.21x	1.45x	0.74x	1.59x





CI