



CION Investment Corporation

Second 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 August 9, 2023 as well as the Company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2023 that was filed with the Securities and Exchange Commission (the “SEC”) on August 9, 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 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.

Selected Financial Highlights

| (\$ in millions) | Q2 2023 | Q1 2023 | Q4 2022 | Q3 2022 | Q2 2022 |
|---|---------|----------|----------|---------|----------|
| Investment portfolio, at fair value ⁽¹⁾ | \$1,688 | \$1,657 | \$1,749 | \$1,797 | \$1,791 |
| Total debt outstanding ⁽²⁾ | \$986 | \$1,011 | \$958 | \$958 | \$948 |
| Net assets | \$836 | \$830 | \$884 | \$915 | \$905 |
| Debt-to-equity | 1.18x | 1.22x | 1.08x | 1.05x | 1.05x |
| Net debt-to-equity | 1.04x | 1.02x | 0.98x | 0.99x | 0.98x |
| | | | | | |
| Total investment income | \$58.5 | \$65.0 | \$55.5 | \$54.2 | \$43.6 |
| Net investment income | \$23.4 | \$29.9 | \$23.9 | \$25.6 | \$19.3 |
| Net realized and unrealized gains (losses) | \$4.5 | (\$60.9) | (\$14.4) | \$8.4 | (\$20.6) |
| Net increase (decrease) in net assets resulting from operations | \$27.9 | (\$31.0) | \$9.5 | \$34.0 | (\$1.3) |
| | | | | | |
| Per Share Data | | | | | |
| Net asset value per share | \$15.31 | \$15.11 | \$15.98 | \$16.26 | \$15.89 |
| Net investment income per share | \$0.43 | \$0.54 | \$0.43 | \$0.45 | \$0.34 |
| Net realized and unrealized gains (losses) per share | \$0.08 | (\$1.10) | (\$0.26) | \$0.15 | (\$0.36) |
| Earnings per share | \$0.51 | (\$0.56) | \$0.17 | \$0.60 | (\$0.02) |
| Distributions declared per share ⁽³⁾ | \$0.34 | \$0.34 | \$0.58 | \$0.31 | \$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.

Second Quarter and Other Highlights – Ended June 30, 2023

- Net investment income and earnings per share for the quarter ended June 30, 2023 were \$0.43 per share and \$0.51 per share, respectively;
- Net asset value per share was \$15.31 as of June 30, 2023 compared to \$15.11 as of March 31, 2023. The increase was primarily due to the Company out earning its distribution for the period and mark-to-market adjustments to the Company's portfolio;
- As of June 30, 2023, the Company had \$986 million of total principal amount of debt outstanding, of which 71% was comprised of senior secured bank debt and 29% was comprised of unsecured debt. The Company's net debt-to-equity ratio was 1.04x as of June 30, 2023 compared to 1.02x as of March 31, 2023;
- As of June 30, 2023, the Company had total investments at fair value of \$1,688 million in 112 portfolio companies across 24 industries. The investment portfolio was comprised of 89.3% senior secured loans, including 87.0% in first lien investments;¹
- During the quarter, the Company funded new investment commitments of \$62 million, funded previously unfunded commitments of \$8 million, and had sales and repayments totaling \$55 million, resulting in a net increase to the Company's funded portfolio of \$15 million;
- As of June 30, 2023, investments on non-accrual status amounted to 1.7% and 4.8% of the total investment portfolio at fair value and amortized cost, respectively;
- During the quarter, the Company repurchased 328,628 shares of its common stock under its 10b5-1 trading plan at an average price of \$9.81 per share for a total repurchase amount of \$3.2 million. Through June 30, 2023, the Company repurchased a total of 2,325,622 shares of its common stock under its 10b5-1 trading plan at an average price of \$9.57 per share for a total repurchase amount of \$22.3 million, and;
- During the quarter, the Company amended its senior secured credit facilities with JPMorgan Chase Bank, National Association and UBS AG to, among other things, extend the maturity dates for one year to May 2025 and November 2024, respectively.

DISTRIBUTIONS

- For the quarter ended June 30, 2023, the Company paid a regular quarterly distribution totaling \$18.6 million, or \$0.34 per share; and
- On August 7, 2023, the Company's co-chief executive officers declared (i) a third quarter 2023 regular distribution of \$0.34 per share payable on September 15, 2023 to shareholders of record as of September 1, 2023 and (ii) a supplemental distribution of \$0.05 per share for both the third and fourth quarters of 2023, payable on October 16, 2023 and January 15, 2024, respectively, to shareholders of record as of September 29, 2023 and December 29, 2023, respectively.

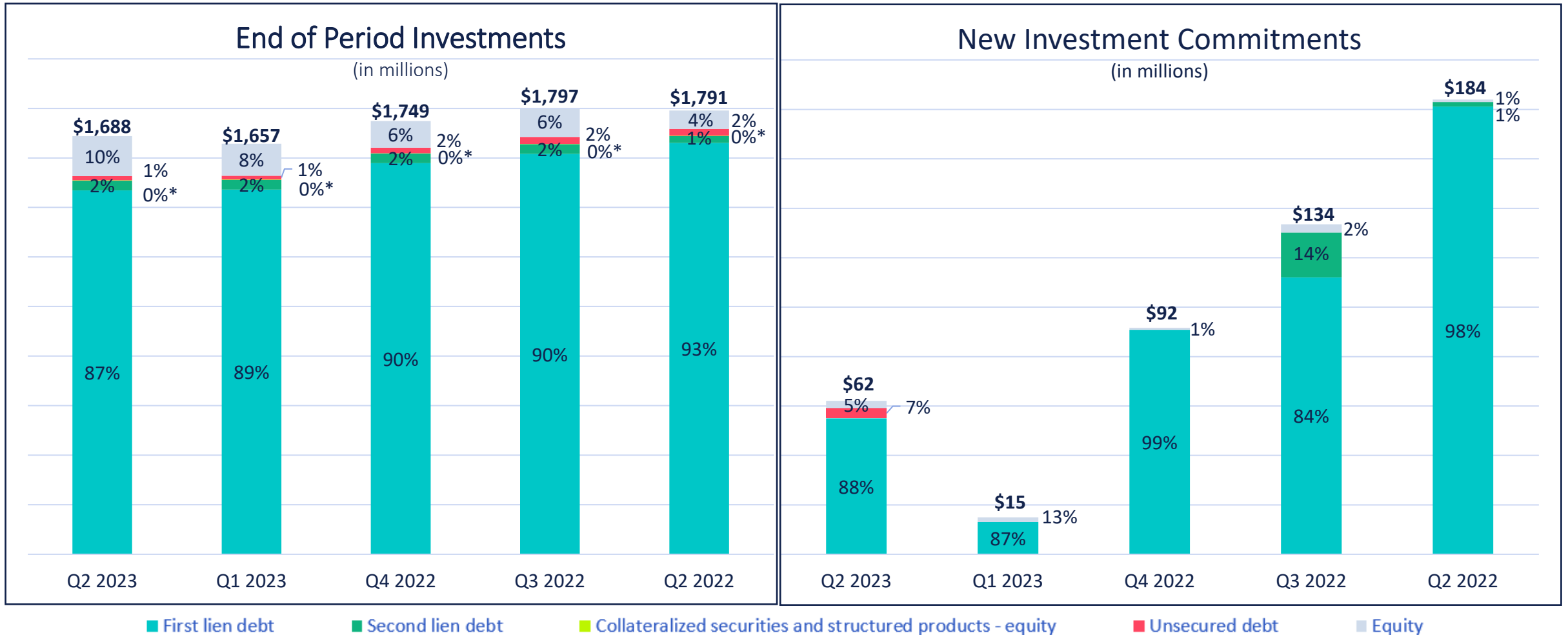
Investment Activity

- New investment commitments for the quarter were \$62 million, all of which were funded.
- New investment commitments were made across 4 new and 8 existing portfolio companies.
- Fundings of previously unfunded commitments for the quarter were \$8 million.
- Sales and repayments totaled \$55 million for the quarter, which included the full repayment of the investment in 1 portfolio company.

| (\$ in millions) | Q2 2023 | Q1 2023 | Q4 2022 | Q3 2022 | Q2 2022 |
|---|-------------|---------------|---------------|---------------|-------------|
| New investment commitments | \$62 | \$15 | \$92 | \$134 | \$184 |
| Funded | \$62 | \$14 | \$83 | \$127 | \$165 |
| Unfunded | \$0 | \$1 | \$9 | \$7 | \$19 |
| Fundings of previously unfunded commitments | \$8 | \$9 | \$16 | \$14 | \$8 |
| Repayments | (\$53) | (\$57) | (\$102) | (\$143) | (\$103) |
| Sales | (\$2) | (\$9) | (\$42) | (\$12) | (\$7) |
| Net funded investment activity | \$15 | (\$43) | (\$46) | (\$14) | \$63 |
| Total Portfolio Companies | 112 | 109 | 113 | 119 | 121 |

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%.

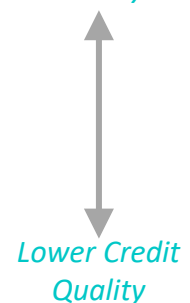
The discussion of the investment portfolio is at fair value and excludes short term investments.

Credit Quality of Investments

INTERNAL INVESTMENT RISK RATINGS⁽¹⁾

(% of Total Portfolio, Fair Value)

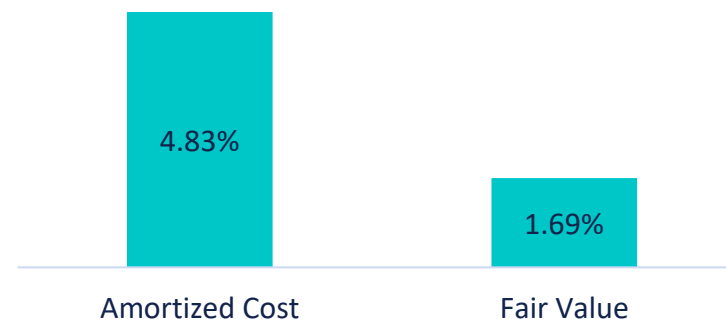
Higher Credit Quality



| Rating | Q2 2023 | Q1 2023 | Q4 2022 | Q3 2022 | Q2 2022 |
|--------------|---------------|---------------|---------------|---------------|---------------|
| 1 | 1.9% | 0.1% | 1.4% | 3.5% | 7.3% |
| 2 | 86.6% | 85.1% | 81.5% | 84.7% | 82.8% |
| 3 | 10.7% | 11.3% | 14.9% | 11.4% | 8.4% |
| 4 | 0.5% | 1.9% | 2.2% | 0.4% | 1.5% |
| 5 | 0.3% | 1.6% | 0.0%* | 0.0%* | 0.0%* |
| Total | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

* - Less than 1%.

Q2 2023 NON-ACCRUAL %⁽¹⁾



Internal Investment Risk Rating Definitions

Rating Definition

- 1 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.
- 2 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.
- 3 **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.**
- 4 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.
- 5 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 June 30, 2023)

Investment Portfolio

| | |
|---|-------------------|
| Total investments and unfunded commitments | \$1,744.1 million |
| Unfunded commitments | \$56.4 million |
| Investments at fair value | \$1,687.7 million |
| Yield on debt and other income producing investments at amortized cost ⁽¹⁾ | 12.38% |
| Yield on performing loans at amortized cost ⁽¹⁾ | 13.10% |
| Yield on total investments at amortized cost | 11.45% |

Portfolio Companies

| | |
|--|----------------|
| Number of portfolio companies | 112 |
| Weighted average leverage (net debt/EBITDA) ⁽²⁾ | 4.83x |
| Weighted average interest coverage ⁽²⁾ | 2.00x |
| Median EBITDA ⁽³⁾ | \$35.0 million |

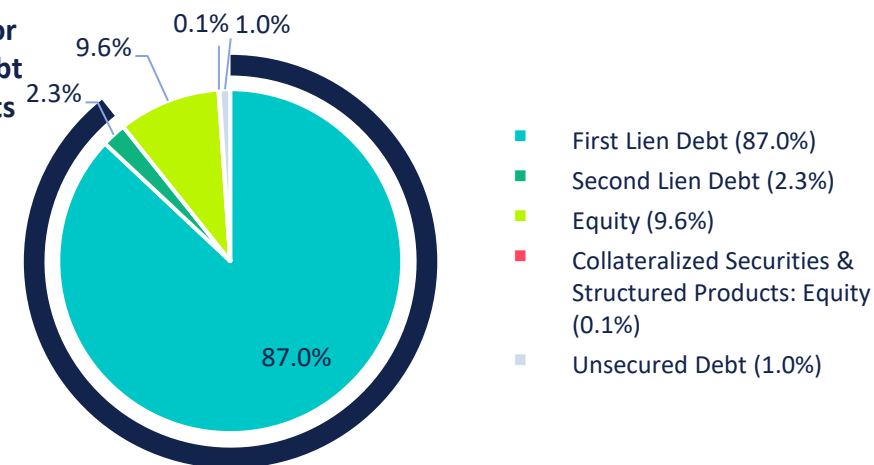
Industry Diversification⁽⁴⁾

| Industry | % of Investment Portfolio |
|---|---------------------------|
| Services: Business | 18.0% |
| Healthcare & Pharmaceuticals | 14.0% |
| Media: Diversified & Production | 7.3% |
| Media: Advertising, Printing & Publishing | 6.5% |
| Services: Consumer | 6.3% |
| Other (≤ 4.8% each) | 47.9% |

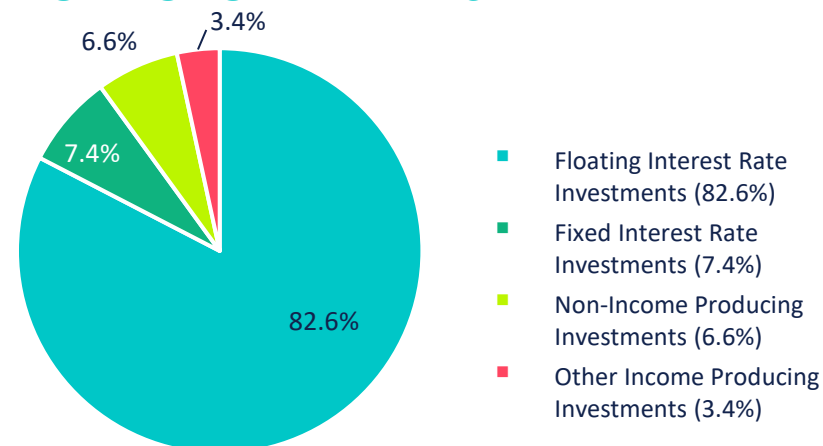
(1) See endnote 4 in our press release filed with the SEC on August 9, 2023. (2) See endnote 5 in our press release filed with the SEC on August 9, 2023. (3) See endnote 6 in our press release filed with the SEC on August 9, 2023. (4) The discussion of the investment portfolio excludes short term investments.

PORTFOLIO BY SECURITY TYPE⁽⁴⁾

89.3% Senior Secured Debt Investments



PORTFOLIO BY INTEREST RATE TYPE⁽⁴⁾



Quarterly Operating Results

| All figures in thousands, except share and per share data | Q2 2023 | Q1 2023 | Q4 2022 | Q3 2022 | Q2 2022 |
|--|------------------|--------------------|--------------------|------------------|--------------------|
| Investment income | | | | | |
| Interest income ⁽¹⁾ | \$ 56,813 | \$ 53,781 | \$ 53,238 | \$ 49,532 | \$ 40,932 |
| Dividend income | 52 | 8,131 | 1,288 | 70 | 53 |
| Fee income | 1,631 | 3,063 | 974 | 4,561 | 2,567 |
| Total investment income | \$ 58,496 | \$ 64,975 | \$ 55,500 | \$ 54,163 | \$ 43,552 |
| Expenses | | | | | |
| Management fees | \$ 6,546 | \$ 6,676 | \$ 6,925 | \$ 6,942 | \$ 6,839 |
| Interest and other debt expenses | 20,467 | 19,309 | 16,855 | 13,469 | 10,841 |
| Incentive fees | 4,965 | 6,335 | 5,065 | 5,421 | 4,091 |
| Other operating expenses | 2,984 | 2,792 | 2,431 | 2,760 | 2,493 |
| Total expenses before taxes | \$ 34,962 | \$ 35,112 | \$ 31,276 | \$ 28,592 | \$ 24,264 |
| Income tax expense, including excise tax | 118 | 5 | 347 | 14 | - |
| Net investment income after taxes | \$ 23,416 | \$ 29,858 | \$ 23,877 | \$ 25,557 | \$ 19,288 |
| Net realized and unrealized gains (losses) | | | | | |
| Net realized (loss) gain | \$ (18,928) | \$ (4,525) | \$ (15,692) | \$ (17,169) | \$ 180 |
| Net change in unrealized appreciation (depreciation) | 23,406 | (56,378) | 1,350 | 25,595 | (20,734) |
| Net realized and unrealized gains (losses) | \$ 4,478 | \$ (60,903) | \$ (14,342) | \$ 8,426 | \$ (20,554) |
| Net increase (decrease) in net assets resulting from operations | \$ 27,894 | \$ (31,045) | \$ 9,535 | \$ 33,983 | \$ (1,266) |
| Per share data | | | | | |
| Net investment income | \$ 0.43 | \$ 0.54 | \$ 0.43 | \$ 0.45 | \$ 0.34 |
| Net realized gain (loss) and unrealized appreciation (depreciation) on investments | \$ 0.08 | \$ (1.10) | \$ (0.26) | \$ 0.15 | \$ (0.36) |
| Earnings per share | \$ 0.51 | \$ (0.56) | \$ 0.17 | \$ 0.60 | \$ (0.02) |
| Distributions declared per share ⁽²⁾ | \$ 0.34 | \$ 0.34 | \$ 0.58 | \$ 0.31 | \$ 0.28 |
| Weighted average shares outstanding | 54,788,740 | 55,109,482 | 55,505,248 | 56,816,992 | 56,958,440 |
| Shares outstanding, end of period | 54,632,827 | 54,961,455 | 55,299,484 | 56,262,964 | 56,958,440 |

Quarterly Balance Sheet

| All figures in thousands, except per share data and asset coverage ratio | Q2 2023 | Q1 2023 | Q4 2022 | Q3 2022 | Q2 2022 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Assets | | | | | |
| Investments, at fair value | \$1,788,462 | \$1,723,352 | \$1,760,030 | \$1,807,048 | \$1,805,452 |
| Cash | 11,515 | 96,016 | 82,739 | 43,661 | 42,542 |
| Interest receivable on investments | 33,200 | 27,333 | 26,526 | 26,976 | 21,962 |
| Receivable due on investments sold | 997 | 3,239 | 1,016 | 7,146 | 2,713 |
| Dividend receivable on investments | - | - | 1,275 | - | - |
| Prepaid expenses and other assets | 608 | 4,552 | 825 | 841 | 2,112 |
| Total Assets | \$1,834,782 | \$1,854,492 | \$1,872,411 | \$1,885,672 | \$1,874,781 |
| Liabilities & Net Assets | | | | | |
| Financing arrangements (net of debt issuance costs) ⁽¹⁾ | \$976,737 | \$1,002,396 | \$951,322 | \$950,486 | \$939,651 |
| Payable for investments purchased | - | - | - | - | 11,635 |
| Accounts payable and accrued expenses | 1,344 | 1,075 | 1,012 | 1,853 | 1,194 |
| Interest payable | 8,183 | 7,007 | 7,820 | 5,143 | 5,603 |
| Accrued management fees | 6,546 | 6,676 | 6,924 | 6,943 | 6,839 |
| Accrued subordinated incentive fee on income | 4,967 | 6,334 | 5,065 | 5,421 | 4,091 |
| Accrued administrative services expense | 574 | 694 | 1,703 | 604 | 530 |
| Share repurchase payable | 67 | - | - | 316 | - |
| Shareholder distribution payable | - | - | 14,931 | - | - |
| Total Liabilities | \$998,418 | \$1,024,182 | \$988,777 | \$970,766 | \$969,543 |
| Total Net Assets | \$836,364 | \$830,310 | \$883,634 | \$914,906 | \$905,238 |
| Total Liabilities and Net Assets | \$1,834,782 | \$1,854,492 | \$1,872,411 | \$1,885,672 | \$1,874,781 |
| Net Asset Value per share | \$15.31 | \$15.11 | \$15.98 | \$16.26 | \$15.89 |
| Asset coverage ratio⁽²⁾ | 1.85 | 1.82 | 1.92 | 1.96 | 1.96 |

(1) The Company had debt issuance costs of \$8,976 as of June 30, 2023, \$8,316 as of March 31, 2023, \$6,178 as of December 31, 2022, \$7,014 as of September 30, 2022 and \$7,849 as of June 30, 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.

Q2 2023 Net Asset Value Bridge

Per Share Data



Debt Summary

\$125 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 | S + 3.20% ⁽²⁾ | 5/15/2025 |
| UBS Facility | 150 | 100 | S + 3.53% ⁽³⁾ | 11/19/2024 |
| Unsecured Notes, 2026 ⁽¹⁾ | 125 | 125 | 4.50% | 2/11/2026 |
| Series A Unsecured Notes, 2026 ⁽¹⁾ | 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 | \$986 | 7.9% | |

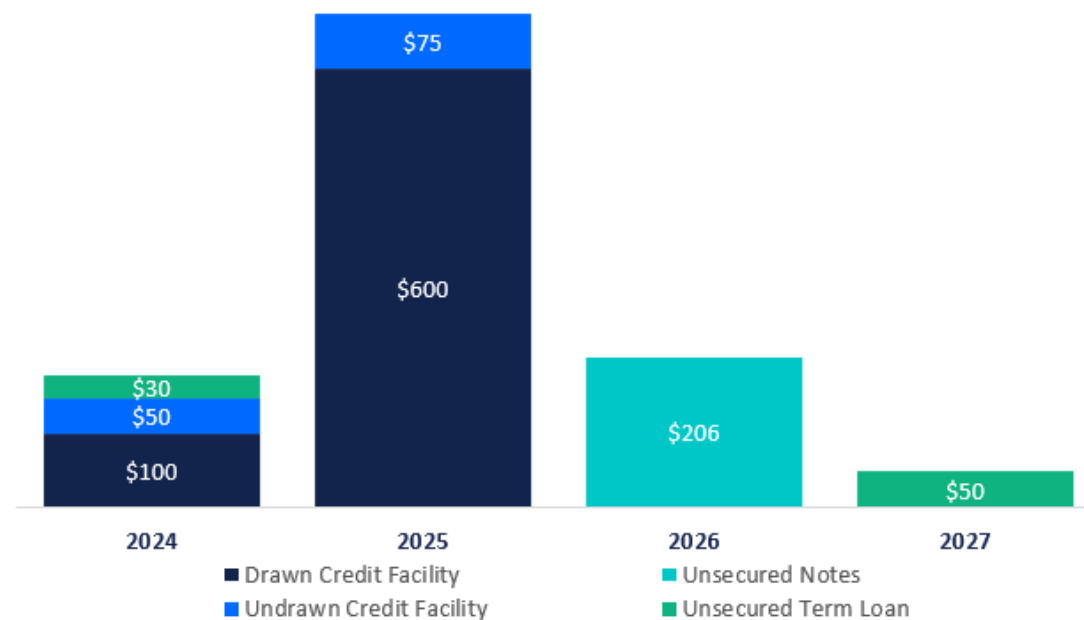
(1) Investment grade credit rating.

(2) Bears interest at a rate of SOFR + 3.05% and a LIBOR to SOFR credit spread adjustment of 0.15%.

(3) Will bear interest at a rate of SOFR + 3.20% commencing November 19, 2023.

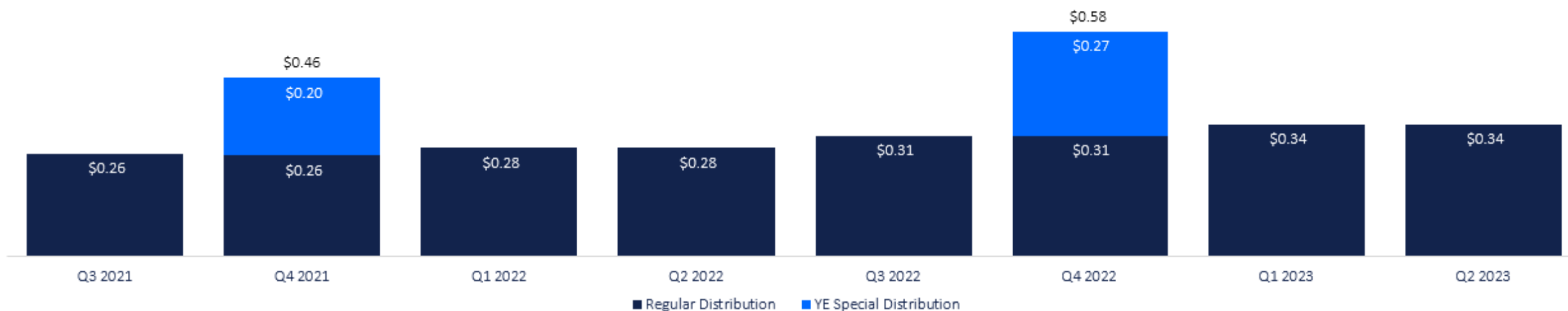
DEBT MATURITIES

(\$ in millions)



Distribution Per Share and Distribution Coverage

| | Q3 2021 | Q4 2021 | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Q1 2023 | Q2 2023 | Fiscal Year | |
|-----------------------------------|---------|-----------|---------|---------|---------|-----------|---------|---------|-------------|--------|
| | | | | | | | | | 2021 | 2022 |
| Net Investment Income (per share) | \$0.35 | \$0.32 | \$0.34 | \$0.34 | \$0.45 | \$0.43 | \$0.54 | \$0.43 | \$1.31 | \$1.56 |
| Distribution (per share) | \$0.26 | \$0.46(1) | \$0.28 | \$0.28 | \$0.31 | \$0.58(1) | \$0.34 | \$0.34 | \$0.79 | \$0.87 |
| Distribution coverage | 1.32x | 0.70x | 1.21x | 1.21x | 1.45x | 0.74x | 1.59x | 1.26x | 1.65x | 1.79x |



(1) Includes special distributions of \$0.20 per share and \$0.27 per share during Q4 2021 and Q4 2022, respectively.



CI