



CION Investment Corporation

Third Quarter 2022
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 November 10, 2022 as well as the Company’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 that was filed with the Securities and Exchange Commission (the “SEC”) on November 10, 2022. 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 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.

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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.

Third Quarter and Other Highlights – Ended September 30, 2022

The Company completed a 2-to-1 reverse stock split effective September 21, 2021. Accordingly, share and per share amounts in this presentation have been retroactively adjusted to reflect the 2-to-1 reverse stock split.

- Net investment income and earnings per share for the quarter ended September 30, 2022 were \$0.45 per share and \$0.60 per share, respectively;
- Net asset value per share was \$16.26 as of September 30, 2022 compared to \$15.89 as of June 30, 2022. The increase was primarily due to mark to market changes in the Company's portfolio and over earning its distribution for the period;
- As of September 30, 2022, the Company had \$958 million of total principal amount of debt outstanding, of which 79% was comprised of senior secured bank debt and 21% was comprised of unsecured debt. The Company's debt-to-equity ratio was 1.05x as of September 30, 2022, which represents no change from the debt-to-equity ratio as of June 30, 2022;
- As of September 30, 2022, the Company had total investments at fair value of \$1,797 million in 119 portfolio companies across 22 industries. The investment portfolio was comprised of 92.0% senior secured loans, including 89.8% in first lien investments;⁽¹⁾
- During the quarter, the Company had new investment commitments of \$134 million, funded new investment commitments of \$127 million, funded previously unfunded commitments of \$14 million, and had sales and repayments totaling \$155 million, resulting in a net decrease to the Company's funded portfolio of \$14 million;
- As of September 30, 2022, investments on non-accrual status amounted to 0.4% and 1.7% of the total investment portfolio at fair value and amortized cost, respectively; and
- On August 16, 2022, as part of the previously announced \$60 million share repurchase policy, the Company entered into a 10b5-1 trading plan with Wells Fargo Securities, LLC and began repurchasing its shares of common stock. During the quarter, the Company repurchased 695,476 shares of its common stock at an average price of \$9.65 per share for a total repurchase amount of \$6.7 million.

DISTRIBUTIONS

- For the quarter ended September 30, 2022, the Company paid a regular quarterly distribution totaling \$17.6 million, or \$0.31 per share, which was an increase of \$0.03 per share, or 10.7%, from the \$0.28 per share regular distribution paid during the second quarter 2022; and
- On November 8, 2022, the Company's co-chief executive officers declared a fourth quarter 2022 regular distribution of \$0.31 per share payable on December 8, 2022 to shareholders of record as of December 1, 2022.

Selected Financial Highlights

(\$ in millions)	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Investment portfolio, at fair value ⁽¹⁾	\$1,797	\$1,791	\$1,740	\$1,666	\$1,630
Total debt outstanding ⁽²⁾	\$958	\$948	\$875	\$830	\$805
Net assets	\$915	\$905	\$922	\$931	\$941
Ending debt-to-equity	1.05x	1.05x	0.95x	0.89x	0.86x
Total investment income	\$54.2	\$43.6	\$41.7	\$40.4	\$42.6
Net investment income	\$25.6	\$19.3	\$19.5	\$18.4	\$19.6
Net realized and unrealized gains (losses)	\$8.4	(\$20.6)	(\$11.6)	(\$2.4)	\$5.5
Net increase (decrease) in net assets resulting from operations	\$34.0	(\$1.3)	\$7.9	\$16.0	\$25.1
Per Share Data					
Net asset value per share	\$16.26	\$15.89	\$16.20	\$16.34	\$16.52
Net investment income per share	\$0.45	\$0.34	\$0.34	\$0.32	\$0.35
Net realized and unrealized gains (losses) per share	\$0.15	(\$0.36)	(\$0.20)	(\$0.04)	\$0.09
Earnings per share	\$0.60	(\$0.02)	\$0.14	\$0.28	\$0.44
Distributions declared per share ⁽³⁾	\$0.31	\$0.28	\$0.28	\$0.46	\$0.26

(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 12 for debt net of issuance costs.

(3) Includes a special distribution of \$0.20 per share during the quarter ended December 31, 2021.

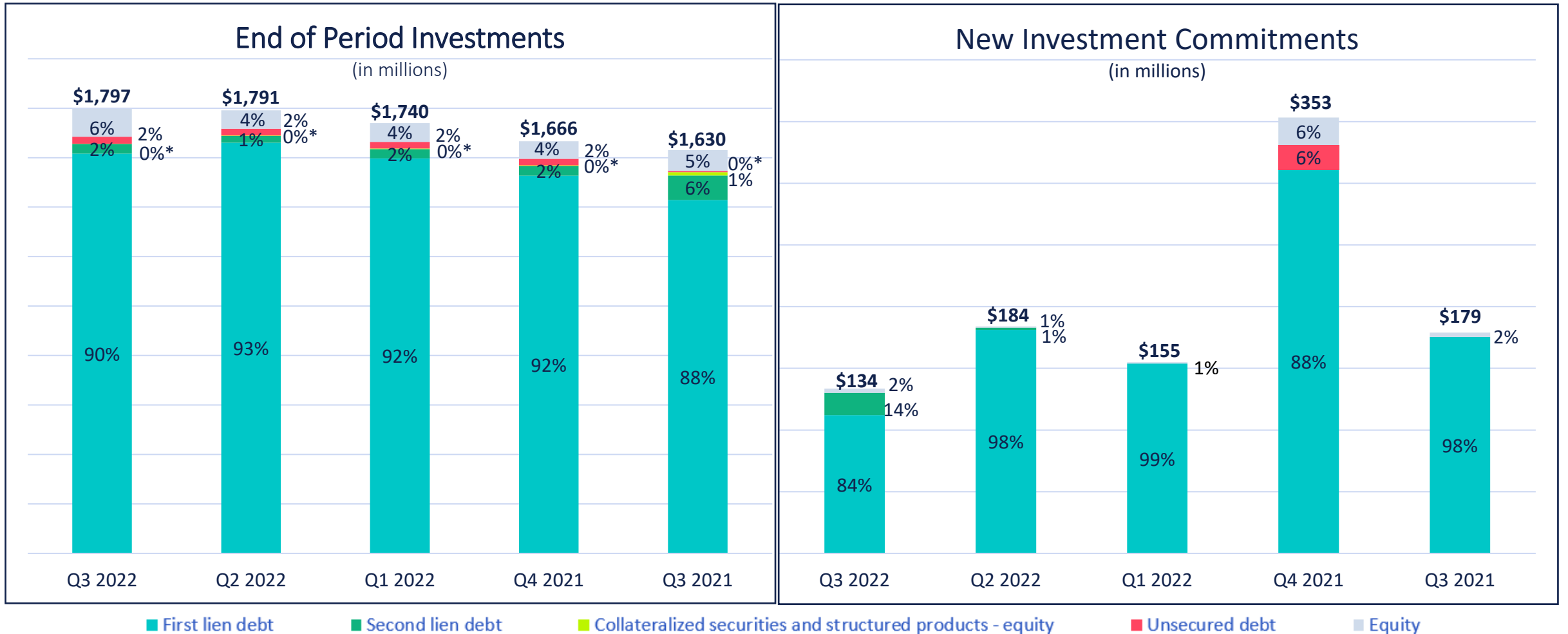
Investment Activity

- New investment commitments for the quarter were \$134 million, of which \$127 million were funded and \$7 million were unfunded.
- New investment commitments were made across 6 new portfolio companies and 5 existing portfolio companies.
- Fundings of previously unfunded commitments for the quarter were \$14 million.
- Sales and repayments totaled \$155 million for the quarter primarily driven by the full sale or repayment of investments in 8 portfolio companies.

(\$ in millions)	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
New investment commitments	\$134	\$184	\$155	\$353	\$179
Funded	\$127	\$165	\$123	\$339	\$157
Unfunded	\$7	\$19	\$32	\$14	\$22
Fundings of previously unfunded commitments	\$14	\$8	\$15	\$10	\$8
Repayments	(\$143)	(\$103)	(\$59)	(\$107)	(\$197)
Sales	(\$12)	(\$7)	(\$2)	(\$212)	(\$27)
Net funded investment activity	(\$14)	\$63	\$77	\$30	(\$58)
Total Portfolio Companies	119	121	115	113	126

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%.

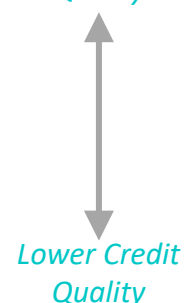
The discussion of the investment portfolio is at fair value and excludes short term investments.

Credit Quality of Investments

INTERNAL INVESTMENT RISK RATINGS(1)

(% of Total Portfolio, Fair Value)

Higher Credit Quality

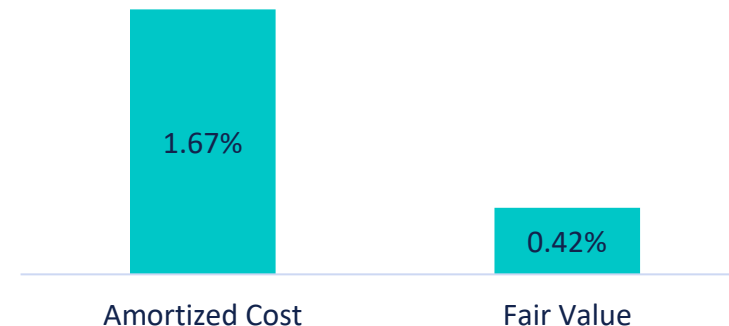


Lower Credit Quality

Rating	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
1	3.5%	7.3%	2.6%	2.8%	5.3%
2	84.7%	82.8%	86.2%	82.5%	79.7%
3	11.4%	8.4%	10.6%	14.0%	14.1%
4	0.4%	1.5%	0.4%	0.5%	0.9%
5	0.0%*	0.0%*	0.2%	0.2%	0.0%*
Total	100.0%	100.0%	100.0%	100.0%	100.0%

* - Less than 1%.

Q3 2022 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 September 30, 2022)

Investment Portfolio

Total investments and unfunded commitments	\$1,881.1 million
Unfunded commitments	\$83.9 million
Investments at fair value	\$1,797.2 million
Yield on debt and other income producing investments at amortized cost ⁽¹⁾	10.76%
Yield on performing loans at amortized cost ⁽²⁾	10.98%
Yield on total investments at amortized cost ⁽¹⁾	10.33%

Portfolio Companies

Number of portfolio companies	119
Weighted average leverage (net debt/EBITDA) ⁽²⁾	4.97x
Weighted average interest coverage ⁽²⁾	2.67x
Median EBITDA ⁽³⁾	\$37.3 million

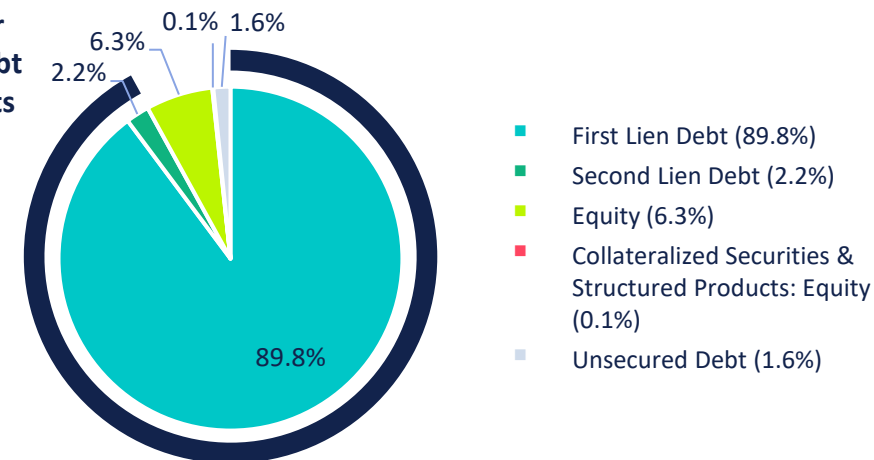
Industry Diversification⁽⁴⁾

Industry	% of Investment Portfolio
Services: Business	19.7%
Healthcare & Pharmaceuticals	15.5%
Media: Diversified & Production	8.9%
Services: Consumer	6.5%
Diversified Financials	5.9%
Other (≤ 4.5% each)	43.5%

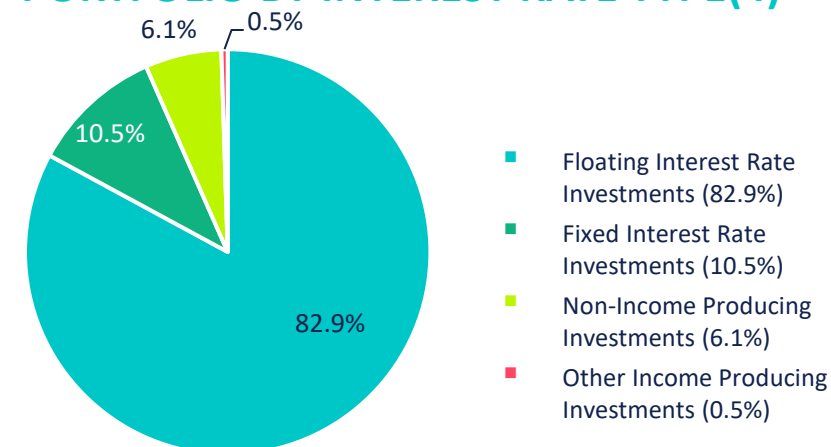
(1) See endnote 4 in our press release filed with the SEC on November 10, 2022. (2) See endnote 5 in our press release filed with the SEC on November 10, 2022. (3) See endnote 6 in our press release filed with the SEC on November 10, 2022. (4) The discussion of the investment portfolio excludes short term investments.

PORTFOLIO BY SECURITY TYPE⁽⁴⁾

92% Senior Secured Debt Investments



PORTFOLIO BY INTEREST RATE TYPE⁽⁴⁾



Quarterly Operating Results

All figures in thousands, except share and per share data	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Investment income					
Interest income ⁽¹⁾	\$ 49,532	\$ 40,932	\$ 40,195	\$ 37,695	\$ 37,206
Dividend income	70	53	46	138	3,871
Fee income	4,561	2,567	1,442	2,571	1,543
Total investment income	\$ 54,163	\$ 43,552	\$ 41,683	\$ 40,404	\$ 42,620
Expenses					
Management fees	\$ 6,942	\$ 6,839	\$ 6,655	\$ 6,674	\$ 8,443
Interest and other debt expenses	13,469	10,841	8,459	8,256	8,175
Incentive fees	5,421	4,091	4,133	3,942	2,933
Other operating expenses	2,760	2,493	2,942	2,821	3,431
Total expenses before taxes	\$ 28,592	\$ 24,264	\$ 22,189	\$ 21,693	\$ 22,982
Income tax expense, including excise tax	14	-	11	301	26
Net investment income after taxes	\$ 25,557	\$ 19,288	\$ 19,483	\$ 18,410	\$ 19,612
Net realized and unrealized gains (losses)					
Net realized (loss) gain	\$ (17,169)	\$ 180	\$ (69)	\$ (15,209)	\$ 19,736
Net change in unrealized appreciation (depreciation)	25,595	(20,734)	(11,525)	12,772	(14,240)
Net realized and unrealized gains (losses)	\$ 8,426	\$ (20,554)	\$ (11,594)	\$ (2,437)	\$ 5,496
Net increase (decrease) in net assets resulting from operations	\$ 33,983	\$ (1,266)	\$ 7,889	\$ 15,973	\$ 25,108
Per share data					
Net investment income	\$ 0.45	\$ 0.34	\$ 0.34	\$ 0.32	\$ 0.35
Net realized gain (loss) and unrealized appreciation (depreciation) on investments	\$ 0.15	\$ (0.36)	\$ (0.20)	\$ (0.04)	\$ 0.10
Earnings per share	\$ 0.60	\$ (0.02)	\$ 0.14	\$ 0.28	\$ 0.44
Distributions declared per share ⁽²⁾	\$ 0.31	\$ 0.28	\$ 0.28	\$ 0.46	\$ 0.26
Weighted average shares outstanding	56,816,992	56,958,440	56,958,440	56,958,440	56,774,323
Shares outstanding, end of period	56,262,964	56,958,440	56,958,440	56,958,440	56,958,440

Quarterly Balance Sheet

All figures in thousands, except per share data and asset coverage ratio	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Assets					
Investments, at fair value	\$1,807,048	\$1,805,452	\$1,755,297	\$1,754,039	\$1,746,298
Cash	43,661	42,542	17,500	3,774	2,159
Interest receivable on investments	26,976	21,962	21,298	21,549	21,283
Receivable due on investments sold	7,146	2,713	7,303	2,854	19,559
Dividend receivable on investments	-	-	-	-	135
Prepaid expenses and other assets	841	2,112	3,618	466	474
Total Assets	\$1,885,672	\$1,874,781	\$1,805,016	\$1,782,682	\$1,789,908
Liabilities & Net Assets					
Financing arrangements (net of debt issuance costs) ⁽¹⁾	\$950,486	\$939,651	\$867,364	\$822,372	\$796,673
Payable for investments purchased	-	11,635	-	11,327	33,360
Accounts payable and accrued expenses	1,853	1,194	862	1,922	3,509
Interest payable	5,143	5,603	3,173	4,339	2,838
Accrued management fees	6,943	6,839	6,655	6,673	8,443
Accrued subordinated incentive fee on income	5,421	4,091	4,133	3,942	2,933
Accrued administrative services expense	604	530	376	1,595	1,139
Share repurchase payable	316	-	-	-	-
Total Liabilities	\$970,766	\$969,543	\$882,563	\$852,170	\$848,895
Total Net Assets	\$914,906	\$905,238	\$922,453	\$930,512	\$941,013
Total Liabilities and Net Assets	\$1,885,672	\$1,874,781	\$1,805,016	\$1,782,682	\$1,789,908
Net Asset Value per share	\$16.26	\$15.89	\$16.20	\$16.34	\$16.52
Asset coverage ratio⁽²⁾	1.96	1.96	2.05	2.12	2.17

(1) The Company had debt issuance costs of \$7,014 as of September 30, 2022, \$7,849 as of June 30, 2022, \$7,636 as of March 31, 2022, \$7,628 as of December 31, 2021 and \$8,327 as of September 30, 2021.

(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.

Q3 2022 Net Asset Value Bridge

Per Share Data



Debt Summary

\$72 million in available capacity within existing senior secured facilities

DEBT SCHEDULE

(\$ in millions)

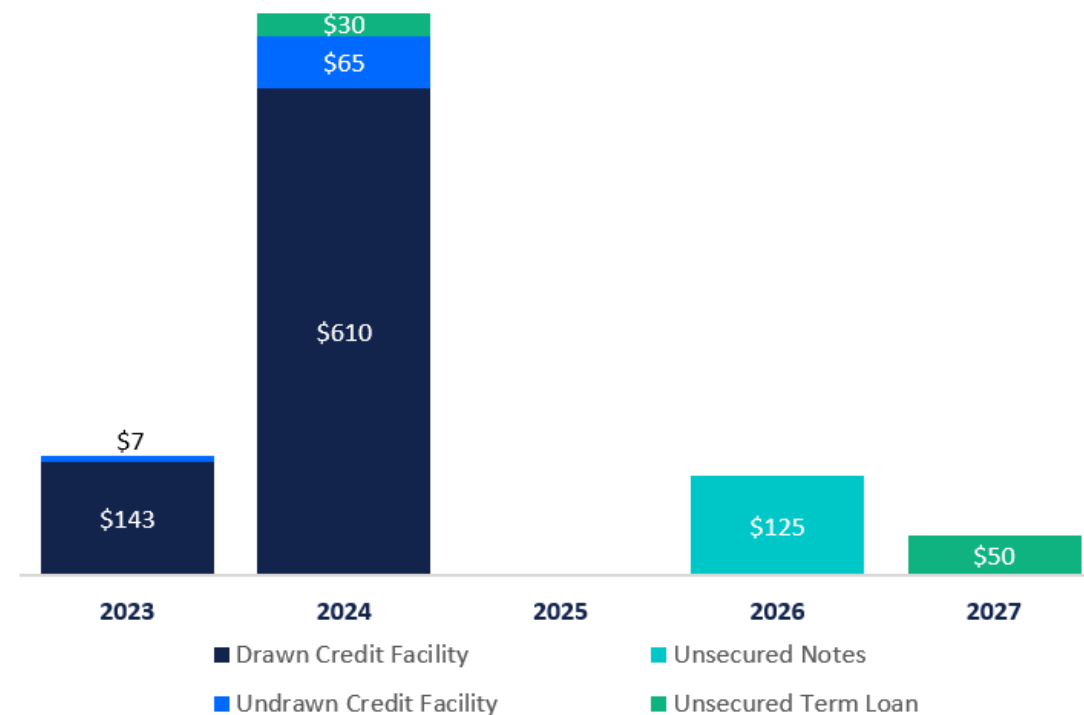
	Total Commitment Amount	Principal Amount Outstanding	Interest Rate	Maturity Date
JPM Credit Facility	\$675	\$610	L + 3.10% ⁽²⁾	5/15/2024
UBS Facility	150	143	L + 3.375%	11/19/2023
Unsecured Notes, 2026 ⁽¹⁾	125	125	4.50%	2/11/2026
2022 Unsecured Term Loan ⁽¹⁾	50	50	S + 3.50%	4/27/2027
2021 Unsecured Term Loan ⁽¹⁾	30	30	5.20%	9/30/2024
Total Debt	\$1,030	\$958	5.4%	

(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%.

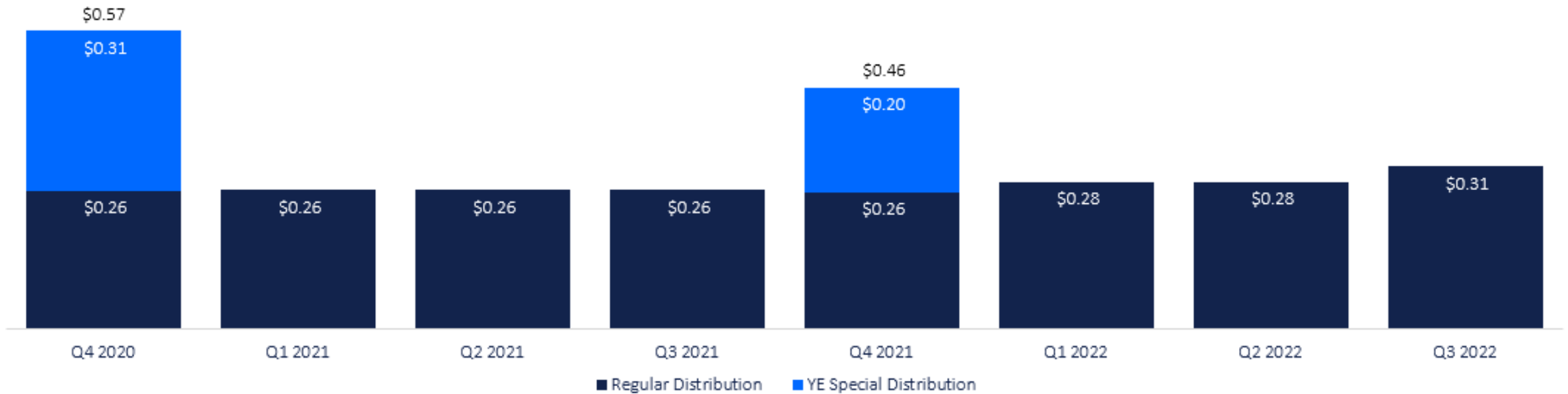
DEBT MATURITIES

(\$ in millions)



Distribution Per Share and Distribution Coverage

	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Net Investment Income (per share)	\$0.38	\$0.31	\$0.33	\$0.35	\$0.32	\$0.34	\$0.34	\$0.45
Distribution (per share)	\$0.57	\$0.26	\$0.26	\$0.26	\$0.46	\$0.28	\$0.28	\$0.31
Distribution coverage	0.67x	1.17x	1.24x	1.32x	0.70x	1.21x	1.21x	1.45x





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