

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 11, 2022 (August 9, 2022)

CION Investment Corporation
(Exact Name of Registrant as Specified in Charter)

Maryland

(State or Other Jurisdiction of Incorporation)

000-54755

(Commission File Number)

45-3058280

(I.R.S. Employer Identification No.)

**3 Park Avenue, 36th Floor
New York, New York 10016**

(Address of Principal Executive Offices)

(212) 418-4700

(Registrant's telephone number, including area code)

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.001 per share	CION	The New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

Q3 2022 Regular Quarterly Distribution

The board of directors (the “Board”) of CION Investment Corporation (“CION”) has delegated to CION’s executive officers the authority to determine the amount, record dates, payment dates and other terms of distributions to shareholders, which will be ratified by the Board on a quarterly basis.

On August 9, 2022, CION’s co-chief executive officers declared a regular quarterly cash distribution of \$0.31 per share for the third quarter of 2022 payable on September 8, 2022 to shareholders of record as of September 1, 2022. A copy of the press release announcing the foregoing is attached hereto as Exhibit 99.1 and incorporated by reference herein.

Q2 2022 Financial Results

On August 11, 2022, CION issued a press release announcing its financial results for the second quarter ended June 30, 2022. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated by reference herein.

In connection with its conference call to be held on August 11, 2022 to discuss its financial results for the second quarter ended June 30, 2022, CION has provided an accompanying slide presentation in the Investor Resources – Events and Presentations section of its website at www.cionbdc.com. A copy of the presentation is also attached hereto as Exhibit 99.2 and incorporated by reference herein.

The information disclosed under this Item 2.02, including Exhibits 99.1 and 99.2 hereto, is being “furnished” and shall not be deemed “filed” by CION for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 7.01. Regulation FD Disclosure.

The information in Item 2.02 of this Current Report on Form 8-K is incorporated by reference into this Item 7.01.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1	Press Release dated August 11, 2022.
99.2	CION Investment Corporation Second Quarter 2022 Earnings Presentation.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CION Investment Corporation

Date: August 11, 2022

By: /s/ Michael A. Reisner
Co-Chief Executive Officer

EXHIBIT LIST

EXHIBIT
NUMBER

DESCRIPTION

99.1	Press Release dated August 11, 2022
99.2	CION Investment Corporation Second Quarter 2022 Earnings Presentation
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).



CION INVESTMENT CORPORATION REPORTS SECOND QUARTER 2022 FINANCIAL RESULTS

Increases Quarterly Distribution by \$0.03 per Share to \$0.31 per Share

For Immediate Release

NEW YORK, August 11, 2022 — CION Investment Corporation (NYSE: CION) (“CION” or the “Company”) today reported financial results for the second quarter ended June 30, 2022 and filed its Form 10-Q with the U.S. Securities and Exchange Commission.

CION also announced that, on August 9, 2022, its co-chief executive officers declared a third quarter 2022 regular distribution of \$0.31 per share payable on September 8, 2022 to shareholders of record as of September 1, 2022, which is an increase of \$0.03 per share, or 10.7%, from the \$0.28 per share regular distribution paid for the second quarter 2022.

SECOND QUARTER AND OTHER HIGHLIGHTS

- Net investment income and earnings per share for the quarter ended June 30, 2022 were \$0.34 per share and \$(0.02) per share, respectively;
- Net asset value per share was \$15.89 as of June 30, 2022 compared to \$16.20 as of March 31, 2022. The decrease was primarily due to mark-to-market adjustments caused by wider credit spreads and price declines on our portfolio during the quarter;
- As of June 30, 2022, the Company had \$947.5 million of total principal amount of debt outstanding, of which 78% was comprised of senior secured bank debt and 22% was comprised of unsecured debt. The Company’s debt-to-equity ratio was 1.05x as of June 30, 2022 compared to 0.95x as of March 31, 2022;
- As of June 30, 2022, the Company had total investments at fair value of \$1,791 million in 121 portfolio companies across 22 industries. The investment portfolio was comprised of 94.2% senior secured loans, including 92.7% in first lien investments;¹
- During the quarter, the Company had new investment commitments of \$184 million, funded new investment commitments of \$165 million, funded previously unfunded commitments of \$8 million, and had sales and repayments totaling \$110 million, resulting in a net funded portfolio change of \$63 million;
- As of June 30, 2022, investments on non-accrual status amounted to 1.5% and 3.6% of the total investment portfolio at fair value and amortized cost, respectively;
- On April 27, 2022, the Company entered into a 5-year floating rate unsecured term loan agreement with More Provident Funds and Pension Ltd. under which the Company borrowed \$50 million; and
- On June 24, 2022, the Company’s board of directors, including the independent directors, increased the amount of shares of the Company’s common stock that may be repurchased under the Company’s share repurchase policy by \$10 million to up to an aggregate of \$60 million.

DISTRIBUTIONS

- For the quarter ended June 30, 2022, the Company paid a regular quarterly distribution totaling \$15.9 million, or \$0.28 per share.

“The improved second quarter financial and portfolio performance is a result of our prudent, long-term investment strategy which we continued to implement even during these volatile market conditions. We remained focused on the expansion and diversification of our portfolio with solid companies across many industries while seeking to capitalize on new opportunities. As a result, during the quarter we increased our portfolio by \$63 million in net funded investments. We believe we are well positioned to provide strong returns to our shareholders. Our stock trades at a significant discount to our net asset value per share of \$15.89 at quarter end, which is one of the reasons why our Board recently approved the increase of the total amount to be repurchased under our existing share repurchase policy by \$10 million to a total of \$60 million. Share repurchases under this policy will be accretive to our net investment income per share, thus provide higher returns to our current shareholders,” said Michael A. Reisner, co-Chief Executive Officer of CION.

SELECTED FINANCIAL HIGHLIGHTS

	As of	
	June 30, 2022	March 31, 2022
<i>(in thousands, except per share data)</i>		
Investment portfolio, at fair value ¹	\$ 1,791,107	\$ 1,739,534
Total debt outstanding ²	\$ 947,500	\$ 875,000
Net assets	\$ 905,238	\$ 922,453
Net asset value per share	\$ 15.89	\$ 16.20
Debt-to-equity	1.05x	0.95x

	Three Months Ended	
	June 30, 2022	March 31, 2022
<i>(in thousands, except share and per share data)</i>		
Total investment income	\$ 43,552	\$ 41,683
Total operating expenses and income tax expense	\$ 24,264	\$ 22,200
Net investment income after taxes	\$ 19,288	\$ 19,483
Net realized gains (losses)	\$ 180	\$ (69)
Net unrealized losses	\$ (20,734)	\$ (11,525)
Net (decrease) increase in net assets resulting from operations	\$ (1,266)	\$ 7,889
Net investment income per share	\$ 0.34	\$ 0.34
Net realized and unrealized losses per share	\$ (0.36)	\$ (0.20)
Earnings per share	\$ (0.02)	\$ 0.14
Weighted average shares outstanding	56,958,440	56,958,440
Distributions declared per share	\$ 0.28	\$ 0.28

Total investment income for the three months ended June 30, 2022 and March 31, 2022 was \$43.6 million and \$41.7 million, respectively. The increase in investment income was primarily driven by an increase in non-recurring fee revenue during the three months ended June 30, 2022 compared to the three months ended March 31, 2022.

Operating expenses for the three months ended June 30, 2022 and March 31, 2022 were \$24.3 million and \$22.2 million, respectively. The increase in operating expenses was primarily driven by an increase in interest expense under the Company's financing arrangements due to higher LIBOR and SOFR rates as well as higher average borrowings during the quarter ended June 30, 2022 compared to the quarter ended March 31, 2022.

PORTFOLIO AND INVESTMENT ACTIVITY¹

A summary of the Company's investment activity for the three months ended June 30, 2022 is as follows:

Investment Type	New Investment Commitments		Sales and Repayments	
	\$ in Thousands	% of Total	\$ in Thousands	% of Total
Senior secured first lien debt	\$ 181,175	98%	\$ 93,195	85%
Senior secured second lien debt	1,836	1%	15,000	14%
Collateralized securities and structured products - equity	—	—	854	1%
Equity	1,009	1%	504	—
Total	\$ 184,020	100%	\$ 109,553	100%

During the three months ended June 30, 2022, new investment commitments were made across 10 new portfolio companies and 9 existing portfolio companies. Sales and repayments were primarily driven by the full sale or repayment of investments in 4 portfolio companies. As a result, the number of portfolio companies increased from 115 as of March 31, 2022 to 121 as of June 30, 2022.

PORTFOLIO SUMMARY¹

As of June 30, 2022, the Company's investments consisted of the following:

Investment Type	Investments at Fair Value	
	\$ in Thousands	% of Total
Senior secured first lien debt	\$ 1,660,828	92.7%
Senior secured second lien debt	27,086	1.5%
Collateralized securities and structured products - equity	1,602	0.1%
Unsecured debt	27,994	1.6%
Equity	73,597	4.1%
Total	\$ 1,791,107	100.0%

The following table presents certain selected information regarding the Company's investments:

	As of	
	June 30, 2022	March 31, 2022
Number of portfolio companies	121	115
Percentage of performing loans bearing a floating rate ³	89.2%	90.1%
Percentage of performing loans bearing a fixed rate ³	10.8%	9.9%
Yield on debt and other income producing investments at amortized cost ⁴	9.14%	8.90%
Yield on performing loans at amortized cost ⁴	9.51%	9.12%
Yield on total investments at amortized cost	8.90%	8.64%
Weighted average leverage (net debt/EBITDA) ⁵	4.67x	4.74x
Weighted average interest coverage ⁵	3.29x	3.73x
Median EBITDA ⁶	\$33.7 million	\$32.8 million

As of June 30, 2022, investments on non-accrual status represented 1.5% and 3.6% of the total investment portfolio at fair value and amortized cost, respectively.

LIQUIDITY AND CAPITAL RESOURCES

As of June 30, 2022, the Company had \$947.5 million of total principal amount of debt outstanding, comprised of \$743 million of outstanding borrowings under its senior secured credit facilities and \$205 million of unsecured notes and term loans. The combined weighted average interest rate on debt outstanding was 4.3% for the quarter ended June 30, 2022. As of June 30, 2022, the Company had \$57 million in cash and short-term investments and \$82 million available under its financing arrangements.²

EARNING CONFERENCE CALL

CION will host an earnings conference call on Thursday, August 11, 2022 at 11:00 am Eastern Time to discuss its financial results for the second quarter ended June 30, 2022. Please visit the Investor Resources - Events and Presentations section of the Company's website at www.cionbdc.com for a slide presentation that complements the earnings conference call.

All interested parties are invited to participate via telephone or listen via the live webcast, which can be accessed by clicking the following link: [CION Investment Corporation Second Quarter 2022 Financial Results Webcast](#). Domestic callers can access the conference call by dialing (877) 445-9755. International callers can access the conference call by dialing +1 (201) 493-6744. All callers are asked to dial in approximately 10 minutes prior to the call. An archived replay will be available on a webcast link located in the Investor Resources - Events and Presentations section of CION's website.

ENDNOTES

- 1) The discussion of the investment portfolio excludes short-term investments.
 - 2) Total debt outstanding excludes netting of debt issuance costs of \$7.8 million and \$7.6 million as of June 30, 2022 and March 31, 2022, respectively.
 - 3) The fixed versus floating composition has been calculated as a percentage of performing debt investments measured on a fair value basis, including income producing preferred stock investments and excludes investments, if any, on non-accrual status.
 - 4) Computed based on the (a) annual actual interest rate or yield earned plus amortization of fees and discounts on the performing debt and other income producing investments as of the reporting date, divided by (b) the total performing debt and other income producing investments (excluding investments on non-accrual status) at amortized cost. This calculation excludes exit fees that are receivable upon repayment of the investment.
 - 5) For a particular portfolio company, we calculate the level of contractual indebtedness net of cash ("net debt") owed by the portfolio company and compare that amount to measures of cash flow available to service the net debt. To calculate net debt, we include debt that is both senior and pari passu to the tranche of debt owned by us but exclude debt that is legally and contractually subordinated in ranking to the debt owned by us. We believe this calculation method assists in describing the risk of our portfolio investments, as it takes into consideration contractual rights of repayment of the tranche of debt owned by us relative to other senior and junior creditors of a portfolio company. We typically calculate cash flow available for debt service at a portfolio company by taking EBITDA for the trailing twelve-month period. Weighted average net debt to EBITDA is weighted based on the fair value of our performing debt investments and excluding investments where net debt to EBITDA may not be the appropriate measure of credit risk, such as cash collateralized loans and investments that are underwritten and covenanted based on recurring revenue.

For a particular portfolio company, we also calculate the level of contractual interest expense owed by the portfolio company, and compare that amount to EBITDA ("interest coverage ratio"). We believe this calculation method assists in describing the risk of our portfolio investments, as it takes into consideration contractual interest obligations of the portfolio company. Weighted average interest coverage is weighted based on the fair value of our performing debt investments, excluding investments where interest coverage may not be the appropriate measure of credit risk, such as cash collateralized loans and investments that are underwritten and covenanted based on recurring revenue.

Portfolio company statistics, including EBITDA, are derived from the financial statements most recently provided to us for each portfolio company as of the reported end date. Statistics of the portfolio companies have not been independently verified by us and may reflect a normalized or adjusted amount.
 - 6) Median EBITDA is calculated based on the portfolio company's EBITDA as of our initial investment.
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CION Investment Corporation
Consolidated Balance Sheets
(in thousands, except share and per share amounts)

	June 30, 2022 (unaudited)	March 31, 2022 (unaudited)
Assets		
Investments, at fair value:		
Non-controlled, non-affiliated investments (amortized cost of \$1,660,187 and \$1,576,679, respectively)	\$ 1,601,753	\$ 1,533,188
Non-controlled, affiliated investments (amortized cost of \$131,439 and \$144,704, respectively)	113,554	130,934
Controlled investments (amortized cost of \$84,347 and \$83,702, respectively)	90,145	91,175
Total investments, at fair value (amortized cost of \$1,875,973 and \$1,805,085, respectively)	1,805,452	1,755,297
Cash	42,542	17,500
Interest receivable on investments	21,962	21,298
Receivable due on investments sold and repaid	2,713	7,303
Prepaid expenses and other assets	2,112	3,618
Total assets	<u>\$ 1,874,781</u>	<u>\$ 1,805,016</u>
Liabilities and Shareholders' Equity		
Liabilities		
Financing arrangements (net of unamortized debt issuance costs of \$7,849 and \$7,636, respectively)	\$ 939,651	\$ 867,364
Payable for investments purchased	11,635	—
Accounts payable and accrued expenses	1,194	862
Interest payable	5,603	3,173
Accrued management fees	6,839	6,655
Accrued subordinated incentive fee on income	4,091	4,133
Accrued administrative services expense	530	376
Total liabilities	<u>969,543</u>	<u>882,563</u>
Commitments and contingencies		
Shareholders' Equity		
Common stock, \$0.001 par value; 500,000,000 shares authorized; 56,958,440 shares issued and outstanding for both periods	57	57
Capital in excess of par value	1,059,989	1,059,989
Accumulated distributable losses	(154,808)	(137,593)
Total shareholders' equity	<u>905,238</u>	<u>922,453</u>
Total liabilities and shareholders' equity	<u>\$ 1,874,781</u>	<u>\$ 1,805,016</u>
Net asset value per share of common stock at end of period	<u>\$ 15.89</u>	<u>\$ 16.20</u>

CION Investment Corporation
Consolidated Statements of Operations
(in thousands, except share and per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,		Year Ended December 31,
	2022	2021	2022	2021	2021
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	
Investment income					
Non-controlled, non-affiliated investments					
Interest income	\$ 31,749	\$ 30,167	\$ 62,743	\$ 56,269	\$ 119,792
Paid-in-kind interest income	4,613	3,853	9,219	9,988	17,306
Fee income	2,554	880	3,503	1,813	5,927
Dividend income	—	91	46	173	366
Non-controlled, affiliated investments					
Interest income	1,545	1,041	2,568	2,442	4,961
Paid-in-kind interest income	874	1,056	2,319	1,879	3,160
Fee income	13	—	506	—	—
Dividend income	53	933	53	1,760	5,576
Controlled investments					
Interest income	1,742	—	3,869	—	260
Paid-in-kind interest income	409	—	—	—	—
Total investment income	43,552	38,021	85,235	74,324	157,348
Operating expenses					
Management fees	6,839	8,243	13,494	16,026	31,143
Administrative services expense	781	697	1,501	1,381	3,069
Subordinated incentive fee on income	4,091	—	8,224	—	6,875
General and administrative	1,712	2,563	3,934	5,241	9,805
Interest expense	10,841	7,828	19,300	15,376	31,807
Total operating expenses	24,264	19,331	46,453	38,024	82,699
Net investment income before taxes	19,288	18,690	38,782	36,300	74,649
Income tax expense, including excise tax	—	4	11	15	342
Net investment income after taxes	19,288	18,686	38,771	36,285	74,307
Realized and unrealized gains (losses)					
Net realized gains (losses) on:					
Non-controlled, non-affiliated investments	180	445	208	471	(4,100)
Non-controlled, affiliated investments	—	—	(97)	(1,080)	8,010
Controlled investments	—	—	—	(3,067)	(3,067)
Foreign currency	—	(4)	—	(11)	(3)
Net realized gains (losses)	180	441	111	(3,687)	840
Net change in unrealized (depreciation) appreciation on:					
Non-controlled, non-affiliated investments	(17,482)	5,957	(24,977)	25,195	25,566
Non-controlled, affiliated investments	(1,577)	2,885	(5,357)	16,823	7,261
Controlled investments	(1,675)	—	(1,925)	3,067	10,790
Net change in unrealized (depreciation) appreciation	(20,734)	8,842	(32,259)	45,085	43,617
Net realized and unrealized (losses) gains	(20,554)	9,283	(32,148)	41,398	44,457
Net (decrease) increase in net assets resulting from operations	\$ (1,266)	\$ 27,969	\$ 6,623	\$ 77,683	\$ 118,764
Per share information—basic and diluted(1)					
Net (decrease) increase in net assets per share resulting from operations	\$ (0.02)	\$ 0.49	\$ 0.12	\$ 1.37	\$ 2.09
Net investment income per share	\$ 0.34	\$ 0.33	\$ 0.68	\$ 0.64	\$ 1.31
Weighted average shares of common stock outstanding	56,958,440	56,747,687	56,958,440	56,750,588	56,808,960

(1) The Company completed a two-to-one reverse stock split, effective as of September 21, 2021. The weighted average shares used in the computation of the net (decrease) increase in net assets per share resulting from operations and net investment income per share reflect the reverse stock split on a retroactive basis.

ABOUT CION INVESTMENT CORPORATION

CION Investment Corporation is a leading publicly listed business development company that had approximately \$1.9 billion in total assets as of June 30, 2022. CION seeks to generate current income and, to a lesser extent, capital appreciation for investors by focusing primarily on senior secured loans to U.S. middle-market companies. CION is advised by CION Investment Management, LLC, a registered investment adviser and an affiliate of CION. For more information, please visit www.cionhdc.com.

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements that involve substantial risks and uncertainties. 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. You should read statements that contain these words carefully because they discuss CION’s plans, strategies, prospects and expectations concerning its business, operating results, financial condition and other similar matters. These statements represent CION’s belief regarding future events that, by their nature, are uncertain and outside of CION’s control. There are likely to be events in the future, however, that CION is not able to predict accurately or control. Any forward-looking statement made by CION in this press release speaks only as of the date on which it is made. Factors or events that could cause CION’s actual results to differ, possibly materially from its expectations, include, but are not limited to, the risks, uncertainties and other factors CION identifies in the sections entitled “Risk Factors” and “Forward-Looking Statements” in filings CION makes with the SEC, and it is not possible for CION to predict or identify all of them. CION 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.

OTHER INFORMATION

The information in this press release is summary information only and should be read in conjunction with CION’s Quarterly Report on Form 10-Q, which CION filed with the SEC on August 11, 2022, as well as CION’s other reports filed with the SEC. A copy of CION’s Quarterly Report on Form 10-Q and CION’s other reports filed with the SEC can be found on CION’s website at www.cionhdc.com and the SEC’s website at www.sec.gov.

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CION Investment Corporation

Second 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 August 11, 2022 as well as the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2022 that was filed with the Securities and Exchange Commission (the "SEC") on August 11, 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.

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.

Second Quarter and Other Highlights – Ended June 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 June 30, 2022 were \$0.34 per share and \$(0.02) per share, respectively;
- Net asset value per share was \$15.89 as of June 30, 2022 compared to \$16.20 as of March 31, 2022. The decrease was primarily due to mark-to-market adjustments caused by wider credit spreads and price declines on our portfolio during the quarter;
- As of June 30, 2022, the Company had \$947.5 million of total principal amount of debt outstanding, of which 78% was comprised of senior secured bank debt and 22% was comprised of unsecured debt. The Company's debt-to-equity ratio was 1.05x as of June 30, 2022 compared to 0.95x as of March 31, 2022;
- As of June 30, 2022, the Company had total investments at fair value of \$1,791 million in 121 portfolio companies across 22 industries. The investment portfolio was comprised of 94.2% senior secured loans, including 92.7% in first lien investments;¹
- During the quarter, the Company had new investment commitments of \$184 million, funded new investment commitments of \$165 million, funded previously unfunded commitments of \$8 million, and had sales and repayments totaling \$110 million, resulting in a net funded portfolio change of \$63 million;
- As of June 30, 2022, investments on non-accrual status amounted to 1.5% and 3.6% of the total investment portfolio at fair value and amortized cost, respectively;
- On April 27, 2022, the Company entered into a 5-year floating rate unsecured term loan agreement with More Provident Funds and Pension Ltd. under which the Company borrowed \$50 million; and
- On June 24, 2022, the Company's board of directors, including the independent directors, increased the amount of shares of the Company's common stock that may be repurchased under the Company's share repurchase policy by \$10 million to up to an aggregate of \$60 million.

DISTRIBUTIONS

- For the quarter ended June 30, 2022, the Company paid a regular quarterly distribution totaling \$15.9 million, or \$0.28 per share; and
- On August 9, 2022, the Company's co-chief executive officers declared a third quarter 2022 regular distribution of \$0.31 per share payable on September 8, 2022 to shareholders of record as of September 1, 2022, which is an increase of \$0.03 per share, or 10.7%, from the regular distribution of \$0.28 per share paid for the quarter ended June 30, 2022.



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

Selected Financial Highlights

(\$ in millions)	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Investment portfolio, at fair value(1)	\$1,791	\$1,740	\$1,666	\$1,630	\$1,676
Total debt outstanding(2)	\$948	\$875	\$830	\$805	\$805
Net assets	\$905	\$922	\$931	\$941	\$926
Ending debt-to-equity	1.05x	0.95x	0.89x	0.86x	0.87x
Total investment income	\$43.6	\$41.7	\$40.4	\$42.6	\$38.0
Net investment income	\$19.3	\$19.5	\$18.4	\$19.6	\$18.7
Net realized and unrealized (losses) gains	(\$20.6)	(\$11.6)	(\$2.4)	\$5.5	\$9.3
Net (decrease) increase in net assets resulting from operations	(\$1.3)	\$7.9	\$16.0	\$25.1	\$28.0
Per Share Data					
Net asset value per share	\$15.89	\$16.20	\$16.34	\$16.52	\$16.34
Net investment income per share	\$0.34	\$0.34	\$0.32	\$0.35	\$0.33
Net realized and unrealized (losses) gains per share	(\$0.36)	(\$0.20)	(\$0.04)	\$0.09	\$0.16
Earnings per share	(\$0.02)	\$0.14	\$0.28	\$0.44	\$0.49
Distributions declared per share(3)	\$0.28	\$0.28	\$0.46	\$0.26	\$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 10 for debt net of issuance costs.

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

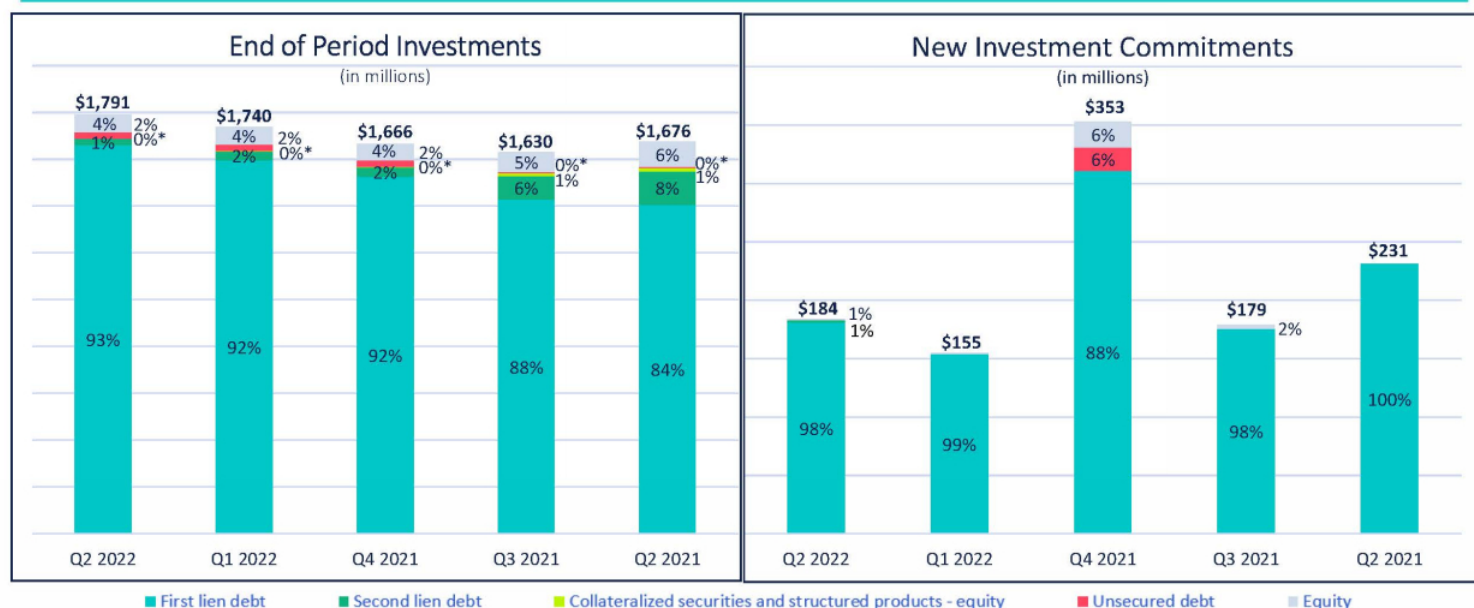
Investment Activity

- New investment commitments for the quarter were \$184 million, of which \$165 million were funded and \$19 million were unfunded.
- New investment commitments were made across 10 new portfolio companies and 9 existing portfolio companies.
- Fundings of previously unfunded commitments for the quarter were \$8 million.
- Sales and repayments totaled \$110 million for the quarter primarily driven by the full sale or repayment of investments in 4 portfolio companies.

(\$ in millions)	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
New investment commitments	\$184	\$155	\$353	\$179	\$231
Funded	\$165	\$123	\$339	\$157	\$220
Unfunded	\$19	\$32	\$14	\$22	\$11
Fundings of previously unfunded commitments	\$8	\$15	\$10	\$8	\$2
Repayments	(\$103)	(\$59)	(\$107)	(\$197)	(\$92)
Sales	(\$7)	(\$2)	(\$212)	(\$27)	(\$5)
Net funded investment activity	\$63	\$77	\$30	(\$58)	\$125

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)

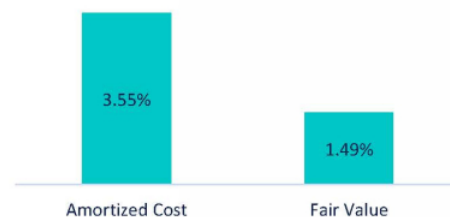
(% of Total Portfolio, Fair Value)

Higher Credit
Quality
↑
↓
Lower Credit
Quality

Rating	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
1	7.3%	2.6%	2.8%	5.3%	7.3%
2	82.8%	86.2%	82.5%	79.7%	75.5%
3	8.4%	10.6%	14.0%	14.1%	16.7%
4	1.5%	0.4%	0.5%	0.9%	0.4%
5	0.0%*	0.2%	0.2%	0.0%*	0.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

* - Less than 1%.

Q2 2022 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, 2022)

Investment Portfolio

Total investments and unfunded commitments	\$1,892.1 million
Unfunded commitments	\$101.1 million
Investments at fair value	\$1,791.0 million
Yield on debt and other income producing investments at amortized cost(1)	9.14%
Yield on performing loans at amortized cost(1)	9.51%
Yield on total investments at amortized cost(1)	8.90%

Portfolio Companies

Number of portfolio companies	121
Weighted average leverage (net debt/EBITDA)(2)	4.67x
Weighted average interest coverage(2)	3.29x
Median EBITDA(3)	\$33.7 million

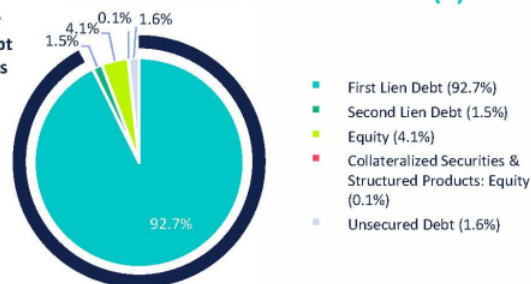
Industry Diversification(4)

Industry	% of Investment Portfolio
Services: Business	19.9%
Healthcare & Pharmaceuticals	12.8%
Media: Diversified & Production	8.2%
Services: Consumer	7.6%
Diversified Financials	5.6%
Other (≤ 4.9% each)	45.9%

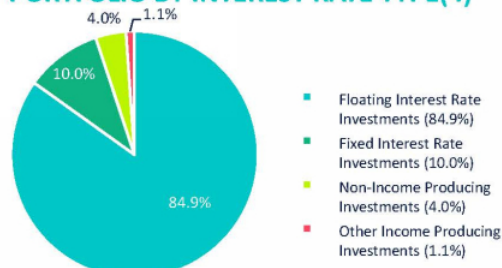
(1) See endnote 4 in our press release filed with the SEC on August 11, 2022. (2) See endnote 5 in our press release filed with the SEC on August 11, 2022. (3) See endnote 6 in our press release filed with the SEC on August 11, 2022. (4) The discussion of the investment portfolio excludes short term investments.

PORTFOLIO BY SECURITY TYPE(4)

94% Senior Secured Debt Investments



PORTFOLIO BY INTEREST RATE TYPE(4)



Quarterly Operating Results

	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Investment income					
Interest income(1)	\$ 40,932	\$ 40,195	\$ 37,695	\$ 37,206	\$ 36,117
Dividend income	53	46	138	3,871	1,024
Fee income	2,567	1,442	2,571	1,543	880
Total investment income	\$ 43,552	\$ 41,683	\$ 40,404	\$ 42,620	\$ 38,021
Expenses					
Management fees	\$ 6,839	\$ 6,655	\$ 6,674	\$ 8,443	\$ 8,243
Interest and other debt expenses	10,841	8,459	8,256	8,175	7,828
Incentive fees	4,091	4,133	3,942	2,933	-
Other operating expenses	2,493	2,942	2,821	3,431	3,260
Total expenses before taxes	\$ 24,264	\$ 22,189	\$ 21,693	\$ 22,982	\$ 19,331
Income tax expense, including excise tax	-	11	301	26	4
Net investment income after taxes	\$ 19,288	\$ 19,483	\$ 18,410	\$ 19,612	\$ 18,686
Net realized and unrealized (losses) gains					
Net realized gain (loss)	\$ 180	\$ (69)	\$ (15,209)	\$ 19,736	\$ 441
Net change in unrealized (depreciation) appreciation	(20,734)	(11,525)	12,772	(14,240)	8,842
Net realized and unrealized (losses) gains	\$ (20,554)	\$ (11,594)	\$ (2,437)	\$ 5,496	\$ 9,283
Net (decrease) increase in net assets resulting from operations	\$ (1,266)	\$ 7,889	\$ 15,973	\$ 25,108	\$ 27,969
Per share data					
Net investment income	\$ 0.34	\$ 0.34	\$ 0.32	\$ 0.35	\$ 0.33
Net realized (loss) gain and unrealized (depreciation) appreciation on investments	\$ (0.36)	\$ (0.20)	\$ (0.04)	\$ 0.10	\$ 0.16
Earnings per share	\$ (0.02)	\$ 0.14	\$ 0.28	\$ 0.44	\$ 0.49
Distributions declared per share(2)	\$ 0.28	\$ 0.28	\$ 0.46	\$ 0.26	\$ 0.26
Weighted average shares outstanding	56,958,440	56,958,440	56,958,440	56,774,323	56,747,687
Shares outstanding, end of period	56,958,440	56,958,440	56,958,440	56,958,440	56,648,478



(1) Includes certain prepayment fees, exit fees and paid-in-kind interest income.

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

Quarterly Balance Sheet

	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Assets					
Investments, at fair value	\$1,805,452	\$1,755,297	\$1,754,039	\$1,746,298	\$1,724,038
Cash	42,542	17,500	3,774	2,159	1,496
Interest receivable on investments	21,962	21,298	21,549	21,283	20,279
Receivable due on investments sold	2,713	7,303	2,854	19,559	8,888
Dividend receivable on investments	-	-	-	135	187
Prepaid expenses and other assets	2,112	3,618	466	474	426
Total Assets	\$1,874,781	\$1,805,016	\$1,782,682	\$1,789,908	\$1,755,314
Liabilities & Net Assets					
Financing arrangements (net of debt issuance costs)(1)	\$939,651	\$867,364	\$822,372	\$796,673	\$796,003
Payable for investments purchased	11,635	-	11,327	33,360	17,938
Accounts payable and accrued expenses	1,194	862	1,922	3,509	2,160
Interest payable	5,603	3,173	4,339	2,838	4,185
Accrued management fees	6,839	6,655	6,673	8,443	8,243
Accrued subordinated incentive fee on income	4,091	4,133	3,942	2,933	-
Accrued administrative services expense	530	376	1,595	1,139	905
Total Liabilities	\$969,543	\$882,563	\$852,170	\$848,895	\$829,434
Total Net Assets	\$905,238	\$922,453	\$930,512	\$941,013	\$925,880
Total Liabilities and Net Assets	\$1,874,781	\$1,805,016	\$1,782,682	\$1,789,908	\$1,755,314
Net Asset Value per share	\$15.89	\$16.20	\$16.34	\$16.52	\$16.34
Asset coverage ratio(2)	1.96	2.05	2.12	2.17	2.15

All figures in thousands, except per share data.

(1) The Company had debt issuance costs of \$7,849 as of June 30, 2022, \$7,636 as of March 31, 2022, \$7,628 as of December 31, 2021, \$8,327 as of September 30, 2021 and \$8,997 as of June 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.

Q2 2022 Net Asset Value Bridge

Per Share Data



Debt Summary

\$82 million in available capacity within existing senior secured facilities

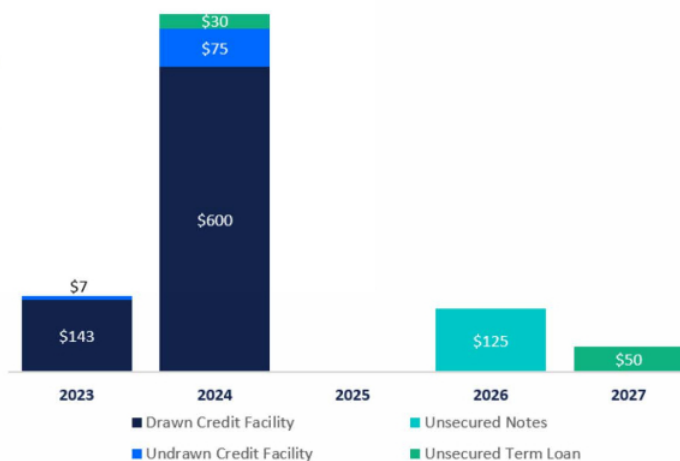
DEBT SCHEDULE

(\$ in millions)

	Total Commitment Amount	Principal Amount Outstanding	Interest Rate	Maturity Date
JPM Credit Facility	\$675	\$600	L + 3.10% ⁽²⁾	5/15/2024
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	50	50	S + 3.50%	4/27/2027
2021 Unsecured Term Loan ⁽¹⁾	30	30	5.20%	9/30/2024
Total Debt	\$1,030	\$948	4.3%	

DEBT MATURITIES

(\$ in millions)



(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%.

Distribution Per Share and Distribution Coverage

	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
Net Investment Income (per share)	\$0.38	\$0.38	\$0.31	\$0.33	\$0.35	\$0.32	\$0.34	\$0.34
Distribution (per share)	\$0.18 ¹	\$0.57	\$0.26	\$0.26	\$0.26	\$0.46	\$0.28	\$0.28
Distribution coverage	2.14x	0.67x	1.17x	1.24x	1.32x	0.70x	1.21x	1.21x

