Dear Investor

This letter is in relation to your recent withdrawal request for the Ares Diversified Credit Fund (APIR HOW7354AU, ARSN 644 797 599) (**Fund**).

For the current quarterly Withdrawal Period, the withdrawal request deadline was 3pm (Sydney time) 30 June 2026 (**Withdrawal Request Deadline**) and the withdrawal effective date was 9 July 2026 (**Withdrawal Effective Date**).

In accordance with the Fund's Product Disclosure Statement (**PDS**) and liquidity framework, Fidante Partners Limited (**Fidante**), the Responsible Entity of the Fund, in consultation with Ares Australia Management Pty Ltd (**Ares**), the Fund's Investment Manager, has determined a maximum amount of withdrawal proceeds available from the Fund for the current Withdrawal Period (**Maximum Amount**). The Maximum Amount was determined with direct reference to the liquidity provided by the Fund's underlying fund, the CION Ares Diversified Credit Fund (**Underlying Fund**). Refer to 'Summary of the Fund's structure and withdrawal terms' below, and the Fund's PDS, for further information on the Fund and Underlying Fund's structure and withdrawal terms.

For the current Withdrawal Period, the Fund received withdrawal requests of 7.94% of the Fund's Net Asset Value. The Fund tendered shares in the Underlying Fund's quarterly Repurchase Offer for the full amount of withdrawal requests received in the current Withdrawal Period, however, total shares tendered for repurchase at the Underlying Fund level were in excess of the Underlying Fund's quarterly Repurchase Offer of 5% of its outstanding shares. This resulted in the Underlying Fund processing tendered shares on a pro-rata basis. The Maximum Amount for the current Withdrawal Period was set with direct reference to the number of shares repurchased by the Underlying Fund, and accordingly, withdrawals for the Fund have been processed on a pro-rata basis.

Investors that submitted a withdrawal request by the Withdrawal Request Deadline will receive 78.91% of their requested withdrawal amount. The pro-rata amount is reflected on your transaction statement attached to this letter.

Unmet withdrawal amounts

Unmet portions of your withdrawal request <u>do not</u> automatically carry forward to the next Withdrawal Period. Investors are required to submit a new withdrawal request in a subsequent Withdrawal Period if they wish to withdraw any unmet portion. Any new withdrawal requests will be processed in accordance with the usual withdrawal processes for the respective Withdrawal Period. The next Withdrawal Request Deadline for the Fund is 3pm (Sydney time) on 30 September 2026.

Importantly, unmet portions remain fully invested in the Fund and continue to receive monthly distributions.

Summary of the Fund's structure and withdrawal terms

The Fund gains its investment exposure by investing in the Underlying Fund, cash and foreign currency exchange hedging instruments. The Fund's investment in the Underlying Fund is by way of a shareholding in the Underlying Fund and is therefore subject to the withdrawal regime of the Underlying Fund.

The Underlying Fund is an 'interval fund', a type of fund which, to provide some liquidity to its shareholders, makes quarterly offers to repurchase a percentage of its outstanding shares at NAV (**Repurchase Offer**). In connection with any given Repurchase Offer, it is expected the Underlying Fund will offer to repurchase 5% of its outstanding shares each quarter.

Given the liquidity terms of the Underlying Fund, the Responsible Entity intends to process withdrawals quarterly (**Withdrawal Period**), in line with the quarterly Repurchase Offer of the Underlying Fund. For each Withdrawal Period, the Responsible Entity, in consultation with the Investment Manager, may determine a maximum amount of withdrawal proceeds available from the Fund for a quarter (**Maximum Amount**). The Maximum Amount will generally be referrable to the amount of liquidity provided by the Underlying Fund. If the aggregate amount of withdrawal requests received for the Fund exceeds the Maximum Amount, withdrawal requests will be processed on a pro-rata basis. i.e. investors will receive a pro-rata amount referrable to their percentage of the Maximum Amount.

Next steps

There is no change to the Fund's objectives, investment strategy or operating terms. The Fund will continue to operate as intended and process withdrawals in accordance with its withdrawal terms and liquidity framework. If you have any questions regarding this letter or the Fund, please contact your financial adviser or Fidante Investor Services on 1300 721 637 or +61 2 8023 5428 from outside Australia during Sydney business hours. For questions regarding the Underlying Fund, please contact Ares Wealth Management Solutions at AWMSAustralia@aresmgmt.com.

Thank you for your continued support.

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