CIBC

CIBC ASSET MANAGEMENT

CIBC Ares Strategic Income Fund

What is private credit?

Private credit covers a broad spectrum of strategies that spans capital structure and borrower types. These range from senior secured loans for blue-chip corporate borrowers, to junior unsecured credit for financing new building construction, to loans against specialized assets. Different loans carry different types and levels of risk—and can generate a range of returns commensurate to their risk.

Corporate Debt & Securities

- Senior Bank Debt
- Claims
- Distressed Debt

Portfolios & Orphaned Assets

- Other Securities
- Legal Assets
- Small and Medium Enterprise (SME) Loans
- Consumer Receivables
- Whole Loans

Real Estate

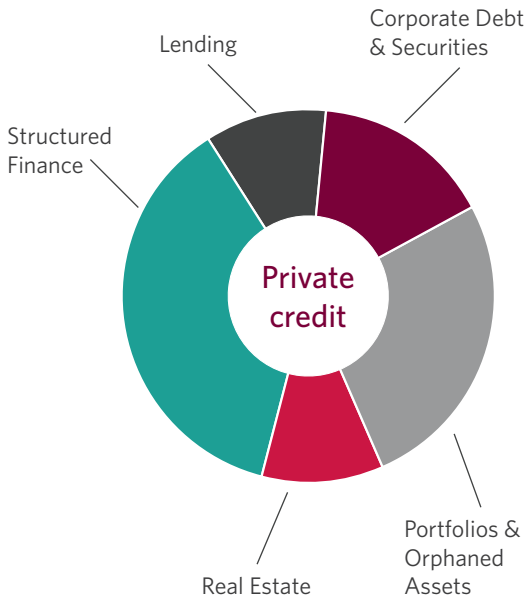
- Real Estate Loans
- Commercial Mortgage-Backed Securities (CMBS)

Structured Finance

- Commercial Real Estate (CRE)
- Net Lease
- Asset Backed Securities (ABS)
- Residential Mortgage-Backed Securities (RMBS)
- Structured Investment Vehicles (SIVs)
- Collateralized Loan Obligations (CLOs)
- Rediscount/Specialty Finance

Lending

- Rescue Financing
- Corporate Loans



As an asset class, private credit is garnering interest from a diverse investor audience, due to its unique value proposition and qualities, namely, capital preservation, income generation, enhanced yield generation relative to publicly traded fixed income, and low correlation with other traditional assets.

Why invest in private credit?

Private credit can be a powerful complement to traditional fixed income strategies and other asset classes, offering potential for income generation, resilience, return enhancement, and diversification.

Income generation

Over the past decade, the asset class has generated a higher yield than most other asset classes, including public high yield and broadly syndicated loans.

Borrowers have been willing to pay a premium for the certainty of execution, agility, and customization that private lenders offer.

Resilience

The ability to select investments without the need to manage to a benchmark can be a potential downside mitigant in an environment of increased dispersion, slowing growth, tightening monetary policy, and headwinds to profitability.

Deep access to company records received by private lenders enables stronger due diligence and documentation than may be the case in public markets.

Return enhancement

Private credit instruments are typically tied to floating rates. When interest rates rise, those increases are automatically reflected in the private credit coupon. This dynamic makes floating-rate debt less sensitive to interest rates compared to fixed-rate bonds, which typically lose value as interest rates rise.

In a rising-interest rate environment, private credit may find its floating rate nature a further advantage.

Diversification

Some private credit strategies are most directly exposed to the economic health of corporate borrowers, others to the consumer, others to real assets.

The proprietary lending opportunities the asset classes affords itself, lowers market volatility exposure.

Introducing the CIBC Ares Strategic Income Fund

The CIBC Ares Strategic Income Fund (The "Fund") provides Canadian accredited investors with the opportunity to invest in the Ares Strategic Income Fund ("ASIF" or the "Master Fund"), a private credit solution that benefits from Ares Credit Group, a leading and differentiated credit platform.

ASIF seeks to generate current income, while maintaining the potential for capital appreciation and attractive risk-adjusted returns through market cycles. The Master Fund primarily invests in directly originated, senior secured, floating rate loans to US companies[1].

ASIF's accessible structure is designed to leverage the power of the entire Ares credit platform with a core anchor allocation to senior secured directly originated loans to offer investors an income-oriented solution with a focus on downside protection[2]. The Fund seeks to complement traditional fixed income strategies by providing a yield enhancement opportunity and portfolio diversification throughout changing market and interest rate cycles.

Key fund features

Focus on income through distributions

- Core income solution provides yield enhancement opportunity.
- Expected monthly distributions[2].

Defensive portfolio

- Focus on first lien investments[1].
- Diverse portfolio with limited concentration levels across issuer, industry, and sponsor to seek optimal risk-return profile.

Access to Ares' experienced credit platform

- The CIBC Ares Strategic Income Fund is currently the only Canadian Feeder Fund to provide exclusive access to ASIF at an affordable entry point.
- Opportunity to gain access to ASIF, which is advised by an experienced manager in credit markets.
- A leader in the direct lending space.

Beneficial structure[3]

- Monthly subscriptions.
- Expected quarterly liquidity.
- Canadian dollar operating currency. 100% hedged to minimize currency implications.

CIBC Ares Strategic Income Fund structure

The CIBC Ares Strategic Income Fund is managed by CIBC Asset Management Inc. The Fund is offered to accredited Canadian investors, granting access to the Master Fund.

Ares Strategic Income Fund investment focus

The Master Fund is designed to leverage the power of the entire Ares credit platform with a core anchor allocation to senior secured directly originated loans to offer investors an income-oriented solution with a focus on downside protection[4].

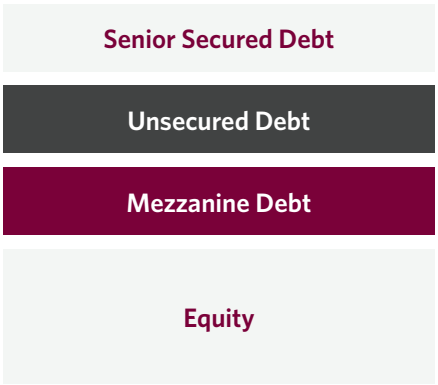
Typical portfolio company characteristics[5]

- High free cash flow
- Industry leaders
- High barriers to entry
- Non-cyclical industries
- Franchise businesses
- Top-tier management team

Loan characteristics[5]

- Primarily focused on directly originated senior secured loans
- Predominately floating rate
- Strong contractual protections
- Focus on financial covenants
- Base rate floors
- Appropriate LTV
- Relatively short duration

Illustrative capital structure[6]



Ares Credit Group's portfolio management approach and capabilities

The Ares Credit Group has invested in their ability to monitor, analyze and restructure challenged borrowers to maximize value and preserve capital.

50+ dedicated professionals

- Including 16 restructuring professionals.
- Led by two co-heads with an average 30+ years experience and with over 15 years at Ares.

Capabilities

- Monitoring & analysis
- Risk management
- Restructuring
- Due diligence
- Valuation
- Reporting

Ares' portfolio management approach

Large dedicated team

Distinctive restructuring capabilities

Proactive philosophy and teamwide responsibility

Proprietary monitoring technology

Be early
Monthly monitoring to help identify potential issues early.

Be smart
Re-underwrite actionable credits.

Be flexible
All amendments/workouts are not alike.

As of September 30, 2025, unless otherwise noted.

The Ares advantage

With more than two decades of experience, Ares believes that it is one of the world's largest non-bank lenders. Extensive sourcing, information advantages, and opportunities within the Ares credit portfolios seeks to drive strong performance in varied market environments.

25+ year track record of investing through cycles[7]

- #1 Global Fund Manager of the Year[8]
- Ranked #1 Senior Lender in Americas[9]
- Top 6 Global CLO Manager[10]
- A leading syndicated loan buyer
- A leading dedicated alternative credit team

Sourcing

Global direct sourcing drives proprietary deal flow and outcomes.

- Broad market coverage provides a relative value lens and asset selectivity.
- Lead/active role helps improve control over outcomes.

Information edge

Cross-platform collaboration enables valuable information sharing.

- Cross-vertical sourcing, due diligence and idea sharing.
- Cross-populating ICs with diverse professionals.
- Global markets committees sharing industry trends.

Scaled portfolio

Large existing portfolio expected to provide pipeline of new activity.[11]

- Flexible capital solutions.
- Power of incumbency.
- Source new opportunities across Ares' platform.

Integrating the fund within a portfolio

Private credit is generally sought out with the aim of producing better risk-adjusted returns and/or achieving a higher, more sustainable rate of income relative to what can be achieved by relying exclusively on publicly traded fixed income.

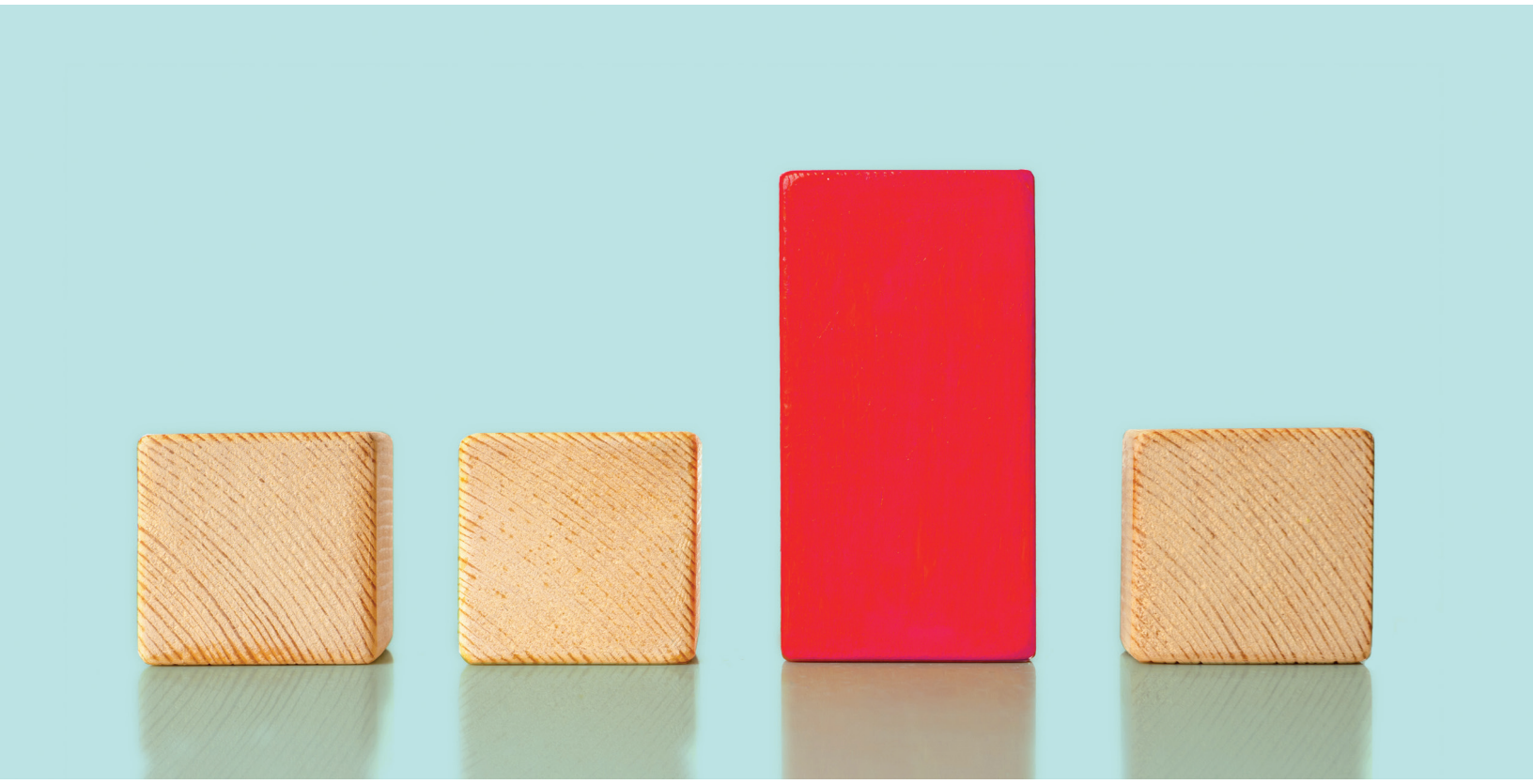
In integrating the CIBC Ares Strategic Income Fund within an existing portfolio, there are guiding principles that should be considered, namely:

- **Overall asset class allocation**: The higher the determined allocation to traditional fixed income, the higher the potential allocation to private credit strategies in place of some portion of public fixed income exposure.
- **Need for income**: The higher the income requirement, the more attractive private credit becomes. It's important to review the risk profile of a given strategy as well as individual risk tolerances when deciding to integrate private credit.
- **Liquidity needs**: The more predictable your cash needs and the lower your near- and medium-term liquidity requirements, the higher the potential allocation to private markets.

The expertise of CIBC Asset Management

At CIBC Asset Management, we believe every customized investment solution begins with research and rigour. We specialize in a variety of investment solutions such as equities, fixed income, currency management, liability-driven investments, asset allocation and responsible investments.

Across a spectrum of investment solutions, we commit to robust research. Dedicated sector and regional analysts focus on industry research and security-specific idea generation. Our investment professionals leverage deep and diverse expertise by sharing proprietary research across asset class teams. By sharing insight across asset class teams, we maximize opportunities to add value to our client portfolios.



Investment team

Ares Strategic Income Fund's portfolio managers

Mitch Goldstein
Partner and Co-Head of the Ares Credit Group; Co-Chief Executive Officer of Ares Strategic Income Fund

Mr. Goldstein is a Partner and Co-Head of the Ares Credit Group. He serves on the Ares Operating Committee. Additionally, he serves as Director and Co-Chairman of the Board of Directors of Ares Capital Corporation, Trustee and Co-Chief Executive Officer of Ares Strategic Income Fund and Vice President, Trustee and Portfolio Manager of CION Ares Diversified Credit Fund. He also serves on the Board of Managers of Ivy Hill Asset Management GP, LLC. He is a member of Ares Credit Group's U.S. Direct Lending, Commercial Finance, Pathfinder and the Ivy Hill Asset Management Investment Committees, the Ares Infrastructure Debt Investment Committee, and the Ares Asia Direct Lending (Australia) Investment Committee. He may from time to time serve as an officer, director or principal of other entities affiliated with Ares Management or investment funds managed by Ares Management and its affiliates. Prior to joining Ares Management in May 2005, Mr. Goldstein worked at Credit Suisse First Boston, where he was a Managing Director in the Financial Sponsors Group. At CSFB, Mr. Goldstein was responsible for providing investment banking services to private equity funds and hedge funds with a focus on M&A and restructurings as well as capital raisings, including high yield, bank debt, mezzanine debt, and IPOs. Mr. Goldstein joined CSFB in 2000 at the completion of the merger with Donaldson, Lufkin & Jenrette. From 1998 to 2000, Mr. Goldstein was at Indosuez Capital, where he was a member of the investment committee and a Principal, responsible for originating, structuring and executing leveraged transactions across a broad range of products and asset classes. From 1993 to 1998, Mr. Goldstein worked at Bankers Trust. Mr. Goldstein graduated summa cum laude from the State University of New York at Binghamton with a B.S. in Accounting and received an M.B.A. from Columbia University's Graduate School of Business.

Michael Smith
Partner and Co-Head of the Ares Credit Group; Co-Chief Executive Officer of Ares Strategic Income Fund

Mr. Smith is a Partner and Co-Head of the Ares Credit Group. He also serves on the Ares Operating Committee. Additionally, he serves as a Director and Co-Chairman of the Board of Directors of Ares Capital Corporation and previously served as Co-President of Ares Capital Corporation from July 2014 to October 2022 and Executive Vice President from May 2013 to July 2014. He is a Trustee and Co-Chief Executive Officer of Ares Strategic Income Fund and a Vice President of CION Ares Diversified Credit Fund. He also serves on the Board of Managers of Ivy Hill Asset Management GP, LLC. He is a member of the Ares Credit Group's U.S. Direct Lending, Opportunistic Credit and Commercial Finance Investment Committees, the Ivy Hill Asset Management Investment Committee, the Ares Secondaries Group's Private Equity Investment Committee, and the Ares Infrastructure Group's Infrastructure Opportunities, Climate Infrastructure Partners and Infrastructure Debt Investment Committees. He may from time to time serve as an officer, director or principal of other entities affiliated with Ares Management or investment funds managed by Ares Management and its affiliates. Prior to joining Ares in 2004, Mr. Smith was a Partner at RBC Capital Partners, a division of Royal Bank of Canada, which led the firm's middle market financing and principal investment business. Previously, Mr. Smith worked at Indosuez Capital in their Merchant Banking Group, Kenter, Glastris & Company, and at Salomon Brothers Inc, in their Debt Capital Markets Group and Financial Institutions Group. Mr. Smith serves on the Board of Directors of the University of Notre Dame's Wilson Sheehan Lab for Economic Opportunity (LEO), which helps service providers apply scientific evaluation methods to better understand and share effective poverty interventions. Mr. Smith received a B.S. in Business Administration from the University of Notre Dame and a Masters in Management from Northwestern University's Kellogg Graduate School of Management.

Appendix: CIBC Ares Strategic Income Fund terms – Series F and Series M

Structure
CIBC ASIF has been established as a trust under the laws of Ontario. The fund intends to qualify as a "unit trust" and a "mutual fund trust".

Manager
CIBC Asset Management

Management fee
Series F: 0.50%
Series M: 0.40%

Management fee waiver
Series F: -0.25%
Series M: -0.25%

Management fee after waiver
Series F: 0.25%
Series M: 0.15%

Fixed administration fee
Series F: 0.00%
Series M: 0.00%

Fund codes
Series F
ATL5113 Purchase
ATL5116 Redemption

Series M
ATL5144 Purchase
ATL5145 Redemption

Operating currency
CAD

Hedging policy
Fully hedged to CAD

Investor type
Canadian accredited investor

Registered plan
Open for purchase from both registered and non-registered account

Minimum initial investment
Series F: $10,000 CAD
Series M: $5,000,000 CAD

Subsequent purchase
Series F: $5,000 CAD
Series M: $5,000 CAD

Valuation frequency
Monthly

Distributions*
Monthly (Distributions are not guaranteed)

Redemption gate
5% per quarter

Redemption fee
Soft Lock (2% penalty if redeemed less than 1 year)

Minimum redemption amount
At least $10,000

Minimum remaining balance
$10,000

Valuation process and timing
The NAV is usually posted around 25th calendar days after the month-end

Subscription frequency
Monthly

Subscription process
The purchase cut-off date is the 10th business day prior to each month end (See CIBC ASIF Purchase/Redemption Schedule)

Redemption frequency
Quarterly

Redemption process
The quarterly redemption cut-off date is the last business day in February, May, August, and November.
(See CIBC ASIF Purchase/Redemption Schedule)[1]

* The Fund aims to distribute a consistent amount every month. If the amount distributed exceeds the Fund's net income and net realized capital gains, such excess will constitute a return of capital.

For more information on the CIBC Ares Strategic Income Fund, please contact your financial professional.

[1] The Master Fund seeks to invest primarily in first lien senior secured loans, in addition to second lien senior secured loans, subordinated secured and unsecured loans, subordinated debt, and other types of credit instruments which may include commercial real estate mezzanine loans, real estate mortgages, distressed investments, securitized products, notes, bills, debentures, bank loans, convertible and preferred securities, infrastructure debt and government and municipal obligations and commercial real estate, made to or issues by US middle-market companies. We generally define US middle-market companies as companies with annual net income before interest expense, income tax expense, depreciation and amortization ("EBITDA") between $ 10 million and $250 million.

[2] Monthly distributions are targeted, but not guaranteed. References to "downside protection" or similar language are not guarantees against loss of investment capital or value.

[3] Features of the CIBC Ares Strategic Income Fund.

[4] References to 'downside protection' or similar language are not guarantees against loss of investment capital or value.

[5] There is no guarantee the Master Fund's investments will successfully include these characteristics.

[6] Capital structure is for illustrative purposes only of portfolio companies and is not indicative of the Fund's actual capital structure or future capital structure. .

[7] The awards and ratings noted herein may not be representative of any given client's experience and should not be viewed as indicative of Ares' past performance or its funds' future performance including ASIF. Ares has not provided any compensation in connection with obtaining or using these awards. All investments involve risk, including loss of principal.

[8] Private Debt Investor awarded Ares Management "Global Fund Manager of the Year" for 2022.

[9] Private Debt Investor awarded Ares Management "Senior Lender of the Year – Americas" in 2022.

[10] Creditflux, "CLO Manager Ranking by Principal Liabilities" as of March 31, 2023.

[11] As of September 30, 2025. Pipeline includes transactions where due diligence and analysis are still in process, but no formal mandate, letter of intent or signed commitment have been issued. The consummation of any pipeline investments is subject to completion of due diligence, negotiation of terms and structure and final transaction documentation. There is no guarantee that the Master Fund will be able to implement these expected benefits.

All information in this document is as at March 30, 2026 unless otherwise indicated and is subject to change.

This material is provided for general informational purposes only and does not constitute financial, investment, tax, legal or accounting advice nor does it constitute an offer or solicitation to buy or sell any securities referred to.

The fund is a prospectus exempt fund and is not subject to the same regulatory requirements as publicly offered investment funds offered by way of prospectus. This material does not form part of an offering document and does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities of the fund. Any such offer or solicitation may only be made through, and in accordance with, the terms of the subscription agreement and confidential offering memorandum of the fund (collectively, the "Offering Document"), and the constating documents of the fund.

Any information or discussion about the current characteristics of this fund or how the portfolio manager is managing the fund is not a discussion about material investment objectives or strategies, but solely a discussion of the current characteristics or manner of fulfilling the investment objectives and strategies, and is subject to change without notice.

Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", or other similar wording. In addition, any statements that may be made concerning future performance, strategies, or prospects and possible future actions taken by the fund, are also forward-looking statements. Forward-looking statements are not guarantees of future performance. These statements involve known and unknown risks, uncertainties, and other factors that may cause the actual results and achievements of the fund to differ materially from those expressed or implied by such statements. Such factors include, but are not limited to: general economic, market, and business conditions; fluctuations in securities prices, interest rates, and foreign currency exchange rates; changes in government regulations; and catastrophic events. The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. CIBC Asset Management Inc. does not undertake, and specifically disclaims, any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments, or otherwise prior to the release of the next management report of fund performance.

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