

The Ares Dynamic Credit Allocation Fund

Important Information Regarding Your Fund's Distribution

January 31, 2025:

The following table provides an estimate of the source of the January 31, 2025 distribution made by Ares Dynamic Credit Allocation Fund, Inc. (the "Fund"), based on the Fund's calendar year-to-date activity. This information is being provided pursuant to Section 19(a) of the Investment Company Act of 1940, as amended. This is not intended to be used, nor should it be used, by stockholders in preparing any tax return, determining the amount of any tax due, or for any other tax reporting purposes.

<i>Payable Date</i>	<i>CUSIP</i>	<i>Per Share Distribution</i>	<i>Ordinary Taxable Income</i>	<i>Short-Term Capital Gains⁽¹⁾</i>	<i>Long-Term Capital Gains⁽²⁾</i>	<i>Return of Capital⁽³⁾</i>	<i>Interest-Related Dividends⁽⁴⁾</i>
1/31/2025	04014F102	\$0.1175	\$0.1175	\$ --	\$ --	\$ --	27.8992%

⁽¹⁾ Distributions from the Fund's recognized net short-term capital gains. This type of distribution is reported on a stockholder's tax return as ordinary income (to the extent not offset by any short-term capital losses of the stockholder). These distributions, if any, generally are not subject to U.S. withholding tax.

⁽²⁾ Distributions from the Fund's recognized net long-term capital gains. These distributions, if any, generally are not subject to U.S. withholding tax.

⁽³⁾ This amount may represent a return of the stockholders' principal, unrealized capital gains that may be recognized prior to the Fund's calendar year-end, or some combination thereof. These distributions, if any, generally are not subject to U.S. withholding tax.

⁽⁴⁾ Percentage of distributions which are Interest-Related Dividends (commonly referred as Qualified Interest Income) in accordance with IRC §871(k), that may be exempt from U.S. withholding tax when distributed to non-U.S. stockholders.

The tax status of distributions for a tax year depends on the Fund's total amount of taxable income for the year, therefore, the tax status cannot be confirmed until after the end of the tax year. Accordingly, the Fund's distributions for the tax year may be recharacterized later based upon subsequent events.

In 2026, the Fund will send to stockholders such tax information reporting forms (e.g., Internal Revenue Service Form 1099-DIV) as are required by applicable law. Those tax information reporting forms will contain information that the tax authorities require the Fund to provide to stockholders, which includes information about how the Fund is reporting the character of distributions paid by the Fund to the applicable tax authorities along with other information required to be reported under applicable law.

The Fund does not provide tax advice. Stockholders should consult with their own tax advisors as to the tax consequences of the source of any distributions by the Fund, or any other aspect of holding stock in the Fund. Any statements as to U.S. tax matters contained in the notice were not intended or written to be used, and cannot be used, by any person for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code or applicable state or local tax law provisions.