

NB Distressed Debt Investment Fund Limited – Global Shares (“NBDG”)

NBDG FUND OBJECTIVE

NB Distressed Debt Investment Fund Limited’s (“NBDDIF”) primary objective is to provide investors with attractive risk-adjusted returns through long-biased, opportunistic stressed, distressed and special situation credit-related investments while seeking to limit downside risk.

NBDDIF’s holdings are diversified across distressed, stressed and special situations investments, with a focus on senior debt backed by hard assets. The portfolio is managed by the Distressed Debt team at Neuberger Berman, which sits within what we believe is one of the largest and most experienced non-investment grade credit teams in the industry.

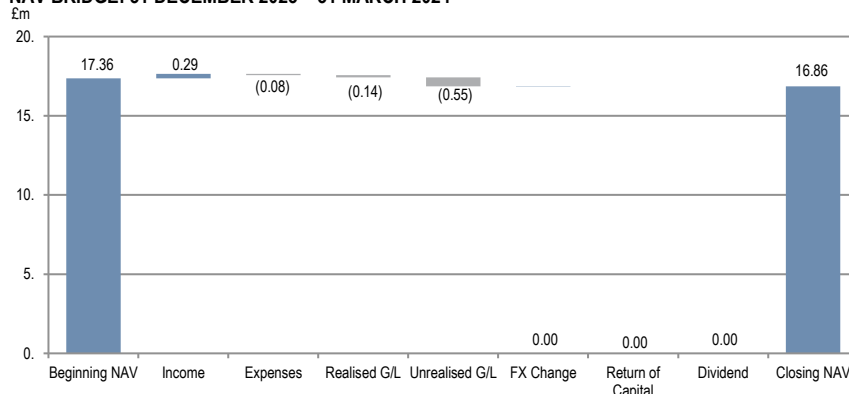
The New Global Share Class (“NBDG”) was created in March 2014 in order to capture the growing opportunity in distressed debt globally. NBDG’s investment period ended on 31 March 2017, following which the harvest period commenced. No shares were repurchased during the quarter. Inception to date, distributions stand at £67.4 million or 61% of original capital (income by way of dividend, capital by way of redemption and share buybacks).

The New Global Share Class is one of three classes of shares in NBDDIF. The others are the Ordinary Share Class and the Extended Life Share Class. The Ordinary Share Class was subject to an investment period which ended on 10 June 2013 and the Extended Life Share Class was subject to an investment period which ended on 31 March 2015. Separate factsheets are produced for those share classes.

FUND FACTS¹

NAV Per Share:	61.00p
Share Price:	31.00p
Share Price Discount to NAV	-48.9%
Market Cap.	£8.6m
Total NAV	£16.9m
No. of issuers	4
Launch Date:	4 March 2014
Base Currency:	GBP
NAV Frequency:	Daily
Domicile:	Guernsey
Year End:	31 December
Management Fee:	nil
Bloomberg Ticker:	NBDG:LN
ISIN:	GG00BNTXRB08
Website:	www.nbddif.com
Fund Type:	Closed-ended Investment Company

NAV BRIDGE: 31 DECEMBER 2023 – 31 MARCH 2024



Source: Neuberger Berman

Beginning NAV and Closing NAV are based on published NAVs for NBDG and not on a per share basis.

Realised and Unrealised gain/loss includes intra-quarter adjustments that have no effect on YTD NAV.

FX Changes due to share class’s exposure to foreign currencies. As detailed in its prospectus, the share class generally does not intend to hedge the currency exposure between Sterling (the currency in which shares are denominated) and the currency of the investments made by the share class.

Return of Capital includes distributions and share buybacks.

Figures presented are based on quarter-end published financial information and financial information provided by U.S. Bank Global Fund Services (Guernsey) Limited / U.S. Bank Global Fund Services (Ireland) Limited, as administrator to NBDDIF (the “Administrator”). This NAV bridge has not been audited and figures are subject to change.

MANAGER COMMENTARY

In the fourth quarter of 2023 and the first quarter of 2024, financial markets focused on moderating, albeit sticky, inflation trends combined with the resilience of the US economy. Looking ahead, investors will continue to monitor multiple trends including economic growth dynamics, the ultimate destination of rates, and geopolitical events. All could lead to elevated volatility over the next 12 months and beyond. Given these circumstances, the timing and quantum of any financial impact on the portfolio remain difficult to predict. Despite the uncertainty, the investment manager remains committed to realising the investments in an orderly manner and winding down the share class as soon as practicable.

For regulatory reasons, the final 10% of the total return (NAV plus cumulative distributions) in respect of any class of participating shares in NBDDIF will be returned to shareholders with a final compulsory redemption of all the outstanding shares of that class.

While uncertainty in markets remains, we have reviewed the remaining investments to provide guidance on their realisable values. The investment manager uses economic, industry and issuer specific data to estimate the gross realisable value in downside, base case and upside scenarios for each investment in the portfolio. It currently estimates that the range of the aggregated realisable value for the investments in the portfolio is between 92% and 126% of the quarter-end market values of these investments, with a base case of 103%. The range remained relatively unchanged compared to last quarter. Shareholders should, however, note that: (i) the realisable values of the investments are calculated on a gross basis and, in particular, do not reflect any applicable third-party expenses; and (ii) this range of aggregate realisable values is an estimate only, with no guarantee that the value actually realised will be within this range. Further details on the risks relating to “forward looking information” are set out at the end of this announcement.

Portfolio Update

NBDG ended the quarter with a NAV per share of 60.6p compared with 62.4p at the end of last quarter. The NAV decreased 2.8% during the quarter, principally driven by a decrease in value of an auto components investment that was exited in the quarter. At quarter-end, 99% of NBDG’s NAV was invested in distressed assets (including net cash held in subsidiaries), with 1% held in cash and US Treasury securities.

The remaining portfolio consists of 4 issuers across 4 sectors, including lodging & casino, commercial mortgage, and surface transport. The fund exited one investment during the quarter. The ratio of distributions, both income and capital, to original capital, is 61%. Including the current NAV, the figure rises to 77%.

Notable Events²

There were no notable events during the quarter.

(continues)

Data as at 31 March 2024. Past performance is not indicative of future returns. All comments unless otherwise stated relate to NBDG.

1. Source: Bloomberg, except where otherwise stated

2. Notable corporate events may or may not result in an increase or decrease in the value of an NBDG investment or a change in NBDG’s NAV per share. An investment may experience a change in value (positive or negative) during the quarter whether or not it was subject to a notable corporate event. Not all events involving existing investments are disclosed. In addition, certain corporate events may not have been disclosed due to confidentiality obligations.

NB Distressed Debt Investment Fund Limited – Global Shares (“NBDG”)

FUND MANAGERS

Michael Holmberg
32 years' investment experience

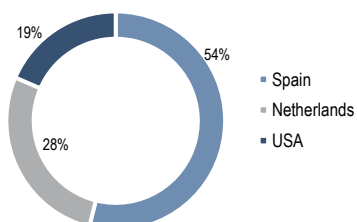
Brendan McDermott
15 years' investment experience

Ravi Soni
14 years' investment experience

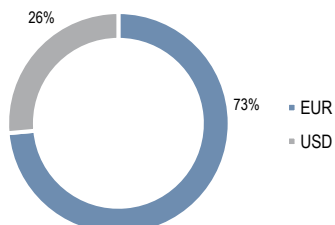
Directors:

John Hallam (Chairman)
Michael Holmberg
Christopher Legge
Stephen Vakil

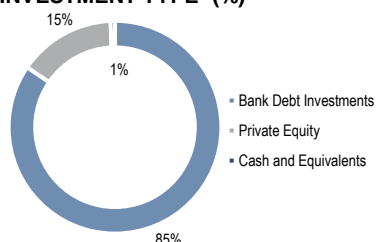
COUNTRY BREAKDOWN^{4,5} (%)



CURRENCY BREAKDOWN^{4,5} (%)



INVESTMENT TYPE⁵ (%)



SECTOR BREAKDOWN⁴ (%)

Lodging & Casinos	34%
Commercial Mortgage	28%
Surface Transport	23%
Oil & Gas	15%
Net Cash and cash equivalents, U.S. Treasury securities and FX	1%

Portfolio Update (continued)

Significant Value Change (+/- £170,000)³

INDUSTRY	INSTRUMENT	1Q24 TOTAL RETURN (£ in millions)	MARKET VALUE (£ in millions)	QUARTERLY PRICE CHANGE	COMMENT
Lodging & Casinos	Secured Loan/Private Equity	-0.2	5.9	-4.2%	Lower expected sale value

Exits

NBDX sold its preferred and common equity in an auto components company during the quarter. The investment generated a loss of £8.2mm. Inception to date, there have been 33 exits with a total return of (£2.2 million), weighted average IRR of (4%) and weighted average ROR of (2%).

Distributions

Inception to date, a total of £67.4 million or 61% of original capital, has been distributed, via dividends, redemptions and share buybacks.

The investment manager has undertaken a review of all the investments in the light of a changed market. The table below provides an overview of the status of each of the remaining holdings in the portfolio.

We will continue to update shareholders as we gain further clarity on investment realisations.

HOLDING	INDUSTRY	% NAV ⁶	INVESTMENT STATUS
1	Lodging & Casinos	34%	Target a sale in the next 6 months
2	Commercial Mortgage	28%	Continue to lease space as we prepare for exit; we target a sale in 2024
3	Surface Transport	23%	Awaiting results of litigation needed to unlock escrowed proceeds to pay claim
4	Oil & Gas	15%	Sales process being run, closing expected in 2H24
		99%	

As explained above, due to regulatory reasons, the final 10% of total return in respect of any class of participating shares in NBDDIF will be returned to shareholders with the final compulsory redemption of all of the outstanding shares of that class. In the harvest period, we continue to focus on restructuring and monetising our investments, balancing timely realisations with maximising proceeds to our shareholders. Changes to timing are expected based on current market conditions and investment developments and will continue to be updated in the quarterly factsheets.

Share Buybacks

The share buyback programme was intended to narrow the discount during the investment period. At this point of the harvest period, our priority, taking into account shareholder feedback, is the return of capital. The Board intends to make distributions from investment realisations and not hold back cash for future share buyback programmes.

NBDDIF did not repurchase any shares in NBDG during the quarter. Since inception, a total of 16,203,033 NBDG shares, or 15% of the original NBDG shares at a cost of £10.9 million, have been repurchased and cancelled.

3. Industry categorisations determined by Neuberger Berman. Total Return determined by the Administrator and includes realised and unrealised gains and losses, expenses, FX gains and losses, and all income on investments according to US GAAP accounting. References in this factsheet to the market value of specific fund investments refers to the value determined in accordance with NBDG's valuation policy, which may include fair valued investments where third party prices are not available or are not considered accurate

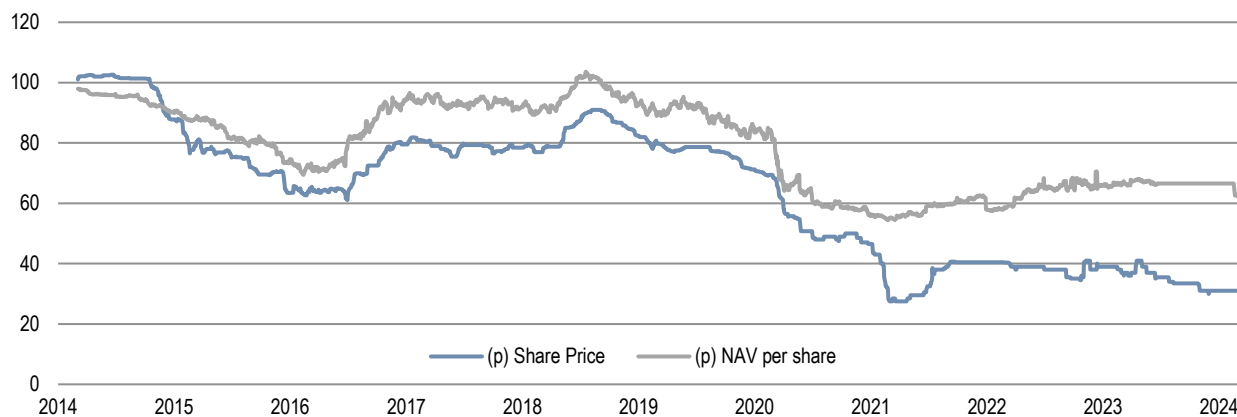
4. Categorisations determined by Neuberger Berman and percentages determined by the Administrator, based on market value as of 31 March 2024.

5. Includes cash and accruals.

6. Percentages do not include net cash and equivalents, which are detailed in the Sector Breakdown table.

NB Distressed Debt Investment Fund Limited – Global Shares (“NBDG”)

FUND PERFORMANCE⁷



PORTFOLIO COMPOSITION – REMAINING HOLDINGS⁸

Holding	Industry	Current Instrument	Status	Country	% NAV ⁹	Primary Assets
1	Lodging & Casinos	Secured Loan/Private Equity	Current	Spain	34%	Hotel/Casino
2	Commercial Mortgage	Secured Loan	Defaulted	Netherlands	28%	Commercial Real Estate
3	Surface Transport	Secured Loan	Defaulted	Spain	23%	Legal Claim
4	Oil & Gas	Private Equity	Post-Reorg	US	15%	Ethanol Plants
					99%	

7. Source: Bloomberg

8. Categorisations determined by Neuberger Berman; percentages determined by Neuberger Berman and the Administrator. Please note that irrespective of the "sector" in which an investment is made, the underlying assets constituting the collateral for the investment comprise real estate assets in a majority of cases. As a result, NBDG's overall exposure to the real estate sector may be more than its actual direct exposure to that sector.

9. Percentages do not include net cash and equivalents, which are detailed in the Sector Breakdown table.

NB Distressed Debt Investment Fund Limited – Global Shares (“NBDG”)

This document has been issued by NB Distressed Debt Investment Fund Limited (the “Company”), and should not be taken as an offer, invitation or inducement to engage in any investment activity and is solely for the purpose of providing information about the Company. This document does not constitute or form part of, and should not be construed as, any offer for sale or subscription of, or solicitation of any offer to buy or subscribe for, any share in the Company or securities in any other entity, in any jurisdiction. This product is only suitable for institutional, professional and professionally advised retail investors, private client fund managers and brokers who are capable of evaluating the merits and risks of the product and who plan to stay invested until the end of the recommended holding period and can bear loss of capital. Due to the level of complexity and inherent risk of investment in the debt market, we believe that a professional investor would be able to understand the risks in such security type and the potential impact. An investor with reasonable knowledge of loans and alternative credit would need to be assessed by the advisor or distributor to establish suitability for this product.

Full product details, including Key Information Documents, are available on our website at www.nbddif.com

Due to the inherent risk of investment in the debt market particularly related to alternative credit, it is expected that a qualified investor would be able to understand the risks in such security types and the potential impact of investing in the product. This product is designed to form part of a portfolio of investments.

The Company is a closed-ended investment company incorporated and registered in Guernsey and is governed under the provisions of the Companies (Guernsey) Law, 2008 (as amended), and the Registered Collective Investment Scheme Rules 2021 issued by the Guernsey Financial Services Commission (“GFSC”). It is a non-cellular company limited by shares and has been declared by the GFSC to be a registered closed-ended collective investment scheme. The Company’s shares are admitted to trading on the Specialist Fund Segment of the London Stock Exchange’s Main Market for listed securities.

Neuberger Berman Europe Limited is authorised and regulated by the Financial Conduct Authority and is registered in England and Wales, at The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ.

This document is presented solely for information purposes and nothing herein constitutes investment, legal, accounting or tax advice, or a recommendation to buy, sell or hold a security. We do not represent that this information, including any third-party information, is complete and it should not be relied upon as such. Any views or opinions expressed may not reflect those of the Company as a whole. All information is current as of the date of this material and is subject to change without notice. No part of this document may be reproduced in any manner without prior written permission of the Company.

An investment in the Company involves risks, with the potential for above average risk, and is only suitable for people who are in a position to take such risks. No recommendation or advice is being given as to whether any investment or strategy is suitable for a particular investor. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of any investment, and should consult its own legal counsel and financial, actuarial, accounting, regulatory and tax advisers to evaluate any such investment. It should not be assumed that any investments in securities, companies, sectors or markets identified and described were or will be profitable. Investment in the Company should not constitute a substantial proportion of an investor’s portfolio and may not be appropriate for all investors. Diversification and asset class allocation do not guarantee profit or protect against loss.

Past performance is not a reliable indicator of current or future results. The value of investments may go down as well as up and investors may not get back any of the amount invested. The performance data does not take account of the commissions and costs incurred on the issue and redemption of shares.

The value of investments designated in another currency may rise and fall due to exchange rate fluctuations in respect of the relevant currencies. Adverse movements in currency exchange rates can result in a decrease in return and a loss of capital.

Tax treatment depends on the individual circumstances of each investor and may be subject to change, investors are therefore recommended to seek independent tax advice.

This document, and the information contained therein, is not for viewing, release, distribution or publication in or into the United States, Canada, Japan, South Africa or any other jurisdiction where applicable laws prohibit its release, distribution or publication, and will not be made available to any national, resident or citizen of the United States, Canada, Japan or South Africa. The distribution of this document in other jurisdictions may be restricted by law and persons into whose possession this document comes must inform themselves about, and observe, any such restrictions. Any failure to comply with the restrictions may constitute a violation of the federal securities law of the United States and the laws of other jurisdictions.

The Company’s shares have not been and will not be registered under the US Securities Act of 1933, as amended (the “Securities Act”), or with any securities regulatory authority of any state or other jurisdiction of the United States. The shares may not be offered, sold, resold, pledged, delivered, distributed or otherwise transferred, directly or indirectly, into or within the United States, or to, or for the account or benefit of, US persons (as defined in Regulation S under the Securities Act). No public offering of the shares is being made in the United States.

The Company has not been and will not be registered under the US Investment Company Act of 1940, as amended (the “Investment Company Act”) and, as such, holders of the shares will not be entitled to the benefits of the Investment Company Act. No offer, sale, resale, pledge, delivery, distribution or transfer of the shares may be made except under circumstances that will not result in the Company being required to register as an investment company under the Investment Company Act. In addition, the shares are subject to restrictions on transferability and resale in certain jurisdictions and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

The “Neuberger Berman” name and logo are registered service marks of Neuberger Berman Group LLC.

©2024 Neuberger Berman Group LLC. All rights reserved.