

# NB Distressed Debt Investment Fund Limited – Extended Life Shares (“NBDX”)

## NBDX 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.

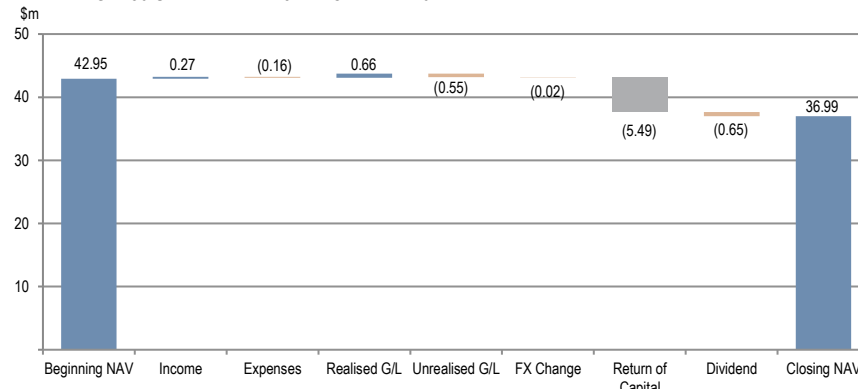
On 31 March 2015, the investment period of the Extended Life Share Class (“NBDX”) expired and the assets of NBDDIF attributable to the Extended Life Shares were placed into the harvest period. There were no share buybacks during the quarter. Inception to date, distributions stand at \$333.0 million or 93% of original capital (income by way of dividend, capital by way of redemption and share buybacks).

The Extended Life Share Class is one of three classes of shares in NBDDIF. The others are the Ordinary Share Class and the New Global Share Class. The Ordinary Share Class was subject to an investment period which ended on 10 June 2013 and the New Global Share Class was subject to an investment period which ended on 31 March 2017. Separate factsheets are produced for those share classes.

## FUND FACTS<sup>1</sup>

NAV Per Share:	\$0.9552
Share Price:	\$0.7000
Share Price Discount to NAV	-26.7%
Market Cap.	\$27.1m
Total NAV	\$37.0m
No. of issuers	6
Launch Date:	9 April 2013
Base Currency:	USD
NAV Frequency:	Daily
Domicile:	Guernsey
Year End:	31 December
Management Fee:	nil
Bloomberg Ticker:	NBDX:LN
ISIN:	GG00BR88RQ95
Website:	www.nbddif.com
Fund Type:	Closed-ended Investment Company

## NAV BRIDGE: 30 SEPTEMBER – 31 DECEMBER 2024



Source: Neuberger Berman

Beginning NAV and Closing NAV are based on published NAVs for NBDX 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 may, but is not required to, engage in currency hedging in connection with investments in assets not denominated in US dollars (the currency in which shares are denominated).

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 2024, investors continued to focus on stabilising inflation, slightly weaker economic growth figures and the elections in the United States. Looking ahead, investors will continue to monitor multiple trends including global growth, 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. We do not anticipate making any further distributions prior to the liquidation of the Company.

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 78% and 125% of the quarter-end market values of these investments, with a base case of 110%. 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

NBDX ended the quarter with a NAV per share of \$0.96 compared with \$0.97 at the end of last quarter. NAV decreased 1.6% during the quarter. At quarter-end, 62% of NBDX's NAV was invested in distressed assets 38% held in cash, U.S. Treasury securities and an exited investment that will settle post quarter end.

The remaining portfolio consists of 6 issuers across 4 sectors, including surface transport, containers & packaging, and oil & gas. The ratio of distributions, both income and capital, to original capital, is 93%. Including the current NAV, the figure rises to 103%

## Notable Events<sup>2</sup>

The main assets of an oil and gas investment were sold during 4Q with the remaining claim sold on the secondary market in 1Q25 for a full exit.

# NB Distressed Debt Investment Fund Limited – Extended Life Shares (“NBDX”)

## FUND MANAGERS

### Michael Holmberg

32 years' investment experience

### Brendan McDermott

15 years' investment experience

### Ravi Soni

15 years' investment experience

### Directors:

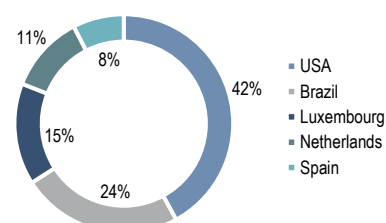
John Hallam (Chairman)

Michael Holmberg

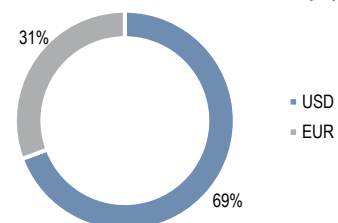
Christopher Legge

Stephen Vakil

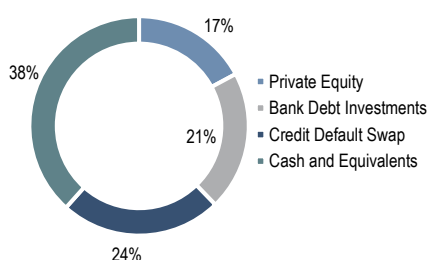
## COUNTRY BREAKDOWN<sup>4,5</sup> (%)



## CURRENCY BREAKDOWN<sup>4,5</sup> (%)



## INVESTMENT TYPE<sup>5</sup> (%)



## SECTOR BREAKDOWN<sup>4</sup> (%)

Surface Transport	33%
Containers and Packaging	15%
Commercial Mortgage	11%
Oil & Gas	2%
Net Cash and cash equivalents, U.S.	38%
Treasury securities and FX	

## Significant Value Change (+/- \$380,000)<sup>3</sup>

INDUSTRY	INSTRUMENT	4Q24 TOTAL RETURN (\$ in millions)	MARKET VALUE (\$ in millions)	QUARTERLY PRICE CHANGE
Oil & Gas	Private Equity	0.45	0.81	NM
Containers & Packaging	Private Equity	(0.39)	5.07	-3.8%

## Exits

Inception to date there have been 73 exits with a total return of \$37.8 million, weighted average IRR of 2% and weighted average ROR of 7%.

The main assets of an oil and gas investment were sold during 4Q, with the remaining claim sold on the secondary market in 1Q25 for a full exit.

One of the surface transport assets was sold in 1Q25 for a full exit.

## Distributions

During the quarter the fund distributed \$5.5 million.

Inception to date a total of \$333.0 million or 93% 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 <sup>6</sup>	INVESTMENT STATUS
1	Surface Transport	24%	Litigation ongoing, no near-term resolution expected, exploring a secondary market sale
2	Containers & Packaging	13%	Profitability impacted by lower volumes; capital markets exit postponed until results regain momentum
3	Commercial Mortgage	11%	Continue to lease space as we prepare for exit; we target a sale in 1H2025
4	Surface Transport	9%	Sold in 1Q'25 for a full exit
5	Oil & Gas	2%	Main assets were sold and proceeds were distributed in 4Q24; units still outstanding
6	Containers & Packaging	2%	Profitability impacted by lower volumes; capital markets exit postponed until results regain momentum
		<b>62%</b>	

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 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 these 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 does not anticipate being able to make any further buybacks.

NBDDIF did not repurchase any shares in NBDX during the quarter. Inception to date, a total of 14,643,634 NBDX shares, or 4% of the original NBDX shares at a cost of \$12.1 million, have been repurchased and cancelled.

<sup>3</sup> 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 NBDX's valuation policy, which may include fair valued investments where third party prices are not available or are not considered accurate

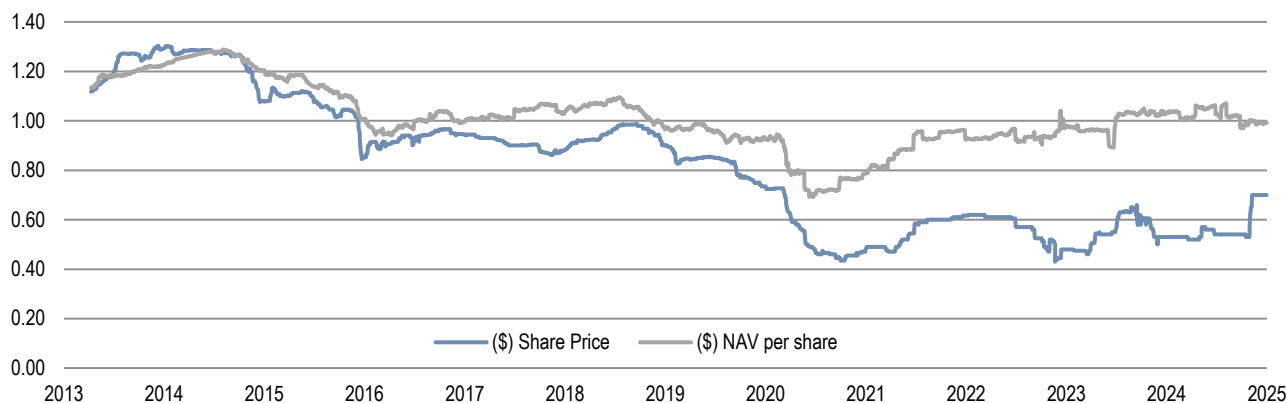
<sup>4</sup> Categorisations determined by Neuberger Berman and percentages determined by the Administrator, based on market value as of 31 December 2024.

<sup>5</sup> Includes cash and accruals.

<sup>6</sup> Percentages do not include net cash and equivalents, which are detailed in the Sector Breakdown table. Totals may not add up due to rounding.

# NB Distressed Debt Investment Fund Limited – Extended Life Shares (“NBDX”)

## FUND PERFORMANCE<sup>7</sup>



## PORTFOLIO COMPOSITION – REMAINING HOLDINGS<sup>8</sup>

Holding	Industry	Current Instrument	Status	Country	% of NAV <sup>9</sup>	Primary Assets
1	Surface Transport	Trade Claim	Defaulted	Brazil	24%	Municipal Claim
2	Containers & Packaging	Private Equity	Post-Reorg	Luxembourg	13%	Manufacturing Plant and Equipment
3	Commercial Mortgage	Secured Loan	Defaulted	Netherlands	11%	Commercial Real Estate
4	Surface Transport	Secured Loan	Defaulted	Spain	9%	Concession
5	Oil & Gas	Private Equity	Post-Reorg	US	2%	Ethanol Plant
6	Containers and Packaging	Private Equity	Post-Reorg	Luxembourg	2%	Manufacturing Plant and Equipment
					<b>62%</b>	

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, NBDX’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 – Extended Life Shares (“NBDX”)

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](http://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.

©2025 Neuberger Berman Group LLC. All rights reserved.