

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

31 March 2019

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.

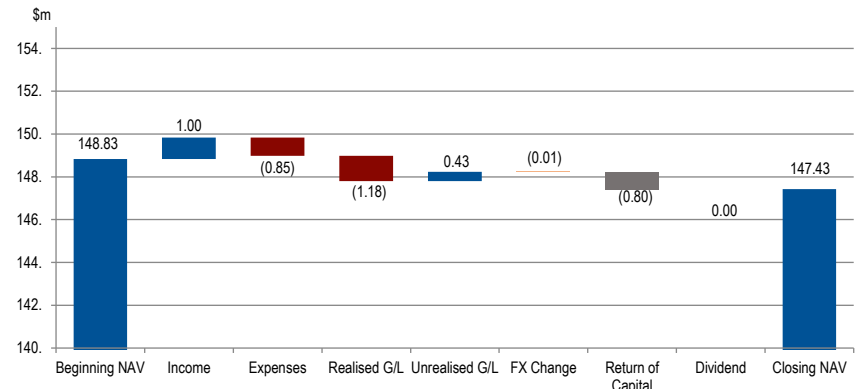
On 31 March 2015, the investment period of the Extended Life Share Class ("NBDX") expired and the assets of NBDDIF attributable to the Extended Life Shares were placed into the harvest period. Including the \$20.0 million capital distribution by way of redemption which the board approved during the quarter (and distributed in 2Q19), \$243.6 million (equivalent to 68% of original capital) has been distributed to shareholders (income by way of dividend, capital by way of redemption and share buy-backs), since the realisation phase for this share class began.

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 FACTS¹

| | |
|------------------------------|------------------------------------|
| NAV Per Share: | \$0.9623 |
| Share Price: | \$0.8450 |
| Share Price Discount vs. NAV | (12.2)% |
| Market Cap. | \$129.5m |
| Total NAV | \$147.4m |
| No. of issuers | 28 |
| Launch Date: | 9 April 2013 |
| Base Currency: | USD |
| NAV Frequency: | Daily |
| Domicile: | Guernsey |
| Year End: | 31 December |
| Management Fee: | 1.5% |
| Bloomberg Ticker: | NBDX:LN |
| ISIN: | GG00BDFZ6C48 |
| Website: | www.nbddif.com |
| Fund Type: | Closed-ended Investment Company |

NAV BRIDGE: 31 DECEMBER 2018 – 31 MARCH 2019



Source: Neuberger Berman

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

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 buy backs.

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

NBDX is in the harvest period and the investment manager is working to restructure, reorganise, and realise exits for each investment to maximise the value of the portfolio for the shareholders. During the harvest period, the investment manager seeks a catalyst for each of the remaining investments that will allow for a realisation and return of capital and profits, if applicable.

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 the range of the aggregated realisable value for the investments in the portfolio is between 98% and 185% of the 31 March 2019 market values of these investments, with a base case of 145%. Shareholders should, however, note that: (i) the realisable values of the investments are calculated on a gross basis and, in particular, do not reflect the investment manager's management fee and investment-related expenses; and (ii) this range of aggregate realisable values is an estimate only, and there is 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 factsheet.

NBDX had one exit during the quarter, with further details below. The ratio of total value (capital distributions, dividends, buy-backs, and current NAV) to original capital is 103%.

Portfolio Update

NBDX ended the quarter with NAV per share of \$0.9623 compared to \$0.9658 at the end of December 2018. The slight decrease in NAV during the quarter (0.4%) was a result of unrealised gains in *Vistra* and two shipping investments offset by unrealised losses in certain reorganised equities and debt, primarily due to illiquidity. During the harvest period, reorganised equities, including public equities, represent a larger percentage of the fund's investments. More detail can be found below on specific notable events during the quarter. At quarter-end, 83% of NBDX's NAV was invested in distressed assets (including cash held in subsidiary accounts, receivables and net payables) with 17% held in cash (inclusive of \$20.0 million of cash that was distributed in 2Q19).

The current portfolio consists of 28 issuers across 12 sectors. The largest sector concentrations were in Shipping, Lodging & Casinos, Auto Components and Utilities.

Notable events² below describe activity in the investments during the quarter and post quarter-end.

- *Twin River Worldwide Holdings* – During 3Q18 the company announced its intention to merge with a publicly traded competitor, *Dover Downs Gaming & Entertainment*. The merger was completed, and *Twin River Worldwide Holdings* became publicly traded on the last day of 1Q19. Post quarter-end, trading levels in the public equity indicate a small increase relative to the private equity price.
- *Vistra* – During the quarter the company initiated a quarterly dividend payment programme targeted to return cash to shareholders and increase share visibility.

Data as at 31 March 2019. Past performance is not indicative of future returns. All comments unless otherwise stated relate to NBDX.

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 NBDX investment or a change in NBDX's NAV per share. Please note that 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 – Extended Life Shares (“NBDX”)

31 March 2019

FUND MANAGERS

Michael Holmberg
30 years' investment experience

Brendan McDermott
15 years' investment experience

Ravi Soni
14 years' investment experience

Directors:

John Hallam (Chairman)
Michael Holmberg
Christopher Legge
Christopher Sherwell
Stephen Vakil

Portfolio Update (continued)

- Oil and Gas: As previously mentioned, the investment entity's directors and requisite shareholders approved the sale of one of its bio-fuel facilities that closed in late 1Q19. The company distributed proceeds to shareholders, which resulted in approximately \$3.9 million to NBDX.

Significant Value Change (approximately 0.5% of NBDX NAV or +/- \$750,000)³

| INDUSTRY | INSTRUMENT | Q119 TOTAL RETURN (\$ in millions) | MARKET VALUE (\$ in millions) | QUARTERLY PRICE CHANGE | COMMENT |
|------------|---------------|------------------------------------|-------------------------------|------------------------|---|
| Vistra | Public Equity | \$1.3 | \$11.3 | +13% | Better than expected earnings, dividend introduction, reaffirmed strong 2019 guidance |
| Financials | Surplus Notes | (\$0.8) | \$10.3 | -7.5% | Certain sellers looking for liquidity pushed down pricing |

Exits

There was one exit during the quarter.

Exit 52

Details of this exit were announced via RNS in February 2019. NBDX had invested \$13.4 million to purchase a non-performing loan secured by approximately 60 acres of land adjacent to the gaming corridor in Las Vegas at a significant discount to par value. The lender group foreclosed on the loan collateral, which included undeveloped land and an apartment complex of 998 units. The group made significant improvements to the residential units and worked with advisors to conduct a broad and deep marketing of the property to potential buyers. A Purchase & Sale Agreement was ultimately executed in 3Q18 and the transaction was completed in February 2019. Cash received to date is \$18.7 million. The total return on the investment for NBDX is \$5.3 million over 96 months. The IRR is 4% and ROR is 40%.

| EXIT | CASH INVESTED | CASH RECEIVED | TOTAL RETURN | IRR | ROR | MONTHS HELD |
|------|----------------|----------------|---------------|-----|-----|-------------|
| 52 | \$13.4 million | \$18.7 million | \$5.3 million | 4% | 40% | 96 |

Inception to date, NBDX has experienced 52 exits with a total return of \$118.1 million, IRR of 15% and ROR of 28%

Partial Realisations

There was no material partial realisation activity during the quarter. The table below has been updated with current values.

| PARTIAL REALISATION | SECTOR | QUARTER REPORTED | CASH INVESTED | CASH RECEIVED TO DATE | CURRENT VALUE OF INVESTMENT | TOTAL RETURN | CURRENT IRR | CURRENT ROR | MONTHS HELD |
|---------------------|------------------------|------------------|----------------|-----------------------|-----------------------------|----------------|-------------|-------------|-------------|
| 3 | Commercial Mortgage | Q217 | \$23.1 million | \$29.8 million | \$0.7 million | \$7.4 million | 10% | 32% | 68 |
| 4 | Containers & Packaging | Q217 | \$5.1 million | \$7.2 million | \$0.5 million | \$2.6 million | 26% | 50% | 75 |
| 5 | Containers & Packaging | Q217 | \$6.6 million | \$16.7 million | \$3.4 million | \$13.5 million | 54% | 203% | 78 |

Distributions

The investment manager's current expectation is to distribute 55-60% of 31 March 2019 NAV in 2019, and the remainder in 2020. These expectations are largely unchanged from the previous quarter. In the harvest period, we continue to focus on restructuring and monetising our investments, balancing timely realisations with maximising proceeds to our investors. Changes to timing are expected and will continue to be updated in the quarterly factsheets. For regulatory reasons, the final 10% of the 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.

The Board approved a capital distribution by way of redemption of \$20.0 million during the first quarter, which was distributed in 2Q19.

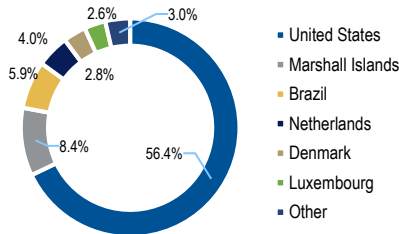
3. Industry categorisations determined by Neuberger Berman. Total Return determined by the Administrator and includes realised and unrealised gains and losses, expenses, FX gains and losses, and all income on investments according to US GAAP accounting. References in this factsheet to the market value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

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

31 March 2019



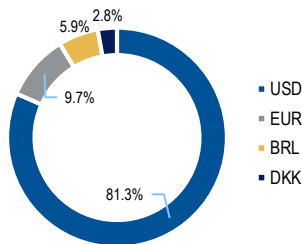
COUNTRY BREAKDOWN^{4,5} (%)



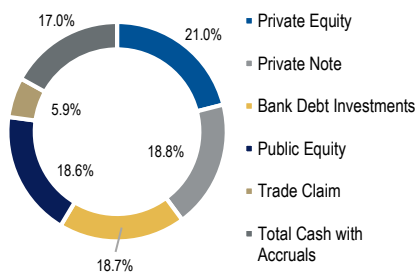
Share Buy-Backs

The company repurchased 905,000 shares in NBDX during the quarter at a weighted average discount of 8.97% and a cost of \$796,573. Since inception to date, a total of 9,456,313 or 2.9% of the original NBDX shares, have been repurchased and cancelled.

CURRENCY BREAKDOWN^{4,5} (%)



INVESTMENT TYPE⁶ (%)



SECTOR BREAKDOWN⁷ (%)

| | |
|----------------------------|-------|
| Shipping | 14.4% |
| Lodging & Casinos | 11.7% |
| Auto Components | 8.7% |
| Utilities | 8.4% |
| Surface Transport | 8.3% |
| Oil & Gas | 7.9% |
| Financial Intermediaries | 7.0% |
| Building & Development | 4.6% |
| Commercial Mortgage | 4.5% |
| Nonferrous Metals/Minerals | 4.4% |
| Containers and Packaging | 2.6% |
| Forest Products | 0.5% |
| Net Cash and Accruals | 16.9% |
| Restricted Cash | 0.1% |

4. Categorisations determined by Neuberger Berman and percentages determined by the Administrator, based on market value as of 31 March 2019.

5. Includes cash and accruals.

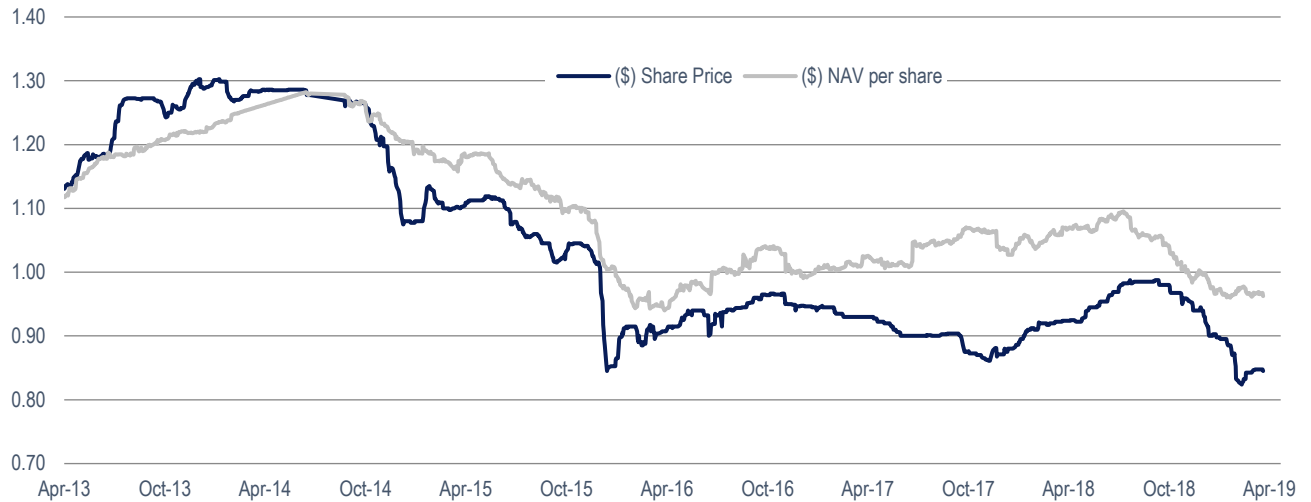
6. Cash includes restricted and unrestricted cash, net accruals.

7. 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.

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

31 March 2019

FUND PERFORMANCE⁸



PORTFOLIO COMPOSITION – TOP 10 HOLDINGS⁹

| Holding | Industry | Instrument | Status | Country | % of NAV | Primary Assets |
|--------------|----------------------------|-------------------|------------|------------------|------------|--|
| 1 | Auto Components | Secured Loan | Post-Reorg | US | 9% | Manufacturing plant & equipment |
| 2 | Shipping | Secured Notes | Post-Reorg | Marshall Islands | 8% | Maritime vessels |
| 3 | Utilities | Post-Reorg Equity | Post-Reorg | US | 8% | Power plants |
| 4 | Financial Intermediaries | Secured Notes | Defaulted | US | 7% | Cash & securities |
| 5 | Oil & Gas | Post-Reorg Equity | Post-Reorg | US | 7% | Bio-fuel plant |
| 6 | Surface Transport | Trade Claim | Defaulted | Brazil | 6% | Municipal Claim |
| 7 | Lodging & Casinos | Post-Reorg Equity | Post-Reorg | US | 5% | Hotel/lodging real estate |
| 8 | Building & Development | Post-Reorg Equity | Post-Reorg | US | 4% | Residential real estate |
| 9 | Nonferrous Metals/Minerals | Post-Reorg Equity | Post-Reorg | US | 4% | Manufacturing/distribution real estate |
| 10 | Commercial Mortgage | Secured Loan | Defaulted | Netherlands | 4% | Commercial real estate |
| Total | | | | | 62% | |

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

31 March 2019

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.

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 2008 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 (“NBEL”), the Company’s Manager, is authorised and regulated by the Financial Conduct Authority (“FCA”) and is registered in England and Wales, at Lansdowne House, 57 Berkeley Square, London, W1J 6ER and is also a Registered Investment Adviser with the Securities and Exchange Commission (“SEC”) in the U.S. and regulated by the Dubai Financial Services Authority.

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 accurate or complete and it should not be relied upon as such. Any views or opinions expressed may not reflect those of the Company or NBEL 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 and NBEL.

There is no guarantee that any of the goals, targets or objectives described in this factsheet will be achieved. This factsheet may contain “forward-looking information” which can be identified by the use of forward looking terminology such as “may”, “will”, “should”, “expect”, “anticipate”, “target”, “project”, “estimate”, “intend”, “continue” or “believe” or the negatives thereof or other variations thereon or comparable terminology. Such statements are not purely historical in nature, and may include, among other things, projections, forecasts or estimates of cash flows, yields or returns, scenario analyses and proposed or expected portfolio composition. The forward-looking information contained herein is based upon certain assumptions about future events or conditions and is intended only to illustrate hypothetical results under those assumptions (not all of which will be specified herein). Not all relevant events or conditions may have been considered in developing such assumptions. The success or achievement of various results and objectives is dependent on a multitude of factors, many of which are beyond the control of the Company and Neuberger Berman. Actual volatility and returns will depend on a variety of factors including overall market conditions and the ability of the Company and Neuberger Berman to implement its process, investment strategy and risk management policies. No representations are made as to the accuracy of such estimates or projections or that such projections will be realised. Actual events or conditions are unlikely to be consistent with, and may differ materially from, those assumed.

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 units.

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.

© 2019 Neuberger Berman Group LLC. All rights reserved.