

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.

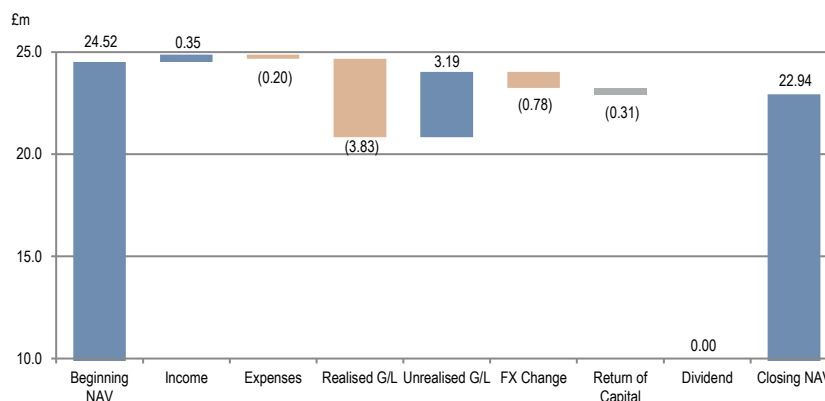
The New Global Share Class (“NBDG”) was created in March 2014 in order to capture the growing opportunity in distressed debt globally. NBDG’s investment period ended on 31 March 2017, following which the harvest period commenced. During the quarter, the Board repurchased £0.3 million of shares, bringing inception to date distributions to £56.1 million or 51% of original capital (income by way of dividend, capital by way of redemption and share buy-backs), since the realisation phase for this share class began.

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:	55.79p
Share Price:	46.50p
Share Price Discount to NAV	(16.7)%
Market Cap.	£19.1m
Total NAV	£22.9m
No. of issuers	7
Launch Date:	4 March 2014
Base Currency:	GBP
NAV Frequency:	Daily
Domicile:	Guernsey
Year End:	31 December
Management Fee:	1.5%
Bloomberg Ticker:	NBDG:LN
ISIN:	GG00BMY71748
Website:	www.nbddif.com
Fund Type:	Closed-ended Investment Company

NAV BRIDGE: 30 SEPTEMBER – 31 DECEMBER 2020



Source: Neuberger Berman

Beginning NAV and Closing NAV are based on published NAVs for NBDG 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 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 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

The regulatory approval and commencement of vaccine rollout has lifted public equity markets and provided investors and consumers with scope for renewed optimism. However, the pace of rollout remains sporadic and the uncertain economic impact on companies and different sectors remains the primary area of uncertainty for investors. Ongoing outbreaks of new virus strains and the debate around the right speed at which to lift restrictions continues to prevail and curtail robust economic activity. Investors continue to monitor both the pace and coverage of large-scale vaccine development and distribution, as well as hospitalisation rates and therapeutic treatment improvements. Given these circumstances, the timing and quantum of any financial impact on the portfolio remains very 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 97% and 153% of the 31 December 2020 market values of these investments, with a base case of 124%. The range tightened and the base case decreased due to a decline in expected value for a Spanish surface transportation investment. 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, 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 55.79p compared with 58.72p at the end of September 2020. NAV decreased 5% principally due to a decline in value in a commercial mortgage driven by rent reductions from increasing work from home trends. The remaining portfolio consists of 7 issuers across 6 sectors, including lodging & casinos, commercial mortgage, surface transport and shipping. At quarter-end, 89% of NBDG's NAV was invested in distressed assets (including net cash held in subsidiaries), with 11% held in cash and government securities.

NBDG had no exits in the quarter. Inception to date, the ratio of total value (capital distributions, dividends, share buy-backs and current NAV) to original capital is 71%.

There were no notable events² during the quarter.

Data as at 31 December 2020. 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

Portfolio Update (continued)

Significant Value Change (+/- £230,000)³

INDUSTRY	INSTRUMENT	4Q20 TOTAL RETURN (£ in millions)	MARKET VALUE (£ in millions)	QUARTERLY PRICE CHANGE	COMMENT
Commercial Mortgage	Bank Debt Investments	-0.9	4.3	-16%	Rent reductions as a result of work-from-home trends
Shipping	Secured Loan / Private Equity	-0.2	2.9	-2%	Lower dry bulk asset values

Exits

There were no exits during the quarter. Inception to date, there have been 30 exits with a total return of (£7.3 million), weighted average IRR of (5%) and weighted average ROR of (6%).

Distributions

There were no distributions in respect of the quarter. Inception to date there have been distributions (dividends, redemptions and buy-backs) equal to £56.1 million or 51% of original capital.

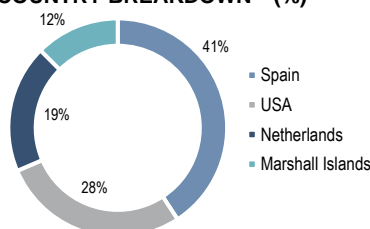
The investment manager has undertaken a review of all the investments in the light of a changed market and we have updated the distribution schedule for the investments based on current expectations. The expectation is to distribute approximately 25-30% of 31 December 2020 NAV in 2021 and the remainder in 2022. The range has not changed since last quarter. For 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

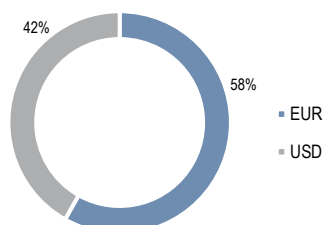
NBDDIF repurchased 640,000 shares in NBDG during the quarter at a weighted average discount of 18% and a cost of £307,600. Since inception, a total of 16,114,533, or 15% of the original NBDG shares at a cost of £10.9 million, has been repurchased and cancelled.

The buyback programme was intended to narrow the discount, if any, during the investment period. At this point of the harvest period, our priority, based on shareholder feedback, is the return of capital. Going forward, the Board intends to make distributions from investment realisations and not hold back cash for future buyback programmes. Cash will be returned to shareholders through distributions from realisation of investments and not through buybacks.

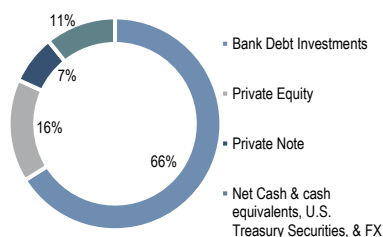
COUNTRY BREAKDOWN^{4,5} (%)



CURRENCY BREAKDOWN^{4,5} (%)



INVESTMENT TYPE⁵ (%)



SECTOR BREAKDOWN⁴ (%)

Lodging & Casinos	34%
Commercial Mortgage	19%
Surface Transport	15%
Shipping	12%
Oil & Gas	6%
Auto Components	3%
Net Cash and cash equivalents, U.S. Treasury securities and FX	11%

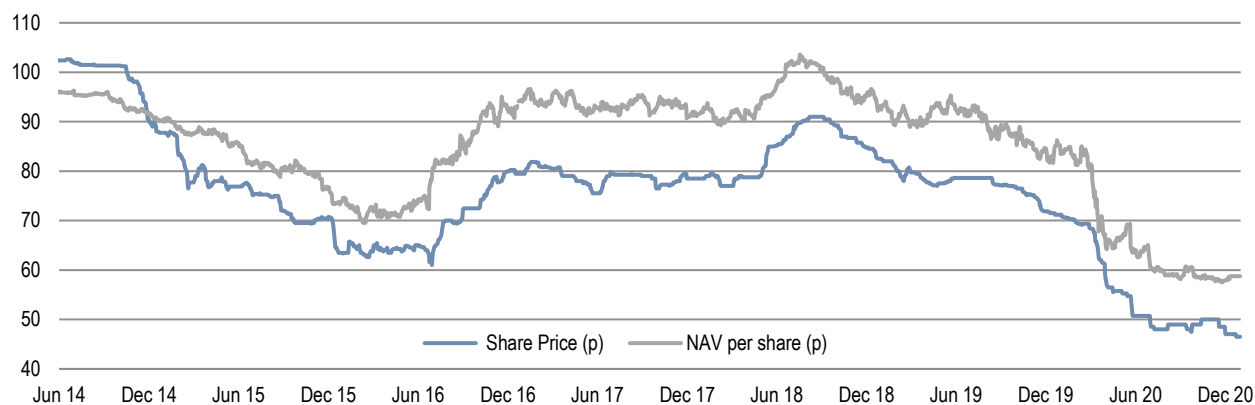
3. Industry categorisations determined by Neuberger Berman. Total Return determined by the Administrator and includes realised and unrealised gains and losses, expenses, FX gains and losses, and all income on investments according to US GAAP accounting. References in this factsheet to the market value 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 December 2020.

5. Includes cash and accruals.

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

FUND PERFORMANCE⁶



PORTFOLIO COMPOSITION – TOP 7 HOLDINGS⁷

Holding	Industry	Current Instrument	Status	Country	% NAV	Primary Assets
1	Lodging & Casino	Secured Loan/Private Equity	Current	Spain	27%	Hotel/Casino
2	Commercial Mortgage	Secured Loan	Defaulted	Netherlands	19%	Commercial Real Estate
3	Surface Transportation	Secured Loan	Defaulted	Spain	15%	Legal Claim
4	Shipping	Secured Loan/Private Equity	Post-Reorg	Marshall Islands	12%	Ships
5	Lodging & Casino	Secured Notes	Defaulted	US	7%	Hotel/Casino
6	Oil & Gas	Private Equity	Post-Reorg	US	6%	Ethanol Plant
7	Auto Components	Secured Loan	Post-Reorg	US	3%	Manufacturing Plant
					89%	

6. Source: Bloomberg

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, NBDG'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 – 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.

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.

© 2021 Neuberger Berman Group LLC. All rights reserved.