

# NB Asset Based Credit Fund

## Performance

The NB Asset Based Credit Fund (the “Fund”) returned 0.62% in the month of December 2025 and 3.54% since inception on August 20, 2025.

## Portfolio Update

The Fund was launched on August 20, 2025 and has thus far deployed capital into 10 active investments<sup>1</sup> diversified across structure types including whole loans (34%), credit facilities (48%), asset-backed securities (“ABS”) (16%) and equity (2%). The Fund is also diversified across sectors, including point of sale, consumer unsecured, small business loans, art finance, litigation finance and financial services. Our primary focus remains on credit facilities where we are finding more opportunities with significant downside protection. Originator partners continue to uphold tight underwriting standards, and our priority is to ensure they maintain rigorous discipline in origination practices. Despite the challenges in the current landscape, consumer debt metrics have remained stable through 2023 and 2024. There has been a slight uptick of about 1.2 times base case losses for early 2025 vintages among some originators, while others have maintained their strong performance. Meanwhile the public market continues to provide select opportunities. While spreads and valuations for “vanilla” asset backed securities are compressed, there remain select opportunities to structure more bespoke transactions even within public markets. We believe the Neuberger Specialty Finance team’s sourcing channels and structuring expertise in private markets position us well to originate public-private asset-backed transactions. Since inception, we have transacted in two such opportunities, purchasing securities with meaningful structural loss protection and credit enhancement. The deal pipeline is robust – we are conducting diligence on a variety of opportunities across litigation finance, digital infrastructure, and margin finance.

## Market Outlook

Looking ahead, the outlook for the asset class remains cautiously optimistic. Robust fundamentals and continued demand for collateralized exposures are expected to support performance, though tight valuations and policy uncertainty warrant selectivity and a high-quality bias. As interest rates are anticipated to decline, we believe current yields in asset-based credit are compelling, presenting opportunities for total returns above current coupons if duration is managed effectively.

### Net asset value

As of December 31, 2025

Net Asset Value (“NAV”) \$72.6M	\$72.6M
Price Per Share (Institutional Class)	\$9.95

### Performance<sup>2</sup>

Net Total Return (at NAV) as of December 31, 2025

Share Class	MTD	YTD	ITD
Institutional Class <sup>3</sup>	0.62%	3.54%	3.54%

1. Includes all ABS positions as a single investment.  
 2. **The performance data quoted represents past performance. Past performance does not guarantee future results.** Current performance may be lower or higher than the performance data quoted. For performance data current to the most recent month end, please visit <https://www.nb.com/nabfx>. The investment return and principal value of an investment will fluctuate so that an investor’s shares may be worth more or less than their original cost. The results do not reflect the effect of taxes an investor would pay on Fund distributions or on the sale of the Fund’s shares.  
 3. Institutional Class commenced operations on August 20, 2025.

## IMPORTANT RISK DISCLOSURE

**An investor should consider the NB Asset-Based Credit Fund's investment objectives, risks and fees and expenses carefully before investing. This and other important information can be found in the Fund's prospectus, which an investor can obtain by calling 877.628.2583 or visiting the Fund's website at <https://www.nb.com/NABFX>. Please read the prospectus carefully before making an investment.**

An investment in the Fund involves a high degree of risk and therefore should only be undertaken by investors whose financial resources are sufficient to enable them to assume these risks and to bear the loss of all or part of their investment. The Fund is registered under the Investment Company Act of 1940, as amended, as a non-diversified, closed-end management investment company. The Fund and Neuberger do not guarantee any level of return or risk on investments and there can be no assurance that the Fund's investment objective will be achieved. There is no assurance that the investments held by the Fund will be profitable, that there will be proceeds from such investments available for distribution to investors, or that the Fund will achieve its investment objective. The amount of distributions that the Fund may pay is uncertain. The Fund cannot assure investors that the Fund will achieve investment results that will allow the Fund to make a specified level of cash distributions or year-to-year increases in cash distributions. There can be no assurance that targeted returns for the Fund will be achieved.

The Fund is a recently organized, closed-end investment company with no operating history. Unlike some closed-end funds, the Fund's Shares will not be listed on any securities exchange. Although the Fund will implement a quarterly share repurchase program, there is no guarantee that an Investor will be able to sell all of the Shares that the Investor desires to sell. The Fund should therefore be considered to offer limited liquidity.

The Fund is subject to significant credit risk (i.e., the risk that an issuer or borrower will default in the payment of principal and/or interest on an instrument) in light of its investment strategy. Financial strength and solvency of an issuer or borrower are the primary factors influencing credit risk. In addition, degree of subordination, lack of adequacy of collateral or credit enhancement for a debt instrument may affect its credit risk.

Certain investments may be exposed to the credit risk of the counterparties with whom the Fund deals.

Interest rate risk refers to the risks associated with market changes in interest rates. In general, rising interest rates will negatively impact the price of fixed rate debt instruments and falling interest rates will have a positive effect on the price of such debt instruments. Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules.

The value of an individual security or particular type of security can be more volatile than, and can perform differently from, the market as a whole. Lower-quality debt securities (those of less than investment-grade quality, also referred to as "high yield" securities or "junk bonds"), involve greater risk of default on interest and principal payments or price changes due to changes in the credit quality of the issuer. The value of lower-quality debt securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments.

Investments in consumer loans may be subject to particular risks related to nonperformance. Secured consumer loans may involve collateral that is too highly leveraged or limited by rehabilitation needs or poor management. Non-performing consumer loans may also involve loan modifications that could reduce the loan's principal or interest rate, among other options. Consumer bankruptcy may also render a consumer loan partially or fully uncollectable. Additionally, there may be a limited market for the sale of consumer loans, or the collateral of defaulted consumer loans. A limited secondary market could prevent the recovery of adequate value for these assets.

The Fund may originate loans to, or purchase, assignments of or participations in loans made to, various issuers, including distressed loans. Such investments may include senior secured, junior secured and mezzanine loans and other secured and unsecured debt that has been recently originated or that trade on the secondary market. The value of the Fund's investments in loans may be detrimentally affected to the extent a borrower defaults on its obligations, there is insufficient collateral and/or there are extensive legal and other costs incurred in collecting on a defaulted loan.

Asset-backed securities are primarily exposed to the performance and credit risk of the underlying collateral, which may include consumer receivables, commercial loans, investment grade credit, high-yield credit and leveraged loans. ABS can also be subject to interest rate, foreign exchange, liquidity and counterparty risk.

The Fund may be materially adversely affected by market, economic and political conditions and natural and man-made disasters, including pandemics, wars and supply chain disruptions, globally and in the jurisdictions and sectors in which the Fund invests.

The Fund intends to utilize leverage (i.e., loans from certain financial institutions) for investment purposes. The Fund's use of leverage could create the opportunity for a higher return for investors but would also result in special risks for investors and can magnify the effect of any losses. There is no assurance that a leveraging strategy will be successful. In addition, derivative transactions, if utilized, can involve leverage or the potential for leverage because they enable the Fund to magnify the Fund's exposure beyond its investment.

The Fund intends to elect for treatment, and to qualify each year to be treated, as a regulated investment company or a "RIC." As such, the Fund must satisfy, among other requirements, certain ongoing asset diversification, source-of-income and annual distribution requirements. If the Fund fails to qualify as a RIC it will become subject to corporate-level income tax, and the resulting corporate taxes could substantially reduce the Fund's net assets, the amount of income available for distributions to investors, the amount of distributions and the amount of funds available for new investments.

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