

Neuberger High Yield Strategies Fund Inc.*

TICKER: NHS

Fund Highlights

Description

- Neuberger High Yield Strategies Fund Inc. ("NHS" or the "Fund") is a diversified, closed-end management investment company investing in the high yield debt securities market.
- The Fund utilizes leverage through a secured credit facility and the issuance of preferred stock.

Investment Philosophy

- The Fund's investment objective is to seek high total return (income plus capital appreciation).
- The Fund will pursue its investment objective by investing its assets primarily in high yield debt securities.
- At least 80% of the Fund's total assets will be invested in below investment grade (high yield) debt securities (including corporate loans) of US and foreign issuers.
- The Fund may invest up to 20% of its total assets in other securities and financial instruments, and up to 15% of its total assets in collateralized loan obligations.

Market Data

Market Price

| | |
|---------------------|-----------------|
| Current | \$7.44 |
| Last 12 Month Range | \$7.93 - \$6.87 |

Net Asset Value

| | |
|---------------------|-----------------|
| Current | \$7.35 |
| Last 12 Month Range | \$7.80 - \$7.24 |

Premium/Discount

| | |
|-----------------------|-----------------|
| Current | 1.22% |
| Last 12 Month Range | 3.36% - (5.11%) |
| Last 12 Month Average | -0.38% |

Distribution Rate¹

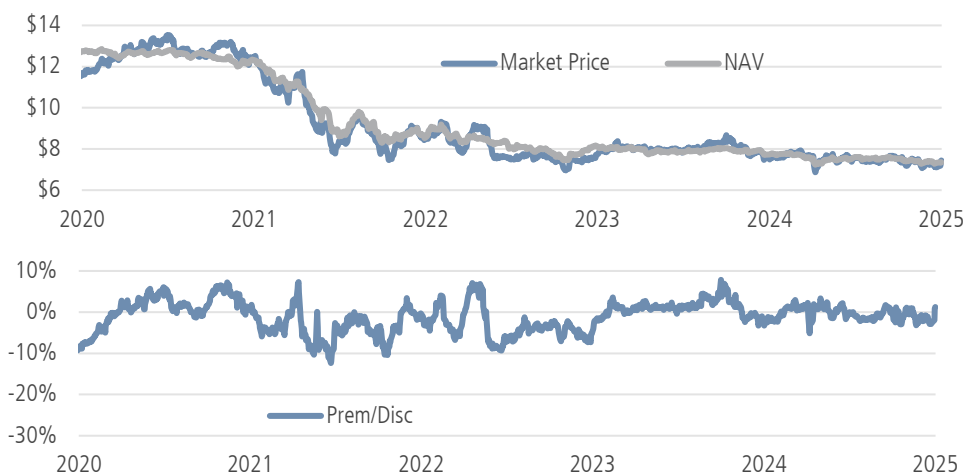
| | |
|-----------------|--------|
| On Market Price | 14.60% |
| On NAV | 14.78% |

| | |
|-----------------|---------------|
| NAV Ticker | XNHSX |
| CUSIP Number | 64128C106 |
| Inception Date | 7/28/2003 |
| Listed Exchange | NYSE American |

Capital Structure

| | |
|------------------|-------------|
| Total Assets | \$331.714 M |
| Common Assets | \$230.714 M |
| Leverage (\$amt) | \$101.000 M |
| Leverage | 30.4% |

NHS: PRICE AND VALUATION TRENDS (Last 5 Years)



The Fund's NAV and Market Price will fluctuate with market conditions. Current performance may be higher or lower than the data shown. **Past performance is no guarantee of future results.**

Leverage Structure

Leverage

Debt – Floating

| | |
|--------------------|-----------|
| Committed | \$110.0 M |
| Amount Outstanding | \$61.0 M |

Mandatory Redeemable Preferred Shares

| Maturity Date | Annual Interest Rate | Amount |
|--------------------|----------------------|---------|
| September 29, 2026 | Floating Rate | \$40.0M |

While the use of leverage can result in greater returns in a rising market as well as increased income generation, its use can also generate greater losses in a declining market as well as pressure income levels in an environment of higher borrowing costs.

1. Distribution Rate is annualized and based on monthly distributions. The Fund has adopted a policy to pay common shareholders a stable monthly distribution. In an effort to maintain a stable monthly distribution, the Fund may pay distributions consisting of net investment income, net realized capital gains and return of capital. There is no assurance that the Fund will always be able to pay distributions of a particular size, or that distributions will consist solely of net investment income and net realized capital gains. In compliance with Section 19 of the Investment Company Act of 1940, as amended, a notice would accompany any distribution that does not consist solely of net investment income. This notice would be for informational purposes, and would disclose, among other things, estimated portions of the distribution, if any, consisting of net investment income, capital gains and return of capital. The actual composition of the Fund's distributions for a calendar year can only be determined after year end and will be reported to Fund shareholders on IRS Form 1099-DIV. The notices for the current calendar year are also available on Neuberger's website at www.nb.com. For the Fund's most recent distribution payment of \$0.0905 per share, which was paid on December 31, 2025, the distribution was estimated to consist of \$0.0492 net investment income and \$0.0413 from return of capital. This estimate was based on earnings and portfolio activity as of the record date for the distribution.

* Prior to December 18, 2025, the Fund included "Neuberger Berman" in place of "Neuberger" in its name.

Portfolio Managers

Joseph Lind

27 years investment experience

Chris Kocinski

21 years investment experience

Steven Ruh

21 years investment experience

Manager Commentary

High Yield Market

In the 4th quarter, the U.S. high yield bond market delivered positive returns as investor demand remained solid, fundamentals were generally stable, and economic data and a dovish Fed continued to support risk assets. The U.S. 10 year Treasury yield increased 2 bps over the quarter. High yield spreads moved modestly tighter and finished the year below 300 bps, with performance supported by carry, benign default experience and ongoing demand for most ratings segments. Dispersion remained elevated across ratings and sectors with weaker, more distressed credits and select challenged industries lagging over the quarter and full year despite firmer risk sentiment into year end.

Market Performance¹

- High yield spreads narrowed by 5 bps during the fourth quarter, with the spread to worst on the ICE BofA US High Yield Constrained Index closing the year at 297 bps. The yield to worst on the ICE BofA US High Yield Constrained Index ended 2025 at 6.62%.
- The ICE BofA US High Yield Constrained Index returned 0.65% in December, 1.35% in the 4th quarter and 8.50% year to date (YTD).
- Over the quarter, BBs, Bs and non distressed high yield outperformed the index, whereas CCC & Lower and distressed credits posted negative returns and lagged materially.

Performance by Ratings and Index Segments¹

- BB Index: 0.47% in December, 1.57% QTD, 8.93% YTD
- Single B Index: 0.90% in December, 1.55% QTD, 8.38% YTD
- CCC & Lower Index: 0.84% in December, -0.52% QTD, 6.49% YTD
- Non-Distressed Index: 0.64% in December, 1.62% QTD, 8.99% YTD
- Distressed Index: 1.04% in December, -7.72% QTD, -8.79% YTD
- USHY 100 Index: 0.65% in December, 1.35% QTD, 8.50% YTD

Fundamentals and Default Rates

- High yield issuers' aggregate fundamentals remained broadly stable, though some lower-quality issuers continued to face industry-specific or idiosyncratic pressures.
- On a trailing 12 month basis, par weighted U.S. high yield default rates rose in December, ending at 0.99% (excluding distressed exchanges) and 1.88% (including distressed exchanges), up from 0.82% and 1.84%, respectively, as of November.
- Our latest bottom-up base case 2-year cumulative default estimate (including distressed exchanges) for U.S. high yield over 2025/2026 is 3.75%-4.75%, which around the long-term historical average. The long-term historical average (last 25 years) default rate is 3.3%.

Technical²

- High yield bond issuance totaled \$21.8 billion (\$5.1 billion ex-refinancings) in December, a moderation from November's \$24.9 billion (\$10.9 billion ex-refis) but still making December one of the busiest year-end issuance periods in recent years.
- Full-year 2025 gross issuance reached \$332.0 billion (+15% vs. 2024), with net issuance of \$98.3 billion (+39% vs. 2024), marking a four-year high for both gross and net supply.
- High yield funds reported inflows of +\$1.7 billion in December, which followed a -\$598 million outflow in November.

Fund Performance & Positioning

During the fourth quarter, Neuberger High Yield Strategies Fund Inc. ("NHS" or the "Fund") generated net asset value (NAV) and Market Price based total returns of 1.39% and 2.90%, respectively. For the period, NHS outperformed the 1.35% return generated by its benchmark index, the ICE BofA U.S. High Yield Constrained Index.

From a sector perspective, the largest contributors to performance were security selections within Chemicals, Super Retail, and Technology & Electronics. Conversely, security selections within Building Materials as well underweight allocations within Media - Cable and Gaming detracted the most from performance over the period.

In addition, the Fund's use of leverage contributed to NAV performance for the quarter. Investors need to be aware that the Fund's use of a leveraged capital structure can magnify the directional movement of the Fund's NAV. While the Fund's use of leverage may result in greater returns in a rising market environment, it may also result in greater losses in a declining market. In addition, the use of leverage can increase the amount of income generation and cash flow per common share, however, in an environment of rising interest rates, which is likely to result in higher borrowing costs for the Fund, income levels and cash flow per common share can come under pressure and possibly be reduced.

During the quarter, NHS's NAV per share decreased by -\$0.17 or -2.26%, while its Market Price decreased -\$0.06 or -0.80%. Given the Market Price declined less than NAV, the Fund's valuation improved over the period and ended the quarter at a 1.22% premium versus a -0.27% discount at prior quarter-end. For the quarter, the Morningstar US CEF High Yield category average discount worsened by 303 bps.

At quarter-end, the Fund's largest sector overweights were to Capital Goods, Gas Distribution, Diversified Financial Services, Metals & Mining, and Energy. The largest sector underweights are Media-Broadcasting & Diversified, Telecommunications, Food, Beverage, & Tobacco, Gaming, Lodging & Leisure, and Food & Drug Retail. The Fund's 1.29% position in Senior Floating Rate Loans reflects a decrease from 1.88% at end-September.

¹ ICE BofA U.S. High Yield Constrained Index

² JP Morgan

Manager Commentary (Continued)

Outlook

U.S. high yield continues to offer attractive carry, especially given a benign default outlook, in our view. Inflation is trending lower but remains slightly above the Federal Reserve's (the Fed) 2% target, as tariff effects have been more muted than feared, and the labor market continues to moderate. After two cuts in late 2025, we now expect one additional Fed cut in the first quarter of 2026. Despite signs of softer employment and varying consumer sentiment depending on income cohort, we believe overall household balance sheets remain resilient. In our view, U.S. high yield issuer fundamentals remain broadly healthy, with default rates and rating actions indicating stable to modestly improving credit quality overall. While pockets of stress persist in weaker credits, overall default trends are below long term averages. We believe market direction will depend on labor and inflation data and broader macro and geopolitical risks. We remain focused on issuer fundamentals and both base case and downside scenarios. Our disciplined, bottom up research - emphasizing security selection and proactive risk management - aims to use volatility to our advantage. We continue to seek attractive opportunities in high yield; while our default outlook is roughly in line with historical averages, we stay highly selective and seek to generate alpha through prudent security selection.

Portfolio Characteristics

Fund Metrics

| | |
|---|------------|
| Common Shares (12/31/25) | 31,079,039 |
| Number of Holdings (12/31/25) | 476 |
| Average Daily Volume (Trailing 12 months) | 180,737 |

Interest Rate Sensitivity

| | |
|---|------|
| Weighted Average Maturity | 6.14 |
| Average Duration to Worst | 3.00 |
| Average Duration to Worst (Leverage Adjusted) | 4.31 |

Income Metrics

| | |
|---------------------------|-------|
| Average Yield to Maturity | 6.91% |
| Average Coupon | 7.08% |

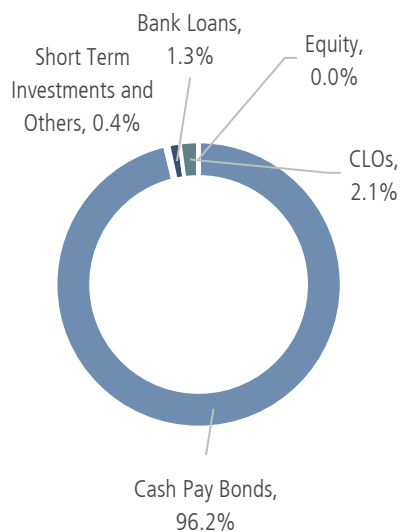
Weighted Average Maturity (WAM) is the weighted average length of time until the average security in a portfolio will mature or be redeemed. It indicates a portfolio's sensitivity to interest rate changes. A portfolio with a longer WAM implies greater volatility in a changing interest rate environment.

Duration to Worst is derived by utilizing the redemption date which would provide the lowest yield (for callable bonds) or highest yield (for puttable bonds). For holdings without calls or puts, Duration to Worst is equal to modified duration.

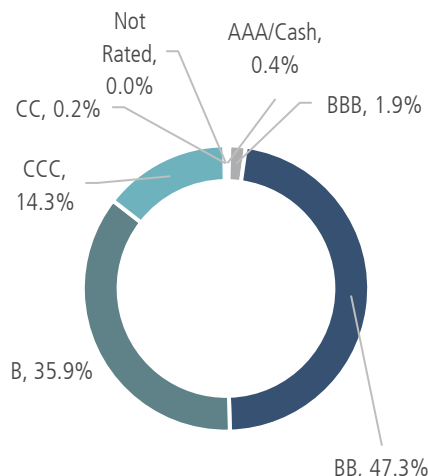
Yield to Maturity (YTM) is the rate of return anticipated on a bond if it is held until the maturity date. It is calculated by dividing the bond's coupon payments by the current price of the bond.

Coupon is the interest rate that is to be paid over the life of a debt security, it is usually expressed as a percentage of face value. Issuers typically make payments to bondholders semiannually.

Portfolio Composition

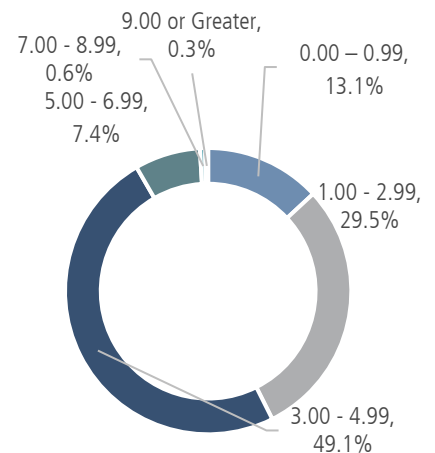


Credit Quality Breakdown³



3. Represents the ratings of the securities held by the Fund as of 12/31/25 and does not imply any credit rating of the Fund itself. Ratings categories shown in the above chart are those of S&P. Please see footnotes for additional disclosures regarding ratings methodology.

Duration Breakdown



Duration is the measure of a bond's price sensitivity to interest rates.

Financial Highlights (as of Annual Shareholder Report – October 31, 2025)

| | |
|------------------------------------|--------|
| Portfolio Turnover | 85.00% |
| Total Expense Ratio ^{1,2} | 3.39% |

1. Distributions to mandatory redeemable preferred shareholders and interest expense is included in expense ratio. **2.** For the period, the annualized ratios of distributions to mandatory redeemable preferred shareholders and interest expense to average net assets applicable to common stockholders was 1.05% & 1.17%, respectively.

Neuberger High Yield Strategies Fund Inc.

NHS: Performance Common Shares

As of December 31, 2025

AVERAGE ANNUAL TOTAL RETURN (%)

| | Monthly | Quarterly | YTD | One Year | Three Years | Five Years | Ten Years | Since Inception 7/28/2003 |
|---|---------|-----------|-------|----------|-------------|------------|-----------|------------------------------|
| NAV | 0.68 | 1.39 | 9.65 | 9.65 | 9.25 | 1.39 | 5.97 | 7.59 |
| Market Price | 3.17 | 2.90 | 14.70 | 14.70 | 9.82 | 3.41 | 7.61 | 7.42 |
| ICE BofA U.S. High Yield Constrained Index* | 0.65 | 1.35 | 8.50 | 8.50 | 10.03 | 4.50 | 6.44 | 6.90 |

All data is as of 12/31/25, unless otherwise noted. Returns for less than one year are not annualized. **Performance data quoted represents past performance and does not guarantee future results.** Results are shown on a "total return" basis and include reinvestment of all distributions. NAV total return data quoted is net of fees and expenses. The investment return and principal value of an investment will fluctuate so that the shares may be worth more or less than their original cost. The Fund's market price and net asset value will fluctuate with market conditions. Current performance may be lower or higher than the performance data quoted. For more information, please refer to Neuberger's website at www.nb.com/cef-performance.

The Investment Adviser had contractually agreed to limit certain operating expenses of the Fund until 2012. Absent this expense cap, the Fund's return during the relevant periods would have been lower.

Top Ten Industries

| | |
|--------------------------------|--------|
| Diversified Financial Services | 11.80% |
| Healthcare | 7.77% |
| Real Estate / Homebuilders | 7.67% |
| Energy | 7.51% |
| Consumer Products / Services | 7.51% |
| Gas Distribution | 7.18% |
| Technology / Electronics | 5.11% |
| Capital Goods | 4.84% |
| Gaming / Lodging / Leisure | 4.73% |
| Telecommunications | 4.53% |

Top Five Industries Overweight

| Industry | NHS | +/-vs Benchmark* |
|--------------------------------|--------|------------------|
| Capital Goods | 4.84% | 2.91% |
| Gas Distribution | 7.18% | 2.55% |
| Diversified Financial Services | 11.80% | 1.92% |
| Metals / Mining | 4.03% | 1.50% |
| Energy | 7.51% | 1.28% |

Top Five Industries Underweight

| Industry | NHS | +/-vs Benchmark* |
|------------------------------------|-------|------------------|
| Media - Broadcasting / Diversified | 1.48% | -2.91% |
| Telecommunications | 4.53% | -1.95% |
| Food / Drug Retailers | 0.56% | -1.80% |
| Gaming / Lodging / Leisure | 4.73% | -1.33% |
| Food / Beverage / Tobacco | 0.49% | -1.24% |

Distribution History⁴

| | Ex-Date | Record Date | Payable Date | \$/Share |
|-------|------------|-------------|--------------|----------|
| 12/25 | 12/15/2025 | 12/15/2025 | 12/31/2025 | 0.09050 |
| 11/25 | 11/17/2025 | 11/17/2025 | 11/28/2025 | 0.09050 |
| 10/25 | 10/15/2025 | 10/15/2025 | 10/31/2025 | 0.09050 |
| 09/25 | 09/15/2025 | 09/15/2025 | 09/30/2025 | 0.09050 |
| 08/25 | 08/15/2025 | 08/15/2025 | 08/29/2025 | 0.09050 |
| 07/25 | 07/15/2025 | 07/15/2025 | 07/31/2025 | 0.09050 |
| 06/25 | 06/16/2025 | 06/16/2025 | 06/30/2025 | 0.09050 |
| 05/25 | 05/15/2025 | 05/15/2025 | 05/30/2025 | 0.09050 |
| 04/25 | 04/15/2025 | 04/15/2025 | 04/30/2025 | 0.09050 |
| 03/25 | 03/17/2025 | 03/17/2025 | 03/31/2025 | 0.09050 |
| 02/25 | 02/18/2025 | 02/18/2025 | 02/28/2025 | 0.09050 |
| 01/25 | 01/15/2025 | 01/15/2025 | 01/31/2025 | 0.09050 |
| 12/24 | 12/16/2024 | 12/16/2024 | 12/31/2024 | 0.09050 |

Top Ten Holdings⁵

| | | | |
|---------------------------------------|--------|----------|-------|
| BAUSCH HEALTH COMPANIES INC | 10.000 | 04/15/32 | 1.08% |
| TENET HEALTHCARE CORP | 6.000 | 11/15/33 | 0.90% |
| MINERAL RESOURCES LTD | 7.000 | 04/01/31 | 0.84% |
| MADISON IAQ LLC | 5.875 | 06/30/29 | 0.82% |
| NCL CORPORATION LTD | 6.750 | 02/01/32 | 0.82% |
| XPO INC | 7.125 | 02/01/32 | 0.82% |
| MAUSER PACKAGING SOLUTIONS HOLDING CO | 9.250 | 04/15/30 | 0.81% |
| UKG INC | 6.875 | 02/01/31 | 0.78% |
| QXO BUILDING PRODUCTS INC | 6.750 | 04/30/32 | 0.74% |
| MOLINA HEALTHCARE INC | 6.250 | 01/15/33 | 0.74% |

Shares of closed end funds frequently trade at a discount of their net asset value in the secondary market and the net asset value of the closed-end shares may decrease. Closed-end funds are subject to various risks, including management's ability to meet the Fund's investment objective and to manage the Fund's portfolio when the underlying securities are redeemed or sold, during periods of market turmoil and as investors' perceptions regarding closed-end funds or their underlying investments change. The investment return and principal value of an investment will fluctuate so that the shares may be worth more or less than their original cost.

In general, the value of the Fund's investments can decline when market interest rates rise and, conversely, the value of the Fund's investments can rise when market interest rates decline. High-yield bonds, also known as "junk bonds," are considered speculative and carry a greater risk of default than investment-grade bonds. Their market value tends to be more volatile than investment grade bonds.

The composition, sectors, holdings and other characteristics of the Fund are as of the period shown and are subject to change without notice.

The Fund may, from time to time, enter into interest rate swaps to seek to reduce the risk that an increase in short-term interest rates could reduce common share net earnings as a result of the Fund's use of floating rate leverage. In such an instance, the Fund may agree with a counterparty to pay a fixed rate (multiplied by a notional amount) and the counterparty to pay a floating rate multiplied by the same notional amount. If long-term interest rates rise, the Fund would receive payments under the swap that could offset a portion of its increased leverage costs; if interest rates fall, the Fund would likely lose money on the swap transaction as the amount it receives may be less than the fixed rate it has agreed to pay.

3. Ratings categories shown in the above charts are those of S&P. In looking at the rating of a particular security, the Fund considers the ratings of S&P, Moody's and Fitch (each, an "NRSRO"). In the event that a particular security is rated differently by one of the three NRSROs, the highest rating is used. Chart represents the ratings of the securities held by the Fund and does not imply any credit rating of the Fund itself.

4. May include certain distributions that have been declared but not yet paid. Past distributions are not indicative of future distributions.

5. Holdings are as of 12/31/25 and are subject to change without notice. This list does not constitute a recommendation to buy, sell or hold a security.

*The Fund's benchmark is the **ICE BofA U.S. High Yield Constrained Index**, which is designed to measure the performance of below investment grade US dollar-denominated corporate bonds publicly issued in the US domestic market, including 144A issues. It is not possible to invest directly in an unmanaged index.

This document is for informational purposes only. This report is not a recommendation to buy, sell or hold or a solicitation of an offer to buy or sell any security or adopt any investment strategy. All opinions and views constitute judgments as of the date indicated and are subject to change without notice. The Fund is not sold or distributed by Neuberger Berman BD LLC, member FINRA.