



Volta Finance Limited (VTA / VTAS)

December 2023 Monthly Report – Cancel & Replace

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Guernsey, 30 January 2024

This announcement replaces both the December 2023 Monthly Report announcement released on 16 January 2024 and the Revised December 2023 Monthly Report announcement released on 23 January 2024.

The following text has been added to the first sentence of the first paragraph under “PERFORMANCE and PORTFOLIO ACTIVITY”: “(+2.6% including the January dividend payment)”. In addition the year-to-date performance figure has been amended from +22.0% to +24.5%.

Please note that this has not impacted the NAV as reported on 16 January 2024.

This announcement also contains a link to the revised December 2023 Monthly Report which has been reissued to reflect the changes noted above.

AXA IM has published the Volta Finance Limited (the “Company” or “Volta Finance” or “Volta”) monthly report for December 2023. The full report is attached to this release and will be available on Volta’s website shortly (www.voltafinance.com).

PERFORMANCE and PORTFOLIO ACTIVITY

Volta Finance posted yet another positive monthly performance of +0.6% in December 2023 (+2.6% including the January dividend payment). This concluded a calendar year where Volta recorded a positive production each month of year to the exception of March (-1.5% MoM) and June (flat). All-in, the year-to-date performance settled at +24.5%, Volta’s strongest since 2013.

Despite challenges stemming from geopolitical tensions and Central Bank policy anticipations, broader markets remained composed in December and managed to shrug volatility off as central banks indicated by mid-month that they would maintain rates unchanged. This essentially signaled a pause in the rate hikes cycle as the Federal Reserve acknowledged indications of softer economic growth, prompting traders to price three rate cuts for 2024. Fixed income markets rallied, for instance both Investment Grade and High Yield spreads tightened over the quarter.

In the CLO space, market remained active both in Primary and Secondary. As Primary gradually slowed down into Christmas, spreads tightened significantly across all rated tranches and lifted valuations up. We saw notably a decent appetite on low mezzanine assets especially for tranches that had underperformed their peers price-wise due to worsening collaterals quality. A pivot in rates may provide relief to the weakest companies those CLOs are specifically exposed to, prompting bids up.

Volta’s underlying sub asset classes monthly performances** were as follow: +1.0% for Bank Balance



Sheet transactions, +4.0% for CLO Equity tranches, +5.0% for CLO Debt tranches and -5.9% for Cash Corporate Credit and ABS.

In terms of fund management, while Volta's 2015-3 Equity piece from Oak Hill Advisors was redeemed, USD 5.00mm of BB-rated risk (+885bps) as well as EUR 2.00mm of Single-B risk (+1125bps) were sourced, both from the Primary market since it offered better value and cleaner collateral pools compared to the Secondary offerings that were available.

As of end of December 2023, Volta's NAV was €245.1m, i.e. €6.70 per share.

**It should be noted that approximately 7.16% of Volta's GAV comprises investments for which the relevant NAVs as at the month-end date are normally available only after Volta's NAV has already been published. Volta's policy is to publish its NAV on as timely a basis as possible to provide shareholders with Volta's appropriately up-to-date NAV information. Consequently, such investments are valued using the most recently available NAV for each fund or quoted price for such subordinated notes. The most recently available fund NAV or quoted price was 1.72% as at 21 December 2023, 5.44% as at 30 November.*

*** "performances" of asset classes are calculated as the Dietz-performance of the assets in each bucket, taking into account the Mark-to-Market of the assets at period ends, payments received from the assets over the period, and ignoring changes in cross-currency rates. Nevertheless, some residual currency effects could impact the aggregate value of the portfolio when aggregating each bucket.*

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ABOUT VOLTA FINANCE LIMITED

Volta Finance Limited is incorporated in Guernsey under The Companies (Guernsey) Law, 2008 (as amended) and listed on Euronext Amsterdam and the London Stock Exchange's Main Market for listed securities. Volta's home member state for the purposes of the EU Transparency Directive is the Netherlands. As such, Volta is subject to regulation and supervision by the AFM, being the regulator for financial markets in the Netherlands.

Volta's Investment objectives are to preserve its capital across the credit cycle and to provide a stable stream of income to its Shareholders through dividends that it expects to distribute on a quarterly basis. The Company currently seeks to achieve its investment objectives by pursuing exposure predominantly to CLO's and similar asset classes. A more diversified investment strategy across structured finance assets may be pursued opportunistically. The Company has appointed AXA Investment Managers Paris an investment management company with a division specialised in structured credit, for the investment management of all its assets.



ABOUT AXA INVESTMENT MANAGERS

AXA Investment Managers (AXA IM) is a multi-expert asset management company within the AXA Group, a global leader in financial protection and wealth management. AXA IM is one of the largest European-based asset managers with 2,600 professionals and €824 billion in assets under management as of the end of June 2023.

This press release is published by AXA Investment Managers Paris ("AXA IM"), in its capacity as alternative investment fund manager (within the meaning of Directive 2011/61/EU, the "AIFM Directive") of Volta Finance Limited (the "Volta Finance") whose portfolio is managed by AXA IM.

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The figures provided that relate to past months or years and past performance cannot be relied on as a guide to future performance or construed as a reliable indicator as to future performance. Throughout this review, the citation of specific trades or strategies is intended to illustrate some of the investment methodologies and philosophies of Volta Finance, as implemented by AXA IM. The historical success or AXA IM's belief in the future success, of any of these trades or strategies is not indicative of, and has no bearing on, future results.

The valuation of financial assets can vary significantly from the prices that the AXA IM could obtain if it sought to liquidate the positions on behalf of the Volta Finance due to market conditions and general economic environment. Such valuations do not constitute a fairness or similar opinion and should not be regarded as such.

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