

Volta Finance Limited (VTA/VTAS)

Dividend Declaration

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Guernsey, 11 May 2020

Volta Finance Limited (the “Company”) announces that it has declared a first interim dividend of €0.10 per share payable in June 2020, amounting to approximately €3.7 million. The ex-dividend date is 21 May 2020 with a record date of 22 May 2020 and a payment date of 16 June 2020 (“the Dividend”).

The Company had previously declared a first interim dividend of €0.155 per share to be paid on 28 April 2020. As announced on 2 April 2020, this dividend was then cancelled. At that time financial markets, the pricing of the Company’s holdings and liquidity conditions were very disorderly. The Directors and Investment Manager felt that, at that stage, it would be prudent to cancel the dividend given the profound uncertainty in economies and markets generally and, specifically, in relation to the cash flows expected to be received by the Company during April.

Those cash flows have now been received and market and liquidity conditions have started to revert to more normal levels. None of the Company’s positions had a cash flow shortfall in April and, in particular, none of Volta’s CLO Equity positions suffered any cash flow diversion, in contrast to the broader market. The cash flows received are lower than prior periods would have implied but solely because of the lower level of prevailing interest rates.

The Board and Investment Manager recognise the importance of dividends to our shareholders. Accordingly, the Company has declared the Dividend. It believes that this level of dividend, being approximately 8% annualised of the end of March Net Asset Value, is prudent and appropriate. As at today’s date, after deducting for the imminent repayment of the repo and the payment of the Dividend, it leaves the Company with around €8m of surplus cash. Allowing for a sensible buffer for working capital, this remaining cash will be deployed, at highly attractive expected returns, into current commitments and new investments.

The exact profile of this crisis cannot be known and it is inevitable that some diversion of cash flow in the Company’s CLO Equity holdings will occur in the coming quarters. This uncertainty means that the Board will evaluate the cash flows received each quarter and make a specific dividend decision on each occasion. However, unless conditions deteriorate meaningfully, our intention going forwards is to seek to distribute a material proportion of income received and, if possible, seek to be consistent with our previously stated aim of distributing approximately 8% of the NAV per annum. Should income levels in the coming quarters exceed the Company’s current central case, then additional income may well be distributed as an enhanced dividend later in the year. Because the Board and Investment Manager intend to wait for the receipt of cash flows before making each determination of dividend payments, the Company’s dividends are likely to be paid later than previously guided – therefore in June, September, December & March. Once conditions and cash flows become more predictable, the Company may seek to revert to the previous dividend timetable.

The Company has arranged for its shareholders to be able to elect to receive their dividends in either Euros or Pounds Sterling. Shareholders will, by default, receive their dividends in Euros, unless they have instructed the Company’s Registrar, Computershare Investor Services (Guernsey) Limited (“Computershare”), to pay dividends in Pounds Sterling. Such instructions may be given to Computershare either electronically via CREST or by using the Currency Election Form which has been posted to shareholders and a copy of which is also available on the website www.voltafinance.com within the “Investors – Other Documents” section. The deadline for receipt of currency elections is 12:00 (midday) on 26 May 2020.

For further information, please contact:

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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 capital across the credit cycle and to provide a stable stream of income to its shareholders through dividends. Volta seeks to attain its investment objectives predominantly through diversified investments in structured finance assets. The assets that the Company may invest in either directly or indirectly include, but are not limited to: corporate credits; sovereign and quasi-sovereign debt; residential mortgage loans; and, automobile loans. The Company's approach to investment is through vehicles and arrangements that essentially provide leveraged exposure to portfolios of such underlying assets. 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 739 investment professionals and €810 billion in assets under management as 31 December 2019

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