

Volta Finance Limited (VTA / VTAS) – November 2023 monthly report

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Guernsey, 18 December 2023

AXA IM has published the Volta Finance Limited (the “Company” or “Volta Finance” or “Volta”) monthly report for November 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 a positive monthly performance of +1.8% in November 2023. This was the fifth positive month in a row and brought the YTD performance of the fund to 21.3%.

From Sovereign debt to Equities, Credit and CLOs the rally experienced in November was extraordinary, fueled by better-than expected outcomes in terms of geopolitical risks, company earnings, macroeconomics indicators and central banks guidance. For instance, the VIX Index dropped below 12.5, a level not seen since the pre-pandemic era, while 10-year Treasuries moved from a yield of c. 5% to 4.3%. The Leveraged Loan market benefited indeed from the global rally, the Morningstar US Leverage Loan Index gained c. 60cts and the European one c. 30cts. CLO-wise, it became difficult to find bargains as bonds found strong bids while news that Primary transactions were all over-subscribed kept the positive momentum going. Near-term pipeline dried up and the lack of opportunities to invest before year-end gave legs to the rally into December.

Volta’s underlying sub asset classes monthly performances** were as follow: +0.5% for Bank Balance Sheet transactions, +2.4% for CLO Equity tranches, +3.3% for CLO Debt tranches and -0.5% for Cash Corporate Credit and ABS. In terms of cashflows, Volta received €1.3m of distributions through the month, leading to €25.7m cashflow generation over the last 6 months or 21.1% annualized equivalent based on latest NAV.

In terms of activity, we took advantage of the positive market momentum to realize profits on some of the most seasoned US CLO BB transactions of the fund. We then deployed part of the proceeds in fresh new issue transactions that benefit from higher carry and cleaner collateral portfolios. Our holding in REO (a non-CLO asset) was also sold, leaving the fund 97.5% invested in CLO (excluding cash). Overall, it was a fairly busy trading month for the fund with a total of seven individual trades being implemented (€12m equivalent in total).

As of end of November 2023, Volta’s NAV was €243.6m, i.e. €6.66 per share.



**It should be noted that approximately 4.83% 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 0.72% as at 14 November 2023, 0.98% as at 31 October, 3.13% as at 30 September 2023.*

*** "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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Any target information is based on certain assumptions as to future events which may not prove to be realised. Due to the uncertainty surrounding these future events, the targets are not intended to be and should not be regarded as profits or earnings or any other type of forecasts. There can be no assurance that any of these targets will be achieved. In addition, no assurance can be given that the investment objective will be achieved.

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.

Editor: AXA INVESTMENT MANAGERS PARIS, a company incorporated under the laws of France, having its registered office located at Tour Majunga, 6, Place de la Pyramide - 92800 Puteaux. AXA IMP is authorized by the *Autorité des Marchés Financiers* under registration number GP92008 as an alternative investment fund manager within the meaning of the AIFM Directive.
