

Closed End Investments



Source: LSEG, 2026

Market data

EPIC/TKR	VTANA, VTALN, VTAS LN
Price (€)	5.70/5.75/517p
12m high (€)	7.02/7.15/620p
12m low (€)	5.54/5.53/482p
NAV p/sh (Feb'26, €)	6.79
Disc. to NAV (%)	-16
Shares (m)	36.6
Mkt cap (€m)	208
Market (NL, UK)	AEX, LSE, LSE
Free float	48%
Currency	€, €, GBP

Description

Volta Finance (Volta) is a closed-ended, limited liability investment company with a diversified investment strategy across structured finance assets (primarily CLOs). It aims to provide a stable stream of income through quarterly dividends.

Company information

Ind. Chair	Dagmar Kent Kershaw
Ind. NEDs	Simon Holden, Yedau Ogundele Joanne Peacegood
Fund Managers	BNP Paribas AM Europe
Co. Sec./ Administrator	BNP Paribas Securities Services SCA, Guernsey Branch

BNPP AM: +44 (0)1481 750853

www.voltafinance.com

Key shareholders (31 July 2025)

AXA SA Bank	21.75%
BNP Paribas (for clients)	15.71%
AXA Framlington IM	8.23%
BNP Wealth Mgt.	5.97%

Diary

Mid-May	Apr factsheet
---------	---------------

Analysts

Mark Thomas mt@hardmanandco.com

VOLTA FINANCE LIMITED

THIS DOCUMENT IS NOT AVAILABLE TO 'U.S. PERSONS', NOR TO PARTIES WHO ARE NOT CONSIDERED 'RELEVANT PERSONS' IN THE UNITED KINGDOM, NOR SHOULD IT BE TAKEN, TRANSMITTED OR DISTRIBUTED, DIRECTLY OR INDIRECTLY, TO EITHER OF THESE CATEGORIES.

In our note, [Credit resilience from CLO structure and manager](#), we noted the fall in the prices of loans that could be affected by recent events in the Middle East (e.g. surge in energy prices). Also, concerns related to AI disruption have penalised software companies' loans. In our note, we reiterated why Volta's underlying portfolio exposure is limited, noting the double benefits from i) incremental protections embedded within CLO vehicles, ii) the manager's track record of better-than-CLO market risk management, driven by CLO manager selection and portfolio construction. The MTM accounting means NAV will show some sentiment-driven volatility as will the share price, but the underlying portfolio drives medium-term performance.

- ▶ **CLO market protections:** CLOs have exhibited below-corporate-loan-average losses because of the embedded incremental risk protections built into these structures. These include limits on average risk, concentration, covenant light, spread, average life and over-collateralisation as well as vehicle cash retention.
- ▶ **Volta better than market:** We highlight Volta's performance in major market risk events such as the GFC and the early stages of the pandemic and note how well it performed when there was company-specific newsflow such as Altice. These reflect the incremental controls in its large-scale, global manager.
- ▶ **Valuation:** Volta trades at a double discount: its share price is at a 16% discount to NAV, and we believe its NAV includes a sentiment-driven discount to the expected cashflows. Volta's yield (2026E: 11%) is a key attraction, and, we estimate it will be 1.5x covered, giving investors considerable comfort.
- ▶ **Risks:** Credit risk is a key sensitivity. We examined the valuation of assets, highlighting the multiple controls to ensure its validity, in our September 2018 [initiation note](#). The NAV is exposed to sentiment towards its own and underlying markets. Volta's long \$ position is only partially hedged.
- ▶ **Investment summary:** Volta is an investment for sophisticated investors, as both the NAV and the discount to NAV may be volatile over time. Fundamental, long-term share returns are robust: 9.1% p.a. (dividend reinvested basis) since inception to end-Feb 2026. Volta's returns for investments made after the financial crisis were double those in prior years.

Financial summary and valuation (Hardman & Co adjusted basis)

Year end Dec (£000)	2022	2023	2024	2025E	2026E	2027E
Coupons & dividend	42.9	47.0	57.1	56.9	49.1	43.6
Operating income	41.6	44.1	51.5	29.4	42.7	37.2
Inv. manager fees	(3.9)	(5.6)	(10.1)	(7.5)	(7.4)	(6.3)
Expenses	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Total comp. income	33.4	35.2	41.0	23.5	34.2	29.9
Statutory PTP	(17.8)	27.0	45.0	35.4	35.1	30.7
Underlying EPS (€)	0.9	1.0	1.1	0.6	0.9	0.8
NAV per share (€)	6.22	6.45	7.13	7.49	7.83	8.02
S/P prem./disc (-) to NAV*	-16%	-21%	-27%	-9%	-27%	-29%
Gearing	0%	0%	0%	0%	0%	0%
Dividend (€)	0.57	0.51	0.55	0.61	0.63	0.64
Dividend yield	10.0%	8.9%	9.6%	10.7%	11.0%	11.3%

*2022-25 actual NAV and share price, 2026-27 forecast NAV to current share price.

Source: Hardman & Co Research