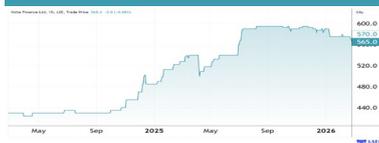


Closed End Investments


Source: LSEG, 2026

Market data

EPIC/TKR	VTA.NA, VTA.LN, VTAS LN
Price (€)	6.24/6.40/565p
12m high (€)	7.02/7.06/614p
12m low (€)	5.15/5.00/416p
NAV p/sh (Jan'26, €)	7.00
Disc. to NAV (%)	-11
Shares (m)	36.6
Mkt cap (€m)	228
FY'25 div. yield (%)	9.8
Market (NL, UK)	AEX, LSE, LSE
Free float	70%
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
	BNP: +44 (0)1481 750853 www.voltafinance.com

Key shareholders (31 July 2025)

AXA SA Bank	21.75%
BNP Paribas	15.71%
AXA Framlington IM	8.23%
BNP Wealth Mgt.	5.97%

Diary

Mid-Mar	Feb estimated NAV
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Analyst

Mark Thomas	mt@hardmanandco.com
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VOLTA FINANCE LIMITED

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Following Anthropic's legal AI tool launch in early February 2026, the share prices of many lenders to high-leveraged, software businesses have fallen sharply. In multiple previous notes, we have discussed the resilience of Volta's underlying portfolio and again believe its exposure is limited. Specifically, we note i) the protections embedded within CLO vehicles, and ii) the manager's track record of better-than-CLO market risk management, driven by CLO manager selection and portfolio construction. In our view, Volta's modest share price reaction to the Anthropic news is a reflection of its below-average risk exposure model. The latest annualised cashflow generation is 19% of NAV, providing a good cushion for dividend sustainability.

- ▶ **Latest factsheet:** Portfolio Managers took advantage of the market conditions to reset two CLOs. Portfolio Managers added ca.€4.5m worth of new investments. In terms of January performance, Volta's CLO Equity tranches returned -3.5% while CLO Debt tranches returned +0.9%.
- ▶ **Yield:** Volta's ca.10% yield comes from a clearly stated dividend policy (paying quarterly an equivalent to 8% of NAV). Current cash generation (16% NAV) is 2x the dividend payout, which should lead to retentions. While there is short-term noise, this, in turn, should lead to NAV and dividend growth over time.
- ▶ **Valuation:** Volta trades at a double discount: its share price is at an 11% discount to NAV, and we believe its mark-to-market approach includes a sentiment-driven discount to the expected cashflows. Volta's yield is a key attraction, and, in our view, it is likely to be more than 2x 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. We note that, historically, some competitors to Volta had a more stable NAV valuation due to a different asset valuation approach. Fundamental, long-term share returns are robust: 9.6% p.a. (dividend reinvested basis) since inception to end-Nov 2025. Volta's performance relative to that of its peers has been strong, and returns for investments made after the financial crisis were double those in prior years.

Financial summary and valuation (Hardman & Co adjusted basis)

Year-end Jul (€m)	2022	2023	2024	2025	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%	-20%	-22%
Gearing	0%	0%	0%	0%	0%	0%
Dividend (€)	0.57	0.51	0.55	0.61	0.63	0.64
Dividend yield	9.2%	8.2%	8.8%	9.8%	10.1%	10.3%

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

Source: Hardman & Co Research