

## Closed End Investments



Source: LSEG, 2026

## Market data

EPIC/TKR	VTANA, VTALN, VTAS LN
Price (€)	5.82/5.95/508p
12m high (€)	7.02/7.06/620p
12m low (€)	5.74/5.60/482p
NAV p/sh (Jan'26, €)	7.00
Disc. to NAV (%)	-17
Shares (m)	36.6
Mkt cap (€m)	212
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

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[www.voltafinance.com](http://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 Apr	Mar factsheet
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## Analysts

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# VOLTA FINANCE LIMITED

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In multiple previous notes, we have discussed the resilience of Volta's underlying portfolio, and once again, on fundamentals, we believe it should prove robust to short-term, Iran-war-related shocks. 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. However, marking the book to market will introduce volatility into the NAV, with sentiment-driven pressure seeing downside in challenging environments and upside when perceived market risks reduce. The latest annualised cashflow generation is 16% 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%.
- ▶ **Point 2:** Volta's 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 a 17% discount to NAV, and we believe its NAV 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. Fundamental, long-term share returns are robust: 9.6% p.a. (dividend reinvested basis) since inception to end-Nov 2025. 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%	-26%	-27%
Gearing	0%	0%	0%	0%	0%	0%
Dividend (€)	0.57	0.51	0.55	0.61	0.63	0.64
Dividend yield	9.8%	8.7%	9.5%	10.5%	10.8%	11.0%

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

Source: Hardman & Co Research