Closed End Investments



Source: LSEG, 2026

Market data

EPIC/TKR	**VTA.NA, VTA.LN, VTAS LN**
Price (€)	**5.86/5.75/486p**
12m high (€)	6.80/7.00/615p
12m low (€)	5.54/5.53/480p
NAV p/sh (Sep'26, €)	6.66
Disc. to NAV (%)	-12
Shares (m)	36.6
Mkt cap (€m)	214
Market (NL, UK)	AEX, LSE, LSE

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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Key shareholders (Jul'26)

AXA SA Bank	21.75%
BNP Paribas Security Services	12.37%
BNP Paribas AM (clients)	8.23%
BNP Wealth Mgt. (clients)	5.97%

Diary

Nov'26	Oct factsheet

Analyst

Mark Thomas mt@hardmanandco.com

VOLTA FINANCE LIMITED

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The manager's September review noted "Against that backdrop, credit markets remained relatively orderly despite the rates shock, with spreads widening only modestly, even as broader risk sentiment weakened. Credit resilience stood in contrast to the significant volatility in government bonds and equities…. We also remain highly selective in terms of collateral manager selection. At the end of September 2026, the Fund held approximately EUR 33.7 million in cash and cash equivalents, providing capacity to deploy capital should attractive opportunities emerge during periods of market volatility" The value added by BNPP AM as manager was evident, with Volta reporting a significant outperformance of Volta's CLO equity tranches vs. with direct peers.

- **Latest factsheet:** September saw a net return of -0.4%. Volta's CLO equity tranches returned -1.8% (beating benchmarks) and its debt tranches returned +0.4% performance. The fund generated ca.EUR19.9m in interest proceeds over the past six months, ca.16% of the latest NAV on an annualised basis.

- **2026 Report and Accounts:** We particularly draw readers attention to the Chair's Statement (pp4-5), the manager's key messages (p7), their 12.8% € gross projected yield on assets (p10, our income forecast below includes this and some MTM recovery of FY'26 writedowns) and outlook statement (p12).

- **Valuation:** Volta trades at a double discount: its share price is at a 12% discount to NAV, and we believe its NAV includes a sentiment-driven discount to the expected cashflows. Volta's yield (2027E: 10.2%) is a key attraction. In 2027, we forecast >2x statutory cover, 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 reasonable: 8.9% p.a. (dividend reinvested basis) since inception to end-June 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 July (£000)	2022	2023	2024	2025	2026	2027E
Net gain on fin assets at FV through P/L	(4.7)	28.9	56.1	41.5	(4.0)	55.0
Operating income	(12.8)	33.8	56.4	44.1	(4.5)	55.8
Inv. manager fees	(3.9)	(5.6)	(10.1)	(7.5)	(3.8)	(3.7)
Total expenses	(5.1)	(6.9)	(11.5)	(8.7)	(5.0)	(4.8)
Statutory pre-tax profit	(17.8)	27.0	45.0	35.4	(9.5)	51.0
Statutory EPS (p)	(0.5)	0.7	1.2	1.0	(0.3)	1.4
NAV per share	6.22	6.45	7.13	7.49	6.66	7.46
S/P discount to NAV	-16%	-21%	-27%	-9%	-10%	-21%
Gearing	0%	0%	0%	0%	0%	0%
Dividend	0.57	0.51	0.55	0.61	0.55	0.60
Dividend yield	9.7%	8.7%	9.4%	10.4%	9.4%	10.2%

**2022-26 actual NAV and share price, 2027 forecast NAV to current share price.*
Source: Hardman & Co Research