

## Closed End Investments



Source: LSEG, 2026

## Market data

EPIC/TKR	VTA.NA, VTA.LN, VTAS LN
Price (€)	6.02/5.95/532p
12m high (€)	7.02/7.15/620p
12m low (€)	5.54/5.53/482p
NAV p/sh (May'26, €)	6.74
Disc. to NAV (%)	-11
Shares (m)	36.6
Mkt cap (€m)	220
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 Ogunde Joanne Peacegood
Fund Managers	BNP Paribas AM Europe
Co. Sec./ Administrator	BNP Paribas Securities Services SCA, Guernsey Branch
BNPP AM:	+44 (0)1481 750853 <a href="http://www.voltafinance.com">www.voltafinance.com</a>

## Key shareholders (31 Dec'25)

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

## Diary

Mid-Jul	Jun factsheet
---------	---------------

## Analyst

Mark Thomas	<a href="mailto:mt@hardmanandco.com">mt@hardmanandco.com</a>
-------------	--

# 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. MTM accounting means NAV will show sentiment-driven volatility, and we have now reflected a large writedown in FY'26 (ending July), largely recovered in FY'27. The underlying portfolio drives long-term performance.

- ▶ **Latest factsheet:** After April, which showed some of the rebound effect we noted above, May was quieter, with a flat return in the month. Volta's CLO equity tranches returned -0.8% while its debt tranches returned +1.1% performance. The fund generated €17.6m in interest over the past six months.
- ▶ **Spreads tightened:** "spreads continued to grind tighter across ratings, with low mezzanine tranches recouping the losses from the previous months. BBs and single-Bs also moved in respectively in the low-mid 500bps and mid 800bps, although we also notice strong transaction tiering with regards to the collateral pool."
- ▶ **Valuation:** Volta trades at a double discount: its share price is at an 11% discount to NAV, and we believe its NAV includes a sentiment-driven discount to the expected cashflows. Volta's yield (2027E: 10%+) is a key attraction, and, in 2027E, we forecast >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 reasonable: 8.9% p.a. (dividend reinvested basis) since inception to end-May 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	2026E	2027E
Coupons & dividend	42.9	47.0	57.1	56.9	49.1	33.9
Operating income	41.6	44.1	51.5	29.4	42.7	27.5
Inv. manager fees	(3.9)	(5.6)	(10.1)	(7.5)	2.8	(11.3)
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	21.9
Statutory PTP	(17.8)	27.0	45.0	35.4	(5.7)	50.0
Underlying EPS (€)	0.9	1.0	1.1	0.6	0.9	0.6
NAV per share (€)	6.22	6.45	7.13	7.49	6.71	7.48
S/P prem./disc (-) to NAV*	-16%	-21%	-27%	-9%	-10%	-20%
Gearing	0%	0%	0%	0%	0%	0%
Dividend (€)	0.57	0.51	0.55	0.61	0.63	0.60
Dividend yield	9.5%	8.5%	9.1%	10.1%	10.5%	9.9%

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

Source: Hardman & Co Research