

# Volta Finance Ltd

## Monthly Report - April 2024



### Data as of 30 Apr 2024

|                        |                             |
|------------------------|-----------------------------|
| Gross Asset Value      | €264.4m                     |
| NAV                    | €258.7m                     |
| NAV per share          | €7.07                       |
| Outstanding Shares     | 36.6m                       |
| Share Price (Euronext) | €5.15                       |
| Share Price (LSE)*     | €5.04                       |
| Tickers                | VTA.NA<br>VTA.LN<br>VTAS.LN |
| ISIN                   | GG00B1GHHH78                |

### Fund Facts

|                             |                             |
|-----------------------------|-----------------------------|
| Launch Date                 | Dec-2006                    |
| Fund Domicile               | Guernsey                    |
| Listing and Trading         | AEX<br>LSE                  |
| Type of Fund                | Closed-ended                |
| Dividend                    | Quarterly                   |
| Dividend Cover <sup>4</sup> | 2.8 times                   |
| Base currency               | EUR                         |
| Asset types                 | Corporate Credit<br>and ABS |

### Background and Investment Objective

AXA Investment Managers Paris ("AXA IM") has been the Investment Manager of Volta Finance Limited ("Volta") since inception. Volta's investment objectives are to preserve capital across the credit cycle and to provide a stable stream of income to its Shareholders through dividends. For this purpose, Volta pursues a multi-asset investment strategy on deals, vehicles and arrangements that provide leveraged exposure to target Underlying Assets (including corporate credit, residential and commercial mortgages, auto and student loans, credit card and lease receivables).

### Fund Performance

**7.9%** Annualised since inception<sup>1</sup>      **3.7%** Annualised over 5 years<sup>1</sup>      **1.3%** 1 month<sup>2</sup>

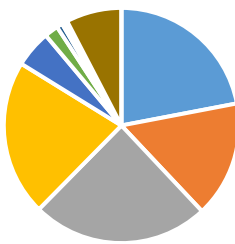
**€258.7m** NAV as of April 2024      **10.4%** Trailing 12-month Div. Yield<sup>3</sup>

| Returns | Jan  | Feb   | Mar    | Apr  | May    | Jun   | Jul   | Aug   | Sep   | Oct   | Nov  | Dec   | Year          |
|---------|------|-------|--------|------|--------|-------|-------|-------|-------|-------|------|-------|---------------|
| 2024    | 2.8% | 1.0%  | 2.3%   | 1.3% |        |       |       |       |       |       |      |       | <b>7.6%</b>   |
| 2023    | 5.5% | 1.7%  | -1.5%  | 3.0% | 1.9%   | 0.0%  | 3.8%  | 1.3%  | 1.6%  | 0.5%  | 1.8% | 2.6%  | <b>24.5%</b>  |
| 2022    | 1.7% | -3.9% | 1.5%   | 2.3% | -11.8% | -4.6% | 4.5%  | 2.8%  | -7.2% | -2.6% | 6.3% | -0.9% | <b>-12.7%</b> |
| 2021    | 3.9% | 1.0%  | 1.1%   | 2.1% | 0.4%   | 2.2%  | 1.9%  | -0.5% | 1.9%  | 1.2%  | 1.0% | 0.3%  | <b>17.9%</b>  |
| 2020    | 1.1% | -2.6% | -32.4% | 5.7% | 4.5%   | 6.9%  | -1.2% | 1.9%  | 4.8%  | 1.6%  | 7.2% | 4.3%  | <b>-5.7%</b>  |
| 2019    | 3.1% | 0.4%  | 0.5%   | 1.9% | 1.4%   | -1.0% | 0.5%  | -1.5% | 0.4%  | -2.6% | 0.4% | 3.3%  | <b>6.8%</b>   |

<sup>1</sup> Share (VTA.NA) performance (annualised figures with dividends re-invested). Source: Bbg (TRA function)  
<sup>2</sup> Performance of published NAV (including dividend payments).  
<sup>3</sup> Calculated as the most recent annual dividend payments versus the month-end share price (VTA.NA).  
<sup>4</sup> Calculated as total income divided by the most recent annual dividend payments.

### Asset Breakdown

As a % of Gross Assets Value



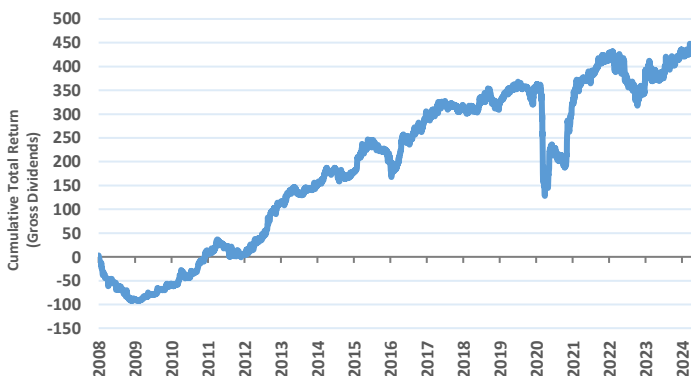
- USD CLO Equity 22.0%
- USD CLO Debt 16.0%
- EUR CLO Equity 24.4%
- EUR CLO Debt 21.4%
- CMV 5.1%
- CLO Warehouse 1.9%
- Bank Balance Sheet Transactions 0.8%
- Cash Corporate Credit Equity 0.5%
- ABS Residual Positions 0.3%
- Cash or equivalent 7.6%
- Others 0.0%

### Top 10 Underlying Exposures

| Issuer                           | %    | Bloomberg Industry Group |
|----------------------------------|------|--------------------------|
| Virgin Media Secured Finance PLC | 0.8% | Media                    |
| Altice France SA/France          | 0.7% | Telecommunications       |
| Laboratoire Cerba                | 0.5% | Healthcare-Services      |
| Boxer Parent Co Inc              | 0.5% | Software                 |
| Masmovil Holdphone SA            | 0.5% | Telecommunications       |
| McAfee LLC                       | 0.5% | Computers                |
| Nidda Healthcare Holding GmbH    | 0.5% | Pharmaceuticals          |
| Verisure Holding AB              | 0.5% | Commercial Services      |
| INEOS Group Holdings SA          | 0.5% | Chemicals                |
| Solera Holdings Inc              | 0.4% | Software                 |

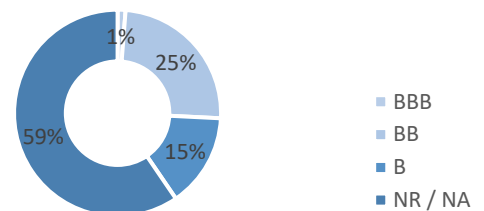
Source: Intex, Bloomberg, AXA IM Paris as of April 2024 – unaudited figures - not accounting for unsettled trades  
 Figures expressed in % of the NAV

### Historical Performance



Source: Bloomberg, as of April 2024

### Portfolio Rating Breakdown



Source: AXA IM, as of April 2024

# Volta Finance Ltd

## Monthly Report - April 2024



### Monthly Commentary

Volta Finance recorded again a positive month in April at +1.3%, bringing the year-to-date return to +7.6%. For context, US High Yield returned -1.0% on the month and +0.5% year-to-date, while European High Yield was flat on the month (+1.6% YtD).

The credit markets experienced volatility in mid-April, leading to a sharp repricing that was partially retraced by month-end. The US 10-year bond yields increased to 4.70% from 4.20% at the end of March, challenging the soft-landing narrative due to latest economic data and concerns regarding the persistence of high rates. The Fed delivered a rather dovish message though, expressing confidence in their restrictive policy to bring inflation back to target. Earnings season showed opposite directions for average earnings growth in the US and Europe, but both regions beat expectations. Regarding the leverage loan markets, the Morningstar LLI and ELLI 12-month rolling default rates settled respectively at 1.31% and 1.48%, a testimony of companies' ability to access financing. Pricing-wise, Euro Loans were up 50 cents at 97.15px while US Loans were slightly down (96.64px from 96.75px on the previous month).

CLO-wise, the broader market volatility impacted negatively CLO BB and single B tranches as well as CLO Equity tranches as risk premium rose. Volta Finance's book was not immune and mark-to-market valuations for both the CLOs Debt and Equity pockets closed down on the month. However, Volta benefited from strong CLO Equity payments, reaching record levels in April (5-year highs in Europe, 8-year highs in the US). As a result, cashflow generation kept on being strong with €28.8m equivalent of interests and coupons over the last 6 months on an annualized basis (i.e. 22% of the April 2024 NAV).

Volta's underlying sub asset classes monthly performances\*\* were as follow: +1.1% for Bank Balance Sheet transactions, +2.96% for CLO Equity tranches, +1.0% for CLO Debt tranches and -15.7% for Cash Corporate Credit and ABS\*\*\*.

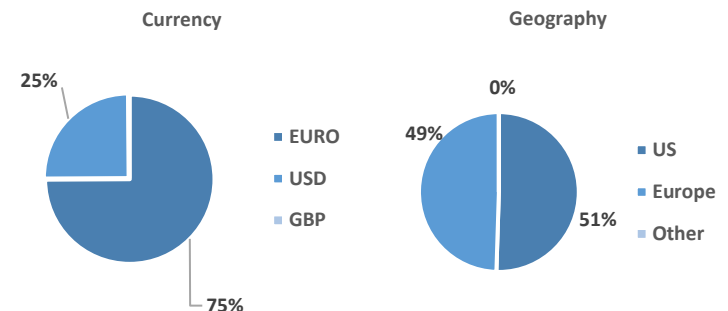
As of end of April 2024, Volta's NAV was €258.7m, i.e. €7.07 per share.

*\*It should be noted that approximately 5.6% of Volta's GAV comprises investments for which the relevant NAVs as at the month-end date are normally available only after Volta's NAV has already been published. Volta's policy is to publish its NAV on as timely a basis as possible to provide shareholders with Volta's appropriately up-to-date NAV information. Consequently, such investments are valued using the most recently available NAV for each fund or quoted price for such subordinated notes. The most recently available fund NAV or quoted price was 5.36% as at 30 March 2024, 0.24% as at 31 December 2023.*

*\*\* "performances" of asset classes are calculated as the Dietz-performance of the assets in each bucket, taking into account the Mark-to-Market of the assets at period ends, payments received from the assets over the period, and ignoring changes in cross-currency rates. Nevertheless, some residual currency effects could impact the aggregate value of the portfolio when aggregating each bucket.*

*\*\*\* The cash Corporate Credit and ABS bucket is currently made of 3 legacy assets representing 0.8% of GAV.*

### Currency and Geography exposures (%)



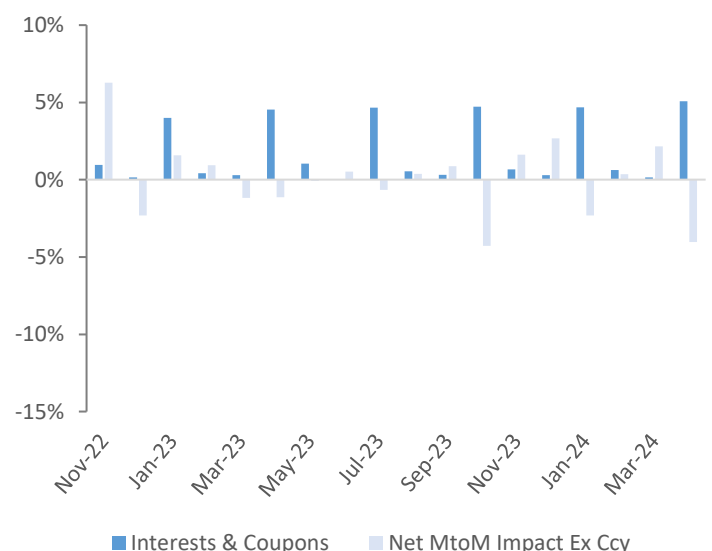
Source: Intex, Bloomberg, AXA IM Paris as of April 2024 – unaudited figures - not accounting for unsettled trades  
Figures expressed in % of the NAV

### Portfolio Composition by Asset Type

| Market Value (€m)     |              | Breakdown (% GAV)                 |             |
|-----------------------|--------------|-----------------------------------|-------------|
| CLO                   | 240.1        | USD CLO Equity                    | 22.0%       |
|                       |              | USD CLO Debt                      | 16.0%       |
|                       |              | EUR CLO Equity                    | 24.4%       |
|                       |              | EUR CLO Debt                      | 21.4%       |
|                       |              | CMV                               | 5.1%        |
|                       |              | CLO Warehouse                     | 1.9%        |
|                       |              | Synthetic Credit                  | 2.1         |
|                       |              | Synthetic Corporate Credit Debt   | 0.0%        |
|                       |              | Bank Balance Sheet Transactions   | 0.8%        |
| Cash Corporate Credit | 1.3          | Cash Corporate Credit Equity      | 0.5%        |
|                       |              | Cash Corporate Credit Debt        | 0.0%        |
| ABS                   | 0.7          | ABS Residual Positions            | 0.3%        |
|                       |              | ABS Debt                          | 0.0%        |
| Cash & equivalent     | 20.2         | Cash or equivalent                | 7.6%        |
| <b>GAV</b>            | <b>264.4</b> |                                   |             |
| Liability             | -            | Debt from Repurchase Agreement    |             |
| Payables              | (5.8)        | Fees, dividend and other payables | (2.2)%      |
| <b>Estimated NAV</b>  | <b>258.7</b> | <b>Per Share</b>                  | <b>7.07</b> |

Source: AXA IM, as of April 2024

### Last Eighteen Months Performance Attribution



Source: AXA IM, as of April 2024

# Volta Finance Ltd

## Monthly Report - April 2024



### Important Information

This monthly report is published by AXA Investment Managers Paris (“AXA IM”), in its capacity as alternative investment fund manager (within the meaning of Directive 2011/61/EU, the “AIFM Directive”) of Volta Finance Limited (the «Company») whose portfolio is managed by AXA IM. This monthly report is intended only for the person to whom it has been delivered. By obtaining access to and reviewing this monthly report, you acknowledge and agree to be bound by the following: No part of this document may be reproduced in any manner without the prior written permission of AXA IM. This monthly report does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares or other securities of the Company whose portfolio is managed by AXA IM, or securities of any other entity (together, the “Securities”). The Securities described in this monthly report may not be eligible for sale in some states or countries and may not be suitable for all types of investors. Prospective investors are advised to seek expert legal, financial, tax and other professional advice before making any investment decision. Securities in the Company may not be offered or sold directly or indirectly into the United States or to U.S. Persons. Nor shall this monthly report or any part of it nor the fact of its distribution or publication (on the Company’s website or otherwise) form the basis of, or be relied on in connection with, any contract or investment decision in relation to the Securities. This monthly report does not constitute a recommendation to buy, sell or hold the Securities. The information contained herein is for information purposes only, does not purport to contain all the information that may be required to evaluate the Company or any other entity or their respective financial positions. This monthly report speaks only as of its date and neither AXA IM nor the Company is under any obligation to update the information contained herein. Certain information and estimates contained herein are originated by or derived from third parties and the accuracy and completeness of such information and estimates has not been verified. It should also be noted that the financial information contained herein has not been audited. No representation or warranty whatsoever, whether express or implied, is given by or on behalf of AXA IM, the Company, their affiliates, or their respective directors, officers or employees or any other person as to (a) the accuracy or completeness of the information or (b) the opinions contained in this monthly report. None of AXA IM, the Company, any of their affiliates, or their respective directors, officers or employees or any other person accepts any liability whatsoever for any such information or opinions. Nothing contained herein shall be relied upon as a promise or representation whether as to past or future performance of the Company, any other entity, any Securities or any asset class in the Company’s portfolio. The figures provided that relate to past months or years and past performance cannot be relied on as a guide to future performance or construed as a reliable indicator as to future performance. Throughout this review, the citation of specific trades or strategies is intended to illustrate some of the investment methodologies and philosophies of the Company, as implemented by AXA IM. The historical success or AXA IM’s belief in the future success, of any of these trades or strategies is not indicative of, and has no bearing on, future results. No statement in this monthly report is intended to be nor may be construed as a profit forecast and there can be no assurance that the assumptions described herein, the returns and targets (including without limitation target portfolio composition) indicated herein will be achieved. The views and opinions expressed herein include forward-looking statements which may or may not be accurate. Forward-looking statements can be identified by words like “believe”, “expect”, “anticipate”, or similar expressions. You should not place undue reliance on forward-looking statements, which are current as of the date of this report. AXA IM disclaims any obligation to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise. The valuation of financial assets can vary significantly from the prices that the AXA IM could obtain if it sought to liquidate the positions on behalf of the Company due to market conditions and general economic environment. Such valuations do not constitute a fairness or similar opinion and should not be regarded as such. They follow the valuation policy of the Company as adapted from time to time in the best interests of the shareholders, taking into account the conditions of financial markets at that time. Volta qualifies as an alternative investment fund within the meaning of the AIFM Directive and is notified as such under the license held by AXA IM with the Autorité des Marchés Financiers (the “AMF”) in France.

Editor: AXA INVESTMENT MANAGERS PARIS, a company incorporated under the laws of France, having its registered office located at Tour Majunga, 6, Place de la Pyramide 92908 Paris – La Défense cedex – France, registered with the Nanterre Trade and Companies Register under number 353 534 506, a Portfolio Management Company, holder of AMF Approval no. GP 92-08, issued on 7 April 1992.

### Contact:

#### For the Investment Manager

AXA Investment Managers Paris

François Touati

[Francois.touati@axa-im.com](mailto:Francois.touati@axa-im.com)

+33 (0) 1 44 45 80 22

#### Company Secretary and Administrator

BNP Paribas S.A, Guernsey Branch

[guernsey.bp2s.volta.cosec@bnpparibas.com](mailto:guernsey.bp2s.volta.cosec@bnpparibas.com)

+44 (0) 1481 750 853