

# Volta Finance Ltd

## Monthly Report- September 2023



### Data as of 30 Sep 2023

Gross Asset Value	€248.9m
Liabilities	€10.6m
NAV	€238.3m
NAV per share	€6.51
Outstanding Shares	36.6m
Share Price (Euronext)	€5.20
Share Price (LSE)*	€4.99
Tickers	VTA.NA VTA.LN VTAS.LN
ISIN	GG00B1GHHH78

### Fund Facts

Launch Date	Dec-2006
Fund Domicile	Guernsey
Listing and Trading	AEX LSE
Type of Fund	Closed-ended
Dividend	Quarterly
Dividend Cover <sup>4</sup>	2.6 times
Base currency	EUR
Asset types	Corporate Credit 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

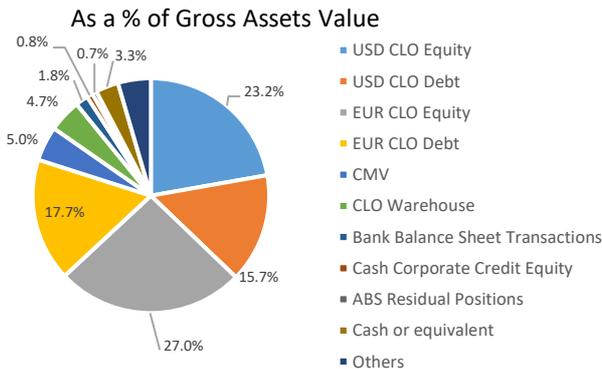
**7.9%** Annualised since inception<sup>1</sup>      **3.2%** Annualised over 5 years<sup>1</sup>      **1.6%** 1 month<sup>2</sup>

**€238.3m** NAV as of September 2023      **9.8%** Trailing 12-month Div. Yield<sup>3</sup>

Returns	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2023	5.5%	1.7%	-1.5%	3.0%	1.9%	0.0%	3.8%	1.3%	1.6%				<b>18.6%</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>
2018	-0.4%	0.7%	-0.2%	0.9%	2.4%	0.2%	0.6%	1.2%	-0.4%	1.3%	-1.4%	-4.8%	<b>0.0%</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

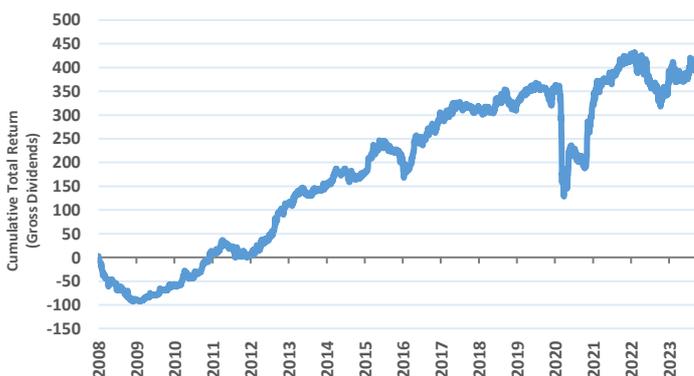


### Top 10 Underlying Exposures

Issuer	%	Bloomberg Industry Group
Altice France SA/France	0.80%	Telecommunications
EG Group Ltd	0.64%	Retail
Virgin Media Secured Finance PLC	0.59%	Media
Nidda Healthcare Holding GmbH	0.49%	Pharmaceuticals
Masmovil Holdphone SA	0.45%	Telecommunications
Verisure Holding AB	0.44%	Commercial Services
BMC Software Inc	0.43%	Software
McAfee LLC	0.42%	Computers
Asurion LLC	0.40%	Insurance
Solera Holdings Inc	0.36%	Software

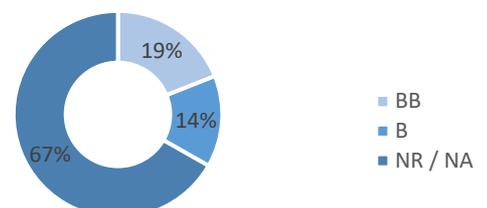
Source: Intex, Bloomberg, AXA IM Paris as of September 2023 – unaudited figures - not accounting for unsettled trades  
 Figures expressed in % of the NAV

### Historical Performance



Source: Bloomberg, as of September 2023

### Portfolio Rating Breakdown



Source: AXA IM, as of September 2023

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### Monthly Commentary

Including the dividend to be paid in October (record date in September), Volta Finance posted another positive monthly performance in September 2023 (+1.6%) and has now delivered a YTD performance of 18.6%.

Volta's underlying sub asset classes monthly performances\*\* performed as follows: +0.7% for Bank Balance Sheet transactions, +3.7% for CLO Equity tranches, -1.4% for CLO Debt tranches and -0.1% for Cash Corporate Credit and ABS. This month, being long USD against Euro provided circa +0.51% of performance.

September recorded another strong month for leveraged loans with US and European markets moving up again (ELLI was up 1.1% while US LLI was up c.1.0% according to Pitchbook LCD) even though some market softness started to show at the end of the month alongside other credit markets. This impacted some of our US CLO debt exposures that were marked lower at the end of the month.

In terms of cashflows, Volta received €0.8m of distributions through the month, and a cumulative total of €25.8m in cashflow generation over the last 6 months. In addition, Volta received some principal repayments from one Bank Balance Sheet transaction for €1.5m reducing further the Bank Balance Sheet exposure to 1.8%.

Regarding the European warehouse exposure, we can report that the CLO priced in September and is expected to close in November. The warehouse IRR is expected to be above 20% and Volta is rolling its current exposure into the CLO Equity and the CLO single B tranche. Overall, we expect over 15% IRR from the blended investment.

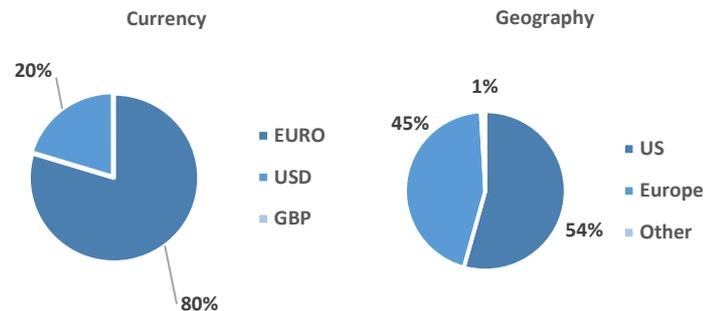
Through the month, we also partially sold 2 US CLO debts and opened another US warehouse to be able to benefit from market volatility.

As of end of September 2023, Volta's NAV was €238.3m, i.e. €6.51 per share.

*\*It should be noted that approximately 1.48% 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 1.08% as at 31 July 2023, 0.40% as at 30 June 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.*

### Currency and Geography exposures (%)



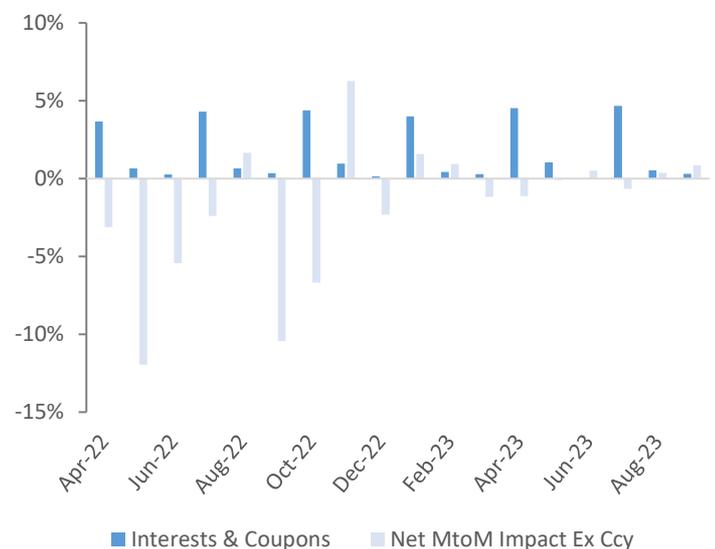
Source: Intex, Bloomberg, AXA IM Paris as of September 2023 – unaudited figures - not accounting for unsettled trades  
Figures expressed in % of the NAV

### Portfolio Composition by Asset Type

Market Value (€m)		Breakdown (% GAV)	
CLO	232.4	USD CLO Equity	23.2%
		USD CLO Debt	15.7%
		EUR CLO Equity	27.0%
		EUR CLO Debt	17.7%
		CMV	5.0%
		CLO Warehouse	4.7%
		Synthetic Credit	4.5
		Synthetic Corporate Credit Debt	0.0%
Cash Corporate Credit	2.1	Bank Balance Sheet Transactions	1.8%
		Cash Corporate Credit Equity	0.8%
		Cash Corporate Credit Debt	0.0%
ABS	1.7	ABS Residual Positions	0.7%
		ABS Debt	0.0%
Cash or equivalent	8.1	Cash or equivalent	3.3%
<b>GAV</b>	<b>248.9</b>		
Liability	-	Debt from Repurchase Agreement	0.0%
Fees due	(10.6)	Fees due to Investment Manager	(4.2)%
<b>Estimated NAV</b>	<b>238.3</b>	<b>Per Share</b>	<b>6.51</b>

Source: AXA IM, as of September 2023

### Last Eighteen Months Performance Attribution



Source: AXA IM, as of September 2023

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