



## NEWS RELEASE

### **AZALEA LAUNCHES ASTREA 8 PE BONDS CLASS A-1 AND CLASS A-2 BONDS OPEN FOR PUBLIC SUBSCRIPTION**

- **Public Offer<sup>1</sup> of two Classes of Bonds:**
  - **S\$260 million Class A-1 Bonds at a fixed coupon of 4.35% p.a.**
  - **US\$50 million Class A-2 Bonds at a fixed coupon of 6.35% p.a.<sup>2</sup>**
- **Application period for Astrea 8 Private Equity Bonds:**
  - **Opens Thursday, 11 July 2024 at 9 am**
  - **Closes Wednesday, 17 July 2024 at 12 noon**
- **Placement tranche attracted strong demand from high quality institutions, with an orderbook in excess of S\$1.2 billion, representing 2.6x subscription**

**Singapore, 10 July 2024** – Astrea 8 Pte. Ltd. (the “Issuer”) and Azalea Investment Management Pte. Ltd. (“Azalea”) today announced the launch of the Astrea 8 Class A-1 Bonds and Class A-2 Bonds for subscription by the public in Singapore (“Public Offer”), the fifth private equity (“PE”) retail bonds to be listed on the Singapore Exchange. Under the Public Offer, the Issuer is offering S\$260 million of Class A-1 Bonds at a fixed interest rate of 4.35% per annum, as well as US\$50 million of Class A-2 Bonds at a fixed interest rate of 6.35% per annum.

The Public Offer follows the successful placement of S\$260 million of the Class A-1 Bonds and US\$150 million of the Class A-2 Bonds to institutional and accredited investors, which concluded earlier today. The placement tranche saw strong demand across both classes of bonds from high quality institutions such as endowments, pensions, insurance companies and asset managers, with a combined placement orderbook in excess of S\$1.2 billion. This reflects institutional investors’ continuing appreciation of the credit strength of the Astrea PE bonds. Allocations to these institutions make up two-thirds of the investor base.

Margaret Lui, Chief Executive Officer of Azalea, said, “We are delighted to return with another series of our Astrea PE bonds. This latest issuance underscores our dedication to democratising

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<sup>1</sup> Unless otherwise defined, all capitalised terms shall have the same meanings given to them in the Prospectus registered with the Monetary Authority of Singapore (“MAS”) on 10 July 2024.

<sup>2</sup> Under the Class A-2 Public Offer, investors will pay in Singapore Dollars at the Fixed USD:SGD Exchange Rate in applying for the Class A-2 Bonds.



private equity for all investors, including retail investors in Singapore, and reaffirms our commitment to product innovation. The Astrea 8 PE Bonds offer Singapore retail investors a unique opportunity to invest in investment-grade bonds that provide quality, diversified private equity exposure through a steady income stream. We would like to thank institutional and accredited investors for their continued support for the Astrea 8 PE Bonds, which reinforces our role as a trusted partner in private equity."

Similar to the previous Astrea issuances, the interest rates for the respective classes of Astrea 8 PE Bonds were determined through a competitive bookbuilding process with institutional investors. The same interest rates set by these investors are then used for the retail offering.

Chue En Yaw, Chief Investment Officer of Azalea, said: "As in previous issuances, the Astrea 8 PE Bonds are backed by cash flows from a quality diversified portfolio. The Astrea 8 portfolio consists of investments in 38 private equity funds managed by 27 reputable managers, valued at approximately US\$1.5 billion providing exposure to over 1,000 companies at launch, diversified across vintages, sectors, and across geographies. The diversification and quality of the Astrea 8 portfolio, along with the structural safeguards that we have built in place, help to mitigate downside risks for bondholders."

"This marks the fifth retail bond issuance of the Astrea Platform, which has a strong track record of consistently generating healthy cash distributions under different market conditions. To date, our Astrea PE bonds have enjoyed multiple credit rating upgrades since issuance, reflecting the strong credit quality of the bonds. Additionally, the Astrea PE bonds have consistently been redeemed on their scheduled call dates, including Astrea III and Astrea IV, and most recently the Class A bonds of Astrea V. This is testament to the consistent performance of the Astrea portfolios."

To help investors understand Astrea 8 PE Bonds before they invest, a recording of the Management Presentation on the transaction is made available on the [Astrea 8 website](#). In addition, investors in Singapore can also attend the Management Presentation Live Event to be held on Monday, 15 July 2024 to learn more about the Astrea 8 PE Bonds.



## Offer Details

The Astrea 8 PE Bonds comprise two different classes of PE bonds: Class A-1 and Class A-2, with interest rates of 4.35% and 6.35% per annum respectively. Each class caters to investors with different risk preferences and investment horizons.

The Class A-1 Bonds and Class A-2 Bonds are expected to be rated “A+sf” and “Asf” by Fitch Ratings, Inc.<sup>3</sup> (“Fitch”) respectively. These are investment-grade credit ratings, and both the Class A-1 Bonds and Class A-2 Bonds are available for retail subscription in Singapore. The Class A-1 Bonds have a minimum subscription amount of S\$2,000, while the Class A-2 Bonds have a minimum subscription amount of US\$2,000. Subscribers to the Class A-2 Public Offer, which is US-dollar denominated, will pay in Singapore Dollars at the fixed US-dollar exchange rate of US\$1.00 to S\$1.35.

Both the Class A-1 and Class A-2 Bonds have a final maturity of 15 years, with a mandatory call at the end of 5 years for Class A-1 Bonds and a mandatory call at the end of 6 years for Class A-2 Bonds. For Class A-1 Bonds, the Issuer will be required to redeem them on 19 July 2029, if there is sufficient cash set aside to redeem all Class A-1 Bonds and if other conditions are satisfied. For Class A-2 Bonds, the Issuer will be required to redeem them on 19 July 2030 if there are no outstanding Class A-1 Bonds; if there is sufficient cash set aside to redeem the Class A-2 Bonds; and if other conditions are satisfied. If any of the Class A-1 Bonds or Class A-2 Bonds are not redeemed on their respective scheduled call dates (as described above), there will be a one-time 1.0% per annum step-up in their respective interest rates until the respective bonds are fully redeemed.

The Prospectus in respect of the offering by Astrea 8 Pte. Ltd. of the Class A-1 Bonds and Class A-2 Bonds in Singapore is available for collection at selected DBS, POSB and OCBC branches during operating hours until 12 noon on 17 July 2024.

The Prospectus is also available on the Issuer’s website at <http://www.azalea.com.sg/a8>, the MAS OPERA website at <https://eservices.mas.gov.sg/opera/> and from SGX at <https://www.sgx.com>.

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<sup>3</sup> Fitch has not provided its consent, for the purposes of Section 249 of the Securities and Futures Act 2001 of Singapore (“SFA”), to the inclusion of the information cited and attributed to it in the Prospectus, and is therefore not liable for such information under Sections 253 and 254 of the SFA (as described in the section “Credit Ratings” of the Prospectus).



Besides the Prospectus, the Issuer's website also contains information on the Astrea 8 PE Bonds explained in videos and infographics. In addition, the Issuer will be hosting a Management Presentation Live Event in Singapore on 15 July 2024 to share more about Astrea 8 and answer any questions that the public may have (see Appendix for more details).

The Public Offer will open from 9 am on 11 July 2024 and will close at 12 noon on 17 July 2024. The Astrea 8 PE Bonds are expected to be issued on 19 July 2024. The Class A-1 Bonds and Class A-2 Bonds are expected to list and start trading on the Mainboard of the SGX-ST on 22 July 2024 in board lot sizes of S\$1,000 and US\$1,000<sup>4</sup>, respectively.

Anyone wishing to subscribe for the Class A-1 Bonds and/or Class A-2 Bonds will need to make an application in the manner set out in the Prospectus.

DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited and Standard Chartered Bank (Singapore) Limited, are the Lead Managers and Underwriters for the Astrea 8 PE Bonds offering.

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This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.

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<sup>4</sup> Please refer to the Appendix for information regarding the listing of the Astrea 8 PE Bonds on the SGX-ST.



## **About the Issuer and Azalea Group**

The Issuer is an indirect wholly-owned subsidiary of Azalea Asset Management Pte. Ltd. ("AAM"). AAM is a wholly-owned subsidiary of Sevia Holdings which is in turn wholly-owned by Temasek.

The Azalea Group invests in private equity ("PE"), with a focus on the development and innovation of new investment platforms and products to make PE accessible to a broader group of investors.

One such innovation is the Astrea Platform, a series of investment products based on diversified portfolios of PE funds. It represents a phased approach to develop products for long-term minded investors, including Singapore retail investors, allowing them to co-invest in PE with Azalea. Started in 2006, there are seven in the series to date, with Astrea 8 being the latest addition to the Astrea Platform.

Beside the Astrea PE bonds, Azalea Investment Management Pte. Ltd., the management arm of the Azalea Group, also manages other PE fund products through its Altrium platform, that allows institutional and accredited investors to co-invest with Azalea and access strong-performing PE fund managers globally, while at the same time helping investors overcome traditional challenges in accessing PE.

For more information about the Azalea Group, please visit <https://www.azalea.com.sg/>.

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## Appendix

### Astrea 8 Fact Sheet

#### Summary

- Astrea 8 Class A-1 Bonds and Class A-2 Bonds will be the fifth listed PE bonds available to retail investors in Singapore
- US\$585 million offering via two classes of bonds (Class A-1 and Class A-2)
- Class A-1 and Class A-2 are ranked equally to each other (*pari passu*)
- Class A-1 and Class A-2 Bonds are expected to be rated “A+sf” and “Asf” by Fitch respectively

Bond*	Size (million)	Expected Rating (Fitch) <sup>5</sup>	Interest Rate	Scheduled Call Date	Final Maturity
Class A-1	S\$520	A+sf	4.35% p.a.	19 July 2029	19 July 2039
Class A-2	US\$200	Asf	6.35% p.a.	19 July 2030	19 July 2039

\* Approval in-principle has been obtained from the Singapore Exchange Securities Trading Limited (the “SGX-ST”) for the listing and quotation of the Class A-1 Bonds and the Class A-2 Bonds on the Mainboard of the SGX-ST, subject to certain conditions. The Class A-1 Bonds and the Class A-2 Bonds will be admitted to the Official List of the SGX-ST and official quotation will commence after all conditions imposed by the SGX-ST are satisfied, including the Global Certificate(s) relating thereto having been issued. Approval in-principle granted by the SGX-ST and admission of the Class A-1 Bonds and the Class A-2 Bonds to the Official List of the SGX-ST are not to be taken as an indication of the merits of the Issuer, its Subsidiaries and/or associated companies, the Class A-1 Bonds, or the Class A-2 Bonds. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in the Prospectus.

#### PE Funds Portfolio Overview (as of 31 December 2023)

Total Net Asset Value (NAV)	▪ US\$1,471.4 million
Number of PE Funds	▪ 38
Number of General Partners (GPs)	▪ 27
Total number of investee companies	▪ 1,028
PE Funds by Strategy	▪ 76.4% Buyout ▪ 23.6% Growth Equity
PE Funds by Region	▪ 63.0% U.S. ▪ 20.0% Europe ▪ 17.0% Asia
Weighted Average Fund Age	▪ 6.1 years

<sup>5</sup> Fitch has not provided its consent, for the purposes of Section 249 of the SFA, to the inclusion of the information cited and attributed to it in the Prospectus, and is therefore not liable for such information under Sections 253 and 254 of the SFA (as described in the section “Credit Ratings” of the Prospectus).



### **Astrea 8 Management Presentation Recording**

Available online at [www.azalea.com.sg/a8](http://www.azalea.com.sg/a8)

### **Astrea 8 Management Presentation Live Event**

<b>Day / Date</b>	<b>Time</b>	<b>Venue</b>
Monday, 15 July 2024	6:30 – 8:30pm	SGX Auditorium, Level 2 2 Shenton Way, SGX Centre 1 Singapore 068804

Kindly note that:

- Admission is free and open to all members of the public in Singapore
- Interested participants are required to register at <http://www.azalea.com.sg/a8>