

ANNOUNCEMENT

FITCH RATING UPGRADES ASTREA PE BONDS

Singapore, 23 February 2021 – Azalea Investment Management (Azalea) is pleased to announce that global ratings agency Fitch Ratings (“Fitch”) has upgraded and affirmed the ratings assigned to the private equity bonds (“PE Bonds”) issued by Astrea III Pte. Ltd. (“Astrea III”), Astrea IV Pte. Ltd. (“Astrea IV”) and Astrea V Pte. Ltd. (“Astrea V”) as follows:

Issuer	Astrea PE Bonds	Rating Action
Astrea III Pte. Ltd. <i>(Issued on 8 July 2016)</i>	USD 170m Class A-2	Affirmed at 'A+sf'
	USD 100m Class B	Upgraded from 'Asf' to 'A+sf'
Astrea IV Pte. Ltd. <i>(Issued on 14 June 2018)</i>	SGD 242m Class A-1	Affirmed at 'A+sf'
	USD 210m Class A-2	Upgraded from 'Asf' to 'A+sf'
	USD 110m Class B	Affirmed at 'BBBs'
Astrea V Pte. Ltd. <i>(Issued 20 June 2019)</i>	SGD 315m Class A-1	Upgraded from 'Asf' to 'A+sf'
	USD 230m Class A-2	Affirmed at 'Asf' with positive rating outlook
	USD 140m Class B	Affirmed at 'BBBs'

The upgrades and affirmations by Fitch reflect the improvement in the bonds and the low Loan-to-Value (“LTV”) ratios (net of reserves) of the Astrea PE Bonds, which allow them to withstand very large declines in the Astrea portfolio values. Fitch measured the ability of the structures to withstand weak performance in its underlying funds in combination with adverse market cycles. In Fitch’s view, these ratings also reflect the respective Astreas’ strong liquidity positions, which would allow them to continue to meet capital calls, expenses, and interest, even if distributions were to decline, for example, due to a coronavirus resurgence and further economic downturn.

According to Fitch, all three Astrea portfolios had performed well, and significantly better than the stress scenarios in its rating analyses. It also noted the strong alignment of interests between Sponsor and Bondholders.

Fitch has a rating cap at the 'Asf' category (which includes 'A+sf') for PE collateralized fund obligations ("CFO") transactions, primarily driven by the uncertain nature of alternative investment fund cash flows.

Fitch's releases on these rating actions can be found here: [Astrea III](#), [Astrea IV](#), [Astrea V](#).

Updates on the Astrea PE Bonds are published semi-annually on SGX (www.sgx.com) in the respective Semi-Annual Distribution Reports to Bondholders. Similar reports can be found on the Astrea website (www.astrea.com.sg), which also contains the Annual Reports, explainer videos and webinars about the Astrea transactions.

The next publication dates of the Semi-Annual Distribution Reports to Bondholders are:

- Astrea III : 8 July 2021
- Astrea IV : 14 June 2021
- Astrea V : 21 June 2021

Released by Azalea Investment Management Pte. Ltd.

On behalf of Astrea III Pte. Ltd., Astrea IV Pte. Ltd. and Astrea V Pte. Ltd.

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About the Azalea Group and Astrea Platform

The Issuers of Astrea III, Astrea IV and Astrea V PE Bonds are indirect wholly-owned subsidiaries of Azalea Asset Management Pte. Ltd. ("Azalea"). Azalea is a wholly-owned subsidiary of Seviora Holdings which is in turn wholly-owned by Temasek.

The Azalea Group invests in private equity funds, with a focus on the development and innovation of new investment platforms and products to make private equity 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 Singapore retail investors to co-invest with Azalea in private equity. Started in 2006, there are five in the series to date, with Astrea V being the latest addition to the Astrea Platform.

In 2019, Azalea launched Altrium, its inaugural fund of funds product that allows 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.

Azalea Investment Management Pte. Ltd. is the management arm of the Azalea Group.

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

About Astrea III

Astrea III comprises four different classes of PE bonds: Classes A-1, A-2, B and C, with their respective interest rates being 3.90%, 4.65%, 6.50% and 9.25% per annum. The PE bonds are backed by cash flows from a well-diversified portfolio of 31 funds across various vintages, managed by 24 general partners.

Astrea III is sponsored by Astrea Capital Pte. Ltd., a wholly-owned subsidiary of Azalea. Launched in June 2016, Astrea III issued the first listed bonds in Singapore which were backed by cash flows from private equity funds.

About Astrea IV

Astrea IV comprises three different classes of PE bonds: Classes A-1, A-2 and B, with their respective interest rates being 4.35%, 5.50% and 6.75% per annum. The PE bonds are

backed by cash flows from a well-diversified portfolio of 36 funds across various vintages, managed by 27 general partners.

Astrea IV is sponsored by Astrea Capital IV Pte. Ltd., a wholly-owned subsidiary of Azalea. Launched in June 2018, Astrea IV was the first listed retail PE Bond in Singapore. It represented a significant milestone in Azalea's vision of broadening the co-investor base for PE-related products.

About Astrea V

Astrea V comprises three different classes of PE bonds: Classes A-1, A-2 and B, with their respective interest rates being 3.85%, 4.50% and 5.75% per annum. The PE bonds are backed by cash flows from a well-diversified portfolio of 38 funds across various vintages, managed by 32 general partners.

Astrea V is sponsored by Astrea Capital V Pte. Ltd., a wholly-owned subsidiary of Azalea. Launched in June 2019, Astrea V represents a continuing step to bring retail investors in Singapore closer to private equity through listed retail PE bonds.

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