

ANNOUNCEMENT

FITCH RATINGS UPGRADES ASTREA PE BONDS

Singapore, 16 February 2022 – Azalea Investment Management 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 IV Pte. Ltd. (“Astrea IV”), Astrea V Pte. Ltd. (“Astrea V”) and Astrea VI Pte. Ltd. (“Astrea VI”).

According to Fitch, the upgrades and affirmations 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, if any.

Fitch also pointed out that Astrea IV Class A-1 and Class A-2 Bonds and Astrea V Class A-1 Bonds are now fully reserved. Notably, the ratings for Astrea IV Class A-1 Bonds have been upgraded to ‘AA-sf’, above Fitch’s rating cap of ‘A+sf’ for PE collateralized fund obligations (“CFO”) transactions. The reason for this rating decision is to align to the minimum ratings requirements of the eligible investments/deposits held in reserve for its principal repayment, and that of the liquidity provider which covers interest payments in event of shortfalls.

Issuer	Astrea PE Bonds	Rating Action
Astrea IV Pte. Ltd. (Issued on 14 June 2018)	SGD 242m Class A-1	Upgraded from ‘A+sf’ to ‘AA-sf’
	USD 210m Class A-2	Affirmed at ‘A+sf’
	USD 110m Class B	Upgraded from ‘BBBsf’ to ‘Asf’
Astrea V Pte. Ltd. (Issued 20 June 2019)	SGD 315m Class A-1	Affirmed at ‘A+sf’
	USD 230m Class A-2	Upgraded from ‘Asf’ to ‘A+sf’
	USD 140m Class B	Upgraded from ‘BBBsf’ to ‘A-sf’
Astrea VI Pte. Ltd. (Issued 18 March 2021)	SGD 382m Class A-1	Affirmed at ‘A+sf’
	USD 228m Class A-2	Affirmed at ‘Asf’
	USD 130m Class B	Upgraded from ‘BBBsf’ to ‘BBB+sf’

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

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 IV : 14 June 2022
- Astrea V : 20 June 2022
- Astrea VI : 18 March 2022

Released by Azalea Investment Management Pte. Ltd.

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

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About the Azalea Group

The Issuers of Astrea IV, Astrea V and Astrea VI 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 long term minded Singapore retail investors to co-invest in private equity with Azalea. Started in 2006, there are six in the series to date, with Astrea VI 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 of fund products through its Altrium platform, 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.

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

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