

## ANNOUNCEMENT

### FITCH RATINGS UPGRADES ASTREA PE BONDS

**Singapore, 14 February 2024** – Azalea Investment Management (“Azalea”) is pleased to announce that global ratings agency Fitch Ratings (“Fitch”) has upgraded the ratings assigned to Astrea V Class B Bonds, Astrea VI Class A-1 and Class B Bonds, and Astrea 7 Class B Bonds, and affirmed the other ratings assigned to the private equity bonds (“PE Bonds”) issued by Astrea V Pte. Ltd. (“Astrea V”), Astrea VI Pte. Ltd. (“Astrea VI”) and Astrea 7 Pte. Ltd. (“Astrea 7”).

Issuer	Astrea PE Bonds	Rating Action
Astrea V Pte. Ltd. <i>(Issued 20 June 2019)</i>	SGD 315m Class A-1	Affirmed at ‘AA-sf’
	USD 230m Class A-2	Affirmed at ‘A+sf’
	USD 140m Class B	Upgraded from ‘Asf’ to ‘A+sf’
Astrea VI Pte. Ltd. <i>(Issued 18 March 2021)</i>	SGD 382m Class A-1	Upgraded from ‘A+sf’ to ‘AA-sf’
	USD 228m Class A-2	Affirmed at ‘Asf’
	USD 130m Class B	Upgraded from ‘BBB+sf’ to ‘Asf’
Astrea 7 Pte. Ltd. <i>(Issued 27 May 2022)</i>	SGD 526m Class A-1	Affirmed at ‘A+sf’
	USD 175m Class A-2	Affirmed at ‘Asf’
	USD 200m Class B	Upgraded from ‘BBB+sf’ to ‘A-sf’

The upgrades for Astrea V Class B Bonds from ‘Asf’ to ‘A+sf’ and Astrea VI Class B Bonds from ‘BBB+sf’ to ‘Asf’ by Fitch reflect the expectation that at their respective levels of Loan-to-Value (“LTV”), the bonds can withstand large declines in their transaction Net Asset Values (“NAVs”) without affecting their respective ratings. In addition, Fitch has observed that the Astrea VI Reserve Amounts has now exceeded the outstanding principal amount of the Astrea VI Class A-1 Bonds, and this was taken into consideration in its upgrade for the bonds from ‘A+sf’ to ‘AA-sf’. The upgrade of the Astrea 7 Class B Bonds from ‘BBB+sf’ to ‘A-sf’ by Fitch reflects that at their prevailing LTV levels, the bonds passed Fitch’s cash flow scenarios.

Astrea V Class A-1 and Class A-2 Bonds are now fully reserved, and these are reflected in Fitch's rating affirmations of these bonds. Rating affirmations for the rest of the Astrea PE Bonds reflect their prevailing LTV levels which in Fitch's view allow them to withstand large declines in transaction NAVs without affecting their respective ratings.

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, the bonds' 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.

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

Fitch's release on these rating actions can be found here: [Astrea V](#), [Astrea VI](#), [Astrea 7](#).

Updates on the Astrea PE Bonds are published semi-annually on SGX ([www.sgx.com](http://www.sgx.com)) in the respective Semi-Annual Distribution Reports to Bondholders. Similar reports can be found on the Azalea website ([www.azalea.com.sg](http://www.azalea.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 V: 20 June 2024
- Astrea VI: 18 March 2024
- Astrea 7: 27 May 2024

Released by Azalea Investment Management Pte. Ltd.

On behalf of Astrea V Pte. Ltd, Astrea VI Pte. Ltd. and Astrea 7 Pte. Ltd.

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## **About the Azalea Group**

The Issuers of Astrea V, Astrea VI and Astrea 7 PE Bonds are indirect wholly-owned subsidiaries of Azalea Asset Management Pte. Ltd. (“AAM”). AAM is a wholly-owned subsidiary of Seviora Holdings which is in turn wholly-owned by Temasek.

The Azalea Group invests in private equity (“PE”) funds, 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 Singapore retail investors to co-invest in PE with Azalea. Launched in 2006, there are seven in the series to date, with Astrea 7 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 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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