



NEWS RELEASE

AZALEA LAUNCHES ASTREA 7 PE BONDS CLASS A-1 AND CLASS B BONDS OPEN FOR PUBLIC SUBSCRIPTION CLASS B BONDS AVAILABLE TO RETAIL INVESTORS FOR THE FIRST TIME

- **Public Offer of S\$280 million Class A-1 Bonds at a fixed coupon of 4.125% p.a.**
- **Public Offer of US\$100 million Class B Bonds at a fixed coupon of 6% p.a.**
- **Application period for Astrea 7 Private Equity Bonds:**
 - **Opens Friday, 20 May 2022 at 9 am**
 - **Closes Wednesday, 25 May 2022 at 12 noon**
- **Placement tranche more than 3 times subscribed, with an orderbook of US\$1.5 billion received across all classes of bonds**
- **Another step towards broadening Singapore retail access to PE with Class B Bonds**

Singapore, 19 May 2022 – Astrea 7 Pte. Ltd. (the “Issuer”¹) and Azalea Investment Management Pte. Ltd. (“Azalea”) today announced the launch of the Astrea 7 Class A-1 Bonds and Class B Bonds for subscription by the public in Singapore (“Public Offer”), the fourth private equity (“PE”) retail bonds to be listed on the Singapore Exchange. The Issuer is offering S\$280 million of Class A-1 Bonds at a fixed interest rate of 4.125% per annum, as well as US\$100 million of Class B Bonds at a fixed interest rate of 6% per annum.

The Public Offer follows the successful placement of S\$246 million of the Class A-1 Bonds, US\$175 million of the Class A-2 Bonds and US\$100 million of the Class B Bonds to institutional investors and accredited investors, which concluded earlier today. The placement tranche saw good demand across all classes of bonds, with a combined placement orderbook of US\$1.5 billion equivalent from 55 accounts. Diverse distribution of the orderbook was achieved with a good mix of high-quality institutions, including insurance companies, asset managers, endowments and foundations, making up about 60% of the investor base, with the remaining distributed to accredited investors.

¹ 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 19 May 2022.



Margaret Lui, Chief Executive Officer of Azalea, said, “We are delighted to be returning with another series of Astrea PE Bonds, with Class B Bonds being made available to retail investors in Singapore for the first time. Both Class A-1 Bonds and Class B Bonds offer retail investors an opportunity to invest in investment grade bonds that provide private equity exposure and regular income. Through our regular engagement with retail bond investors, we have seen significant interest to invest in the more junior classes of the Astrea PE bonds. We are pleased that Astrea 7 offers retail investors in Singapore the option to invest in a US Dollar-denominated bond. This is very much in line with our commitment to broaden access to private equity and better cater to investors with different risk preferences and investment horizons.”

“We would like to thank institutional and accredited investors for the strong demand for the Astrea 7 bonds and their continued support for the Astrea PE bonds, even amid an uncertain macroeconomic environment.”

Similar to the previous Astrea issuances, the placement to institutions and accredited investors, through the book building process, helped determine the interest rate. This is the same rate that is offered to retail investors in respect of the Class A-1 Bonds and Class B Bonds respectively.

Chue En Yaw, Chief Investment Officer of Azalea, said: “The Astrea 7 PE Bonds are backed by cash flows from a US\$1.9 billion portfolio of investments in 38 private equity funds that are managed by 29 reputable managers. Astrea 7’s diversified portfolio provides exposure to 982 companies at launch across a broad range of industry sectors. Similar to previous Astrea transactions, there are several structural safeguards in place for Astrea 7. The diversification and quality of the Astrea 7 portfolio, together with the structural safeguards, help to mitigate downside risks for the Astrea 7 bonds.”

“At Azalea, we are committed to investor education and regularly engage with retail investors through events such as the annual Astrea Investor Day. To help investors understand Astrea 7 PE Bonds before they invest, a recording of the Management Presentation on the transaction is made available on the Astrea 7 website. In addition, investors in Singapore can also attend the Management Presentation Live Event to be held on 23 May 2022 to learn more about the Astrea 7 PE Bonds.”



Offer Details

The Astrea 7 PE Bonds comprise three different classes of PE bonds: Class A-1, A-2 and B, with interest rates of 4.125%, 5.35% and 6% per annum respectively. Each class caters to investors with different risk preferences and investment horizons. The Class A-1 Bonds (together with the Class A-2 Bonds, the most senior class of bonds) with a minimum subscription amount of S\$2,000, are expected to be rated “A+sf” by Fitch Ratings, Inc. (“Fitch”) and “A+ (sf)” by S&P Global Ratings (“S&P”)², while the Class B Bonds (which rank junior to the Class A-1 Bonds and Class A-2 Bonds) are expected to be rated BBB+sf by Fitch² with a minimum subscription amount of US\$2,000. Both of these are investment grade credit ratings, and only the Class A-1 Bonds and Class B Bonds are available for retail subscription in Singapore. The Class A-2 bonds are expected to be rated Asf by Fitch².

The Class A-1 Bonds have a final maturity of 10 years and a Mandatory Call at the end of 5 years (10MC5). The Issuer will be required to redeem the Class A-1 Bonds on 27 May 2027, if there is sufficient cash set aside to repay the Class A-1 Bonds and other conditions are satisfied. Otherwise, the interest rate on the Class A-1 Bonds will have a one-time step-up from 4.125% to 5.125% per annum after this date until the Class A-1 Bonds are fully redeemed.

The Class B Bonds have a final maturity of 10 years and a Mandatory Call at the end of 6 years (10MC6). The Issuer will be required to redeem the Class B Bonds on 27 May 2028, if there are no outstanding Class A Bonds and there is sufficient cash set aside to repay the Class B Bonds, as well as if other conditions are satisfied. Otherwise, the interest rate on the Class B Bonds will have a one-time step-up from 6% to 7% per annum after this date until the Class B Bonds are fully redeemed.

The Prospectus in respect of the offering by Astrea 7 Pte. Ltd. of the Class A-1 Bonds and Class B Bonds in Singapore is available for collection at selected DBS/POSB branches during operating hours until 12 noon on 25 May 2022. The Prospectus is also available on the Issuer’s

² Fitch and S&P have not provided their 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 them in the Prospectus, and are therefore not liable for such information under Sections 253 and 254 of the SFA (as described in the section “Credit Ratings” of the Prospectus).



website at <https://www.azalea.com.sg/a7>, the MAS' OPERA website at <https://eservices.mas.gov.sg/opera/> and from SGX at <https://www.sgx.com>.

Besides the Prospectus, the Issuer's website also contains information on the Astrea 7 PE Bonds explained in videos and infographics. A recording of the Management Presentation on the Astrea 7 transaction will be available on the website. In addition, the Issuer will be hosting a Management Presentation Live Event in Singapore to share more about Astrea 7, and answer any questions that the public may have (see Appendix for more details).

The Public Offer will open from 9 am tomorrow and will close at 12 noon on 25 May 2022. The Astrea 7 PE Bonds are expected to be issued on 27 May 2022. The Class A-1 Bonds and Class B Bonds are expected to list and start trading on the Mainboard of the SGX-ST on 30 May 2022 in board lot sizes of S\$1,000 and US\$1,000³, respectively.

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

Credit Suisse (Singapore) Limited, DBS Bank Ltd. and Standard Chartered Bank (Singapore) Limited are the Lead Managers and Underwriters for the Astrea 7 PE Bonds offering.

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

³ Please refer to the Appendix for information regarding the listing of the Astrea 7 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. ("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 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 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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Appendix

Astrea 7 Fact Sheet

Summary

- Astrea 7 Class A-1 Bonds and Class B Bonds will be the fourth listed PE bonds available to retail investors in Singapore
- US\$755 million offering via three classes of bonds (Class A-1, Class A-2 and Class B)
- Class A-1 and Class A-2 rank equally (*pari passu*) as the most senior class of Bonds, Class B ranks junior to and are paid after Class A-1 and Class A-2 in terms of priority of payment
- Class A-1 Bonds are expected to be rated A+sf and A+ (sf) by Fitch and S&P⁴, respectively
- Class A-2 and Class B Bonds are expected to be rated Asf and BBB+sf respectively by Fitch⁴

Bond*	Size (million)	Expected Rating (Fitch) ⁴	Expected Rating (S&P) ⁴	Interest Rate	Scheduled Call Date	Final Maturity
Class A-1	S\$526	A+sf	A+ (sf)	4.125% p.a.	27 May 2027	27 May 2032
Class A-2	US\$175	Asf	Not rated	5.35% p.a.	27 May 2027	27 May 2032
Class B	US\$200	BBB+sf	Not rated	6% p.a.	27 May 2028	27 May 2032

* 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 B Bonds on the Mainboard of the SGX-ST, and the Class A-2 Bonds on the SGX-ST, subject to certain conditions. The Class A-1 Bonds, the Class A-2 Bonds and the Class B 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, the Class A-2 Bonds and the Class B 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, the Class A-2 Bonds or the Class B 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 30 November 2021)

Total Net Asset Value (NAV)	▪ US\$1,905 million
Number of PE Funds	▪ 38
Number of General Partners (GPs)	▪ 29

⁴ Fitch and S&P have not provided their consent, for the purposes of Section 249 of the SFA, to the inclusion of the information cited and attributed to them in the Prospectus, and are therefore not liable for such information under Sections 253 and 254 of the SFA (as described in the section "Credit Ratings" of the Prospectus).



Total number of investee companies (as of 30 September 2021) ▪ 982

PE Funds by Strategy ▪ 77% Buyout PE funds
▪ 23% Growth Equity PE funds

PE Funds by Region ▪ 55% U.S.
▪ 27% Europe
▪ 18% Asia

Weighted Average Fund Age ▪ 5.3 years

Astrea 7 Management Presentation Recording

Available online at www.azalea.com.sg/a7

Astrea 7 Management Presentation Live Event

Date / Day	Time	Venue
23 May 2022, Monday	6.30pm	Suntec Singapore Convention & Exhibition Centre, Level 3, Nicoll Room 3

Kindly note that:

- Admission is free and open to all members of the public
- Due to venue restrictions, food will not be provided
- Interested participants are required to register at <http://www.azalea.com.sg/a7>