



5th Semi-Annual Distribution Report to Noteholders

*Distribution Report for the period:
8 July 2018 to 7 January 2019*

Distribution Date: 8 January 2019

*Prepared by Fullerton Fund Management Company Ltd
UEN: 200312672W*



FULLERTON
FUND
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Information provided herein (including statements of opinion and expectation) (the “Information”) is given as general information to holders (the “Noteholders”) of S\$228,000,000 Class A-1 Secured Fixed Rate Notes due 2026 (the “Class A-1 Notes”), US\$170,000,000 Class A-2 Secured Fixed Rate Notes due 2026 (the “Class A-2 Notes”), US\$100,000,000 Class B Secured Fixed Rate Notes due 2026 (the “Class B Notes”) and US\$70,000,000 Class C Secured Fixed Rate Notes due 2026 (the “Class C Notes”, and together with the Class A-1 Notes, the Class A-2 Notes and the Class B Notes, the “Notes”) issued by Astrea III Pte. Ltd. (the “Issuer”).

This document is intended for the Noteholders (collectively, the “Recipients”) only.

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References to “NAV” in this document means, in relation to any Fund Investment of an Asset-Owning Company at any date, the most recent net asset value of such Fund Investment as reported by the general partner (“GP”) or manager of such Fund Investment as of such date and adjusted for all distributions received, capital calls made and other adjustments in relation to such Fund Investment after such reported net asset value and up to such date.

All Information contained in this report regarding the Fund Investments, the Portfolio and/or any PE Fund has been prepared on the basis of reports received from the GPs or managers of the PE Funds. None of the Information contained in this report regarding the Fund Investments, the Portfolio and/or any PE Fund has been prepared, reviewed or approved by any PE Fund, the GP or manager of any PE Fund, or any of their affiliates. None of the Issuer, the Issuer Group, the Services Group, or any other person has received any representation, warranty or other assurance with respect to the quality of such Information, or has otherwise independently verified such Information or determined the accuracy or completeness of such Information. Accordingly, the Recipients should not place undue reliance on such Information.

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In particular, this report does not constitute an offer of securities for sale in the United States. The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered, sold or otherwise transferred to U.S. persons or to persons within the United States. No public offering is intended to be conducted in the United States or Singapore. The Notes have not been and will not be offered to “retail clients” in Australia, and no Australian prospectus, product disclosure statement or other disclosure document has been prepared or lodged with the Australian Securities and Investments Commission. Any offer or invitation of Notes (for issue, subscription, delivery or sale) is extended only to a person in Australia who is (a) a “wholesale client” for the purposes of section 761G and (b) either a “professional investor” or a “sophisticated investor” for the purposes of section 708 of the Corporations Act 2001 (Cth) of the Commonwealth of Australia. This report or any other document in relation to the Notes is not intended to be, and persons accessing them must not cause them to be, distributed to, or passed on directly or indirectly, to any other class of persons in Australia. No person referred to in such documentation holds an Australian financial services licence.

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In this report, references to “\$” are to U.S. dollars and base currency used is U.S. dollars unless otherwise stated.

1. Unless otherwise stated, all capitalised terms herein follow the same definitions as the Information Memorandum dated 21 June 2016 relating to the offering and issue of the Notes by Astrea III Pte. Ltd. (the "Information Memorandum") and a reference to a Clause number in this report means the corresponding Clause number in the "Priority of Payments" section of the Information Memorandum.
2. Certain monetary amounts in this report have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.
3. Distribution Reference Date: 21 December 2018 refers to the cut-off date for information used in this report. All figures are calculated based on the information available as of Distribution Reference Date.
4. EUR:USD exchange rate of 1.00:1.14135 as of 21 December 2018.
5. All figures are in US\$ unless otherwise stated.
6. Net Asset Value ("NAV") calculations as of the Distribution Reference Date are based on the most recent NAV of all Fund Investments as reported by the General Partner ("GP") or manager of the applicable Fund Investment, and adjusted for distributions received, capital calls made and other adjustments up to 21 December 2018.
7. The date of this report is 8 January 2019.

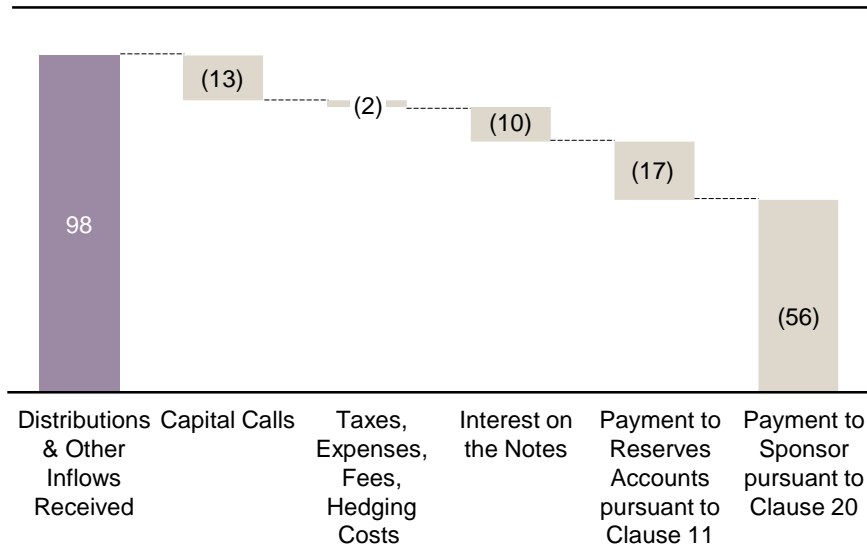
For enquiries, please contact Astrea III Investor Relations at ir@astreaiii.com.sg.

Distribution Reference Date: 21 December 2018

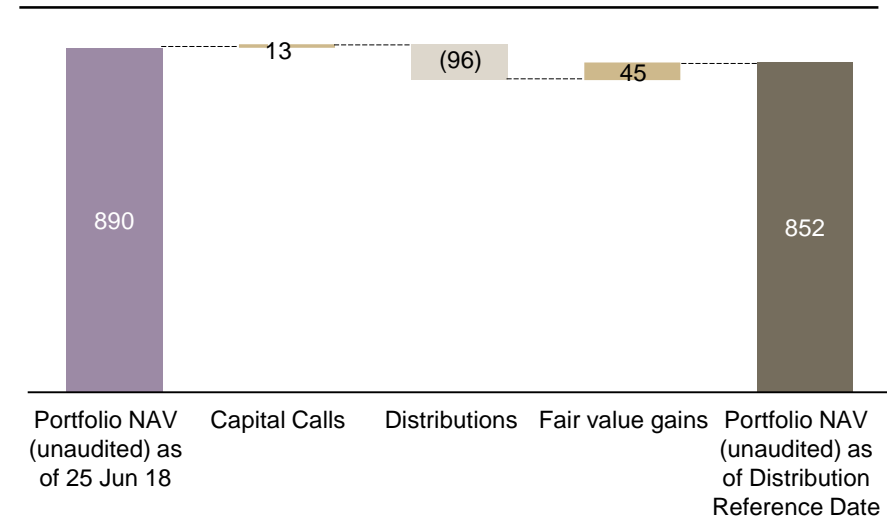
Key Highlights

(All amounts in US\$m)

Cashflow Activity



Portfolio Activity



- The Manager is pleased to present the fifth Distribution Report on behalf of Astrea III Pte. Ltd. (“Astrea III” or the “Issuer”).
- This report is presented for the period from 8 July 2018 to 7 January 2019.
- For the period from 8 July 2018 to 7 January 2019, cashflow activity included distributions of \$96m⁽¹⁾ and capital calls of \$13m, and other net inflows of \$2.4m.
- The Issuer met its interest obligations falling due on 8 January 2019 in respect of Class A-1, Class A-2 and Class B Notes by paying interest to Noteholders.
- \$17m was paid into the Reserves Accounts on the Distribution Date for the principal repayment of Class A Notes pursuant to Clause 11 of the Priority of Payments. Including amounts previously funded into the Reserves Accounts, the total Reserve Amount is \$258m. The total Reserve Amount exceeds the S\$228m Class A-1 Notes principal amount, and represents 76%⁽²⁾ of the Reserves Accounts Cap (which accounts for both Class A-1 Notes and Class A-2 Notes).
- The Bonus Redemption Premium Threshold⁽³⁾ has been met as of the current Distribution Date. The Bonus Redemption Premium of S\$684,000 (equivalent to 0.3% of the Class A-1 Notes principal) has been set aside and will be paid to Class A-1 Noteholders upon redemption of the Class A-1 Notes.
- The Portfolio NAV had fair value gains of \$45m and ended the period at \$852m as of Distribution Reference Date. The Maximum Loan-to-Value Ratio was not exceeded.

Note:

1. Based on spot EUR rates
2. Class A-1 Principal is hedged at USD:SGD forward FX rate of 1.355279.
3. Please refer to the “Terms and Conditions of the Class A-1 Notes” in the Information Memorandum dated 21 June 2016 for full details.

Notes Summary

(All amounts in US\$ unless otherwise stated)

Notes	Notes Outstanding	Total Reserves	Interest Rate (p.a.)	Scheduled Maturity	Ratings ⁽¹⁾ (Fitch / S&P)
Class A-1	S\$ 228,000,000	\$ 257,843,076	3.90%	08 July 2019	A+sf / A+ (sf)
Class A-2	\$ 170,000,000		4.65%	08 July 2021	Asf / Not Rated
Class B	\$ 100,000,000	N/A	6.50%	N/A	BBBsf / Not Rated
Class C	\$ 87,755,712 ⁽³⁾	N/A	9.25%PIK ⁽²⁾	N/A	Not Rated

Portfolio Summary

(All amounts in US\$ unless otherwise stated)

Fund Investments

Total Portfolio NAV (unaudited) (as of 21 December 2018)	\$ 851,882,377
Total Distributions received (from 26 June 2018 to 21 December 2018)	\$ 95,897,380
Total Capital Calls (from 26 June 2018 to 21 December 2018)	\$ 12,928,414

Note:

1. Ratings are as of 8 January 2019. Fitch and S&P upgraded Class A-1 Notes from Asf to A+sf in July 2017 and A (sf) to A+ (sf) in September 2017 respectively.
2. Paid-in-kind interest per annum, compounded semi-annually.
3. Class C Principal includes 5 periods of PIK interest.

Fund Investments Schedule

(All amounts in US\$m unless otherwise stated)

#	Funds	Vintage Year	Region	Strategy	NAV	% of NAV	Undrawn Capital Commitments	Total Exposure	% of Total Exposure
1	AEA Investors 2006 Fund L.P.	2006	U.S.	Buyout	\$ 9.6	1.1%	\$ 2.5	\$ 12.1	1.3%
2	AEA Investors Fund V LP	2011	U.S.	Buyout	\$ 59.0	6.9%	\$ 5.8	\$ 64.8	6.8%
3	Blackstone Capital Partners V L.P. and BCP V-S L.P.	2005	U.S.	Buyout	\$ 12.8	1.5%	\$ 7.5	\$ 20.3	2.1%
4	CITIC Capital China Partners II, L.P.	2010	Asia	Buyout	\$ 17.9	2.1%	\$ 3.2	\$ 21.1	2.2%
5	DBAG Fund V International GmbH & Co. KG	2006	Europe	Buyout	\$ 3.6	0.4%	\$ 5.9	\$ 9.5	1.0%
6	EQT Mid Market (No. 1) Feeder Limited Partnership	2012	Europe	Buyout	\$ 45.8	5.4%	\$ 3.3	\$ 49.1	5.1%
7	EQT VI (No. 1) Limited Partnership	2011	Europe	Buyout	\$ 34.4	4.0%	\$ 3.5	\$ 37.9	4.0%
8	Hahn & Company I L.P.	2011	Asia	Buyout	\$ 47.6	5.6%	\$ 1.2	\$ 48.8	5.1%
9	Hony Capital Fund V, L.P.	2011	Asia	Buyout	\$ 57.3	6.7%	\$ 0.9	\$ 58.2	6.1%
10	Kelso Investment Associates VIII, L.P.	2007	U.S.	Buyout	\$ 10.9	1.3%	\$ 3.7	\$ 14.6	1.5%
11	KKR 2006 Fund L.P.	2006	U.S.	Buyout	\$ 30.8	3.6%	\$ 1.7	\$ 32.5	3.4%
12	KKR North America Fund XI L.P.	2012	U.S.	Buyout	\$ 59.3	7.0%	\$ 5.2	\$ 64.5	6.7%
13	Lindsay Goldberg III L.P.	2008	U.S.	Buyout	\$ 4.5	0.5%	\$ 1.1	\$ 5.6	0.6%
14	Metalmark Capital Partners Cayman II, L.P.	2011	U.S.	Buyout	\$ 41.5	4.9%	\$ 11.0	\$ 52.5	5.5%
15	PAG Asia I LP	2011	Asia	Buyout	\$ 55.1	6.5%	\$ 4.4	\$ 59.5	6.2%
16	Permira IV L.P.2	2006	Europe	Buyout	\$ 6.9	0.8%	\$ 0.5	\$ 7.4	0.8%
17	Raine Partners I LP	2010	U.S.	Growth Equity	\$ 50.0	5.9%	\$ 0.0	\$ 50.0	5.2%
18	RRJ Capital Master Fund II, L.P.	2013	Asia	Growth Equity	\$ 29.2	3.4%	\$ 6.7	\$ 35.9	3.8%
19	Silver Lake Partners III, L.P.*	2007	U.S.	Buyout	\$ 63.4	7.4%	\$ 11.2	\$ 74.6	7.8%
20	SL SPV-Feeder I, L.P.*	2017	U.S.	Buyout	\$ 19.8	2.3%	\$ 0.0	\$ 19.8	2.1%
21	Summit Partners Growth Equity Fund VIII-A, L.P.	2012	U.S.	Growth Equity	\$ 21.0	2.5%	\$ 7.3	\$ 28.3	3.0%
22	TA Atlantic and Pacific VI L.P.	2008	U.S.	Growth Equity	\$ 12.8	1.5%	\$ 0.6	\$ 13.4	1.4%
23	TA XI, L.P.	2010	U.S.	Growth Equity	\$ 16.9	2.0%	\$ 0.5	\$ 17.4	1.8%
24	TPG Partners V, L.P.	2006	U.S.	Buyout	\$ 6.2	0.7%	\$ 1.0	\$ 7.2	0.7%
25	TPG Partners VI, L.P.	2008	U.S.	Buyout	\$ 31.9	3.8%	\$ 3.7	\$ 35.6	3.7%
26	Warburg Pincus Private Equity XI, L.P.	2012	U.S.	Growth Equity	\$ 74.9	8.8%	\$ 0.0	\$ 74.9	7.8%
27-35	Remaining 9 funds	2008 ⁽¹⁾	U.S.	Buyout	\$ 28.8	3.4%	\$ 12.4	\$ 41.2	4.3%
Total Portfolio		2010⁽¹⁾			\$ 851.9	100.0%	\$ 104.8	\$ 956.7	100.0%

*In Q3 2017, Silver Lake Partners III offered its Limited Partners (“LPs”) the option to either retain their respective interests in one of its portfolio companies by rolling over its interest to a new special purpose vehicle (namely, SL SPV-Feeder I, L.P.), or sell their respective share of Silver Lake Partners III’s investment in that portfolio company to a successor fund or its affiliates. On the recommendation by the Manager and approval by the Sponsor, AsterThree Assets II Pte. Ltd. opted to retain its pro-rata interest in the portfolio company via SL SPV-Feeder I (the “SPV”), which will continue to be managed by Silver Lake. The Manager is of the opinion that the portfolio company has further upside potential.

Note:

1. Vintage Year value average weighted by Total Exposure.

Loan-to-Value Computation

(All amounts in US\$ unless otherwise stated)

		Calculated as of Distribution Reference Date 21 December 2018
A	Total Portfolio Net Asset Value ("NAV")	\$ 851,882,377
B	Total Principal Amount of Notes and Liquidity Facility Loans Outstanding	\$ 522,107,471 ⁽¹⁾
C	Total Reserves Balance	\$ 240,843,076
D	Payments to Reserves Accounts pursuant to Clause 9, 10, 11 of the Priority of Payments⁽²⁾	\$ 17,000,000
	Maximum Loan-to-Value Ratio⁽³⁾	35.0%
(B-C-D)/(A)	Loan-to-Value Ratio	31.0%

- The Maximum Loan-to-Value Ratio was not exceeded. Hence, no payment to the Reserves Accounts pursuant to Clause 14 of the Priority of Payments was required.

Note:

1. Class A-1 Principal is hedged at USD:SGD forward FX rate of 1.355279.
2. Please refer to "Priority of Payments" section in the Information Memorandum dated 21 June 2016 for full details.
3. Please refer to "Maximum Loan-to-Value Ratio" section in the Information Memorandum dated 21 June 2016 for full details.

Liquidity Facility

(All amounts in US\$ unless otherwise stated)

Liquidity Facility	
Liquidity Facility Drawn from 26 June 2018 – 21 December 2018	Not Drawn
Liquidity Facility Loans Outstanding as at 21 December 2018	Nil
Liquidity Facility Available as at 21 December 2018	\$ 90,000,000

Account Balances

(All amounts in US\$ unless otherwise stated)

Bank & Custody Accounts	Balance as of Distribution Reference Date 21 December 2018	Remarks
Operating Accounts	\$ 85,389,036	
Reserves Accounts & Reserves Custody Accounts	\$ 240,843,076	\$ 17,000,000 was paid into the Reserves Accounts on Distribution Date. The total balance as of Distribution Date was \$257,843,076.
Class A-1 Bonus Redemption Premium Reserves Accounts & Bonus Redemption Premium Reserves Custody Account	S\$ 684,000	This balance will be paid to the Class A-1 Noteholders on the Scheduled Maturity Date as the Bonus Redemption Premium Threshold is met.

Payments

(All amounts in US\$ unless otherwise stated)

	Calculated as of Distribution Reference Date 21 December 2018
Operating Accounts	\$ 85,389,036
Payments:	
Taxes and Expenses	\$ 329,212
Amounts received under Hedge Agreements	\$ (2,204)
Management Fees	\$ 1,070,000
Liquidity Facility commitment fees	\$ 322,000
Class A-1 Notes and Class A-2 Notes interest expense	\$ 7,258,210
Class B Notes interest expense	\$ 3,250,000
Payment to Reserves Accounts pursuant to Clause 11 of the Priority of Payments ⁽¹⁾	\$ 17,000,000
Payment to the Sponsor pursuant to Clause 20 of the Priority of Payments ⁽¹⁾	\$ 56,161,818

Note:
1. Please refer to "Priority of Payments" section in the Information Memorandum dated 21 June 2016 for full details.

Bonus Redemption Premium Threshold

(All amounts in US\$ unless otherwise stated)

	Amounts	Remarks
Equity Investments	\$ 653,290,251	
Bonus Redemption Premium Threshold	\$ 326,645,125	50% of the Equity Investments
Cash received by the Sponsor	\$ 385,103,997	Cumulative cash received by the Sponsor pursuant to Clause 20 and Clause 22 of the Priority of Payments as of 8 January 2019

- The Equity Investments by the Sponsor in the Issuer as of the Initial Portfolio Date of 31 May 2016 was \$653,290,251 (as stated on page 70 of the Information Memorandum dated 21 June 2016 – Capitalisation and Indebtedness). This represents the total amounts invested by the Sponsor in the Issuer, after taking into account the gross proceeds from the issuance of the Notes and US\$25 million for the purposes of funding the fees and expenses in connection with the issue and offering of the Notes.
- The Bonus Redemption Premium Threshold of \$326,645,125 is equal to 50% of the Equity Investments.
- As of 8 January 2019, the cumulative cash received by the Sponsor pursuant to Clause 20 and Clause 22 of the Priority of Payments is \$385,103,997 which exceeds the Bonus Redemption Premium Threshold. As such, the Bonus Redemption Premium of S\$684,000 (equivalent to 0.3% of the Class A-1 Notes principal) will be paid to Class A-1 Noteholders upon redemption of the Class A-1 Notes.