

FOR IMMEDIATE RELEASE

Fraxtor embarks on first development project with its community of Accredited Investors¹ and seasoned property developer partners

- **First freehold landed development project in Singapore funded by community of co-investors on Fraxtor’s online platform**
- **Project is first in Singapore that gives investors opportunities to co-invest in niche opportunities here and globally, with seasoned industry players Daniel Teo & Associates (DTA) and its business partners**
- **Fraxtor’s unique combination of digital platform backed by blockchain technology and brick-and-mortar expertise to provide Accredited Investors¹ access to a full gamut of real estate investments**

Singapore, 22 July 2019 – Fraxtor Capital Private Limited (“Fraxtor”), a real estate co-investment online platform, has successfully closed the equity fund raising from its community of Accredited Investors (AIs) to co-invest in a freehold landed development project in Singapore.

Construction for the project – with a two-year investment holding period – is expected to commence in November 2019 and co-investors will receive their potential returns when the properties are fully developed and sold, with projected completion in 2021.

Fraxtor is a start-up backed by veteran real estate developer Daniel Teo to make real estate investments more financially accessible to individuals. Property investments are typically big-ticket items but Fraxtor’s “byte-sized” approach means that individual AIs can be onboarded through Fraxtor’s blockchain-enabled platform and invest small amounts in property deals together with other co-investors in the Fraxtor community. Over time, Fraxtor aims to build an ecosystem of co-investors to pursue global real estate investment opportunities together with seasoned real estate players.

Fraxtor will manage the entire process from fund raising to sale of the completed properties on behalf of the co-investors who had subscribed for “fractional units” (frax) in the project. In addition, the management team believes the project had appealed to those who have always invested in real estate and would like to be involved in developing a new property from the ground up.

As an exempted fund manager under the Securities and Futures Act, Fraxtor is restricted to offering non-capital market products to AIs only. This means that its offerings are not meant for retail investors who may not understand the risks involved in such investments. In line with regulatory guidelines, AIs will need to pass initial Know-Your-Client (KYC) and Anti-Money Laundering (AML) checks before they get access to project details on the Fraxtor platform.

¹ An “Accredited Investor” as defined in section 4A(1)(a) of the Securities and Futures Act (“SFA”), Chapter 289 refers to an investor with (1) net personal assets exceeding S\$2 million (or its equivalent in a foreign currency) where primary residence shall not account for more than S\$1 million; or (2) income level in the last 12 months exceeding S\$300,000; or (3) net financial assets exceeding S\$1 million.

Democratising Real Estate Investment

“Fraxtor was founded on the premise that Asian investors adore real estate and are adaptive to digital innovation. With the secure digital platform to buy fractional units of real estate with a mouse click, investors can gain access to a selection of niche and global real estate investment opportunities which are otherwise out of reach, and enjoy hassle-free real estate ownership as investments are fully managed from inception to disposal,” said Daniel Teo, Director of Tong Eng Group, Hong How Group, and Daniel Teo & Associates (DTA).

As Fraxtor offers bite-sized investment opportunities to AIs, the minimum investment amount required varies from project to project, but will likely be in the range of S\$10,000 to S\$50,000.

“Typically, investment in real estate requires a large capital outlay. This is rather prohibitive and makes diversifying your portfolio difficult. Investors often do not have access to such opportunities because of the deal size or they lack the expertise in structuring deals in foreign markets. We understand these challenges, hence Fraxtor was conceptualised for investors to invest alongside seasoned investors such as Daniel Teo & Associates. Our strengths lie in our vast experience in global real estate investment, management and development, which has led us to develop an end-to-end digitised real estate investment platform,” said Oliver Siah, Fraxtor’s Chief Executive Officer and Co-Founder.

Mr Siah said that this is the first of “a couple of projects” in the pipeline that Fraxtor has lined up, including one located in Europe that Fraxtor plans to launch soon.

“Democratising real estate investment is the enabling of easy access to bite-sized, hassle-free investment opportunities through the convenience provided by the Fraxtor platform. More importantly, we are also building an ecosystem of like-minded real estate enthusiasts who can bring their own deals on to the platform,” said Rachel Teo, Fraxtor’s Co-Founder and Director of DTA.

To date, a targeted list of invited high-net-worth individuals with net financial assets exceeding S\$1 million, amongst other criteria, have gone through the KYC and AML checks and accredited into Fraxtor’s community of co-investors during the soft-launch phase. Fraxtor is now embarking on the second phase of its launch by inviting members of the wider investment community in Singapore to be accredited as co-investors.

Experienced Deal Sourcing Expertise

Backed by DTA and its partners, which include real estate consultancies and network of professionals with direct access to quality global assets, Fraxtor’s investment team sources for high quality assets globally, and proposes shortlisted assets to the Investment Committee for approval before the investment opportunity is pursued. For every deal, there will be a pre-determined investment mandate stated at the onset and fixed holding period of 3-7 years depending on the project-specific strategy.

Fraxtor has been actively looking for global real estate deals in more mature markets such as the United Kingdom, Germany, Japan and Australia. This means that co-investors will soon be able to gain access to a wider range of investment opportunities which are otherwise out of reach. Co-investors are also welcome to bring on deals on the platform to garner investment interest.

In addition, Directors and Shareholders of Fraxtor will co-invest in every deal, so that their interests are aligned with onboarded co-investors.

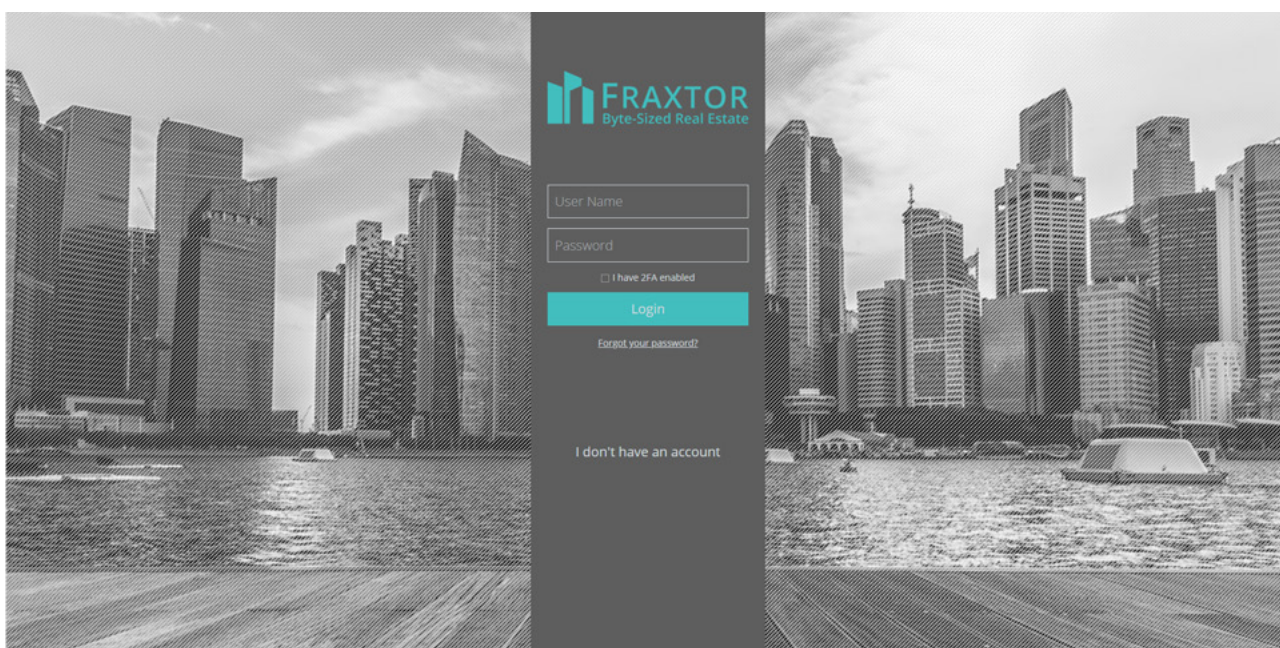
Real Estate Investment Platform Backed by Blockchain

Incorporated in January 2017, Fraxtor stands for “Fractional Investors” and was co-founded by Oliver Siah, who has more than 10 years in real estate investment and management as a private investor and through his family office, and Rachel Teo, with over 24 years in real estate development, investment and management through her family office and real estate development company, DTA.

Operating like a private equity real estate fund, Fraxtor focuses on niche investment opportunities which AIs typically do not have access to, either due to the sheer investment size or sourcing expertise. By leveraging the deep experience of Fraxtor’s Investment Committee, as well as DTA’s domain knowledge and strong network in the real estate industry, Fraxtor sources for deals in Singapore and around the world which are then presented on its platform to its community of co-investors for subscription.

The relationship between Fraxtor and its investors will be two-way as the intention is to build an eco-system of like-minded co-investors of properties globally. Besides enjoying the convenience of co-investing on a digital platform with one central body handling all the due diligence work and presentation of deal information, co-investors can also bring potential opportunities to Fraxtor for evaluation, before the deals are presented to the community for co-investment.

In addition, Fraxtor’s platform aims to digitise the investment experience of its co-investors, and enables them to create their own portfolios based on geography, asset type and risk profile. As the platform is backed by blockchain, it provides Fraxtor with full traceability of co-investors and the transactions they have made. The platform has also been coded in such a way that tampering of past transactions is not allowed.



Screenshot of Fraxtor’s co-investment platform (for Accredited Investors only)

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About Fraxtor

Incorporated in January 2017, Fraxtor stands for “Fractional Investors” and aims to build an ecosystem of co-investors to pursue global real estate investment opportunities together. Led by Oliver Siah, Rachel Teo and seasoned investors from the family office of Daniel Teo & Associates (DTA), Fraxtor focuses on niche investment opportunities which Accredited Investors typically do not have access to, either due to the sheer investment size or sourcing expertise.

Leveraging the deep experience of Fraxtor’s investment committee, as well as DTA’s domain knowledge and strong network in the real estate industry, Fraxtor sources for deals in Singapore and around the world which are presented on its blockchain-enabled platform for subscription by its community of co-investors.

Besides enjoying the convenience of co-investing on a digital platform with one central body handling all the due diligence work and presentation of deal information, co-investors can also bring potential investment opportunities to Fraxtor for evaluation, before the deals are presented to the community.

Fraxtor is exempted by class exemption for Dealing in Securities and Fund Management under the Securities and Futures Act (Singapore).

About Daniel Teo & Associates (DTA)

DTA is a real estate developer, investment company and property management company based in Singapore, with over 30 years of domain knowledge and wide network in the real estate sector. Its expertise is mainly in property development, property financing and development management, and it has launched various commercial, residential and industrial developments in Singapore over the years.

As a private family office specialising in real estate, DTA also focuses on alternative property types, including co-living spaces, conservation shophouses, retirement housing, nursing homes, art spaces and child-related facilities.

In addition, Mr Daniel Teo, founder of DTA, is also the Chairman and Managing Director of Hong How Group, a Singapore-based and award-winning real estate developer and investor with over 30 years of experience and expertise in commercial, residential, mixed and industrial developments across all property classes.

Besides its deep knowledge of property development, project funding, development management and joint venture projects, the Hong How Group has won awards in conservation, build quality, sustainability and skyrise greenery for its development projects.

IMPORTANT NOTICE

This announcement is meant for **Accredited and Institutional Investors only**. All analysis, recommendations and other information herein are published for general information. Nothing herein constitutes an offering of investment or legal advice.

Fraxtor is exempted from licencing under class exemptions for Dealing in Securities and Fund Management under the Securities and Futures Act (Singapore).