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# Entrepreneur eyes early-stage start-ups for value over long term



Mr Shaun Djie, whose main day job is chief operating officer of asset tokenisation company Digix, says the primary theme for his investments in various businesses is the people who run the show, adding that experience in the field and confidence to execute business plans are important. PHOTO: COURTESY OF SHAUN DJIE

## He has stakes in varied businesses such as wine, blockchain tech, education and prime beef



Prisca Ang

There might not be any obvious connection between start-ups dealing in wine, blockchain technology, education and prime beef, but entrepreneur Shaun Djie sees value in all shapes and sizes and is happy to dive into any enterprise with potential.

He describes himself as a hands-on person with a penchant for advising and working with businesses trying to get off the ground.

"I believe that with the right talent, resources and luck, investments in early-stage start-ups could prove very wise and profitable," says Mr Djie, 30.

His main day job is chief operating officer of asset tokenisation company Digix, a firm in which he chipped in just \$5,000 when he joined forces in 2014 with chief executive Chng Kai Cheng and chief technology officer Anthony Eufemio.

The platform now has around 2,000 users and manages roughly US\$5 million (S\$6.8 million) worth of gold.

The firm tokenises physical gold into the Digix Gold Token, which is traded on the Ethereum blockchain.

Holdings of these tokens can fully redeem them for their equivalent amount in gold, which Digix holds in vaults in Singapore.

The company raised US\$1.75 million in 2017 from the likes of Japanese venture capital firm Global Brain and Shanghai-based Fenbushi Capital, which invests in blockchain-related companies.

Digix is not the Singaporean's only blockchain-related venture.

He also sits on the board of Jakarta-based digital asset exchange Tokocrypto, which he says took three years to break even and considers the most successful of the businesses he has invested in.

Tokocrypto was established in

2017 and has around 50 staff now. It records trading volumes of around US\$2 billion a year.

Diversity is important for Mr Djie, who is single.

He also has stakes in natural wine bar Skin Contact in New York City, local home-based dry aged beef business Hung Co and education centre Ikigai Math.

"My primary theme for investments in these businesses is the people who run the show," he says, adding that experience in the field and confidence to execute business plans are important.

"Managing people is an important part of the business and I have more confidence to invest in them if they have the capabilities."

**Q What's the next stage of growth for your businesses?**

**A** Digix has applied for a licence from the Monetary Authority of Singapore for the provision of digital payment token services.

Tokocrypto is planning to go public in about two to three years.

It also depends of course on the investing climate and adoption of digital currencies in the region.

We plan to hire across the board from compliance, sales and customer service, institutional coverage and developers to ensure the platform is well maintained, secure and robust round the clock.

**Q What's in your personal portfolio?**

**A** I invest in early-stage start-ups as part of a more illiquid and long-term portion of my portfolio.

For short- to mid-term, I have cryptocurrencies, mutual funds and insurance.

Views change from time to time, and I change my portfolio allocation when I see the market taking a different direction from my initial

### Worst and best bets

**Q What has been your biggest investing mistake?**

**A** Day trading futures and commodities back in 2013 when I had little clue as to what risk management was.

I lost around \$40,000 from a matured insurance product that was meant for my university education. I learnt that you should never risk more than what you cannot lose and that there is no

view. Investments take time and overnight riches are rare to come by. Patience is key.

My portfolio as a whole has yielded an average annual return of between 35 and 50 per cent consistently over the past few years.

**Q What are your immediate investment plans?**

**A** I'm looking into real estate in London and New York as my next long-term plan.

I believe that when the global economy recovers fully, these popular cities will thrive from an influx of talent, businesses and migration. I'm also considering these cities partly for family reasons.

**Q How did you get interested in investing?**

**A** I've had an interest in looking at the stock market and learning from my father since my junior college days.

He was my first inspiration and mentor for my foray into investing.

We bonded by discussing the stock market and economic news, and he helped me to understand fundamental economic principles such as demand and supply, price action and how the stock market works.

My parents had always inculcated the idea of financial budgeting from a young age, for example, through allowance management when I was in school. I learnt that budget planning is the first step to any right financial decision.

**Q Describe your investing strategy.**

**A** I strive to look at the underlying reasons why a particular asset will have value - who and why would someone buy it, and how communities form around it.

The trends and commercial be-

shame in taking profits.

**Q And your best investment?**

**A** The \$30,000 invested in Tokocrypto. We had a couple of major investments over the past few years, including an undisclosed seed round of investment in 2018 from Singapore-based digital asset trading firm QCP Capital.

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haviour around an asset speak a lot for themselves.

If you understand the psychology behind why an asset is important - for example, home products when people are staying indoors during Covid-19 - you will be able to see its long-term value.

**Q How are you planning for retirement?**

**A** I think the notional sum of retirement funds is not relevant, as times change and lifestyles differ.

I would say as long as funds are sufficient for a debt-free life in all areas, including real estate, that will be the ideal goal for me.

I do not plan to retire as I view retirement as a lifestyle where you are free to do what you want, taking into account factors such as wealth, health, family obligations and societal needs. If I still love what I do and continually find new opportunities, retirement will merely be a concept to me.

**Q Moneywise, what were your growing-up years like?**

**A** My parents taught me to never owe anyone anything.

They were always strongly against the idea of me borrowing money from friends and made it a point that I had to use my own money or allowances to pay them back.

That highlighted the importance of debt and credit from an early age.

My parents are now in their 60s and semi-retired. My mother is a teacher while my father works in sales part-time. I was lucky that they were very supportive.

They allowed my sisters and me to explore our interests, such as art, photography, various sports and solo travels, before we turned 20.

I appreciate the opportunities and privilege we had to do so and am very grateful for them.

I started working at Digix before finishing my studies at Singapore Management University.

I was very adamant on trying this venture upon graduation despite potentially having a decent career in banking and finance - my dream at that time.

My parents did not try to stop or discourage me in any way.

**Q Home is now...**

**A** A 1,200 sq ft, two-bedroom freehold condominium unit in the east of Singapore.

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