



Me&MyMoney

Using money to do good, for himself now, and others later

Helping the needy is what's driving entrepreneur Daniel Tan at work



Lorna Tan
Invest Editor

Entrepreneur Daniel Tan counts himself fortunate that he works for passion and that what he does also brings benefits to people long after he is gone.

Mr Tan, 47, is an insurance agency manager with Great Eastern Financial Advisers (GEFA).

He is married with no children, by choice. This allows him, he says, greater financial flexibility on what he can invest and do with the wealth he is accumulating.

"As my wife and I have no children, we have set up a family charitable trust that will receive all our assets after we are gone.

"The trust is named 'Weebo', after our first dog. Weebo Trust will manage and distribute income derived from the assets to deserving animal welfare organisations in Singapore," he said.

He has been in the insurance industry since early 1997 and currently manages a team of four financial consultants at GEFA.

To generate passive income, he invests in businesses with potential to provide regular cash payouts.

He co-founded Let's Go Tour Sin-

gapore, an inbound travel agency specialising in unique tours of the island. The agency started as a casual cycling group for tourists in 2012, with \$6,000 as seed money.

The business broke even within a year and was incorporated as a private limited company in 2016. Its annual turnover is a modest six-figure amount, with two full-time staff and five freelance tourist guides.

Mr Tan is also a freelance actor, and has appeared in Mediacorp productions such as Tanglin and Crime Watch, as well as commercials.

He works out almost daily and can run 2.4km under 12 minutes.

Q What's in your portfolio?

A About a quarter of my portfolio is invested in my business, 15 per cent in unit trusts such as global equity and bonds, and 15 per cent in insurance, with the balance 45 per cent in cash. I'm holding more cash than I usually do in anticipation of potentially investing in a new venture.

My portfolio has performed an average of 8 to 10 per cent a year over the past decade.

Q What are your immediate investment plans?

A I believe in the importance of investing in education for myself. Early this year, I completed a master's degree in business administration (MBA) from the University of Roehampton (London). In 1991, I obtained a diploma in electronics and communication engineering from Singapore Polytechnic.

I'm thinking of pursuing a PhD – any sponsors?

Q How did you get interested in investing?

A I was appointed as a business evaluator for the Spring Singapore ACE-Startup Grant in my alma mater Singapore Polytechnic about 10 years ago. The gumption displayed by the younger entrepreneurs ignited the passion in me and I decided I should make better use of my age, experience and connections.

I have been entrepreneurial since I was 13. Back then, whenever my mum made keropok (prawn crackers), I would sell them door to door in my neighbourhood. I even sold them along the street as an illegal hawkker. During the year-end school holidays, I would buy Christmas candles in bulk and sell them for a tidy profit to tourists in Orchard Road. My sales were good – perhaps they took pity on a schoolboy.

Q Describe your investing strategy.

A In terms of business, I like to look for those that are niche and able to generate passive income within a short period of time. This was a major reason that made me join the insurance industry 22 years ago. Prior to that, I was a sales executive, promoting meeting room equipment like projectors and sound systems, before joining AIA from 1997 to 2010.

Q What else is in your financial plan?

A Besides our family charitable trust, my wife and I have drawn up our wills to distribute our assets to the trust. Other legacy planning tools like the Lasting Power of Attorney and Advance Medical Directive were done years ago. I have to walk the talk as I am advising my clients.

Q How are you planning for retirement?

A I may slow down, but have no plans to retire as I enjoy everything I do. It is a pleasure and privilege to be able to work every day, be it helping my insurance clients, supporting my team members, giving a lecture at an institution or overseeing my business.

Q Money-wise, what were your growing-up years like?

A I grew up in a typical lower-income, Singaporean family. Dad was a factory production worker (he died a few years ago) and mum is a housewife cum seamstress. I have a sister who is 11 years older and she doted on me when I was young. There was no such thing as tuition and enrichment back then, so I spent most of my days playing football or other games after school.

Growing up, we had to watch every dollar and lived very frugally. I remember I had 30 cents as pocket money in Primary 1 and this was increased to 50 cents in upper primary. Although I wanted to buy many things like a typical teenager, I didn't dare ask for money as I knew we were not rich. Despite this, I was never refused anything I needed for my studies, be it assessment books or a computer.

Q What does money mean to you?

A Money is like fire. It can be a good servant or a bad master. To me, I use it to do good (such as providing for the family or contributing to charitable causes).

For the past eight years, I am very humbled to be able to contribute to bursaries for needy students at Singapore Polytechnic and Mayflower

Worst and best investments

Q What has been your biggest investing mistake?

A I started an event management company around 2010 with a friend, to bring a celebrity guest to Singapore to host a competition.

We took on more than we could chew and eventually had to close down. I lost \$40,000 in six months.

From that experience, I realised that for smaller entrepreneurs like myself, it is better to start niche businesses that require low capital and can generate income early.

Q And your best investment?

A I decided to join the insurance industry back in 1997. It gave me – someone who grew up in a three-room HDB flat and had only a diploma – an incredible platform to work hard and achieve financial freedom.

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Secondary. This motivates me to continue working, so I can benefit others and myself.

However, I have also seen how people become a slave to money. Usually these are the ones who earn \$10,000 and spend \$9,999. Or \$11,000.

Q Home is now...

A A freehold 600 sq ft, one-bedroom apartment in Novena. It was bought in 2004.

Q I drive...

A A blue Nissan Note 1.2L. To me, cars are a liability. Unfortunately, I need to run around so I buy the basic, decent, safe model. If there were no Certificates of Entitlement in Singapore, I would buy a much better car.

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