

AMTD aims to provide a 'one-stop' fintech solution for the region

It seeks to deliver comprehensive, 360-degree service for its clients, says its chief executive. **BY RENALD YEO**



AMTD's fintech arm AMTD Digital is in the midst of launching an office space in Singapore, which will serve as its global headquarters. PHOTO: PEXELS.COM

FOR some financial services providers, Covid-19 has scuppered plans and shuttered growth. For others, the opposite holds true – amid the global pandemic, there is fresh wind in their sails and growth has accelerated.

To Calvin Choi, group chairman and chief executive of Hong Kong-based AMTD Group, his firm is firmly in the latter camp.

"Because of Covid-19, everything is pushing to digital channels," Mr Choi told *The Business Times*.

"If you do not step up your efforts to disrupt yourself, then you will get disrupted in every way and means by others."

For AMTD, "stepping up" in the firm's context refers to the beefing up of its fintech arm, AMTD Digital, which is in the midst of launching an office space in Singapore.

The office is expected to be operational by the end of the year and will serve as AMTD Digital's global headquarters.

The year has been a busy one for AMTD in Singapore, said Mr Choi, even as countries around the world imposed various levels of movement restrictions to curb the spread of the Covid-19 virus.

In October, AMTD acquired a controlling interest in the non-assurance business of accounting and consulting firm Nexia TS.

That was AMTD's fourth such acquisition in Singapore this year, following payment provider FOMO Pay, private capital platform CapBridge and insurance technology startup PolicyPal.

This comes on top of a S\$11.5 million investment into five Singapore-based fintech companies announced in September, as part of the AMTD Singapore Solidarity Fund.

The flurry of activity in Singapore is because the city-state is a globally renowned fintech hub, said Mr Choi.

"Singapore is one of most ideal places I would want to set forth my base for fintech, as you see a significant amount of support from regulators, and I see very good entrepreneurship spirit there."

AMTD had also put in a bid for a digital wholesale bank licence in Singapore. It was part of a consortium that included power grid operator SP Group, Xiaomi Finance, and crowdfunding platform Funding Societies.

According to an October report by S&P Global, Singapore-based fintechs drew in a combined US\$167 million (S\$223.58 million) in the third quarter of 2020, up 56 per cent from the previous quarter.

Meanwhile, the banking and finance sector posted year-on-year growth of 3.4 per cent in the second quarter, according to industry data.

For Mr Choi, however, the math is much simpler.

What AMTD Digital aims to achieve in Singapore through its acquisitions is build expertise in the various verticals of fintech, he said.

These verticals include digital payments and insurance technology, which are in line with AMTD's current acquisitions.

The next stage of AMTD's plan is to acquire more firms in the same verticals and eventually, merge and consolidate the firms in each vertical, Mr Choi said.

The end goal, he added, is to create a one-stop digital solution for its clients in the region.

"We don't only want to serve a particular client based on one service, but we want to be comprehensive, 360 degrees, of the clients' needs."

Networking strategy

To get there, firms in its eco-system can tap on AMTD's SpiderNet, which is part of a larger networking strategy to ensure that the stakeholders in the eco-system – be it clients, shareholders, or subsidiary firms – are able to tap on the expertise of peers in the network.

On the investments front, AMTD pays particular attention to the talent onboard potential acquisitions, said Mr Choi. That is because historically, talent has been the biggest challenge AMTD faced in setting up its digital arm, as the pool of top-tier talent is small – and mobile.

"It's really about chasing, or competing, for talents," he added. "Today, this talent is at your bank, tomorrow he or she may be working in our bank."

To alleviate the problem, AMTD has been investing heavily in partnerships with universities in Singapore and abroad.

In June, the firm partnered with Xiaomi Finance, Singapore Management University (SMU) and the National University of

Singapore's Institute of Systems Science (NUS-ISS) to develop a S\$5 million programme catered for senior executives, fintech entrepreneurs and policymakers from Singapore, South-east Asia and the Greater Bay Area.

The funding will allow SMU and NUS-ISS to build the relevant curriculum and teaching resources, as well as defray the costs of managing and organising the programme.

Yet, more can be done across the board to ensure a steady supply of talent into the fintech pool, said Mr Choi, as his firm's biggest challenge still lies in talent management.

"I would want to see, with government support, for universities to have a bachelor programme with fintech as a specialty."

Apart from developing talent from the ground up, AMTD has been keen to network with like-minded firms and build a thriving, sustainable fintech eco-system in Singapore, said Mr Choi.

Part of that includes giving back when times get tough for industry players.

In May, AMTD partnered with MAS and the Singapore FinTech Association (SFA) to establish the S\$6 million MAS-SFA-AMTD FinTech Solidarity Grant, to support Singapore-based fintech firms amid the challenging business climate caused by the Covid-19 pandemic.

The grant will help fintech firms pay for their day-to-day expenses, including the salaries of undergraduate interns.

"Ultimately, we are very glad to be part of the overall forces driving the building up of Singapore fintech," Mr Choi said.