

TRANSITIONS IN INDONESIAN CONGLOMERATES

– WITH A FOCUS ON THE THIRD GENERATION OF THE FOUNDING FAMILIES –

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SUMMARY

- Indonesia's three major conglomerates are working with a sense of speed to invest in digital infrastructure and collaborate with startups with the goal of developing digital businesses into their core businesses going forward.
- Although the third generation is responsible for establishing investment funds and collaborating with startups, they are still in the process of developing their assessment skills through fund management, while respecting the decisions made by the second generation who remain at the center of management.
- The third generation's awareness and understanding of Japanese companies do not differ greatly from those of the second generation, who are pro-Japanese. However, when selecting partners, they are expected to take a more flexible attitude, making decisions based on the characteristics and advantages of each company regardless of country.

1. INTRODUCTION

Digitalization has remarkably changed Indonesia's economy and society. Super apps, which appeared in the 2010s when smartphone became a must-have, changed people's lives. In addition to these developments, the COVID-19 pandemic further accelerated the use of digital services. Digitalization is critical in achieving future economic development of the country as emphasized by the President Joko,¹ who states that the Indonesian economy could become the world's 7th largest economy by 2030 in the event of swift and apposite growth in digitalization in the economic and financial sectors. This report analyzes the trends of the second generation, who are at the center of managing these conglomerates possessing overwhelming presences in the Indonesian economy, as well as the trends of the third generation, their successors. With a particular focus on the third generation, the report aims to provide some suggestions for any future consideration of business with Indonesian conglomerates.

2. TRANSITIONS IN MAJOR INDONESIAN CONGLOMERATES

2-1. The First Generation: Behind-the-scenes figures promoting industrialization under the Suharto regime

Private companies in Indonesia are divided into Pribumi capital (ethnic capital owned by the indigenous Malay population) and non-Pribumi capital (mainly Chinese-owned capital).² Most of the major conglomerates are

¹ "Indonesia poised to become seventh-largest economy globally by 2030" ANTARA News (2021.10.11)

² In Thailand and the Philippines, where there are no religious barriers, the indigenous people and ethnic Chinese have been assimilated through intermarriage. In Indonesia, however, there has been little integration between the mainly Muslim Pribumi and the mainly Christian or Buddhist ethnic Chinese. (Source: Sato, Yuri (2011), *Indonesia—An Economic Powerhouse* [in Japanese], Chuko Shinsho)

Chinese-owned³ and operate within multiple business domains. They are also typical family businesses; even after a company under its umbrella becomes listed on the stock market, the founding family continues to maintain control of it.

The founders of these Chinese conglomerates either personally emigrated from mainland China or are the children or grandchildren of such emigrants. Many of them began their business during or after WWII and gained political ties during Suharto's long-term regime (1966-1998).⁴ Under Suharto's authoritarian developmental regime, Chinese conglomerates were granted development permits and trade monopolies in the areas of heavy industry, mining, and agriculture to expand their businesses.⁵ Working behind the scenes, these conglomerates supported Indonesia's rapid economic growth and transformation into a newly industrialized country.⁶

2-2. The Second Generation: Transforming business portfolio for recovery from the crisis

The Asian financial crisis of 1997 and the fall of the Suharto regime in 1998 dealt a blow to Chinese conglomerates. The collapse of the rupiah caused dollar-denominated external debts to swell, and a number of conglomerates saw their owned banks fail or be nationalized. The lives of the general public became impoverished due to the sharp rise in import prices, and their dissatisfaction led to anti-Chinese riots.

Following a period of transition, however, political stability was restored during the Yudhoyono administration (2004-2014), and Chinese conglomerates recovered amidst the resource boom and favorable business climate that began in the late 2000s. New Pribumi-owned conglomerates, such as CT Corp, also emerged during this period.

All of the 10 major conglomerates in terms of sales overcame the crisis by shifting their business foundation from heavy industry to resources and the service industry.⁷ This recovery was due not only to Indonesia's unique environment, which offered palm oil, coal, and other resources with low technological barriers and little competition in the international market, but also to the acumen of the numerous second-generation entrepreneurs who had been entrusted with steering the operations of conglomerates.

The Joko administration (2014-) has prioritized industrial upgrading and elimination of regional disparities,⁸ and it is also rushing to respond to the trends of digitalization and decarbonization. The next section addresses how third-generation managers in the three major conglomerates of Salim, Sinar Mas, and Djarum are addressing these issues.

³ Although ethnic Chinese account for only around 3% of the population, they are estimated to control more than 70% of the economy according to multiple sources.

⁴ According to Sato (2011), the anti-communist Suharto administration severely restricted the activities of the ethnic Chinese population in politics, culture, media, and Chinese language education in order to insulate Indonesia from China's influence. At the same time, however, the administration also wisely implemented a policy of providing the ethnic Chinese population with guaranteed status as long as they specialized in economic activities.

⁵ In addition, these conglomerates also provided funds and management expertise to companies and foundations run by President Suharto's relatives. Although this report does not go into detail, these relationships are known in Indonesian as "KKN: Korupsi (corruption), Kolusi (collusion), and Nepotisme (Nepotism)," and are often criticized in terms of governance.

⁶ According to Sato (2011), during the period from 1968 to 1996, Indonesia sustained high economic growth, averaging 7% per year. During this period, its industrial structure shifted from a focus on agriculture, forestry, and fisheries toward a focus on manufacturing, and the country's export structure shifted from primary products toward industrial products.

⁷ Sato (2011)

⁸ Specifically, the administration is working to foster new industries such as resource processing and EV-related industries, to diversify their manufacturing investments in outlying islands other than Java, to improve infrastructure and to enhance the quality of human resources by expanding the scope of higher and technical education.

3. TRENDS IN THE THIRD GENERATION

3-1. Salim Group

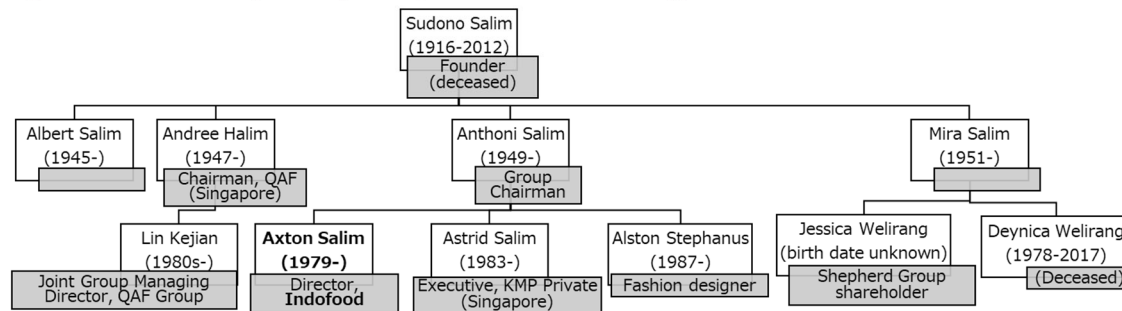
The Salim Group operates a broad range of businesses:⁹ palm plantations, flour milling, and food supply chains that encompass food manufacturing and wholesaling to approximately 19,280 convenience stores nationwide, heavy industry, and infrastructure¹⁰ (Figure 1). The group also collaborates with several Japanese companies, including Duskin (a Mister Donut business), The Nisshin OilliO Group, and Seino Holdings.

Figure 1: Salim Group’s main business fields

Agribusiness & Food <ul style="list-style-type: none"> •Plantation •Milling •Sugar manufacturing •Food manufacturing and wholesale 	Heavy industry <ul style="list-style-type: none"> •Cement •Chemicals •Automobiles 	Retail <ul style="list-style-type: none"> •Convenience stores •Restaurants •Bakeries 	Financial services <ul style="list-style-type: none"> •Banking 	Digital infrastructure <ul style="list-style-type: none"> •Data centers 	Infrastructure (Business in the Philippines, etc.) <ul style="list-style-type: none"> •Communication •Electric power •Water and sewage services •Expressways •Hospitals 	Mining industry (Business in the Philippines, etc.) <ul style="list-style-type: none"> •Mining development •Oil and gas field development
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Source: Compiled by MGSSI based on "ASEAN Company Map - Second Edition" by Maya Katsuragi (2019) and various media reports

Figure 2: Salim Group family tree (main successors only)



Source: Compiled by MGSSI based on Wikimedia Commons, Wikipedia, and various media reports

The chairman and CEO of the group is Anthoni, the third son of the founder Sudono Salim, and Anthoni’s eldest son, Axton (43)¹¹, is expected to be his successor (Figure 2).¹² After graduating from a university in the US, he joined an affiliate of Indofood, the group’s core food company, in 2004. He was appointed as a director of Indofood in 2009 and serves as an officer in many companies within the group. Axton has focused on developing new products, including snacks with the same flavor as Indomie instant noodles, the company’s flagship product line. Interestingly, rather than using the company’s official social media accounts, Axton posts advertisements for new products via his personal Twitter, Instagram, and TikTok accounts (Figure 3). In this approach,

Figure 3 Axton salim cooking and tasting the new Indomie product (launched in January 2022) on TikTok



Source: axton.salim on TikTok, Indomie Goreng rasa Ayam Pop, 17 February 2022, https://www.tiktok.com/@axton.salim/video/7065643297976487170?is_copy_url=1&is_from_webapp=v1

⁹ Katsuragi, Maya (2019), "ASEAN Company Map - Second Edition" [in Japanese], Shoeisha. The quoted number of convenience stores (Indomaret) is based on the results of a Google search as of September 1, 2022.

¹⁰ Following the Asian financial crisis, the group actively invested in resource development and funded the largest telecommunications, power distribution, and water supply companies in the Philippines through First Pacific, a holding company founded in Hong Kong in 1981. According to the First Pacific Company Limited Annual Report 2021, business in the Philippines has grown into one of its major sources of earnings.

¹¹ Age as of September 1, 2022; the same applies hereinafter.

¹² Of Sudono’s fourteen grandchildren, Axton and his cousin Lin Kejian (Daniel Halim) are the most involved in the group’s business. Lin is a graduate of California State University in the US and has served as the Joint Group Managing Director of QAF, a Singaporean food company, since 2017.

which targets young people¹³, he has attracted attention by personally becoming a billboard.¹⁴ He also frequently makes social media posts about his personal life. He has a reputation for being friendly and does not seem like a son of a wealthy conglomerate family.¹⁵

Among the group's new businesses, Axton is leading the incubation facility, e-sports, and metaverse projects (the highlighted areas in Figure 4). Although he is featured in press releases, the original ideas are thought to have come from his father Anthoni.¹⁶ Anthoni is an extremely studious person, and from an early on, he began to focus on digital content, and his efforts led to acquiring a license to use the popular Japanese character Pokemon in business.

Figure 4. Salim Group's new business trends

2017	<ul style="list-style-type: none"> ● Re-entered the banking business after a 20-year absence by acquiring Bank Ina Perdana, a medium-sized bank ● Established an incubation facility, Block71, in Jakarta in collaboration with NUS Enterprise, the entrepreneurial arm of the National University of Singapore ● Invested in PopBox Asia Services, a smart locker company ● Partnered with Liquid, a Japanese biometric authentication company, to consider a mobile payment business based on fingerprint authentication ● Acquired XL Planet (a joint venture between XL Axiata in Indonesia and SK Planet in South Korea), operator of the e-commerce site elevenia, and obtained an e-money license
2019	<ul style="list-style-type: none"> ● Established a joint venture with ESL, a German manager of e-sports tournaments ● Partnered with Pokemon, a Japanese game planning company (funded by Nintendo), and acquired distribution rights for Pocket Monster card games and licensed products ● AKG Games, a game company in the group, partnered with Blizzard Entertainment, a US game software developer
2020	<ul style="list-style-type: none"> ● Investment holding company Gallant Venture built a vegetable factory for Singapore on Bintan Island in collaboration with Japan's Obayashi Corporation
2021	<ul style="list-style-type: none"> ● Partnered with Google Cloud to promote AI-based DX ● Established an insurance and healthcare company and a genetic analysis center through a joint venture with Medizen Humancare, a South Korean genetic testing company ● Invested additional funds in DCI Indonesia, a major data center provider, and raised CEO Anthoni's own stake in the company from 3.03% to 11.12% ● Announced an enhanced partnership in the tech sector with Emtel Group (PT Elang Mahkota Teknologi) ● Investment holding company Gallant Venture, in collaboration with MedcoEnergi in Indonesia and PacificLight Power in Singapore, launched a pilot project to build a solar power plant in the Riau Islands Province and export electricity to Singapore
2022	<ul style="list-style-type: none"> ● Accepted 6% of Allo Bank, a subsidiary digital bank under CT Corp, through an increase of capital ● Established a metaverse platform development company in collaboration with WIR Group, an AR technology developer in Indonesia

Note: Highlighted areas indicate businesses led by Axton Salim

Source: Compiled by MGSSI based on various media reports

¹³ He has also attracted attention by printing youth buzzwords on the packaging of new products. "Conglomerate Anthony Salim's Indomie Wrap It's Written 'Jaksel Abis' With A 'Literally Must Try' Taste, This Is Axton Salim's Comment" [voi.id \(2022.2.1\)](#) (Accessed on August 7, 2022)

¹⁴ "Axton Salim Revealed the Secret Behind the Indomie-flavored Chitato Campaign in a Guest Lecture at BINUS BUSINESS SCHOOL" BINUS Business School (2019.9.16)

¹⁵ "The Simple Lifestyle of 3 Conglomerates, Much Different from Doni Salmanan Who Claims to be Crazy Rich" [voi.id \(2022.3.28\)](#) (Accessed on August 7, 2022)

¹⁶ "Indonesia's Salim Group to set up esports venture" Nikkei Asia (2019.1.29) and from an interview with Jun Suzuki of Nikkei, Inc. in Japan, who interviewed Anthoni directly. Anthoni is also thought to make decisions on investments in data centers, digital banking, and other areas that have the momentum to grow into core businesses.

3-2. Sinar Mas

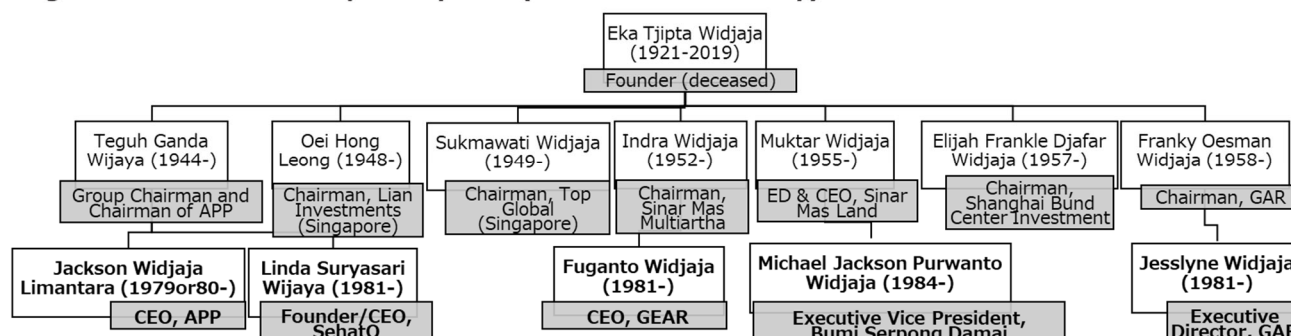
The core businesses of the Sinar Mas Group include paper pulp, finance, real estate, agribusiness, mining, and telecommunications (Figure 5), and the group also aims to develop healthcare and education into core businesses.¹⁷ The founder, Eka Tjipta Widjaja, was succeeded by six sons and one daughter (whom he had with his first wife), who split control of the group.¹⁸ Currently, all of the children serve as Chairman, CEOs and directors of the core companies (Figure 6). While each business is independent to prevent competition with each other, there is close lateral cooperation as the members of the second and third generations always gather together once a month to exchange information and hold study sessions.

Figure 5: Sinar Mas Group's main business fields

Pulp & paper	Financial services	Real estate	Agribusiness	Mining industry	Digital infrastructure	Investment
<ul style="list-style-type: none"> Paper manufacturing Afforestation 	<ul style="list-style-type: none"> Banking Securities Life and non-life insurance 	<ul style="list-style-type: none"> Housing Shopping malls Industrial parks Hotels 	<ul style="list-style-type: none"> Palm plantation Palm oil production 	<ul style="list-style-type: none"> Coal mine development Coal sales 	<ul style="list-style-type: none"> Fiber-optic communication Data centers Mobile phones 	<ul style="list-style-type: none"> Venture capital

Source: Compiled by MGSSI based on "ASEAN Company Map - Second Edition" by Maya Katsuragi (2019) and various media reports

Figure 6: Sinar Mas Group family tree (main successors only)



Sources: Compiled by MGSSI based on Forbes (<https://www.forbes.com/sites/forbesasia/2019/12/04/indonesias-richest-2019-sinar-mas-founder-widjaja-leaves-solid-legacy/?sh=609a27175d52>), Scoopnest (<https://www.scoopnest.com/user/CapitalProfile/1089745135854772224-indonesian-tycoon-and-sinar-mas-group-founder-eka-tjipta-widjaja-passed-away-on-26-jan-2019-at-the-a>) and various media reports

The candidate for the next chairman of the entire group was originally Jackson (42 or 43), CEO of Asia Pulp & Paper (APP). However, since he grew up in China and is not fluent in Indonesian, and since he has been involved in overseas business and does not have strong domestic connections,¹⁹ Michael (38) and Fuganto (40) are now considered the most likely candidates. Michael is the executive vice president of Bumi Serpong Damai, a subsidiary of the real estate company Sinar Mas Land, and he is leading BSD City, a large-scale urban development project, focused on creating a smart city. The Sinar Mas Group has entered into joint ventures with over 30 Japanese companies, and an alliance of Japanese companies, including Mitsubishi Corporation,

¹⁷ According to interviews conducted with group members, paper pulp and plantations currently account for approx. 60% of their assets, and agribusiness (palm oil) accounts for roughly 30%.

¹⁸ The eldest son Teguh is in charge of paper pulp, the third son Indra of finance, the fourth son Muktar of real estate, and the sixth son Franky is in charge of agribusiness. The second son Oei Hong Leong and the eldest daughter Sukmawati are entrepreneurs living in Singapore. The fifth son Elijah Frankle Djafar is an entrepreneur living in Shanghai. Of the children he had with his second wife, the eldest daughter Nanny (1952-) is a director at Capitol Group, and the eldest son Jimmy (1954-) is the CEO of Capitol Group. The other children inherited cash, and no one else is directly involved in the group's management. Freddy, one of the children who was dissatisfied with this inheritance, filed a lawsuit against his half-brothers, but it was dismissed by the Supreme Court. Eka is said to have had two official wives and 15 children, but Freddy claims that Eka had five wives and 28 children. "[Here's the Legacy of Rp 737 T that Makes Eka Tjipta's Children Noisy](https://www.cnbci.com/indonesia/2022/6/30/here-s-the-legacy-of-rp-737-t-that-makes-eka-tjipta-s-children-noisy)" [cnbcindonesia.com](https://www.cnbci.com/indonesia/2022/6/30/here-s-the-legacy-of-rp-737-t-that-makes-eka-tjipta-s-children-noisy) (2022.6.30)

¹⁹ Jackson has promoted mergers and acquisitions of major paper and paperboard companies in Canada, the US, and Europe through Paper Excellence, a holding company registered in the Netherlands. However, acquisitions in Brazil have been criticized for possible violations of anti-monopoly and environmental protection regulations, which has led to legal battles. "[An Indonesian company is increasingly controlling Canada's pulp industry, but regulators seem unwilling to act](https://www.halifaxaminer.ca/2022/7/6/paper-excellence-and-jf-remain-at-odds-over-eldorado-deal-after-court-ruling)" [halifaxaminer.ca](https://www.halifaxaminer.ca/2022/7/6/paper-excellence-and-jf-remain-at-odds-over-eldorado-deal-after-court-ruling) (2022.7.6), "[Paper Excellence and J&F remain at odds over Eldorado deal after court ruling](https://www.reuters.com/business/paper-excellence-and-jf-remain-at-odds-over-eldorado-deal-after-court-ruling)" [Reuters](https://www.reuters.com/business/paper-excellence-and-jf-remain-at-odds-over-eldorado-deal-after-court-ruling) (2022.7.30)

intends to participate in BSD City. Fuganto, executive director and group CEO of Golden Energy and Resources (GEAR), helps in the mining business owned by his uncle Franky as well as in all financial projects other than insurance.²⁰

Nearly everyone in the third generation graduated from a university in the US and holds values that differ in some respects from those of the second generation, who were mainly educated in Asia. This is most evident in how they approach ESG. In 2013, when Linda (41) was in charge of APP's operations in Indonesia, the operations were criticized by environmental NGOs and Western companies for destroying tropical rainforests and being the source of CO₂ emissions. After persuading her father and the other executives, she released a Forest Conservation Policy, which stated that all raw materials for paper pulp would come from plantations and that no more natural forests would be logged.²¹ As the executive director and sustainability chairperson of Global Agri-Resources (GAR), Jesslyne (40) also focuses on efforts to enact the palm oil industry's first ever forest protection policy and to prevent child labor.²² Michael launched an autonomous-driving pilot project in BSD City to reduce CO₂ emissions.

Sinar Mas Group 3rd Generation



Jackson Widjaja

Source: Veja, <https://veja.abril.com.br/economia/guerra-bilionaria-entre-jf-e-paper-excellence-entra-em-fase-decisiva/> (accessed September 1, 2022)



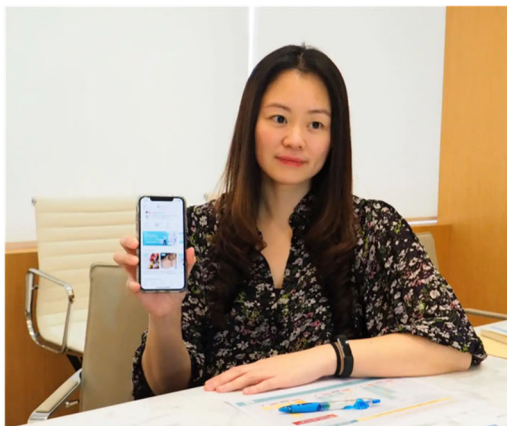
Fuganto Widjaja

Education: Cornell University, University of Cambridge (M Phil)
Source: Golden Energy and Resources, <https://gear.com.sg/product/mr-fuganto-widjaja/> (accessed September 1, 2022)



Michael Jackson Purwanto Widjaja

Education: University of Southern California
Source: Tatler, <https://www.tatlerasia.com/people/michael-widjaja/> (accessed September 1, 2022)



Linda Suryasari Wijaya

Education: University of Michigan, Columbia University (MA)
Sources: Nikkei Asia, <https://asia.nikkei.com/Business/Health-Care/Indonesia-e-doctor-app-connects-patients-to-500-hospitals> (2022) (accessed September 1), Forbes



Jesslyne Widjaja

Education: University of California, Los Angeles Wharton School (MBA)
Sources: GAR, <https://www.goldenagri.com.sg/about-us/our-leaderships/> (accessed September 1, 2022); Asia Markets

²⁰ Fuganto became CEO of Golden Energy and Resources (GEAR), a coal mine development company, at the age of 33, and he promotes mergers and acquisitions of coal mining companies in South America, Australia, and other regions. "[Widjaja Family's Golden Energy And Resources Completes \\$1.2 Billion Acquisition Of BHP's Australian Coal Mines](#)" Forbes (2022.5.4)

²¹ Nakano, Takashi and Suzuki, Jun (2022), *Secrets behind the Great Success of Southeast Asian Startups* [in Japanese], Nikkei Business Publications.

²² "[Jesslyne Widjaja: Changing the face of Asia's palm oil industry](#)" Asia Markets (2021.11.26), "[Golden Agri-Resources improves its score in study on Children's Rights](#)" Golden Agri-Resources (2020.12.24)

The third generation is focused on new business development, while remaining involved in managing the core businesses. Michael launched a fund to invest in urban development solution startups,²³ and Fuganto launched a pharmaceutical business, an area in which the group had not yet expanded. Linda launched a healthcare business²⁴ and is also working on education and human resource development, which are government priorities.

3-3. Djarum

The Djarum Group's core businesses are tobacco and banking (Figure 7). Bank Central Asia (BCA) was a subsidiary of the Salim Group, but once it was nationalized during the Asian financial crisis, the Hartono family, who owns Djarum, bought the shares. Backed by the abundant financial resources of Indonesia's wealthiest (Forbes, 2021; see the listing on the last page), the group is actively investing in digital infrastructure and owns telecommunications towers and the largest fiber-optic communication network in the country.

Victor (50 or 51) and Armand (47) are involved in the management of Djarum, a cigarette manufacturer, and BCA, respectively. Martin (48 or 49) launched the venture capital firm GDP Venture in 2010 to develop a new core business (Figure 8). The company is known for its assessment abilities. As of August 2022, the VC's portfolio companies are 65 companies, including unicorns and soonicorns such as the super app Gojek, the online medical company Halodoc, and the e-commerce company Blibli. At the same time, Armand established Central Capital Venture under BCA to invest in 26 financial tech companies.²⁵

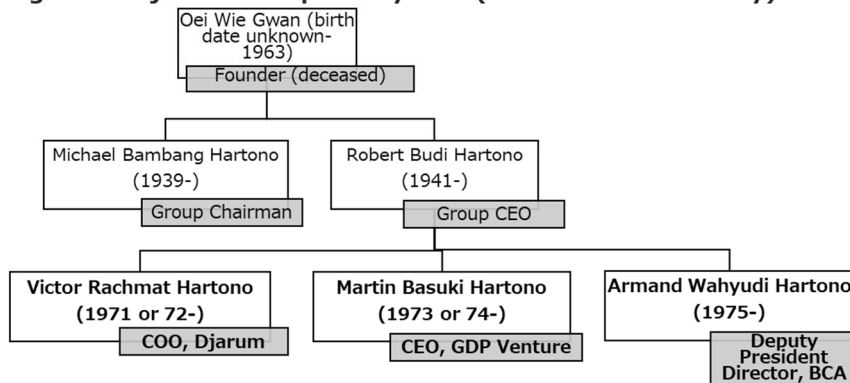
Although the succession from one generation to the next is ongoing, members of the second generation have placed trusted aides in key companies and exercise their influence, especially in regard to important deals. Similar to Sinar Mas, the second and third generations hold frequent lunch meetings to share business information.²⁶

Figure 7: Djarum Group's main business fields

Agribusiness	Cigarette	Heavy industry	Financial services	Real estate	Digital infrastructure	Investment
<ul style="list-style-type: none"> •Palm plantation 	<ul style="list-style-type: none"> •Cigarette manufacturing 	<ul style="list-style-type: none"> •Electrical and electronic •Chemicals •Packaging materials 	<ul style="list-style-type: none"> •Banking 	<ul style="list-style-type: none"> •Shopping malls 	<ul style="list-style-type: none"> •Communication towers •Fibre optic communication networks 	<ul style="list-style-type: none"> •Venture capital

Source: Compiled by MGSSI based on "ASEAN Company Map - Second Edition" by Maya Katsuragi (2019) and various media reports

Figure 8: Djarum Group family tree (main successors only)



Source: Source: Compiled by MGSSI based on Wikipedia, LinkedIn, and various media reports

²³ "Sinar Mas Land forms an investment arm named Living Lab Ventures to accelerate startups in BSD City Ecosystem" tradelinkmedia.biz (2022.6.28). In addition, the group as a whole collaborated with Sinar Mas Digital Ventures (SMDV) in 2014 and with East Ventures and Yahoo Japan (YJ Capital) in 2018 to establish EV growth funds. However, these are operated by Roderick Purwana, a managing partner, and the third generation does not appear to be directly involved.

²⁴ According to interviews conducted with group members, paper pulp mills are generally considered to have a high rate of injuries due to disasters and accidents. APP also owns numerous clinics and insurance businesses, and SehatQ, the online medical company founded by Linda, collaborated with these.

²⁵ "BCA to Allocates Rp400 Million in a New Managed Fund Central Capital Ventura" DailySocial.id (2022.1.28)

²⁶ Based on interviews conducted with group members.

Djarum Group 3rd Generation



Victor Rachmat Hartono
Education: University of California, San Diego, Kellogg School of Management (MBA)
Source: ASEAN Business Club, <https://aseanbusinessclub.org/members-2/victor-hartono/> (accessed September 1, 2022)



Martin Basuki Hartono
Education: University of California, San Diego, Drucker School of Management (MBA)
Sources: Nikkei Asia, <https://asia.nikkei.com/Business/Rich-benefactor-supports-Indonesian-tech-startups> (accessed September 1, 2022); LinkedIn



Armand Wahyudi Hartono
Education: University of California, San Diego, Stanford University (MS)
Source: Bank Central Asia, <https://www.bca.co.id/en/tentang-bca/korporasi/Manajemen-BCA/profile?p=%7B48A18659-0BC7-4E0B-ADF6-7EF670BD6A9D%7D> (accessed September 1, 2022)

4. CONCLUSIONS

The three major conglomerates are working with a sense of speed to invest in digital infrastructure and collaborate with startups with the goal of developing digital businesses into their core businesses. The third generation is mainly responsible for investment in startups, and the members are in the process of developing their assessment skills through fund management, while respecting the decisions made by the second generation as appropriate.

The third generation differs from the second in some respects. Compared to the second generation, which avoided attention, the members of the third generation are more active in PR activities and are willing to become billboards themselves. They are also highly ESG-conscious and work to address environmental issues and human rights issues, such as child labor, with a strong sense of urgency and mission.

All three conglomerates have built up good relationships with Japanese companies over a long period of time. As an example, Sinar Mas is still grateful to the Japanese companies that canceled their debt when the group defaulted in the early 2000s, and this gratitude has been inherited by the third generation. The conglomerates continue to place trust in the products, service quality, and advanced technical capabilities of Japanese companies in consumer goods, retail, software development, and other fields. On the other hand, there are also fields, such as resource development and infrastructure, where they rely on Chinese companies that are superior even to Japanese companies in terms of speed and financial resources. The third generation flexibly selects partners based on the characteristics and advantages of each company regardless of country, and going forward, this attitude is likely to be reinforced further.

Reference: Indonesia's 50 Richest (Forbes)

	Individual/Family Name	Origin of Wealth	Group Name, Core Company	Net Worth (\$100 mn)			Rank
				2021	2018	21/18	2018
1	R. Budi & Michael Hartono	Conglomerate	Djarum, BCA	426	350	1.2	1 →
2	Widjaja family	Conglomerate	Sinar Mas	97	86	1.1	3 ▼
3	Anthoni Salim	Conglomerate	Salim	85	53	1.6	5 △
4	Sri Prakash Lohia	Petrochemicals	Indorama	62	75	0.8	4 →
5	Prajogo Pangestu	Petrochemicals	Barito Pacific	61	30	2.0	10 △
6	Chairul Tanjung	Conglomerate	CT Corp	55	35	1.6	7 △
7	Susilo Wonowidjojo	Tobacco	Gudang Garam	48	92	0.5	2 ▼
8	Boenjamin Setiawan	Pharmaceuticals	Kalbe Farma	42	32	1.3	8 →
9	Jogi Hendra Atmadja	Consumer goods	Mayora	41	31	1.3	9 →
10	Bachtiar Karim	Palm oil	Musim Mas	35	15	2.4	21 △
11	Wijono & Hermanto Tanoko	Conglomerate	Avia Avian	33	-	-	- △
12	Jerry Ng	Banking	Bank Jago	32	-	-	- △
13	Eddy Kusnadi Sariaatmadja	Media, tech	Emtek	29	13	2.2	26 △
14	Martua Sitorus	Palm oil	KPN Corporation (Wilmar's co-founder)	29	17	1.7	15 △
15	Theodore Rachmat	Conglomerate	Triputra	28	16	1.8	17 △
16	Tahir	Conglomerate	Mayapada	28	45	0.6	6 ▼
17	Garibaldi Thohir	Coal	Adaro Energy	26	17	1.6	16 ▼
18	Low Tuck Kwong	Coal	Bayan Resources	26	25	1.0	11 ▼
19	Otto Toto Sugiri	Data centers	DCI Indonesia	25	-	-	- △
20	Peter Sondakh	Investments	Rajawali	22	17	1.3	14 ▼
21	Sukanto Tanoto	Conglomerate	Royal Golden Eagle	21	13	1.6	25 △
22	Djoko Susanto	Retail	Alfamart	19	13	1.4	24 △
23	Mochtar Riady	Conglomerate	Lippo	19	23	0.8	12 ▼
24	Ciliandra Fangiono	Palm oil	First Resources	18	12	1.5	28 △
25	Putera Sampoerna	Investments	Sampoerna Strategic	18	18	1.0	13 ▼
26	Ciputra family	Real estate	Ciputra	17	12	1.4	27 △
27	Kiki Barki	Coal	Harum Energy	16	-	-	- △
28	Irwan Hidayat	Herbal medicine	Industri Jamu Dan Farmasi Sido Muncul	16	8	2.1	41 △
29	Edwin Soeryadjaya	Coal, investments	Saratoga Investama Sedaya (Former Astra)	15	7	2.3	45 △
30	Marina Budiman	Data centers	DCI Indonesia	15	-	-	- △
31	Kuncoro Wibowo	Retail	Ace Hardware	15	16	0.9	18 ▼
32	John Kusuma	Banking	Bank Aladin Syariah	14	-	-	- △
33	Murdaya Poo	Conglomerate	Central Cipta Murdaya	13	14	0.9	22 ▼
34	Husain Djojonegoro	Consumer goods	Orang Tua	13	15	0.9	20 ▼
35	Husodo Angkosubroto	Insurance, agribusiness, property	Gunung Sewu	12	12	1.1	29 ▼
36	Winarko Sulistyono	Paper and pulp	Fajar Surya Wisesa	12	-	-	- △
37	Han Arming Hanafa	Data centers	DCI Indonesia	12	-	-	- △
38	Alexander Tedja	Real estate	Pakuwon Jati	12	15	0.8	19 ▼
39	Eddy Katuari	Consumer goods	Wings	11	14	0.8	23 ▼
40	Hary Tanoesoedibjo	Media, real estate	MNC	10	10	1.0	31 ▼
41	Lim Hariyanto Wijaya Sarwono	Palm oil, nickel mining	Harita	10	9	1.1	33 ▼
42	Sudhamek Agoeng Wasipodo Soenjoto	Snacks, beverages	Garudafood	10	9	1.1	32 ▼
43	Hamami family	Heavy equipment	Tiara Marga Trakindo	10	7	1.4	42 ▼
44	Arini Subianto	Coal, palm oil	Persada Capital Investama	10	7	1.5	44 →
45	Susanto Suwanto	Media, tech	Emtek	9	-	-	- △
46	Sabana Prawirawidjaja	Beverages	Ultrajaya Milk Industry	9	6	1.4	47 △
47	Sjamsul Nursalim	Tires, retail	Former Gajah Tunggal	9	8	1.1	36 ▼
48	Soegiarto Adikoesoemo	Chemicals	AKR Corporindo	9	8	1.1	39 ▼
49	Osbert Lyman	Real estate	Lyman	8	9	0.9	34 ▼
50	Kartini Muljadi	Pharmaceuticals	Tempo Scan Pacific	7	6	1.1	49 ▼
Total of 50 Richest				1,615	1,290	1.3	

Individuals/families whose net growth between 2018 and 21 exceeds the growth of the 50 richest. Individuals/families that were not ranked as of 2018

Source: Compiled by MGSSI based on Forbes, Indonesia's 50 Richest (<https://www.forbes.com/indonesia-billionaires/list/>) and "ASEAN Company Map – Second Edition" by Maya Katsuragi

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