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**EXCLUSIVE**

# AIMING FOR NUMERO UNO

BY BRIAN YIM IN YANGON

Sandiaga Uno proves he has great foresight in his foray into Myanmar 19 years ago to secure oil and gas concessions in Bagan.

“WE WANT TO MAKE SURE WE LEAVE A GOOD FOOTPRINT FOR LONG LASTING SUSTAINABLE VALUE CREATION.” – SANDIAGA UNO ON HIS VISION FOR MYANMAR





*Sandiaga Uno won the pitch for two oil and gas concessions near the ancient city of Bagan in 1994.*

The 200 businessmen from Asia, Europe and America had one common purpose. They were scrambling for investment opportunities in Myanmar, currently seen as the last frontier country just starting to open up to the world.

Fuelling the feeding frenzy are reports like those generated by McKinsey Global Institute which estimates that the Myanmar economy could quadruple from US\$45 billion in 2010 to more than US\$200 billion (S\$253 billion) in 2030.

In the midst of the swirling crowd comprising of tycoons and even royalty from Malaysia who flew in on their private jets to Yangon, stood Sandiaga Uno, or more commonly called “Sandi Uno”, one of the wealthiest and most successful entrepreneurs in Indonesia with an estimated net worth of well over US\$800 million.

Sandi owns PT Saratoga Investama Sedaya, one of Indonesia’s largest and most prominent enterprises. The company is shaping up to be the first private equity firm to be listed on the

Indonesian stock exchange, with plans to bring at least one initial public offer (IPO) per year from its pipeline.

His co-founder and partner is a billionaire, Edwin Soeryadjaya, who owns coal company Adaro Energy. His telecommunications company, Tower Bersama, is reported to be a candidate for a merger with the country’s biggest telecom firm, Telkomunikasi Indonesia. His investment firm, Saratoga Capital, also has stakes in Provident Agro, a plantation company, Interra Resources, an oil and gas exploration outfit, and Mandala Airlines.

### Myanmar on the rise

Sandi, just like the others, were eager to hear affirmations from the leadership that Myanmar was on an irreversible path to democracy and change. He liked what he heard, as he told me on the sidelines of the forum in Yangon, in an exclusive interview with MillionaireAsia.

But unlike the others, who were only now frantically trying to carve a slice of the Myanmar pie, Sandi was already

well ahead of the curve. 19 years to be precise, as he won the pitch for two oil and gas concessions near the ancient city of Bagan in 1994.

He said, “They were very old facilities from the 1800s that needed to be revitalised. Back then, it was part exploration and part improving two of the very old oil and gas concessions. It was competitive because there were several parties eyeing the block. But it was not as hectic as now. In fact, not many people wanted it at that time.”

### First movers

Even then, he counts himself as “lucky” to be among the first few to have a foot in the door in Myanmar well ahead of the current investors’ stampede into the fast changing economic landscape.

Though the early days was a time to understand “the feel, the surrounding and the culture” of a reclusive regime and closed economy then and how Myanmar operated on a day-to-day basis. There has been astonishing progress made in the last 20 months

which Sandi said is “confirmation that the trends will not be reversed.”

PT Saratoga’s investments cover mainly three sectors in Indonesia. Firstly, natural resources as in energy, mining, coal, oil, gas and plantations; infrastructure plays such as telecommunication and finally consumer products and services to capitalise on the growing economy and rising middle class.

PT Saratoga plans to take advantage of Indonesia’s strong liquidity inflow to be one of the first private equity firms to launch an IPO in Asia.

Sandi was born in Rumbai, Pekanbaru on June 28, 1969. The youthful looking 44-year old began his career with Bank Summa in 1990. A year later, he won a scholarship to continue his studies at George Washington University, USA. In 1995, he moved to NTI Resources Ltd in Canada and worked as Executive Vice President.

The 1997 monetary crisis hit NTI Resources Ltd hard, caused it to go into administration and left Sandi jobless. This forced him to return to Indonesia. Seeing no real future as an employee, he decided to set up and run his own business. In 1997, he co-founded PT Recapital Advisors with his high school friend, Rosan Perkasa Roeslani and a year later in 1998, he co-founded Saratoga Capital with Edwin Soeryadjaya. Saratoga Capital now employs more than 20,000 people.

When asked about opportunities back home in Indonesia, which has no shortage of gas and natural resources, Sandi replied, “We want to have a regional platform. We have attempted Thailand earlier, but Myanmar is the only producing block outside Indonesia that we have invested in.”

### Secret of his success

On his strategy for success, Sandi humbly referred to the lessons learnt from his “earlier mistakes” which included investments in manufacturing that did not reap profits despite “being very disciplined in our investment approach.”

“Investments are always a combination between science and art. If you are disciplined, you will be making the right choice most of the time. But areas outside your control, it may not turn out to be what you anticipated,” he said.

Sandi added that PT Saratoga looks and assesses at long-term trends in order to determine where to focus its resources and zero in to the “right companies we think can be a winner.”



*Sandiaga Uno’s vision would be to create a company which will be a world class investment firm that Indonesians can be proud of.*

Albeit a shrewd businessman and a strategic thinker, he confesses that the most difficult investment decision would be “something that involves friendship and business”. While acknowledging that it is an uphill task to separate the two, he raises the challenge of having to part ways when you have been investing as partners.

“If you think about just taking the money out (when you invest), it is very short term,” he said. He emphasised that PT Saratoga is not a trading company but instead looks at “creating value” in what it invests, usually with a view to the long term.

The company has been grafting its import oil and gas expertise from Indonesia to train the local Myanmar. He noted, “Life is about creating positive long lasting impact. When you are in a country like this, with very friendly people, and providing you with lots of opportunities, you should give back.”

When asked about his next step, Sandi said, “My vision is to create a company which will be a world class investment firm that Indonesians can be proud of. We want to be a global competitor.”

“With that, I do not think I want to stop anytime soon, because we are nowhere in the region. We do not really have to be the biggest, but we want to create an investment firm that can compete with the best. We are still very small. In Indonesia, we might be up there. But outside Indonesia, we are tiny.”

On going global, Sandi noted, “When you are out there, you are going to be facing the giants. You are forced to be competitive.”

As to his sojourn in Myanmar, he noted, “Part of my trip here is to make sure we leave a good footprint for long lasting sustainable value creation.”