

Would you say no to 200% ROI?

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Sadly Tiger had missed yet another opportunity to start his meteoric rise in Corporate Malaysia, but maybe all is not lost if Tiger acts quickly. Would you turn down a 200% return on investment within days of putting down the money? Well Tiger is about to offer that to one lucky investor.

Tiger's devoted faithful would usually expect some sort of Tigerrific, touching (but short) tale on the woes facing Tiger's kin at this stage of the commentary, but not today. It's been a depressing week as Tiger has missed out on yet another opportunity to launch its corporate career.

Before going into that, though, Tiger would like to express solidarity with its clouded leopard cousins prowling Mount Santubong where the two-legged are reportedly planning to build some sort of cable car connection. Fight on brothers, may you keep your home and prosper.

Now where was Tiger? Oh yes, the missed opportunity. Last Monday, May 5, Sersol Technologies Bhd said it had concluded the sale of its 60% subsidiary PT Multi Square, an Indonesian company that makes paints and plastic polymer coating.

So what, big deal, lesser jungle citizens might say. But not to Tiger. Tiger had been working very hard since they announced the sale on Dec 19, 2012 to try and cut into the deal, you see, and Tiger had been offering Sersol a much better price for the 60% stake.

Frankly Tiger was more than willing to double or triple or even quadruple the RM1.00 Sersol got for the 60% block. But strangely despite numerous messages from Tiger's solicitors — one kijang after another, who for some reason had trouble not looking too delicious not to eat to Tiger's eyes — Sersol never responded to Tiger's counter-offers.

Now this is baffling. Who says no to such a much a better price? Is it because the offers weren't printed in neat A4-sized sheets called 'paper'? Is it because Tiger's solicitors only had hooves instead of rubber stamps?

Well excuse Tiger for using dried leaves and kijang blood, papers and printer ink aren't exactly cheap you know. When you're just starting out like Tiger is, cost-saving is a do-or-die thing — literally for Tiger's kijang associates — and one makes do with whatever is at hand in the jungle.

Speaking of which, Tiger's fledgling corporate outfit for this purpose has a newly, ahem, 'vacated' position. Interested applicants must know how to write legalese, willing to use own blood as ink and taste good without salt or seasoning.

Oh and not to discriminate but sambar deers are preferred. No cover letters required, Tiger does it walk-in style. (Not during nap time though.)

Back to the subject though. Tiger is amazed that Sersol never even responded, because frankly they could have made double or triple the amount paid by this buyer, what was his name again...oh yes, Tuanku Muhammad Zamadilla Narukaya.

Scoff if you will but Tiger believes Sersol could have very well done with the extra 100% or 200% in sale proceeds if it took Tiger's offer instead. The company said that they were planning to use proceeds from the sale to cover "the incidental expenses in relation to the proposed disposal".

As an aside Tiger thought being a Malaysian creature Sersol would have been more inclined to do business with it rather than a non-Malaysian like Tuanku Muhammad, since prime minister Najib Abdul Razak's son is a major shareholder and all that. But Tiger digresses.

Now you be the judge: would RM1.00 cover the cost of printing the document (multiple copies for both parties to sign, mind you), buying paper and preparing the pen?

No? Tiger thought so. It would take at least RM2.00 or RM3.00, which Tiger was willing to give. Not to mention printing out yet another copy of the shares sale agreement for inspection, which the company put at their registered office at KPMG Tower in Petaling Jaya.

On the other paw if they had taken Tiger's offer, Tiger would have been more than willing to cover all these printing costs too. Sersol would get to keep their RM1.00 (or RM2.00, if they asked for double) and Tiger would have his first officially registered corporate vehicle, albeit a private one in a foreign country.

Sersol's loss in selling the 60% block would have less too. Instead of RM399,000, maybe it would have only been RM398,999 or RM398,998. Every ringgit counts in good corporate governance, after all Sersol is selling to minimise group losses by "disposing (an) underperforming subsidiary".

Now if only they took Tiger's offer, they need not have flown to Indonesia to sign papers too. Plane tickets cost at least three-digit ringgit figures, you know, so RM1.00 definitely doesn't cover that. More savings there.

But that's water under the bridge now, or spilled paint or whatever you call it. Tiger's brilliant plan for turning around ailing company will sadly be scrapped now.

Then again Tiger just had a thought...maybe this Tuanku Muhammad fella is willing to sell to Tiger. After all RM2.00 would give him a 100% return, RM3.00 means a 200% return.

Would he say no to that sort of return on investment? Even Warren Buffet would be jealous. Oh yes, that is so Tigerrifically brilliant, maybe Tiger can still do this!

After that Tiger can start turning around the company. It has RM6.55 million in debts according to Sersol's filing in December 2012 but total equity of RM8.96 million, not bad, though it was loss-making in FY11...if Tiger had a beard, Tiger would be stroking it right now.

Maybe Tiger can tap into chemicals company Samchem Holdings Berhad's business know-how in fixing whatever is wrong with PT Multi Square, their subsidiary TN Chemie Sdn Bhd owns 30% of PT Multi Square after all.

Last Tiger heard Samchem made profit last year, RM9.4 million net from RM543 million revenue...oh wait that 1.73% margin is not really exciting is it?

Oh well Tiger is sure it can figure that part out — what's Tiger's brilliantly scheming mind and magnificently striped head for anyway? Worse comes to worst maybe Tiger can sell the 60% to Samchem at a profit, hopefully for a multiple-digit ringgit price at least...they don't seem to be in such a hurry to exit as Sersol was anyway, so maybe they have a plan for the company.

But first and foremost let's find how Tiger can reach this Tuanku Muhammad and offer him an irresistible rate of return on his outlay...

GRRRRR!!!