

Company Name : Excel Force MSC Berhad  
Date : 06 February 2024  
Source : The Edge Markets

## Excel Force MSC To Buy Investment Firm Orca Capital For RM18m



KUALA LUMPUR (Feb 6): Financial services business solutions provider Excel Force MSC Bhd is buying the entire stake in Orca Capital Holdings Ltd (OCHL), an investment holding company incorporated in the British Virgin Islands, from Honest Winner Ltd for RM18.15 million through the sale of shares and cash.

Under the deal, 50.5 million new shares will be issued to Honest Winner at an indicative issue price of 33.5 sen per share, totalling RM16.92 million, while the balance of RM1.23

million is to be satisfied in cash. The cash consideration is expected to be funded via internal funds.

The indicative issue price of 33.5 sen per share is a discount of 7.56% to the five-day volume-weighted average market price of Excel Force MSC shares up to Monday of 36.2 sen.

As of Monday, Excel Force MSC had an issued share capital comprising 559.38 million shares. This means the 50.5 million new shares to be issued are equivalent to about 9.03% of the company's existing shares.

Excel Force MSC said it had entered into a share sale agreement with Hong Kong-based Honest Winner for the OCHL stake acquisition. OCHL holds a 20% stake in Chinese firm Shahe Technology (Beijing) Co Ltd (Sandman Studios), which is principally involved in extended reality (XR) content production, proprietary technology development, and XR content publishing.

XR is an umbrella term, which includes augmented and virtual reality (AR and VR) technology.

According to Excel Force MSC, the proposed acquisition is to use the AR and VR technology on the current trading application to improve user experience, which may allow the group to sell its solutions to banks.

Hence, it expects this acquisition to contribute positively to enhancing the group's overall growth prospects.

“Furthermore, with the launch of Apple Vision Pro with its spatial operating system, which will revolutionise digital content by blending content with physical space utilising AR and VR technology, the proposed acquisition will provide Excel Force MSC with a first-mover advantage to develop applications using the spatial operating system for commercialisation in tandem with its existing applications and platform,” it added.

The proposed acquisition, which is expected to be completed by the first quarter of this year, is subject to approval from Bursa Securities for the allotment and issuance of the 50.5 million new shares.

Excel Force MSC shares closed down one sen or 2.82% at 34.5 sen on Tuesday, giving the group a market capitalisation of RM193 million. The stock had fallen 11.54% so far this year.