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If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other independent adviser immediately.

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EXCEL FORCE MSC BERHAD

(Company No. 570777-X)

(Incorporated in Malaysia under the Companies Act, 1965)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED DISPOSAL OF OFFICE PREMISES OCCUPYING TOWER A, LEVEL 13, PLAZA33 BEARING POSTAL ADDRESS AT NO. 1, JALAN KEMAJUAN, SEKSYEN 13, 46200 PETALING JAYA, SELANGOR DARUL EHSAN ERECTED ON A PIECE OF LEASEHOLD LAND HELD UNDER THE MASTER TITLE HSD 159654, LOT NO. PT 1, BANDAR PETALING JAYA, DAERAH PETALING, NEGERI SELANGOR FOR A CASH CONSIDERATION OF RM15,665,000

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



RHB Investment Bank Berhad

(Company No. 19663-P)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of Extraordinary General Meeting ("**EGM**") of Excel Force MSC Berhad to be held at 10.30 a.m. on Tuesday, 19 June 2018 at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur, Malaysia or at any adjournment thereof, together with the Form of Proxy are enclosed with this Circular.

A shareholder entitled to attend and vote at the EGM is entitled to appoint a proxy or proxies to attend and vote on his/her behalf. The Form of Proxy must be lodged at the Share Registrar's office at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor not less than 48 hours before the time and date stipulated for the EGM, as indicated below, or at any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

Last date and time for lodging of the Form of Proxy : Sunday, 17 June 2018 at 10.30 a.m.

Date and time for EGM : Tuesday, 19 June 2018 at 10.30 a.m.

This Circular is dated 28 May 2018

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

Act	:	Companies Act, 2016
Board	:	Board of Directors of EForce
Bursa Securities	:	Bursa Malaysia Securities Berhad
Business Day(s)	:	A day (other than a Saturday, a Sunday or a public holiday) on which banks in Kuala Lumpur are open for business
Circular	:	This circular to shareholders of EForce in relation to the Proposed Disposal dated 28 May 2018
Disposal Consideration	:	A cash consideration of RM15,665,000 in relation to the Proposed Disposal
EForce or Company or Vendor	:	Excel Force MSC Berhad
EForce Group or Group	:	EForce and its subsidiaries, collectively
EForce Share(s)	:	Ordinary shares in EForce
EGM	:	Extraordinary general meeting
EPS	:	Earnings per share
FYE	:	Financial year(s) ended/ending
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	30 April 2018, being the latest practicable date prior to the date of this Circular
NA	:	Net assets
NBV	:	Net book value
NTL or Independent Valuer	:	Nawawi Tie Leung Property Consultants Sdn Bhd (formerly known as DTZ Nawawi Tie Leung Property Consultants Sdn Bhd)
PAT	:	Profit after taxation
PBT	:	Profit before taxation
Plaza 33 or Purchaser	:	Plaza 33 Sdn Bhd
Property	:	Office premises occupying Tower A, Level 13, Plaza33 bearing postal address at No. 1, Jalan Kemajuan, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan erected on a piece of leasehold land held under the Master Title HSD 159654, Lot No. PT 1, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor
Proposed Disposal	:	Proposed disposal of the Property to the Purchaser for the Disposal Consideration

DEFINITIONS (Cont'd)

RHB Investment Bank or Principal Adviser	:	RHB Investment Bank Berhad
RM and sen	:	Ringgit Malaysia and sen, the lawful currency of Malaysia
RPGT	:	Real property gains tax
SPA	:	Conditional sale and purchase agreement dated 29 March 2018 entered into between EForce and Plaza 33 in relation to the Proposed Disposal
Sq ft	:	Square feet
Valuation Report	:	Valuation report dated 28 March 2018 issued by NTL in respect of the Property
VWAP	:	Volume-weighted average market price

Reference to “**our Company**”, “**we**”, “**us**” and “**ourselves**” in this Circular are to our Company and where the context otherwise requires, shall include our subsidiary companies. Reference to “**our Group**” is to our Company and our subsidiary companies. All references to “**you**” and “**your**” in this Circular are to the shareholders of EForce.

Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter gender, and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated.

Certain figures included herein have been subject to rounding adjustments.

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NOTICE OF EGMENCLOSED

FORM OF PROXYENCLOSED



EXCEL FORCE MSC BERHAD
(Company No. 570777-X)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office
Level 15-2
Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

28 May 2018

Board of Directors

Dato' Dr. Norraesah Binti Haji Mohamad (*Executive Chairman*)
Wang Kuen-Chung @ Jeff Wang (*Managing Director*)
Wong Kok Chau (*Executive Director*)
Gan Teck Ban (*Executive Director*)
Eng Shao Hon (*Executive Director*)
Ng Kim Huat (*Independent Non-Executive Director*)
Aaron Sim Kwee Lein (*Independent Non-Executive Director*)
Lok Choon Hong (*Independent Non-Executive Director*)

To: Our Shareholders

Dear Sir/Madam,

PROPOSED DISPOSAL

1. INTRODUCTION

On 29 March 2018, RHB Investment Bank, on behalf of our Board, announced that our Company had on even date entered into a conditional sale and purchase agreement with Plaza 33 for the proposed disposal of office premises occupying Tower A, Level 13, Plaza33 bearing postal address at No. 1, Jalan Kemajuan, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan erected on a piece of leasehold land held under the Master Title HSD 159654, Lot No. PT 1, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor for a cash consideration of RM15,665,000.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT DETAILS OF THE PROPOSED DISPOSAL AND TO SEEK YOUR APPROVAL FOR THE ORDINARY RESOLUTION TO BE TABLED AT OUR FORTHCOMING EGM. THE NOTICE OF EGM TOGETHER WITH THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTION BY WAY OF POLL TO GIVE EFFECT TO THE PROPOSED DISPOSAL TO BE TABLED AT OUR FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED DISPOSAL

The Property will be sold free from all liens, claims and clear of any encumbrance, with all agreements, contracts, subject to any condition or restriction in interest, expressed or implied, in the title of the land, on an “as is where is” basis in its present state and condition, upon the basis that each of the representations and warranties set out in the SPA, and on the terms and conditions of the SPA.

2.1 Details of the Property

A summary of the details of the Property are as follows:

Master Title description	HSD 159654, Lot No. PT 1, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor (“ Land ”)
Description of Plaza33	The Property is situated in a multilevel commercial building identified as ‘Plaza33’ comprising two (2) office towers namely, Tower A and Tower B (formerly known as Tower 4 and Tower 5 respectively) each having 14 floors of office space, seven (7) levels of elevated parking and two (2) levels of retail space respectively, and together having a combined net lettable area of 523,707 sq ft. The occupancy rates for both Tower A and Tower B are 100% respectively, as at 8 March 2018, being the material date of valuation of the Property
Postal address	Tower A, Level 13, Plaza33 No. 1, Jalan Kemajuan, Seksyen 13 46200 Petaling Jaya Selangor Darul Ehsan
Tenure	Leasehold interest for a term of 99 years expiring on 13 January 2070. The remaining unexpired term is about 52 years
Registered owner	Vendor
Category of land use	Building
Express condition	Commercial building
Existing/proposed use of the Property	Tenanted by Panasonic Appliances Asia Pacific, a division of Panasonic Management Malaysia Sdn Bhd (“ Panasonic ”) for a term of three (3) years commencing from 15 February 2018 at a monthly rental of RM86,325 pursuant to a tenancy agreement dated 28 March 2018 entered into between EForce and Panasonic (“ Tenancy Agreement ”)
Approximate age of the Property	Five (5) years
Encumbrances	Encumbered by way of assignment to Alliance Bank Malaysia Berhad (“ Assignee Bank ”)
Built-up area/net lettable area (sq ft)	18,988 sq ft
Tenanted area (sq ft)	17,265 sq ft

NBV as at 31 December 2017 RM13,381,204
(audited)

Original cost of investment RM14,500,000

Disposal consideration RM15,665,000

2.2 Information on the Purchaser

Plaza 33 is a private limited company incorporated in Malaysia under the Companies Act, 1965, having its business address at No. 1, Jalan Kemajuan, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan. Plaza 33 is principally involved in property investment.

As at the LPD, Plaza 33 has an issued share capital of RM500,000 comprising 500,000 ordinary shares. As at the LPD, the details of the directors and shareholders of Plaza 33 are as follows:

<u>Director/Shareholder</u>	<u>No. of shares held</u>	<u>%</u>
Che King Tow	499,999	100.00
Kan Keong Soon	1	*
Total	500,000	100.00

Note:

* *Negligible.*

2.3 Basis and justification of arriving at the Disposal Consideration

The Disposal Consideration was arrived at on a “willing-buyer and willing-seller” basis based on the negotiation between the Purchaser and the Vendor and after taking into consideration the following:

- (i) the original cost of investment of RM14,500,000 on 11 February 2014;
- (ii) the NBV of the Property based on the audited consolidated financial statements of our Company for the FYE 31 December 2016 of RM13,666,855, which was the latest available audited NBV at the time of the announcement of the Proposed Disposal;
- (iii) prevailing market value of comparable commercial properties located at the surrounding areas; and
- (iv) the market valuation of the Property of RM14,300,000 as appraised by an independent registered valuer, NTL, in their Valuation Report which has adopted the income approach (investment method) as the main approach whilst the comparison approach is adopted as a cross-check method of valuation in arriving at the market value of the Property.

2.4 Liabilities to be assumed by the Purchaser

There are no liabilities, including contingent liabilities and guarantees to be assumed by the Purchaser arising from the Proposed Disposal.

2.5 Salient terms of the SPA

The salient terms and conditions of the SPA include, amongst others, the following:

- (i) our Company agrees to sell the Property at the Disposal Consideration free from all encumbrances with all the agreements, contracts, guarantees, insurances and warranties in relation to the Property including the Tenancy Agreement ("**Agreements**") subject to any condition or restriction-in-interest, expressed or implied, in the issue document of title of the Land on an "as is where is basis" and upon the terms and subject to the conditions contained in the SPA;
- (ii) the Purchaser intends to finance the purchase of the Property by way of an asset backed securitisation programme pursuant to which it will issue medium term notes under a medium term notes issuance programme ("**Medium Term Notes**") of up to the nominal value of RM400,000,000 established by Eternal Icon Sdn Bhd ("**Eternal Icon**") under an asset-backed securitisation exercise in relation to, among others, the Property upon the terms and subject to the conditions of a trust deed dated 9 March 2015 (as supplemented by a trust deed dated 7 August 2017) made between Eternal Icon (as the issuer) and Malaysian Trustees Berhad (who assumes the rights, benefits, title, interests and obligations of Pacific Trustees Berhad as the trustee) ("**Medium Term Notes Programme**") backed by, among others, the Property from the Vendor pursuant to the SPA and the cashflows generated from the Property;
- (iii) the Purchaser intends to transfer and novate all its rights, title, interest, benefits and obligations under the SPA to its nominee. As at the date of the SPA, the Purchaser has identified Eternal Icon as its nominee to accept the transfer and novation of all the Purchaser's rights, title, interest, benefits and obligations under the SPA. Eternal Icon is in the process of obtaining the necessary approvals for the purchase of the Property and will execute a novation agreement with the Purchaser and the Vendor to document such transfer and novation upon obtaining the necessary approvals;
- (iv) the Disposal Consideration shall be satisfied in cash in the following manner:
 - (a) an earnest deposit of RM313,300 has been paid by the Purchaser to the Vendor on 20 December 2017;
 - (b) the remaining deposit sum of RM1,253,200 has been paid by the Purchaser to the Vendor upon the signing of the SPA;
 - (c) the balance of the Disposal Consideration amounting to RM14,098,500 shall be settled in full on the completion date in the following manner:
 - (aa) such portion as may be necessary to redeem the Property from the Assignee Bank shall be payable to the Assignee Bank in cash;
 - (bb) such portion amounting to all the deposits for the Tenancy Agreement shall be deposited into the deposit account under the Medium Term Notes Programme in cash; and
 - (cc) the remaining portion of the Disposal Consideration shall be payable to the Vendor's bank account in cash;
- (v) the completion of the SPA is conditional upon the conditions precedent in the SPA being fulfilled on or before the expiry of six (6) months from the date of the SPA or such other period as may be agreed between the parties ("**Conditional Period**"), details of which are set out in the SPA. The conditions precedent include:
 - (a) the approval from the Vendor's shareholders for the Proposed Disposal;

- (b) the receipt by the Vendor of the duly executed assignment and novation agreements in respect of the Agreements;
 - (c) the receipt by the lead arranger, Hong Leong Investment Bank Berhad of the requisite approvals for Eternal Icon to purchase the Property and the duly executed novation agreement made between Eternal Icon, Plaza 33 and the Vendor to document the transfer and novation of all the Purchaser's rights, title, interest, benefits and obligations under the SPA to Eternal Icon;
 - (d) the receipt by the Purchaser of the original valuation report in respect of the Property; and
 - (e) the execution of all relevant documents in relation to the Medium Term Notes to be issued to finance the purchase of the Property,
- (collectively referred to as the "**Conditions Precedent**");
- (vi) in the event the Conditions Precedent are not fulfilled on or before the expiry of the Conditional Period, the SPA shall be deemed rescinded on the date of the written notification by the Purchaser (in the event of non-fulfilment by the Vendor) or the Vendor (in the event of non-fulfilment by the Purchaser) of the occurrence of the event concerned or upon expiry of the Conditional Period;
 - (vii) in the event the Vendor shall fail, refuse or neglect to complete the sale of the Property and/or shall be in breach of the terms of the SPA, the Purchaser shall be entitled to the following:
 - (a) terminate the SPA; or
 - (b) take such action as may be available to the Purchaser at law or in equity to the remedy of specific performance of the SPA,

and to seek damages and all other reliefs following therefrom and all costs and expenses (including solicitors' costs on a solicitor-client basis) incurred by the Purchaser in connection therewith shall be borne and paid by the Vendor; and
 - (viii) in the event the Purchaser shall fail to pay the balance Disposal Consideration of RM14,098,500 in accordance with the SPA with such failure not due to the fault of the Vendor, the Vendor shall be entitled to terminate the SPA at any time thereafter, upon which the deposit of RM1,566,500 shall be forfeited by the Vendor as agreed liquidated damages absolutely, and any sum in excess thereof, paid by the Purchaser to the Vendor shall be refunded to the Purchaser after forfeiture, free of interest.

3. RATIONALE OF THE PROPOSED DISPOSAL

The Proposed Disposal will enable our Company to repay outstanding banking facilities of RM3.91 million as at the LPD. As such, the Proposed Disposal will allow our Group to:

- (i) reduce gearing of our Group and improve the ability of our Group to borrow further should new investment and development opportunities arise; and
- (ii) improve the cash flow position as our Group would no longer be required to service banking facilities.

In addition, the Proposed Disposal is expected to result in an estimated gain on disposal of approximately RM1.65 million after taking into account the following:

- (i) the NBV of the Property based on the latest audited consolidated financial statements of our Company for the FYE 31 December 2017 of RM13,381,204; and

- (ii) the estimated expenses to be incurred for the Proposed Disposal of RM631,650.

4. PROPOSED UTILISATION OF PROCEEDS

The Proposed Disposal is expected to raise gross cash proceeds of RM15,665,000, which are expected to be utilised in the following manner:

Purpose	Estimated timeframe for utilisation	RM
(i) Redemption Sum ⁽¹⁾	Upon receipt of the proceeds from the Proposed Disposal	3,912,966
(ii) Working capital ⁽²⁾	Within 12 months from receipt of the proceeds from the Proposed Disposal	11,120,384
(iii) Estimated expenses in relation to the Proposed Disposal ⁽³⁾	Upon completion of the Proposed Disposal	631,650
		15,665,000

Notes:

- ⁽¹⁾ Represents the estimated amount required to fully settle and discharge the outstanding indebtedness in respect of banking facilities granted by the Assignee Bank amounting to approximately RM3.91 million as at the LPD, in order to obtain a full discharge of the existing charges and interest of the Assignee Bank over the Property ("**Redemption Sum**"). The Redemption Sum shall be paid on the completion date out of the balance of the Disposal Consideration amounting to RM14,098,500 as set out in Section 2.5(iv)(c) of this Circular. Upon the settlement of the Redemption Sum, the Assignee Bank will discharge the charge and disclaim their interest over the Property.

The financing cost for the outstanding indebtedness is computed based on the interest rate of 4.52% per annum as at the LPD using the effective interest rate method (based on prevailing base lending rate less a spread of 2.40% per annum) over the loan tenure of 10 years. This is a Savelink Term Loan whereby our Company deposited funds into a Savelink current account with the Assignee Bank where the term loan is drawdown and the interest of the loan will only be computed on the daily outstanding amount after setting off against the available balance in that Savelink current account. Since our Company has deposited sufficient funds in the Savelink current account, there is no financing cost incurred as there is no outstanding indebtedness. Accordingly, the settlement of the Redemption Sum does not give rise to any interest savings.

As at the LPD, save for the RM3.91 million set out above, our Group does not have any other borrowings.

- ⁽²⁾ To fund our Group's working capital as set out below:

Working capital	RM
Development, provision and maintenance of computer software application solutions	5,076,000
Payment of trade and other payables	3,168,000
Salaries, utilities and operating expenses	2,876,384
Total	11,120,384

Our development and enhancement plans include the following:

Development and enhancement plans	Expected commencement	Expected completion	Targeted markets
Development of new software application solutions *	Third (3 rd) quarter of 2018	Second (2 nd) quarter of 2020	Financial institutions in Malaysia
Enhancement of existing software application solutions for our existing products	Third (3 rd) quarter of 2018	Second (2 nd) quarter of 2019	Financial institutions in Malaysia

* If the proceeds earmarked for working capital are fully utilised before the completion of the development of new software application solutions, the remaining cost will then be funded through internally generated funds.

Further, we provide contractual maintenance services such as problem diagnosis, installation, troubleshooting and change request for our products sold to financial institutions in Malaysia. Our services are normally provided after the completion of project implementation and/or expiry of the warranty period. Contractual terms vary in accordance with the maintenance requirements of our products or projects and the needs of our respective clients.

The actual utilisation for each component of working capital may differ at the time of utilisation.

(3) Approximately RM631,650 of the proceeds to be raised from the Proposed Disposal will be used to defray the estimated expenses for the Proposed Disposal as set out below:

Estimated expenses	RM
Estimated RPGT payable pursuant to the Proposed Disposal	175,000
Administrative fee of 1% of the Disposal Consideration payable to Plaza 33 for the sale of the Property while pending issuance of the separate strata title to the Property by the authorities pursuant to Clause 21.1 of the principal sale and purchase agreement dated 13 November 2013 between Plaza 33 (as the vendor) and our Company (as the purchaser)	156,650
Professional fees	250,000
Fees payable to regulatory authorities	13,000
Expenses to convene an EGM (such as printing costs, postage and advertisement expenses)	25,000
Miscellaneous expenses	12,000
Total	631,650

In the event the actual expenses for the Proposed Disposal are higher than budgeted, the deficit will be funded out of proceeds allocated for working capital requirements. Conversely, if the actual expenses for the Proposed Disposal are lower than budgeted, the excess will be utilised for our Group's working capital requirements.

Pending such time when the proceeds are fully utilised in accordance with the allocation stated in the table above, the proceeds will be placed in interest-bearing deposits and/or short-term money market investment funds with licensed financial institutions.

5. RISK FACTORS

The SPA contains various terms and conditions governing the disposal of the Property. In the event either party breaches such terms and conditions, the other party is entitled to terminate the SPA. As such, the Proposed Disposal will not be completed.

Furthermore, in the event our Company fails to secure the approval of its shareholders for the Proposed Disposal at an EGM to be convened or fails to fulfil any of the Conditions Precedent in the SPA, the Purchaser shall have the right to terminate the SPA.

Pending approval by the shareholders of our Company for the Proposed Disposal, there is no assurance that the Proposed Disposal could be completed within the time period as permitted under the SPA.

Nevertheless, our Company will ensure that every effort is made to obtain its shareholders' approval for the Proposed Disposal within the permitted time period.

6. EFFECTS OF THE PROPOSED DISPOSAL

6.1 Share capital and substantial shareholders' shareholdings

The Proposed Disposal will not have any effect on the share capital and substantial shareholders' shareholdings of our Company.

6.2 NA, NA per EForce Share and gearing

The pro forma effects of the Proposed Disposal on the consolidated NA, NA per EForce Share and gearing of our Company based on the latest audited consolidated financial statements of our Company for the FYE 31 December 2017 and on the assumption that the Proposed Disposal had been effected on that date, are as follows:

		(I)	(II)
	Audited as at 31 December 2017	After adjusting for subsequent event up to the LPD	After (I) and the Proposed Disposal
	(RM)	(RM)	(RM)
Share capital	20,743,365	⁽¹⁾ 20,981,365	20,981,365
Other reserve	(80,745)	(80,745)	(80,745)
Retained earnings	25,909,341	25,909,341	⁽²⁾ 27,561,487
NA/Shareholders' equity	46,571,961	46,809,961	48,462,107
Number of EForce Shares	413,731,950	⁽¹⁾ 414,431,950	414,431,950
NA per EForce Share (RM)	0.11	0.11	0.12
Interest-bearing borrowings (RM)	4,240,002	⁽³⁾ 3,912,966	⁽⁴⁾ -
Gross gearing ⁽⁵⁾ (times)	0.09	0.08	-

Notes:

⁽¹⁾ After adjusting for the issuance of 700,000 EForce Shares pursuant to the exercise of warrants based on the exercise price of RM0.34 per warrant from 1 January 2018 up to the LPD.

⁽²⁾ Assuming that the Proposed Disposal had been effected on 31 December 2017, the estimated gain on disposal amounts to approximately RM1.65 million computed based on the disposal consideration of approximately RM15.67 million less the NBV of the Property of approximately RM13.38 million based on the latest audited consolidated financial statements of our Company for the FYE 31 December 2017 and the estimated expenses of approximately RM0.63 million for the Proposed Disposal.

⁽³⁾ After taking into account the repayment of bank borrowings of approximately RM0.33 million from 1 January 2018 up to the LPD.

⁽⁴⁾ Upon settlement of the Redemption Sum.

⁽⁵⁾ Gross gearing ratio is computed by dividing total interest-bearing borrowings with NA/Shareholders' equity.

6.3 Earnings and EPS

The Proposed Disposal is expected to increase the consolidated earnings and EPS of our Company for the FYE 31 December 2018.

For illustration purposes only, based on the audited consolidated financial statements of our Company for the FYE 31 December 2017 and on the assumption that the Proposed Disposal had been effected on 1 January 2017, the pro forma effects of the Proposed Disposal on the earnings and EPS of our Group are as follows:

		(I)	(II)
	Audited as at 31 December 2017	After adjusting for subsequent event up to the LPD	After (I) and the Proposed Disposal
	(RM)	(RM)	(RM)
Consolidated profit after tax attributable to owners of our Company	6,323,258	6,323,258	6,323,258
Add: Estimated gain on disposal	-	-	⁽¹⁾ 1,366,495
Pro forma consolidated profit after tax attributable to owners of our Company	6,323,258	6,323,258	7,689,753
No. of shares in EForce	413,731,950	⁽²⁾ 414,431,950	414,431,950
EPS (sen)	1.53	1.53	1.86

Notes:

⁽¹⁾ Assuming that the Proposed Disposal had been effected on 1 January 2017, the estimated gain on disposal amounts to approximately RM1.37 million computed based on the disposal consideration of approximately RM15.67 million less the NBV of the Property of approximately RM13.67 million based on the audited consolidated financial statements of our Company for the FYE 31 December 2016 and the estimated expenses of approximately RM0.63 million for the Proposed Disposal.

⁽²⁾ After adjusting for the issuance of 700,000 EForce Shares pursuant to the exercise of warrants based on the exercise price of RM0.34 per warrant from 1 January 2018 up to the LPD.

7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

None of the directors, major shareholders and/or persons connected to them has any interest, whether direct or indirect, in the Proposed Disposal.

8. APPROVALS REQUIRED

The Proposed Disposal is conditional upon the following approvals being obtained:

- (i) our shareholders for the Proposed Disposal at our forthcoming EGM; and
- (ii) any other relevant authorities and/or parties, if required.

Save for the above, the Proposed Disposal is not conditional upon any other corporate exercises undertaken or to be undertaken by our Company, if any.

9. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board, having considered all aspects including but not limited to the rationale and risk factors of the Proposed Disposal, is of the opinion that the Proposed Disposal is in the best interest of our Company. Accordingly, our Board recommends that you vote in favour of the ordinary resolution in relation to the Proposed Disposal to be tabled at our forthcoming EGM.

10. CORPORATE PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Disposal, there is no other corporate exercise which has been announced by our Company but is pending completion.

11. TENTATIVE TIMEFRAME FOR IMPLEMENTATION

Barring any unforeseen circumstances and subject to all the relevant approvals being obtained, the tentative timeframe for the implementation of the Proposed Disposal is set out below:

Tentative timeframe	Key milestones
19 June 2018	EGM for the Proposed Disposal
End September 2018	SPA becomes unconditional
Early October 2018	Completion of the Proposed Disposal

12. EGM

Our EGM, the notice of which is enclosed in this Circular, will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur, Malaysia on Tuesday, 19 June 2018 at 10.30 a.m., or at any adjournment thereof, for the purpose of considering and if thought fit, passing the resolution to give effect to the Proposed Disposal.

If you are unable to attend and vote in person at our EGM, please complete, sign and send the enclosed relevant Form of Proxy in accordance with the instructions therein as soon as possible and in any event so as to arrive at our Share Registrar's office at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor, Malaysia not less than 48 hours before the date and time appointed for holding our EGM or at any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at our EGM should you subsequently wish to do so.

13. FURTHER INFORMATION

You are advised to refer to the attached appendices for further information.

Yours faithfully
For and on behalf of the Board
EXCEL FORCE MSC BERHAD

WONG KOK CHAU
Executive Director

VALUATION CERTIFICATE

Nawawi Tie Leung
Property
Consultants Sdn Bhd
 (579078-V)
 (formerly known as
 DTZ Nawawi Tie Leung
 Property Consultants Sdn Bhd)
 Suite 34.01 Level 34
 Menara Citibank
 165 Jalan Ampang
 50450 Kuala Lumpur
 Malaysia

tel. +603 2161 7228
 fax. +603 2161 1633
 www.ntl.my



Your Ref. : -
 Our Ref. : NTL/KL/17/0733/LN

PRIVATE & CONFIDENTIAL

28 March 2018

EXCEL FORCE MSC BERHAD
 Level 31, MYEG Tower, Empire City
 No. 8, Jalan Damansara, PJU 8
 47820 Petaling Jaya
 Selangor Darul Ehsan, Malaysia

Dear Sirs,


VALUATION CERTIFICATE

VALUATION OF AN OFFICE UNIT WITH MULTIMEDIA SUPER CORRIDOR ("MSC") MALAYSIA STATUS LOCATED ON THE 13TH FLOOR OF A 23-STOREY COMMERCIAL BUILDING HELD UNDER MASTER TITLE HSD 159654, PT 1, TOWN OF PETALING JAYA, DISTRICT OF PETALING, STATE OF SELANGOR BEARING POSTAL ADDRESS TOWER A, LEVEL 13, PLAZA33, NO. 1, JALAN KEMAJUAN, SEKSYEN 13, 46200 PETALING JAYA, SELANGOR DARUL EHSAN ("SUBJECT PROPERTY").

With reference to the instruction letter from Excel Force MSC Berhad ("Client") dated 24 October 2017, we were instructed to assess the Market Value of the subject property and the details of the valuation are in our Report and Valuation bearing Reference No. NTL/KL/17/0733/LN.

This Valuation Certificate is prepared for inclusion in the circular to shareholders of the Client in relation to the proposed disposal of the subject property by Excel Force MSC Berhad ("Proposed Disposal") and is subject to the clearance by Bursa Malaysia Securities Berhad.

We confirm that we have inspected the subject property, made relevant title searches and enquiries and obtained such information, as we consider necessary in providing you with our opinion of the Market Value of the subject property as at **8 March 2018**.

Premised on the foregoing and having considered all other relevant factors in our valuation, we are of the opinion that the Market Value of the leasehold interest in the subject property, in its existing physical condition, free from all encumbrances and with the benefit of existing tenancy as at 8 March 2018 is **RM14,300,000/- (Ringgit Malaysia: Fourteen Million And Three Hundred Thousand Only)**. 

The Valuation was carried out in accordance with the Asset Valuation Guidelines issued by the Securities Commission Malaysia and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia with the necessary professional responsibility and due diligence.

VALUATION CERTIFICATE (Cont'd)



The basis of valuation adopted is the **Market Value** which as defined herein is “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion”.

1.0 Identification of Property

Client	: Excel Force MSC Berhad
Purpose of Valuation	: Submission to Bursa Malaysia Securities Berhad (“BMSB”) in relation to the proposed disposal of the subject property by the client
Address of Subject Property	: Tower A, Level 13, Plaza33, No. 1, Jalan Kemajuan, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan
Type of Subject Property	: An office unit with MSC Malaysia status
Subject Property Details	: Unit 1, Storey No. 13th Floor, Building No. Tower A, Plaza33
Built-Up Area¹	: 1,764 square metres (“sq m”) [about 18,988 square feet (“sq ft”)]
Occupancy Status	: Tenanted
Parent Title Details	: HSD 159654, Lot No. PT 1, Town of Petaling Jaya, District of Petaling, State of Selangor
Tenure (Parent title)²	: 99-years leasehold interest expiring on 13 January 2070. (The unexpired term is about 52 years)
Category of Land Use	: Building
Registered Proprietor of the Parent Land	: Eternal Icon Sdn Bhd – (1/1 share)
The Purchaser as per the Principal Sale and Purchase Agreement dated 13 November 2013	: Excel Force MSC Berhad – (1/1 share)
Date of Valuation	: 8 March 2018
Market Value	: RM14,300,000/- (Ringgit Malaysia Fourteen Million And Three Hundred Thousand Only)

¹ The subject property has a built-up area of 1,764 sq m (about 18,988 sq ft) as per the Principal Sale and Purchase Agreement (“PSPA”) entered into between Plaza 33 Sdn Bhd and Excel Force MSC Berhad dated 13 November 2013. For the purpose of this Report and Valuation, we have assumed that the built-up area is equivalent to the Net Lettable Area (“NLA”) in arriving at the Market Value of the subject property.

² For the purpose of this Report and Valuation, we have taken into consideration that the subject property will be issued with a separate strata title conveying a 52 years leasehold interest, similar to the parent title document. As at the date of valuation, we were informed by the Management Office of Plaza33 that the strata title for the subject property has yet to be issued and they have applied for the tenure extension for the parent title on 23 February 2018.

VALUATION CERTIFICATE (Cont'd)

**2.0 Terms of Reference**

We are required to provide the Market Value of the subject property as at 8 March 2018 in its existing physical condition, free from all encumbrances and with the benefit of existing tenancy.

3.0 Particulars of Title

For the purpose of this Report and Valuation, we have taken into consideration that the subject property will be issued with a separate strata title conveying a 52 years leasehold interest, similar to the parent title document. As at the date of valuation, we were informed by the Management Office of Plaza33 that the strata title for the subject property has yet to be issued and they have applied for the tenure extension for the parent title on 23 February 2018. The following details were obtained from the PSPA and our master title search conducted at *Pejabat Tanah dan Galian Selangor* dated 8 March 2018. The information as extracted is assumed to be correct for the purpose of this valuation exercise.

Master Title No.	:	HSD 159654
Master Lot No.	:	PT 1
Town	:	Petaling Jaya
District	:	Petaling
State	:	Selangor
Storey No(s).	:	Level 13
Building No.	:	Plaza33 Tower A
Built-Up Area	:	1,764 sq m (about 18,988 sq ft)
Development / Scheme	:	Plaza33
Postal Address	:	Tower A, Level 13, Plaza33, No. 1, Jalan Kemajuan, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan
Tenure (Parent Title)	:	Leasehold interest for a term of 99- years expiring on 13 January 2070. The remaining unexpired term is about 52 years

VALUATION CERTIFICATE (Cont'd)

**4.0 General Description****Location and Surrounding**

Plaza33 consists of Tower A and Tower B (formerly known as Tower 4 and Tower 5) respectively, which were built as an extension to PJ33's (formerly known as Jaya 33) current three (3) towers which were completed in March 2007. Plaza33 Hyperoffice is strategically located on a parcel of commercial land at the junction of Jalan Kemajuan and Jalan Semangat bordering Seksyen 13 and 14, Petaling Jaya.

The subject property is located within Tower A of Plaza33. Geographically, it is in close proximity to the intersection of Jalan Semangat / Jalan Kemajuan, within the vicinity of Seksyen 13 and 14, Petaling Jaya and approximately 11 kilometres to the south-west of the Kuala Lumpur city centre.

The neighbourhood is generally residential, commercial and industrial in character comprising terraced houses, detached houses, apartments, condominiums, terraced shop-offices, shopping complexes, purpose-built office buildings, hotels, hospitals, educational institutions and purpose-built detached factories.

The Asia Jaya Light Rail Transit ("LRT") station located about one (1) kilometre to the south of the Plaza33 whilst Taman Jaya LRT station is situated about one (1) kilometre to the south-east of the subject property.

Subject Block

The subject block, within which the subject property is a parcel unit, is a 23-storey commercial building with seven (7) levels of car parks known as Tower A (formerly known as Tower 4) of Plaza33. The subject property is located on the 13th floor of the said block.

Basically, it is constructed of reinforced concrete frameworks and floors with painted plastered brickwalls covered with reinforced concrete flat roof.

The subject block is served by five (5) units of passenger lifts, one (1) unit of firemen lift and one (1) unit of service lift. There are two (2) flights of reinforced concrete emergency staircases located at the strategic points within the building.

A concierge at the main lobby of the building is located at the ground floor of Plaza33.

Subject Property

The main entrance is secured with a dual-leaf fire-rated solid timber door whilst all internal doors are secured with timber flush and double-leaf clear glass panel door.

The ceilings are generally finished with suspended "T Section" fibre mineral boards and plastered ceilings incorporated with down lights.

The floorings are finished with porcelain tiles, ceramic tiles, carpet, raised floor platform and cement rendered.

The windows are generally made of aluminium framed glass panel.

The internal accommodations are partitioned with painted plastered brickwalls and full length gypsum boards.

The internal walls of the bathrooms are lined with porcelain wall tiles up to ceiling height.

VALUATION CERTIFICATE (Cont'd)



The subject property is currently undergoing renovation works and the subject property is currently tenanted to Panasonic Appliances Asia Pacific, a division of Panasonic Management Malaysia Sdn Bhd.

As per the PSPA, the subject property has a built-up area of 1,764 sq m (about 18,988 sq ft). For the purpose of this Valuation, we have assumed that the built-up area is equivalent to the NLA in arriving at the Market Value of the subject property.

The subject property was observed to be in a good state of decorative repair.

The subject property is completed and issued with a Certificate of Completion and Compliance on 23rd May 2013 vide certificate no. LAM/S/No. 10274.

Occupancy Status

The subject property is currently tenanted by the client to Panasonic Appliances Asia Pacific, a division of Panasonic Management Malaysia Sdn Bhd from 15th February 2018 till 14th February 2021 for a term of three (3) years, with an option to renew the tenancy for a further term of three (3) years upon expiry of initial term of tenancy at a rental with reference to prevailing market rate agreed by both parties.

The details as extracted from the Letter of Offer for Tenancy is entailed as below:-

Tenant	Total Net Area (sq ft)	Monthly Rental Rate (RM per sq ft)	Monthly Rental (RM)
Panasonic Appliances Asia Pacific	17,265*	5.00	86,325.00

**We noted that the tenanted area based on the Letter of Offer for Tenancy is 17,265 sq ft and the built-up area as stipulated in the PSPA is 18,988 sq ft. From our understanding, the toilet area has been excluded in the computation of the total net area for the tenancy.*

Town Planning Consideration

The subject property is designated for commercial use which is in line with the Express Condition as stated in the parent title document.

5.0 Valuation Approach

In arriving at the Market Value of the subject property, we have adopted the **Income Approach (Investment Method)** and **Comparison Approach**.

We have adopted the **Income Approach (Investment Method)** as the main approach to this valuation. The principle underlying the valuation of a future income flow within the Investment Method of valuation is that the future income should be discounted at an appropriate rate of return to determine its present value.

The derivation of capitalisation or discount rate from sale evidences is also known as the all-risks rate, which is deemed to take into account the present and future market expectations and conditions.

We have also counter-checked our valuation of the subject property with **Comparison Approach** which seeks to determine the market value of the subject property by comparing and adopting, as a yardstick, recent sales transactions of comparable properties in the locality.

Due considerations are given for factors such as size, building specifications, MSC Malaysia Status, tenure etc.

VALUATION CERTIFICATE (Cont'd)



6.0 Income Approach (Investment Method)

The parameters adopted in the Investment Method are as follows:-

Parameters	Per square foot/Per Month / %	Remark
Monthly Gross Rental	RM5.00 (term) / RM5.30 (reversionary)	The adjusted current market asking rental value of office buildings within the vicinity is from RM4.78 psf to RM5.41 psf. For the term period, we have adopted the Gross Rental as stipulated in the Letter of Offer for Tenancy at RM5.00 psf. For the reversionary period, Gross Rental Income is determined based on the prevailing market rentals as well as the asking rental of similar properties within the vicinity. We have adopted an average gross monthly rental of RM5.30 psf which includes the base rent as well as service charge.
Void Allowance	5.00%	We have adopted the void allowance of 5.00% to reflect the long-term market condition from the annual net rental income for vacancy period, rent free and fitting out periods. We have also considered the general office market trend of office vacancy rate for office buildings within Petaling Jaya. Due consideration was also given to the fact that the subject block, the office component of Tower A Plaza33 in which the subject property is located in has 100.00% occupancy rate as at the date of valuation.
Sinking Fund	4.00%	We have adopted the sinking fund of 4.00% which is benchmarked against the yield to maturity rate of Malaysian Government Securities - 10 years bond.
Yield	5.00% (term) / 5.25% (reversionary) / 5.50% (rate of return for Present Value)	We have adopted a yield rate of 5.00% for the term period and 5.25% for the reversionary period as a fair representation to adequately reflect the risks inherent to the subject property. We allowed for higher risk for the reversionary period (increase 0.25%) to reflect higher risk of future uncertainty. A rate of return for Present Value of 5.50% is adopted for discounting the future income into the present level for reversionary period.
Tax Rate	24.00%	The current corporate tax rate for year 2018 is 24.00%.
Monthly Outgoings	RM1.10	We have adopted RM1.10 psf per month based on the actual outgoings receipts for the term and reversionary period (insurance, quit rent, assessment, service charge and sinking fund) to reflect the expenses.

Hence, based on the above parameter, we have derived the Rounded Market Value of **RM14,300,000** (Ringgit Malaysia Fourteen Million And Three Hundred Thousand Only) from the Income Approach.

VALUATION CERTIFICATE (Cont'd)



7.0 Comparison Approach

Based on our enquiries with the Management Office of Plaza33, there were no recent transactions recorded for office units within Plaza33. The last recorded transaction was in year 2013. In arriving at the Market Value of the subject property based on Comparison Approach, we have considered the transaction of stratified office units within Petaling Jaya as follows:

	Subject Property	Comparable 1	Comparable 2	Comparable 3
Property and Address	Tower A, Level 13, Plaza33, No. 1, Jalan Kemajuan	L-16-05, Persiaran Barat, PJ Exchange (PJX)	L15-01-02, Persiaran Barat, PJ Exchange (PJX)	2-13-02, Block 2, Jalan Utara, VSQ
Description	23-storey commercial building	34-storey commercial building comprising offices and retail podium	34-storey commercial building comprising offices and retail podium	19-storey office building
Tenure	Leasehold for 99-years expiring on 13 January 2070	Leasehold for 99-years expiring on 27 July 2105	Leasehold for 99-years expiring on 27 July 2105	Leasehold for 99-years expiring on 14 December 2105
Date of Lease Expiring	13 January 2070	27 July 2105	27 July 2105	14 December 2105
Remaining Lease (as at date of transaction)	52 years remaining	89 years remaining	90 years remaining	91 years remaining
Vendor(s)	-	Kamil Noor Ariff Bin Kamil Mushir Ariff + 1	Central Paradigm Sdn Bhd	Agensi Pekerjaan Job Hunt Sdn Bhd
Purchaser(s)	-	Ishantech (M) Sdn Bhd	Richmont Services Sdn Bhd	Brickfields Asia College Sdn Bhd
Type of Unit	An office unit with MSC Malaysia Status	Stratified Office Unit (Commercial use)	Stratified Office Unit (Commercial use)	Stratified Office Unit (Commercial use)
Approximate age of the building (years)	5	8	8	6
Net Lettable Area (sq ft)	18,988	1,621	3,385	4,111
Date of Transaction	Not applicable	15 March 2016	25 June 2015	8 June 2015
Consideration	-	RM1,350,000/-	RM3,000,000/-	RM3,042,140/-
Analysis (RM psf)	-	833	886	740
Analysis (RM psf) after time adjustment	-	833	886	740
	-	Adjustments are made to the Size, MSC Malaysia Status and Tenure	Adjustments are made to the Size, MSC Malaysia Status and Tenure	Adjustments are made to the Size, Building Specifications, MSC Malaysia Status and Tenure
Adjusted Value (RM psf)	-	708	797	740

(Source: Valuation and Property Services Department, Ministry of Finance "JPPH")

As per the above analysis, the adjusted value ranges from RM708 per square foot ("psf") to RM797 psf. In arriving at the value, we have adopted Comparable 3 which is the best comparable and most similar to the subject as it is located nearest to the subject property and the approximate age of the building is almost the same.

Therefore, in arriving at the value of the subject property based on the Comparison Approach, we have adopted the Adjusted Value of RM740 psf from the adjustments of Comparable 3 as a fair representation for the subject property because it has the most similarities compared to the subject property.

Hence, based on the adjusted value of RM740 psf, we have derived the Rounded Market Value of **RM14,100,000 (Ringgit Malaysia Fourteen Million And One Hundred Thousand Only)** from the Comparison Approach.

VALUATION CERTIFICATE (Cont'd)



8.0 Reconciliation of Values

The Market Value for the subject property derived from both **Income Approach (Investment Method)** and **Comparison Approach** are shown as follows:-

Method of Valuation	Market Value
Income Approach (Investment Method)	RM14,300,000/-
Comparison Approach	RM14,100,000/-

Taking into consideration that the subject property is a commercial and income generating property, we have adopted the Market Value as derived from the **Income Approach (Investment Method)** as a fair representation of the subject property supported by the Market Value derived from the **Comparison Approach**.

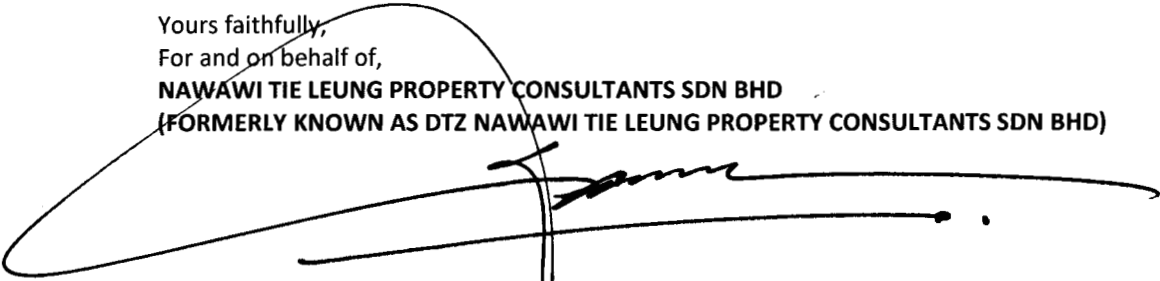
The **Comparison Approach** is adopted as a cross-check approach because there were numerous office unit transactions within the vicinity of the subject property. In a valuation of a homogeneous real estate such as vacant lands and residential homes, the **Comparison Approach** is the most appropriate valuation approach as there are less adjustments and analysis on comparables. However, in the case of investment properties, only the **Income Approach (Investment Method)** could take into account the income generating ability of tenanted/leased properties through capitalisation to arrive at an indicative value.

Therefore, we have considered the **Income Approach (Investment Method)** as the most appropriate and reliable valuation approach in our final opinion of Market Value of the subject property.

9.0 Opinion of Value

Premised on the foregoing and having considered all other relevant factors in our valuation, we are of the opinion that the Market Value of the leasehold interest in the subject property, in its existing physical condition, free from all encumbrances with the benefit of existing tenancy as at 8 March 2018 is **RM14,300,000/- (Ringgit Malaysia: Fourteen Million And Three Hundred Thousand Only)**.

Yours faithfully,
For and on behalf of,
NAWAWI TIE LEUNG PROPERTY CONSULTANTS SDN BHD
(FORMERLY KNOWN AS DTZ NAWAWI TIE LEUNG PROPERTY CONSULTANTS SDN BHD)


Sr DANIEL MA JEN YI, MRISM MRICS
Registered Valuer (V-759)

DATE : 28 March 2018

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Board and they collectively and individually accept full responsibility for the accuracy of the information contained in this Circular and confirm that, after making all reasonable enquiries, and to the best of their knowledge and belief, there are no other false or misleading statements contained in this Circular or other material facts the omission of which would make any statement in this Circular false or misleading.

All information relating to the Purchaser as set out in this Circular has been obtained from the management of the Purchaser. The sole responsibility of our Board was to ensure that the said information has been reproduced accurately.

2. CONSENTS AND CONFLICT OF INTERESTS**2.1 Principal Adviser**

RHB Investment Bank, being the Principal Adviser for the Proposed Disposal has given and has not subsequently withdrawn their written consent to the inclusion in this Circular of their names and all references thereto in the form, manner and context in which they appear in this Circular.

As at the LPD, RHB Investment Bank confirms that it is not aware of any conflict of interest which exist or is likely to exist in RHB Investment Bank's capacity as the Principal Adviser in relation to the Proposed Disposal.

2.2 Independent Valuer

NTL, being the Independent Valuer for the Proposed Disposal has given and has not subsequently withdrawn their written consent to the inclusion in this Circular of their names and all references thereto in the form, manner and context in which they appear in this Circular.

As at the LPD, NTL confirms that it is not aware of any conflict of interest which exist or is likely to exist in NTL's capacity as the Independent Valuer in relation to the Proposed Disposal.

3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, neither our Company nor our subsidiary companies are involved in any material litigation, claims or arbitration, either as plaintiff or defendant, which has or would have a material and adverse impact on the financial position of our Group and our Board is not aware of any proceedings pending or threatened against our Company or our subsidiary companies, or of any fact likely to give rise to any such proceedings.

As at the LPD, the Property is not subject to any material litigation, claims or arbitration and our Board is not aware and do not have any knowledge of any proceedings pending or threatened in relation to the Property or of any facts likely to give rise to such proceedings.

4. MATERIAL COMMITMENTS

As at the LPD, our Board is not aware of any material commitments incurred or known to be incurred by our Group that has not been provided for, which upon becoming enforceable, may have a material impact on the financial results/position of our Group.

FURTHER INFORMATION (*Cont'd*)

5. CONTINGENT LIABILITIES

As at the LPD, our Board is not aware of any contingent liabilities incurred or known to be incurred by our Group that has not been provided for, which upon becoming enforceable, may have a material impact on the financial results/position of our Group.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available at the registered office of our Company at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur during normal business hours from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of our forthcoming EGM:-

- (i) the Memorandum and Articles of Association (Constitution) of our Company;
- (ii) the audited consolidated financial statements of our Company for the past two (2) FYEs 31 December 2016 to 31 December 2017;
- (iii) the valuation certificate dated 28 March 2018 and the Valuation Report;
- (iv) the letters of consent referred to in Section 2 of this Appendix; and
- (v) the SPA.

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EXCEL FORCE MSC BERHAD

(Company No. 570777-X)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Excel Force MSC Berhad (“EForce” or the “Company”) will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur, Malaysia on Tuesday, 19 June 2018 at 10.30 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without any modification the following resolution:-

ORDINARY RESOLUTION

PROPOSED DISPOSAL OF OFFICE PREMISES OCCUPYING TOWER A, LEVEL 13, PLAZA33 BEARING POSTAL ADDRESS AT NO. 1, JALAN KEMAJUAN, SEKSYEN 13, 46200 PETALING JAYA, SELANGOR DARUL EHSAN ERECTED ON A PIECE OF LEASEHOLD LAND HELD UNDER THE MASTER TITLE HSD 159654, LOT NO. PT 1, BANDAR PETALING JAYA, DAERAH PETALING, NEGERI SELANGOR (“PROPERTY”) FOR A CASH CONSIDERATION OF RM15,665,000 (“PROPOSED DISPOSAL”)

“**THAT** subject to and conditional upon all the approvals of the relevant authorities and/or parties being obtained (if required), approval be and is hereby given for EForce, to dispose the Property for a cash consideration of RM15,665,000 in accordance with the terms and conditions contained in the conditional sale and purchase agreement dated 29 March 2018 entered into between EForce and Plaza 33 Sdn Bhd for the Proposed Disposal (“**SPA**”);

AND THAT the Board of Directors of EForce, be and are hereby authorised and empowered to take all such steps and to enter into all deeds, agreements, arrangements, undertakings, transfers and indemnities as they may deem fit, necessary, expedient and/or appropriate and in the best interests of the Company in order to implement, finalise, complete and give full effect to the Proposed Disposal and the terms and conditions of the SPA with full powers to assent to any conditions, modifications, variations and/or amendments as may be required by any relevant authorities and/or as the Directors deem fit, appropriate and in the best interest of the Company.”

By Order of the Board

LIM SECK WAH (MAICSA 0799845)
M. CHANDRASEGARAN A/L S. MURUGASU (MAICSA 0781031)
Company Secretaries

Kuala Lumpur
28 May 2018

Notes:

1. *For the purpose of determining a member who shall be entitled to attend, speak and vote at the Extraordinary General Meeting, the Company shall be requesting the Record of Depositors as at 12 June 2018. Only a depositor whose name appears on the Record of Depositors as at 12 June 2018 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her behalf.*
2. *A member entitled to attend and vote at the meeting is entitled to appoint up to two (2) proxies to attend and vote in his/her stead. All voting will be conducted by way of poll.*
3. *Where a member appoints two (2) proxies to attend at the same meeting, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.*
4.
 - (i) *Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
 - (ii) *Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
5. *If the appointer is a corporation, the Form of Proxy must be executed under its Common Seal or under the hand of its attorney duly authorised.*
6. *The Form of Proxy must be deposited at the Company's Share Registrar Office at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.*

FORM OF PROXY

(Before completing this form please refer to the notes below)

No. of ordinary shares held

I/We _____ NRIC No./Co. No./CDS A/C No. _____
(Full name in block letters)

of _____
(Full address)

being a member/members of **EXCEL FORCE MSC BERHAD** hereby appoint the following person(s) or failing him/her, the Chairman of the Meeting as *my/our proxy/proxies to attend and vote for *me/us and on my/our behalf at the Extraordinary General Meeting of the Company to be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur, Malaysia on Tuesday, 19 June 2018 at 10.30 a.m. at every adjournment thereof to vote as indicated below:-

Name of proxy, NRIC No. & Address

No. of shares to be represented by proxy

1. _____
2. _____

	For	Against
Ordinary Resolution - Proposed Disposal		

(Please indicate with "X" in the space provided how you wish your vote(s) to be cast. If no instruction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.)

As witness my hand this _____ day of _____ 2018

Signature/ Common Seal

*Strike out whichever not desired.

Notes:

1. For the purpose of determining a member who shall be entitled to attend, speak and vote at the Extraordinary General Meeting, the Company shall be requesting the Record of Depositors as at 12 June 2018. Only a depositor whose name appears on the Record of Depositors as at 12 June 2018 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her behalf.
2. A member entitled to attend and vote at the meeting is entitled to appoint up to two (2) proxies to attend and vote in his/her stead. All voting will be conducted by way of poll.
3. Where a member appoints two (2) proxies to attend at the same meeting, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
4. (i) Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
(ii) Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. If the appointer is a corporation, the Form of Proxy must be executed under its Common Seal or under the hand of its attorney duly authorised.
6. The Form of Proxy must be deposited at the Company's Share Registrar Office at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment there.



Fold this flap for sealing

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AFFIX
STAMP

THE SHARE REGISTRAR
EXCEL FORCE MSC BERHAD
Symphony Share Registrars Sdn Bhd
Level 6, Symphony House,
Pusat Dagangan Dana 1, Jalan PJU 1A/46,
47301 Petaling Jaya, Selangor
Malaysia

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