

EXCEL FORCE MSC BERHAD
[Registration No. 200201003114 (570777-X)]
(Incorporated in Malaysia)

MINUTES OF THE TWENTY-FIRST ANNUAL GENERAL MEETING (21ST AGM) OF EXCEL FORCE MSC BERHAD (“EFORCE” OR “THE COMPANY”) CONDUCTED ON A VIRTUAL BASIS THROUGH LIVE STREAMING AND REMOTE PARTICIPATION AND VOTING (“RPV”) FACILITIES FROM THE BROADCAST VENUE AT LEVEL 43A, MYEG TOWER, EMPIRE CITY, NO.8, JALAN DAMANSARA, PJU 8, 47820 PETALING JAYA, SELANGOR DARUL EHSAN ON TUESDAY, 5 DECEMBER 2023 AT 9.30 A.M.

PRESENT:

BOARD OF DIRECTORS

At Broadcast Venue

Datuk Wira Farhash Wafa Salvador (Executive Chairman)
Mr Wong Kok Chau (Managing Director)

Via Video Conferencing

Mr Eng Shao Hon (Executive Director)
Datuk Mat Noor bin Nawi (Independent Non-Executive Director)
Dato' Sri Ismail Bin Ahmad (Independent Non-Executive Director)
Ms Elisa Tan Mun-E (Independent Non-Executive Director)

IN ATTENDANCE:

Mr Liew Kean Fatt (Head of Finance)
Ms Low Ven Sin (Company Secretary)

Shareholders/Proxies/Corporate Representatives attendance participated through Remote Participation and Voting (“RPV”) Platform.

1.0 CHAIRMAN

Datuk Wira Farhash Wafa Salvador (“the Chairman”) was in the Chair and welcomed all present for participating in the 21st AGM of the Company. The Chairman then proceeded to introduce the members of the Board, the Company Secretary and the Management team.

The Chairman informed the shareholders that the 21st AGM was conducted via live streaming and online remote voting using the Remote Participation and Voting Facilities (RPV) which is in compliance with Section 327 of the Companies Act 2016.

2.0 NOTICE

The Notice convening the Meeting was circulated within the prescribed period, and with the permission of the Meeting, was taken as read.

3.0 QUORUM

The Chairman called upon the Company Secretary to confirm the presence of quorum for the AGM. The Company Secretary confirmed the presence of the requisite quorum as at the commencement of this Meeting.

The requisite quorum being present, the Chairman declared the Meeting duly convened at 9.30 a.m.

4.0 MEETING AND VOTING PROCEDURES

The Chairman informed that the voting of all the resolutions at the general meeting would be conducted on a poll under Paragraph 8.29A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Chairman informed that the Board and the Management team will endeavor to address the questions received during the meeting. If the Board and the Management are unable to address the questions received during allocated time, the responses to the remaining questions will be published on the Company's website at the earliest possible time, after the Meeting ended.

The Company had appointed Agmo Digital Solutions Sdn. Bhd. ("AGMO") as Poll Administrator to conduct the polling process, and CSC Securities Services Sdn. Bhd. as the Independent Scrutineer to verify the poll results.

As the 21st AGM was a virtual meeting, the Chairman highlighted that the Company has taken all efforts and tried its best to ensure a smooth live streaming, however, the quality of the broadcast for the recipients may be affected by the participants' own internet bandwidth connection and stability.

5.0 AUDITED FINANCIAL STATEMENTS OF THE COMPANY AND OF THE GROUP FOR THE FINANCIAL PERIOD FROM 1 JANUARY 2022 TO 30 JUNE 2023 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS ("AUDITED FINANCIAL STATEMENTS")

The Chairman informed the Meeting that the first item on the agenda was to receive the Audited Financial Statements. This agenda item was for discussion only as Section 340(1)(a) of the Companies Act, 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Therefore, this agenda item was not put forward for voting.

The Chairman informed that all shareholders and proxies may raise questions in real time by transmitting their question via the query box and the Board would address the questions during the Q&A session later.

It was then declared that the Audited Financial Statements as received.

6.0 ORDINARY RESOLUTION 1
TO APPROVE THE PAYMENT OF A FINAL SINGLE-TIER DIVIDEND OF 0.50 SEN PER ORDINARY SHARE FOR THE FINANCIAL PERIOD FROM 1 JANUARY 2022 TO 30 JUNE 2023.

The Chairman informed that the next agenda was to approve the payment of a final single-tier dividend of 0.50 sen per ordinary share for the financial period from 1 January 2022 to 30 June 2023.

The Chairman informed that all shareholders and proxies may raise questions in real time by transmitting their question via the query box and the Board would address the questions during the Q&A session later.

7.0 ORDINARY RESOLUTION 2
RE-ELECTION OF MR WONG KOK CHAU WHO IS RETIRING BY ROTATION PURSUANT TO CLAUSE 105 OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE, HAS OFFERED HIMSELF FOR RE-ELECTION

The Chairman informed that the next agenda was to re-elect Mr Wong Kok Chau who is retiring by rotation pursuant to Clause 105 of the Company's Constitution and being eligible, had offered himself for re-election.

The Chairman informed that all shareholders and proxies may raise questions in real time by transmitting their question via the query box and the Board would address the questions during the Q&A session later.

8.0 ORDINARY RESOLUTION 3
RE-ELECTION OF DATO' SRI ISMAIL BIN AHMAD WHO IS RETIRING BY ROTATION PURSUANT TO CLAUSE 105 OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE, HAS OFFERED HIMSELF FOR RE-ELECTION

The Chairman informed that the next agenda was to re-elect Dato' Sri Ismail Bin Ahmad who is retiring by rotation pursuant to Clause 105 of the Company's Constitution and being eligible, had offered himself for re-election.

The Chairman informed that all shareholders and proxies may raise questions in real time by transmitting their question via the query box and the Board would address the questions during the Q&A session later.

9.0 ORDINARY RESOLUTION 4
RE-ELECTION OF DATUK WIRA FARHASH Wafa SALVADOR WHO IS RETIRING PURSUANT TO CLAUSE 114 OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE, HAS OFFERED HIMSELF FOR RE-ELECTION

As the next item on the Agenda was on the Chairman's re-election pursuant to Clause 114 of the Company's Constitution, Datuk Wira Chairman called upon Mr Wong Kok Chau to take over the Chair and proceed with the Agenda.

Mr Wong Kok Chau thanked Datuk Wira Chairman and took over the Chair. He then proceeded with the Agenda.

Mr Wong Kok Chau informed that the Ordinary Resolution 4 was to re-elect Datuk Wira Farhash Wafa Salvador who is retiring pursuant to Clause 114 of the Company's Constitution and being eligible, had offered himself for re-election.

Mr Wong Kok Chau then informed that all shareholders and proxies may raise questions in real time by transmitting their question via the query box and the Board would address the questions during the Q&A session later.

Mr Wong Kok Chau then passed the Chair back to the Chairman to continue with the next agenda.

10.0 ORDINARY RESOLUTION 5
APPROVAL AND RATIFY THE PAYMENT OF THE DIRECTORS' FEES PAID TO THE DIRECTORS OF THE COMPANY AMOUNTING TO RM4,000.00 FOR THE PERIOD FROM 1 JANUARY 2023 UP TO 30 JUNE 2023.

The Chairman informed that the next agenda was to approve and ratify the payment of the Directors' Fees paid to the Directors of the Company amounting to RM4,000.00 for the period from 1 January 2023 up to 30 June 2023.

The Chairman informed that all shareholders and proxies may raise questions in real time by transmitting their question via the query box and the Board would address the questions during the Q&A session later.

11.0 ORDINARY RESOLUTION 6
APPROVAL OF THE DIRECTORS' FEES AMOUNTING TO RM624,000.00 FOR THE PERIOD FROM THE 21ST AGM OF THE COMPANY UP TO THE 22ND AGM OF THE COMPANY

The Chairman informed that the next agenda was to approve the Directors' fees amounting to RM624,000.00 for the period from the 21st AGM of the Company up to the 22nd AGM of the Company.

The Chairman informed that all shareholders and proxies may raise questions in real time by transmitting their question via the query box and the Board would address the questions during the Q&A session later.

12.0 ORDINARY RESOLUTION 7
RE-APPOINTMENT OF MESSRS. TGS TW PLT AS AUDITORS OF THE COMPANY FOR THE ENSUING YEAR AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

The Chairman informed that the next agenda was to re-appoint Messrs. TGS TW PLT as Auditors for the ensuing year and to authorise the Directors to fix their remuneration. Messrs. TGS TW PLT had expressed their willingness to accept the re-appointment as the Company's Auditors for the ensuing year.

The Chairman informed that all shareholders and proxies may raise questions in real time by transmitting their question via the query box and the Board would address the questions during the Q&A session later.

13.0 SPECIAL BUSINESS – ORDINARY RESOLUTION 8
AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016

The Chairman informed that the next agenda under special business was to seek the shareholders' approval to authorise Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016.

“THAT Ordinary Resolution 8 if passed, would give the Directors flexibility to allot and issue shares from time to time for such purposes as the Directors in their absolute discretion consider to be in the best interest of the Company, without having to convene separate general meetings, subject to the limitation that the shares to be allotted and issued do not exceed 10% of the issued share capital of the Company for the time being. This proposal is in line with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Pursuant to Section 85(1) of the Companies Act, 2016 read together with Clause 61 of the Company's Constitution, the shareholders of the Company by approving this resolution are deemed to have waived their pre-emptive rights over all new shares, options over or grants of new shares or any other convertible securities in the Company and/or any new shares to be issued pursuant to such options, grants or other convertible securities, such new shares when issued, to rank pari passu with the existing shares in the Company.”

The Chairman informed that all shareholders and proxies may raise questions in real time by transmitting their question via the query box and the Board would address the questions during the Q&A session later.

14.0 SPECIAL BUSINESS – ORDINARY RESOLUTION 9
PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES (“PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY”)

The Chairman informed that the next agenda under special business was to seek the shareholders' approval on Proposed Renewal of Share Buy-Back Authority. The details of the said Proposed Renewal Share Buy-Back Authority were set out in the Statement to Shareholders dated 31 October 2023.

The Chairman informed that all shareholders and proxies may raise questions in real time by transmitting their question via the query box and the Board would address the questions during the Q&A session later.

15.0 ANY OTHER BUSINESS

The Chairman informed that no notice was received to transact any other business in accordance with the Companies Act, 2016 and the Company's Constitution.

16.0 Q & A SESSION

Mr Wong Kok Chau (“Mr Wong”), the Managing Director of the Company, was invited to provide responses to the questions raised in the Q&A query box, as follows:

It was noted that the Company had received questions from the Minority Shareholders Watch Group ("MSWG") on 23 November 2023. Mr Wong presented and displayed on screen the replies to the public on the questions raised by MSWG, as follows:-

No.	Question	Responses by the Company
1	For the 18 months ending June 2023, Excel generated RM43.4 million in total revenue, with 67% (vs 71% in FYE2021) from the ASP segment. The decrease is linked to challenges in the stockbroking industry (page 14 of Annual Report (AR) 2023). How is the Group tackling challenges in the ASP segment amid declining daily trading metrics? Please share key strategies employed to sustain ASP performance?	Our ASP business proposition to our customers is to grow together, thereby aligning both business goals, with some build-in safeguards for ourselves in the event of business downturn. This proven model is widely accepted and frequently requested by customers whenever we introduce new applications and services. We are prepared for the typical ups and downs expected in this revenue segment.
2	<p>Despite cost inflationary pressure on the profit margin, Excel managed to achieve Profit after Tax of 27% (page 14 of AR2023).</p> <p>a) is this sustainable? What is the Group's guidance for FYE2024 in terms of sales and earnings?</p> <p>b) What is the Group's current market share within the industry, and are there specific strategies in place to maintain or increase this market share in the face of industry and market dynamics?</p>	<p>a) We have always been prudent and conservative in our spend and in managing our cost base. These help to protect our bottom-line. We do not practice issuing forward guidance for revenue and earnings.</p> <p>b) We are a market leader in providing complete share trading solutions, and willing to collaborate with local and overseas partners to grow the market share going forward.</p>
3	Excel recently introduced Interactive X-Chart, an advanced charting app designed by an experienced chartist for Malaysia's technical analysis community. The tool aims to tap into the growing trend of investors using technical analysis for market entry and exit, with a gradual rollout to users (page 15 of AR2023).	a) Interactive X-Chart is our offering to Malaysian technical chartist community. As this is an in-house developed application, one distinguishing feature would be our capability to customize indicators based on the unique viewpoint of local charting practitioners. They can even build a business using X-Chart. This new application was just launched this year and the take up rate is on an uptrend.

	<p>a) What are the current take-up rates of the charting application? How is the charting application distinguished from other charting applications available in the market? Are there specific features or capabilities that set it apart?</p> <p>b) How has the introduction of the charting application influenced the overall profitability of the group? Are there measurable effects on the Group's financial performance since the launching of the charting application?</p>	<p>b) As explained, Interactive X-Chart was just launched this year and did not contribute to profitability of the group in the financial year under review.</p>
4	<p>On December 14, 2022, Excel successfully acquired 100% of Excel Force Solutions Sdn. Bhd. with RM30,000 in cash. This strategic move enhances the group's application services, focusing on market analytics and investment education. (page 84 of AR2023). Why is the subsidiary still dormant? Was it part of the planned strategy? When will the subsidiaries be operational? When is the subsidiary expected to significantly contribute to the Group's profitability, and are there key milestones or developments that will mark this transition?</p>	<p>We plan to operationalize Excel Force Solutions (EFS) in the current financial year and it will achieve some contribution to the Group's profitability.</p>
5	<p>Administrative expenses surged from RM7.6 million in FYE2021 to RM9.1 million in FYE2023 (page 52 of AR2023). What is the composition of the administrative expenses, and which component encountered a substantial increase? What strategies does the Group plan to mitigate this notable increase in the administrative expenses?</p>	<p>The Administrative expenses incurred in FYE2023 is for a period of 18 months, the comparative figure in FYE2021 was made up of 12 months, due to change of financial year end from 31 December to 30 June. The Administrative expenses comprises of staff salaries and benefits, director remuneration, staff recruitment, insurance etc. On 12 months prorated basis, the FYE2023 administration expenses declined by RM1.5 million.</p>

6	<p>Trade receivables credit impaired that were past due more than 60 days have risen significantly from RM325,622 in FYE2021 to RM613,110 in FYE2023 (page 90 of AR2023).</p> <p>a) What were the difficulties faced by the Group in the collection of the trade receivables that were past due more than 60 days as the outstanding amount increased tremendously?</p> <p>b) Who are the customers and who make up this category (past due more than 60 days) of the Group's trade receivables on FYE2023 and what are their profiles?</p> <p>c) To-date, how much of the overdue amount has been collected?</p>	<p>a) There are some customer administrative issues resulted in delayed payment, but we have historically always collected in full.</p> <p>b) As of November 2023, almost all the past due has been collected.</p> <p>c) As of November 2023, almost all the past due has been collected.</p>
7	<p><u>Corporate Governance Matters</u></p> <p>The current Board composition lacks diversity, having only one female Director, constituting a mere 17% of the entirety. This falls short of the suggested 30% benchmark in Practice 5.9 of the MCCG, which underscores the significance of substantial women representation (page 28 of CG Report 2023). Considering the current Board's limited diversity, are efforts underway to identify fitting female candidates for an impending Director role within the Group? If so, when is the expected timeline for achieving this objective?</p>	<p>While we aim to meet the 30% female director benchmark, consideration on qualification, working experience and professional knowledge of directors are equally important to ensure their ability to contribute effectively towards fulfilling Board objectives. There is no set timeline to meet this benchmark.</p>

There being question received from shareholders:-

No.	Question	Responses by the Company
1	What is the insight on the on-going of business operation collaboration opportunities?	The Company is contemplating collaborating with some partners to broaden its services and products, as well as to explore overseas market. However, at this juncture, the Company is not divulging specific details.
2	For the existing systems capabilities and new products, how much the additional incomes for Company targeting on the incoming year 2024?	Although we could not provide a specific target at this juncture, the Company intends to regularly introduce new services to enhance and expand its business, with the ultimate goal of improving the revenue stream.
3	Is it true the Company is doing corporate restructuring?	The Company underwent an internal reorganization to enhance operational efficiency and not engaging in corporate restructuring.
4	What is the planning growth for the Company and activities in two years and in future?	Over the next one or two years, the Company is exploring application of Artificial Intelligence ("AI") in capital market. The Company aims to enable market investors to make more informed investment decisions in the stock market. The Company is actively exploring various models, focusing on solutions that improve the speed of information retrieval, facilitating quicker access to relevant and valuable information.
5	Under Ordinary Resolution 9, does the corporate action take place in additional issues, right issue or bonus issue?	Ordinary Resolution 9 pertains to shares buy-back by the Company which does not involve any corporate exercise such as issuing new shares, rights issues, or bonus issues.
6	Does the Company will provide any breakfast or e-wallet?	The Company would consider it at the next AGM.
7	When will the Company held the meeting physically?	The Company would consider it at the next AGM.

17.0 VOTING SESSION

The Chairman advised the Shareholders to proceed to submit their vote via the RPV Facility as the online voting session would conclude after 10 minutes.

Thereafter, the Chairman adjourned the Meeting until the Independent Scrutineer completes the verification of the poll results.

18.0 ANNOUNCEMENT OF POLL RESULTS

The Meeting resumed at 10.20 a.m. for the declaration of the poll results which had been verified by the Independent Scrutineer. The poll results were as follows:

Resolutions	Voted For		Voted Against		Results
	No. of Shares	%	No. of Shares	%	
Ordinary Resolution 1	236,836,151	99.99881	2,810	0.00119	Carried
Ordinary Resolution 2	236,791,931	99.96917	73,030	0.03083	Carried
Ordinary Resolution 3	236,866,731	99.99864	3,230	0.00136	Carried
Ordinary Resolution 4	231,867,731	99.99861	3,230	0.00139	Carried
Ordinary Resolution 5	236,819,353	99.97821	51,608	0.02179	Carried
Ordinary Resolution 6	236,811,411	99.97781	52,550	0.02219	Carried
Ordinary Resolution 7	236,857,911	99.9983	4,030	0.0017	Carried
Ordinary Resolution 8	236,856,053	99.99371	14,908	0.00629	Carried
Ordinary Resolution 9	236,821,927	99.99576	10,034	0.00424	Carried

Based on the Poll Results displayed on the screen, the Chairman declared that the Ordinary Resolutions 1 to 9 were duly carried.

19.0 CLOSURE

There being no other business, the 21st AGM was closed at 10.30 a.m. with a vote of thanks to the Chairman.

**Confirmed as a correct record of
the proceedings held thereat**

CHAIRMAN IN THE MEETING