

Excel Force MSC Berhad

Q4FYE21 Results Briefing
23 February 2022

IMEJOIWA

in collaboration with



Excel**FORCE** MSC Berhad

www.excelforce.com.my



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Agenda

01.

Company Overview

02.

Business Overview

03.

Financial Overview

04.

Key Investment Highlights

05.

Stock Information



01

Company Overview

› Company Snapshot

Creating Value For More Than **25 Years**



MARKET LEADERSHIP

- Built complete system solution for share trading and back end processing
- 50% of Bursa trading volume flows through our system



CORE CAPABILITY

- Deep domain knowledge on share trading and exchange requirements
- Vast experience operating in real time on-line mission critical environment



REVENUE (RM'mil)

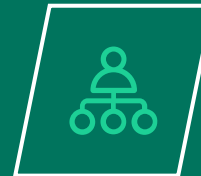
Year 2019 – **23.0**
Year 2020 – **31.4**
Year 2021 - **37.3**

NET PROFIT (RM'mil)

Year 2019 – **6.5**
Year 2020 – **10.8**
Year 2021 – **12.6**



ESTABLISHED
1994



OWNER

Since May 2016, our major shareholder is Asia Internet Holdings (which also owns MyEG Services Bhd)



NUMBER OF COUNTRIES

We deliver solutions and services to Securities Brokers and Investment Banks

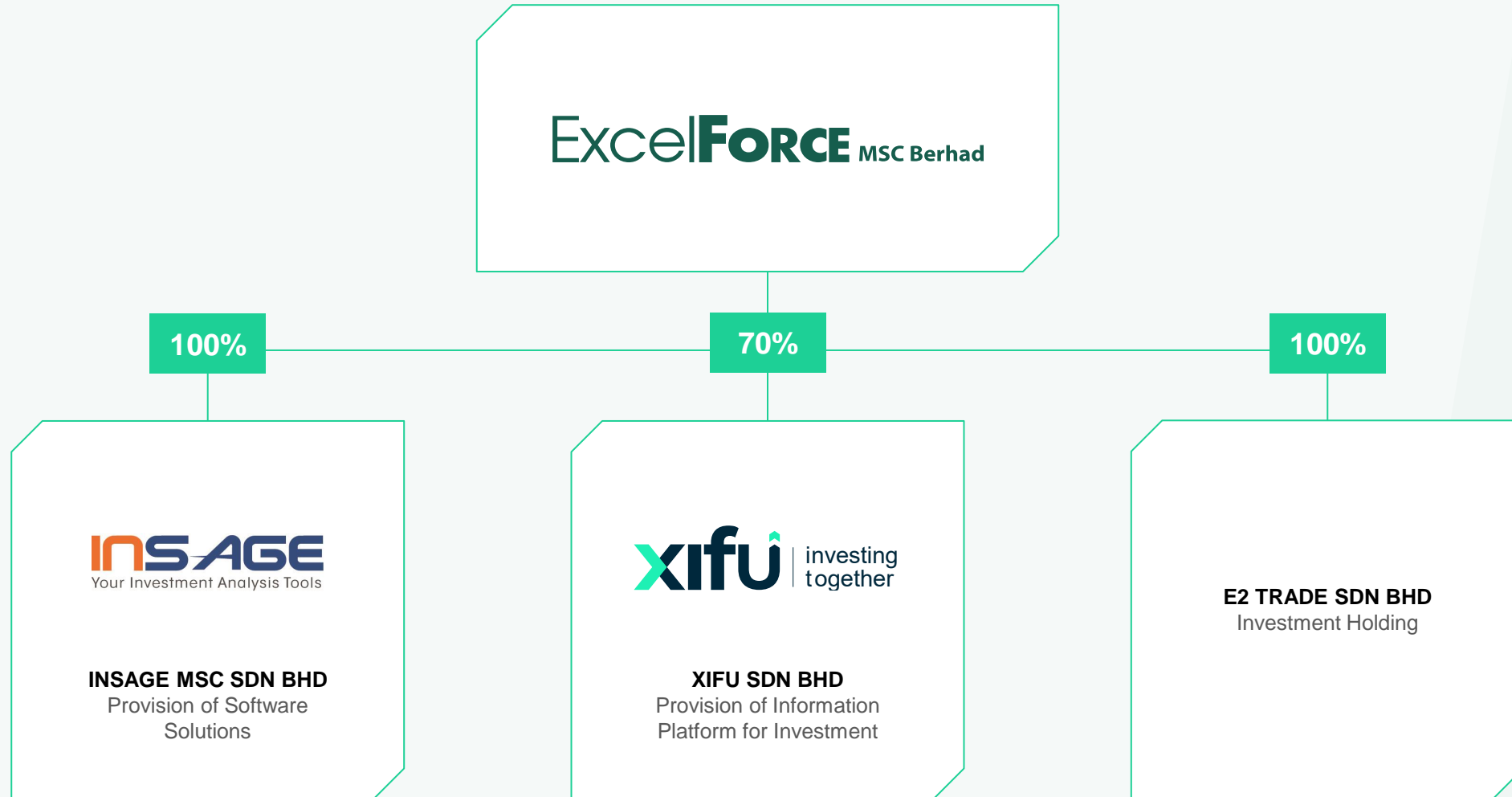
>50

No of Headcount in Project Management, System Design, Software Development and Customer Service

20.7

The average length of service years for our senior team in key technical and operation functions

➤ Corporate Structure



➤ Our Subsidiaries



INSAGE MSC SDN BHD

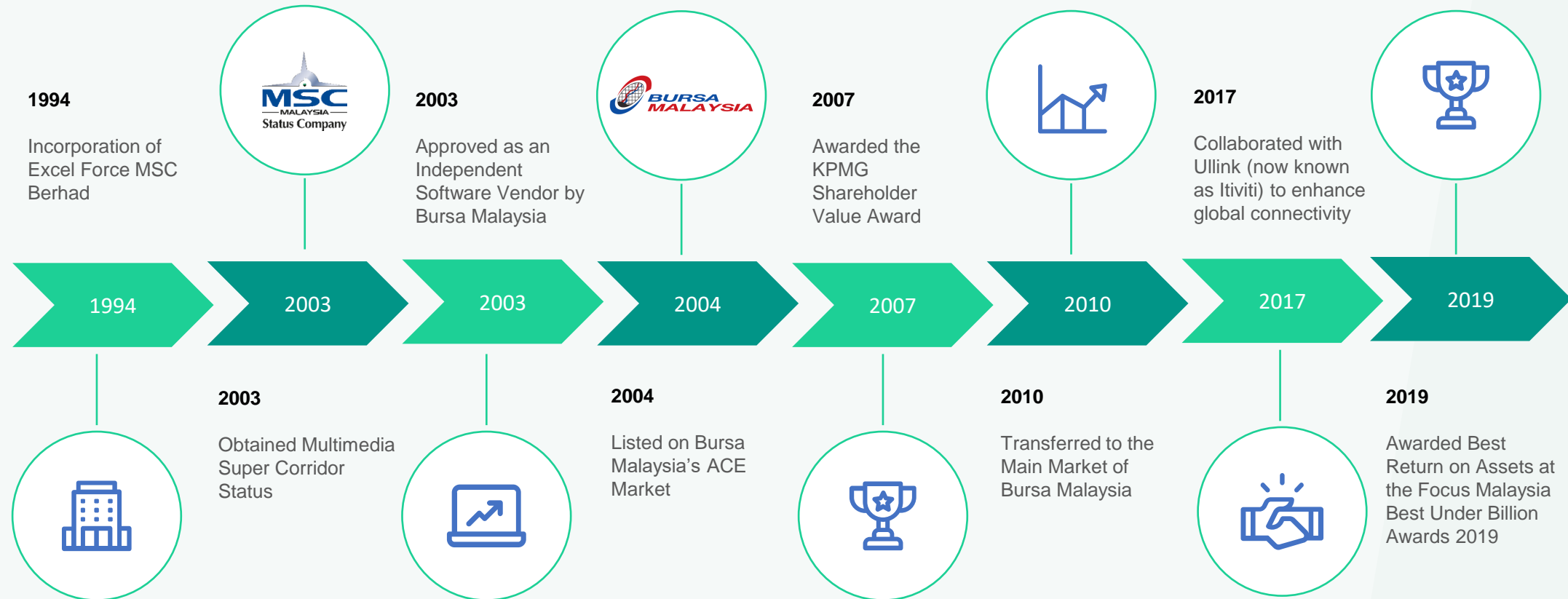
- Market leader in the development and maintenance of investor relation websites for public listed companies in Malaysia
- Provider of Fundamental Analysis investment tools to stockbrokers and end users
- 15 years of data on Bursa listed companies - financial and corporate information



XIFU SDN BHD

- A platform connecting retail investors to share ideas and exchange opinions, with the objective of educating investors to make smart investment choices across multi asset classes.
- Social investing is the future - as evidenced from the meme stock frenzy i.e GameStop
- Seeks to generate proprietary content – aims to offer a weekly segment of interviews which will provide retail investors access to CEOs and Senior Executives of public listed companies

➤ Key Milestones & Awards



➤ Board of Directors

**TAN SRI DATO' DR
MUHAMMAD RAIS BIN
ABDUL KARIM**

*Independent and Non-
Executive Chairman*

WONG KOK CHAU

Managing Director

ENG SHAO HON

*Executive Director/
Chief Technology Officer*

GAN TECK BAN

*Executive Director/
Head, Sales and Business
Development*

**DATUK MAT NOOR
BIN NAWI**

*Independent
Non-Executive Director*

**DATO' SRI ISMAIL
BIN AHMAD**

*Independent
Non-Executive Director*

ELISA TAN MUN-E

*Independent
Non-Executive Director*



02

Business Overview

➤ Business Segments

The Company's operating business segments are broadly categorised into:



Application Solutions

Sale of software applications and products on an outright purchase basis.



Maintenance Services

Provision of maintenance services for application and systems solutions.



Application Services Provider

Provision of application services on monthly recurring fixed and variable charges.



We add value to our customers' business by **increasing operational efficiency & enhancing end-user experience.**

➤ Business Products

Front Office


For Remisiers & Dealers



Bridging Trader & Exchange System

Provides real time market analysis, manages trader dashboard and client portfolio.


For Dealers



Exempt Dealer System


Designed for commercial banks to enable their customers to perform stock trading transactions at their branches.

For End Clients



Electronic Client Ordering System

View real time market information, place trades and manage orders seamlessly.



Mobile Trading System

Mobile Trader connects users with smartphones to exchanges to manage their trading activities conveniently from anywhere.

› Business Products

Middle & Back Office

For Operations Team



Share Margin Financing

Enables financial institutions, brokerage firms and banks to operate and manage margin financing services.



Custodian & Nominees System

Value-adding features comprising trade settlement, cash balances investment, income collection, corporate actions processing, recordkeeping and reporting to help Custodian Banks in providing core domestic services.



Back Office System

Automate and transform your back office operations with smart technology to streamline processes, improve collaboration and maximise efficiency.

Business Products

Network & Security

For Infrastructure & Security Team



Network

Advise and consult customers to improve network performance. This includes daily system health check to ensure operational readiness, monitor system resource usage and consumption for early detection of potential issues, provide input on technology refresh and upgrade, and help troubleshoot network issues.

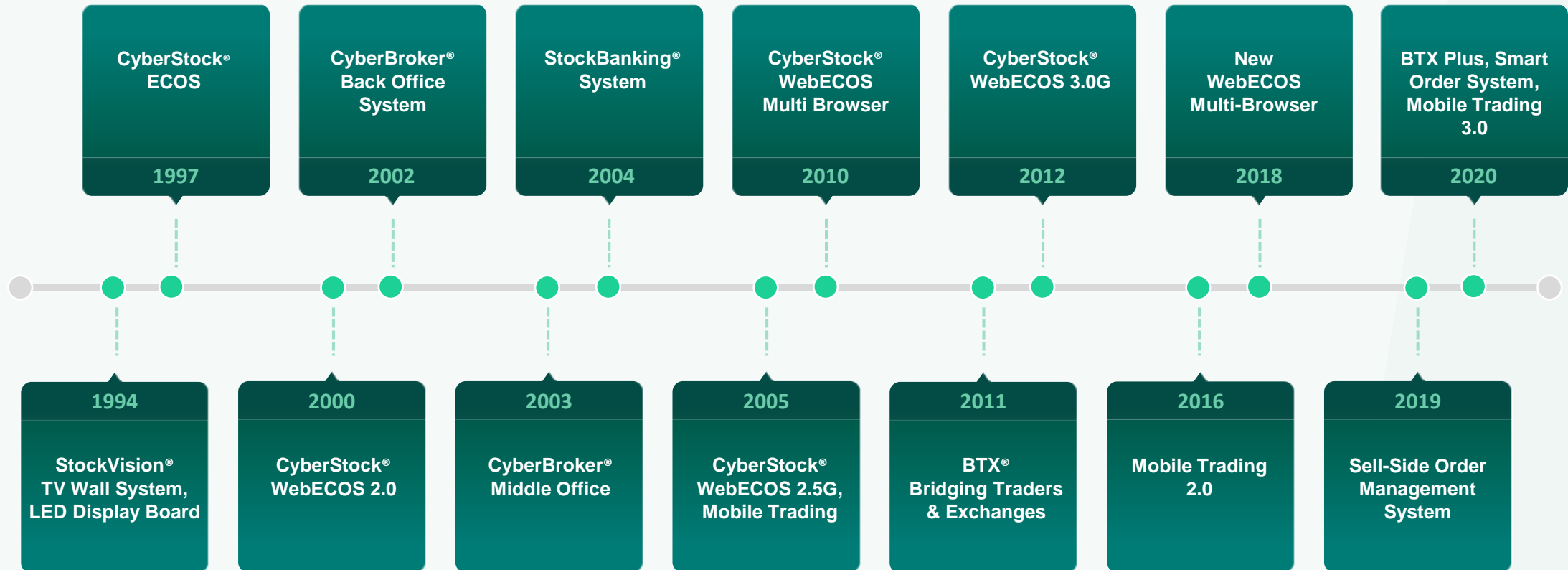


Security

Besides tracking latest cyber security trends and developments, we continuously improve on our application security through regular penetration testing and review security setup of our own data centre.



➤ Proudly Malaysian Developed Systems



➤ Key Clients

Dominant In Malaysia and Growing in ASEAN Region

Malaysia

Investment Bank



Stock Broker



Commercial Bank



Singapore



Thailand



Vietnam



➤ Upcoming Product Launches in 2021 to 2024



Xcelerate

Data analytic engine to understand investor trading behavior



Symphony

A workflow platform to digitalise and transform back room functions



mBIS

(Mobile Business Intelligence System)

Driving growth in business volume through smart decisions

mPower (Empower)

Next generation back office system, scalable and flexible to meet the current and future broking needs

New Generation Web Trading

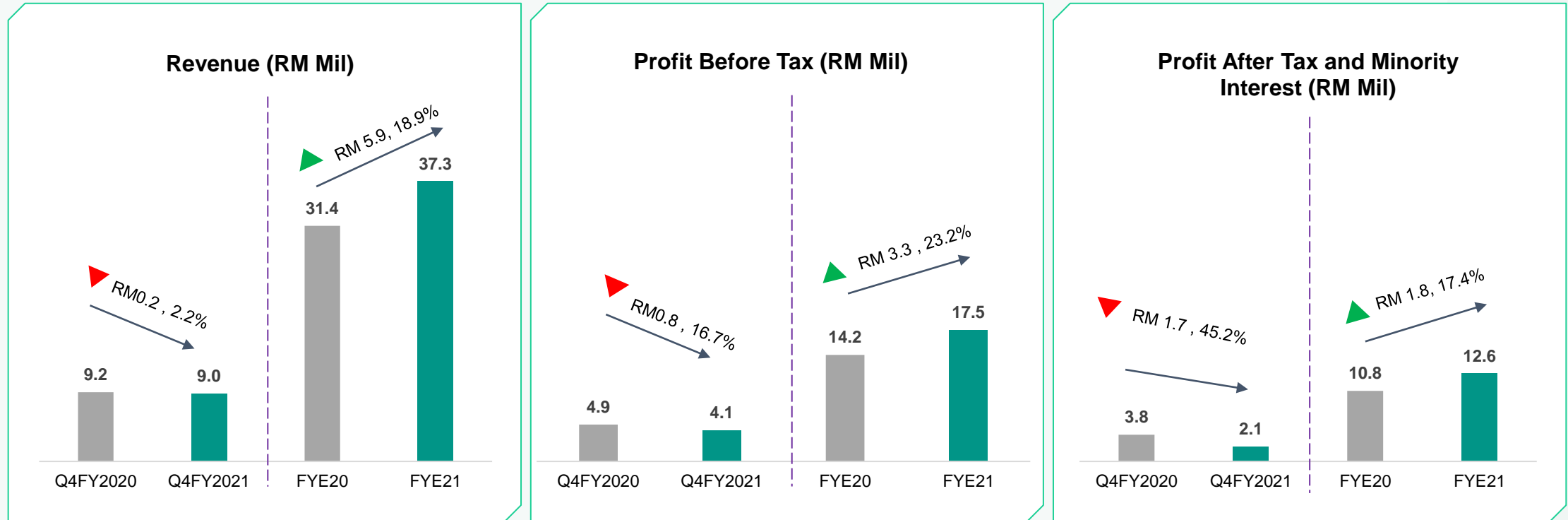
Our next generation internet trading platform, catering to the needs of novices and professionals



03

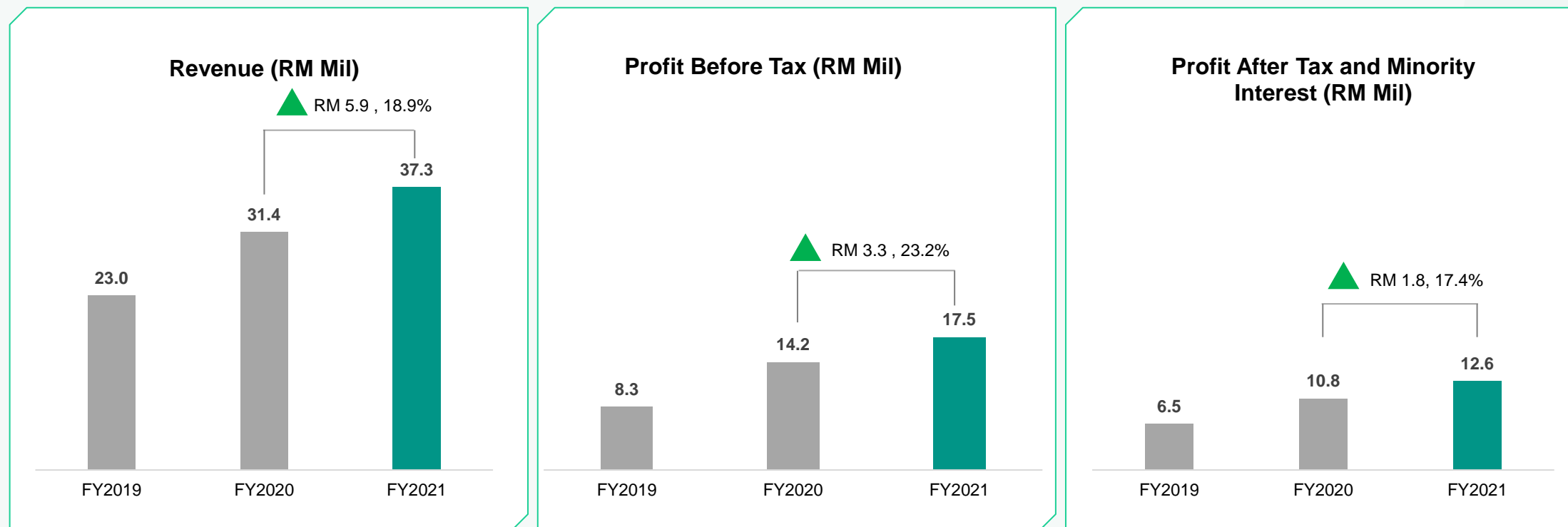
Financial Overview

➤ Q4FYE21 and FYE21 Financial Performance



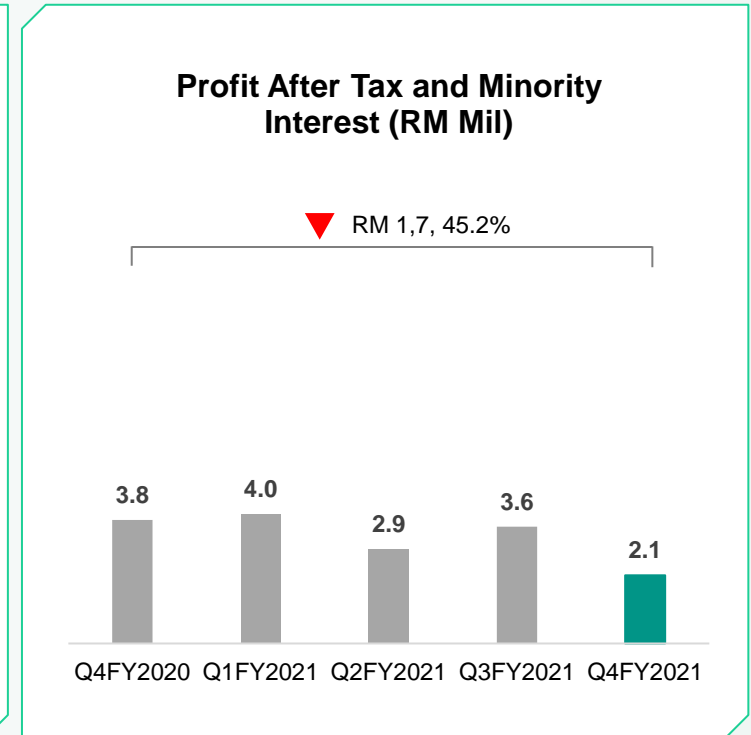
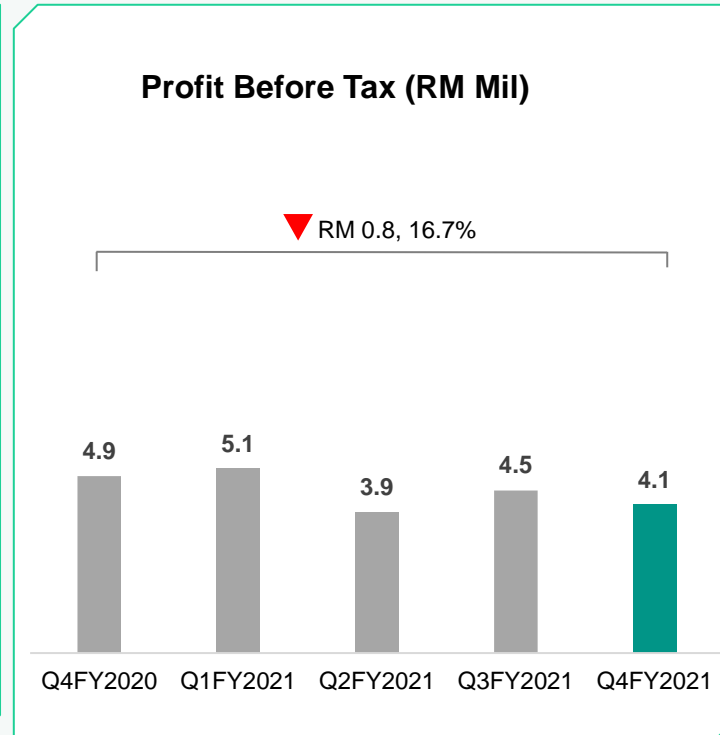
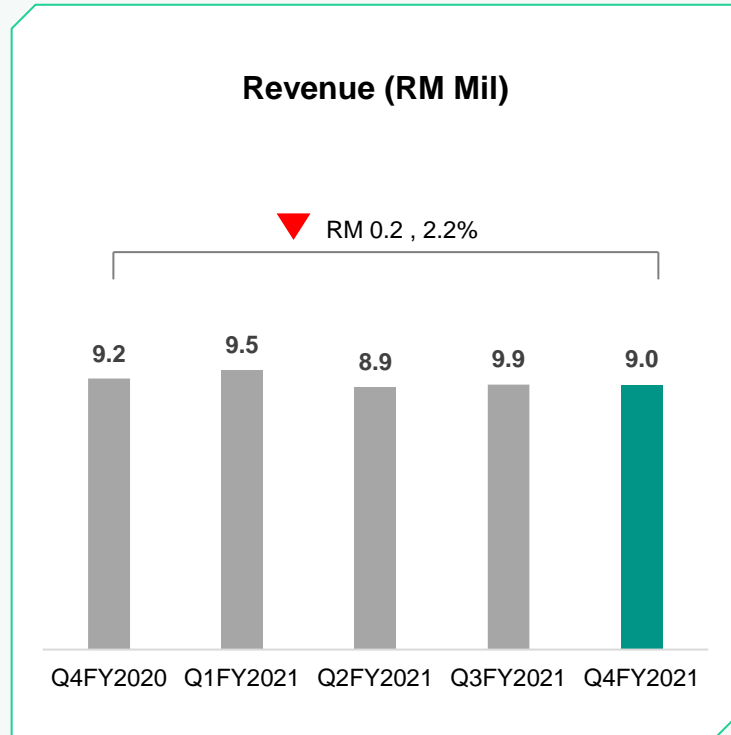
- For FYE21, revenue increased by RM5.9 million due to an increase in revenue from the AS segment. PBT and PATAMI improved by 23.2% and 17.4% respectively.
- For Q4FYE21, revenue decreased by 2% due to lower revenue from the ASP segment, PBT and PATAMI decrease by 16.7% and 45.2% respectively.

➤ Annual Financial Performance



- The Group achieved a record revenue of RM37.3 million in FYE 2021, mainly derived from higher revenue in the AS segment
- Steady growth by the Group throughout the years as exemplified by the stronger financial performance each year.

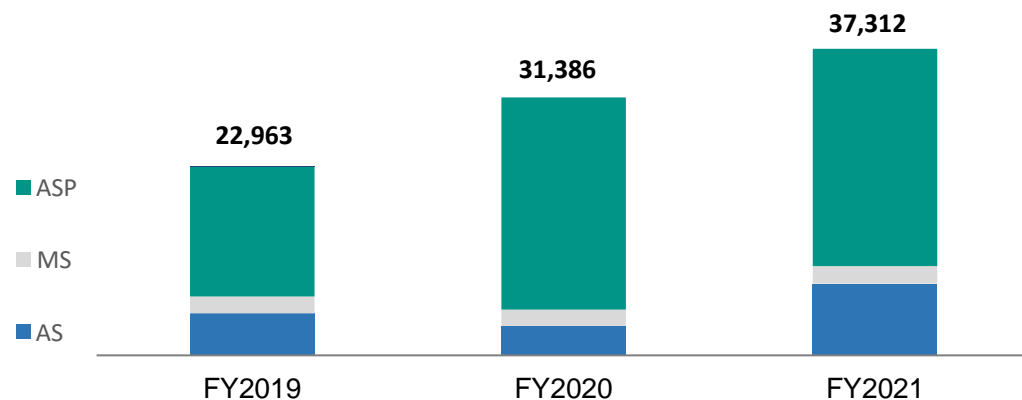
➤ Quarterly Financial Performance



- Decrease of 2% or RM202,000 in revenue for FY2021 as compared to FY2020 is due to lower revenue from ASP segment as a result from lower trading volume, partly offset by higher AS segment revenue derived from higher progress billing on system enhancement and technology refresh works.

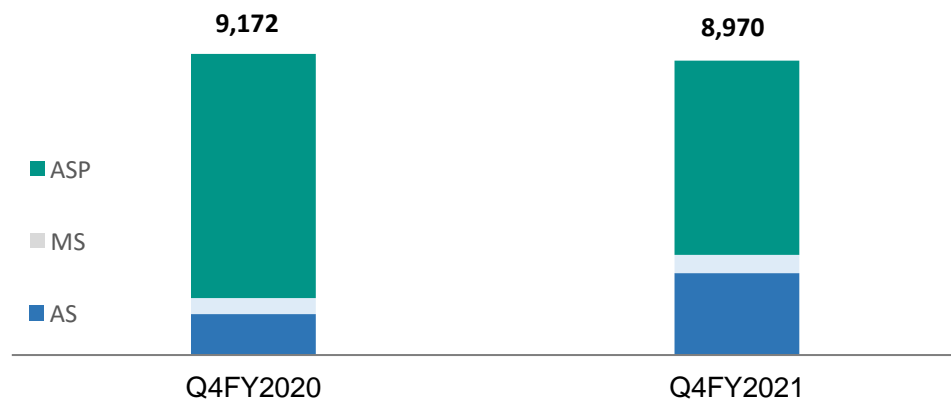
➤ Segmental Revenue Performance

Annual Revenue (RM'000)



	FY2019 (RM '000)	FY2020 (RM '000)	FY2021 (RM'000)
Application Solutions (AS)	5,103	3,594	8,728
Maintenance Services (MS)	2,044	1,971	2,140
Application Services Provider (ASP)	15,816	25,821	26,444
Total	22,963	31,386	37,312

Quarterly Revenue (RM'000)



	Q4FY2020 (RM '000)	Q4FY2021 (RM '000)
Application Solutions (AS)	1,241	2,496
Maintenance Services (MS)	491	557
Application Services Provider (ASP)	7,440	5,917
Total	9,172	8,970

➤ Revenue Streams and Dividends Pay-out



Revenue Streams

Recurring Revenue Stream

70-80% of our annual revenue comes from Application Service Provider (ASP) and Maintenance Services segments. ASP has both fixed and variable component. There is positive correlation between our ASP revenue with growth in retail participation in the stock market and transactions volume.

Non-Recurring Revenue Stream

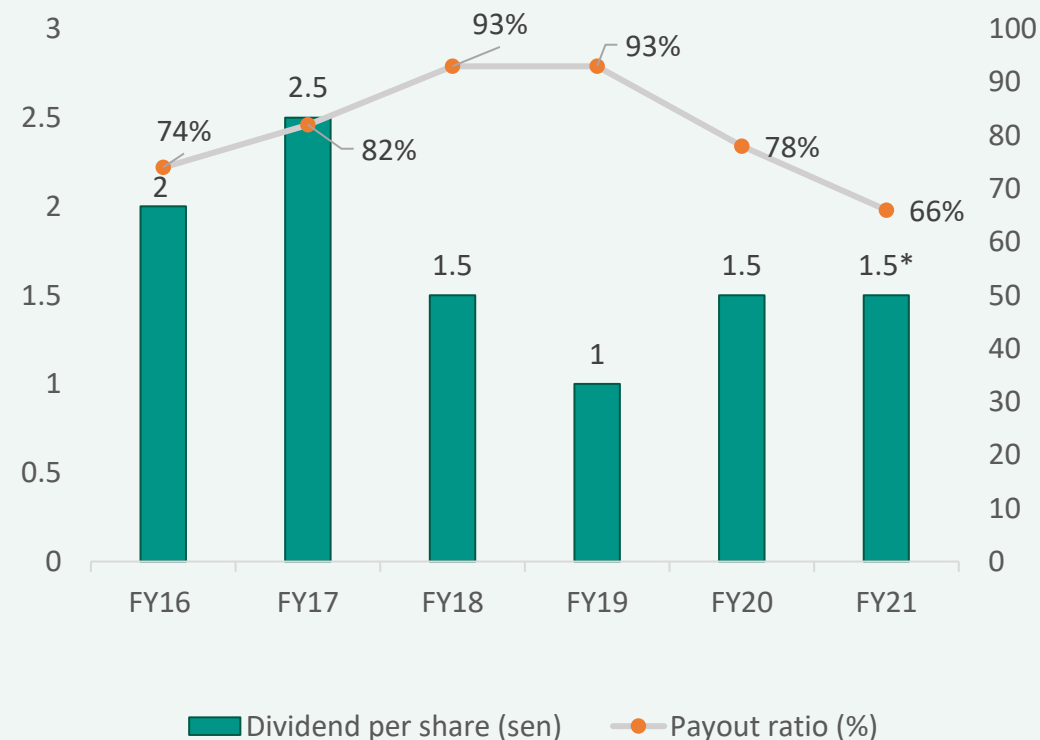
This is one-off earnings for system enhancements and outright software purchases under our ASP segment.



Dividends

Consistently paid 80-90% of our annual profit after tax as dividend.

Sustainable Dividend Over the Years



*Note: Final single-tier dividend for FY21 of 0.5 sen announced on 22 February 2022 is subject to the approval of Eforce's shareholders at the forthcoming AGM.

➤ Financial Position as at 31 December 2021



RM110.4 million

Total Assets

Q4FY2020: RM102.4 million



RM101.6 million

Total Equity

Q4FY2020: RM92.9 million



RM8.7 million

Total Liabilities

Q4FY2020: RM9.5 million



RM32.4 million

Cash and Cash Equivalents

Q4FY2020: RM22.9 million



6.87 x

Current Ratio

Q4FY2020: 6.11 x



18 sen

Net Asset Per Share

Q4FY2020: 17 sen



04

Key Investment Highlights

➤ Key Investment Highlights



Diverse Range of Product Offering With Flexibility to Adapt to Client's Needs

- More than 25 years of experience in providing front, middle and back-end system solutions to Malaysian and ASEAN market.
- Focus on R&D to meet the unique requirements of our customers, adapting from our own proprietary core modules and design structure, with a line-up of new product roll-outs in the coming years.



Stable Recurring Income

- Recurring annual income from ASP and Maintenance Services segments.



Highly Qualified and Experienced Management

- Long-standing senior team with an average length of 20.7 years in key technical and operation function.



Regional Presence in ASEAN Market With Overseas Expansion Plans

- Solutions provider in 5 countries with further expansion plans in the pipeline.
- Pursuing opportunities overseas and facilitating cross border.



Growth Opportunities Via Existing Subsidiaries

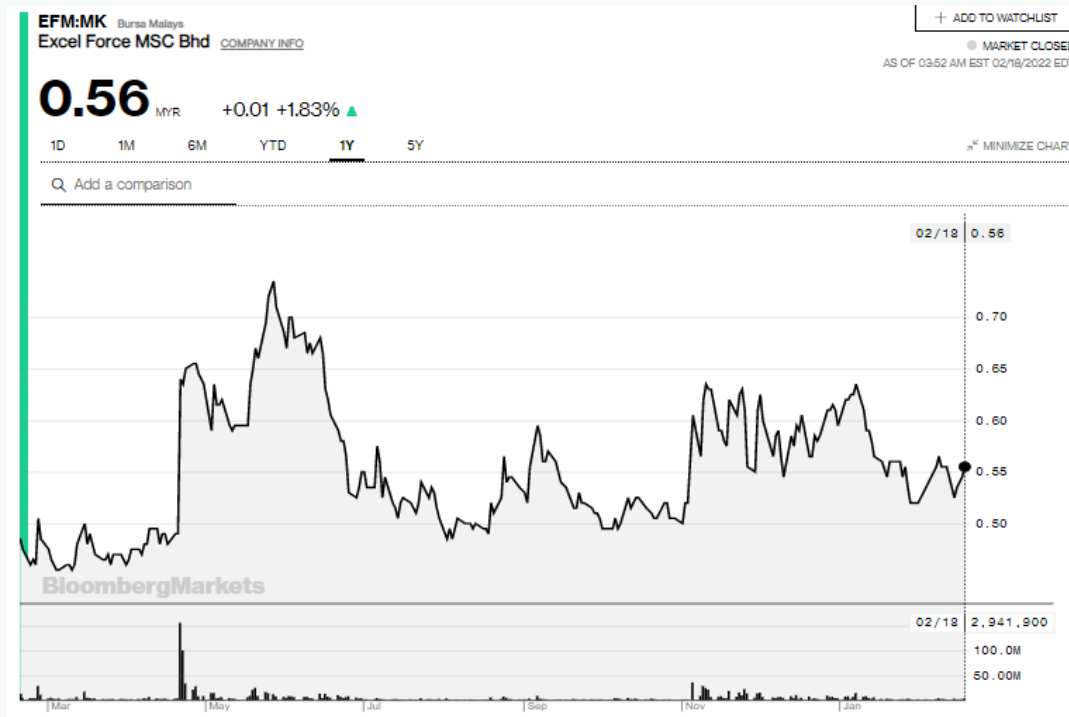
- Insage MSC Sdn. Bhd. and Xifu Sdn. Bhd. to capitalise on market opportunities for expanded revenue stream.



05

Stock Information

➤ Stock Information



310.455
Market Cap
(RM Million)

559.38
Issued and Paid-up
Shares (RM Million)

0.75
52-Week Range
(High) (RM)

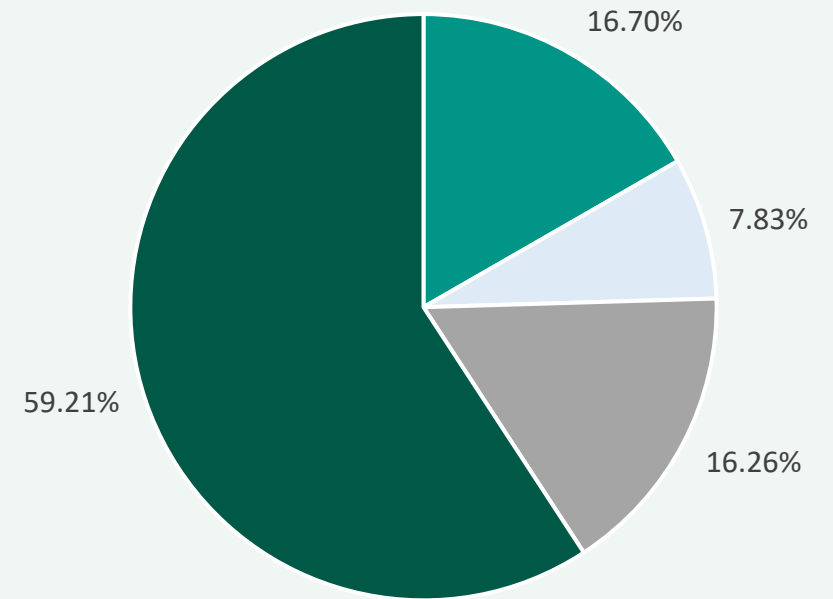
0.45
52-Week Range
(Low) (RM)

0.55
Closing Price
(RM)

2,912,433
30 Day Average
Volume

Source: Bloomberg as at 18 February 2022, 03.52am

Shareholdings



- Asia Internet Holdings Sdn Bhd
- Wong Thean Soon
- Mohamed Nizam bin Abdul Razak
- Others

Source: Company announcement in Bursa Malaysia Berhad as at 18 February 2022



Q&A

Ask a question



Thank you!

ExcelFORCE MSC Berhad

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We Build 
Awesome
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