

# Excel Force MSC Berhad

Corporate Presentation  
1 September 2021

IMEJJIWA

in collaboration with



Excel**FORCE** MSC Berhad

[www.excelforce.com.my](http://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)

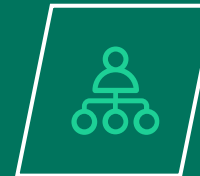
Year 2018 – **22.3**  
Year 2019 – **23.0**  
Year 2020 – **31.4**

### NET PROFIT (RM'mil)

Year 2018 – **6.7**  
Year 2019 – **6.5**  
Year 2020 – **10.8**



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

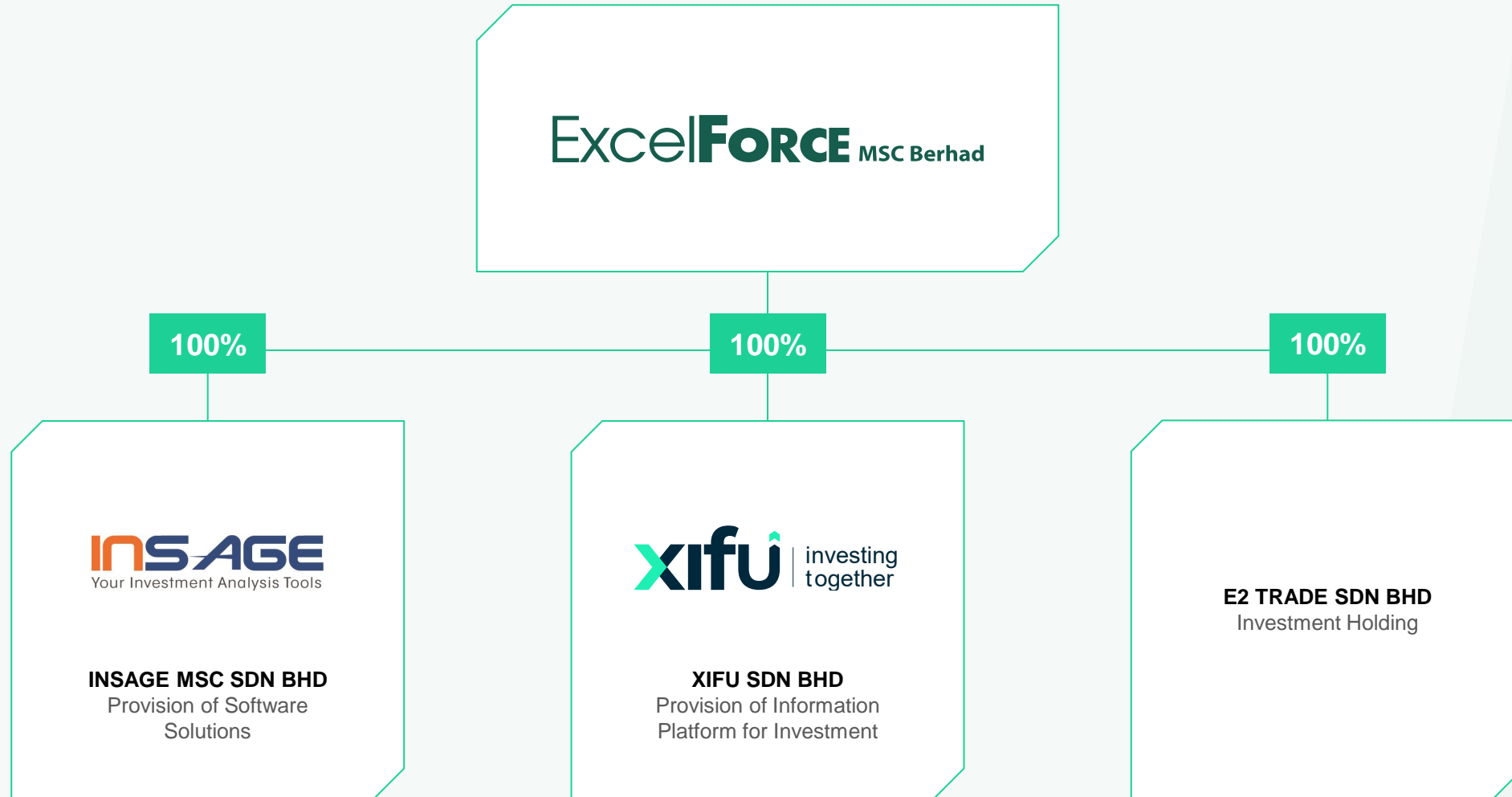
**>50**

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**

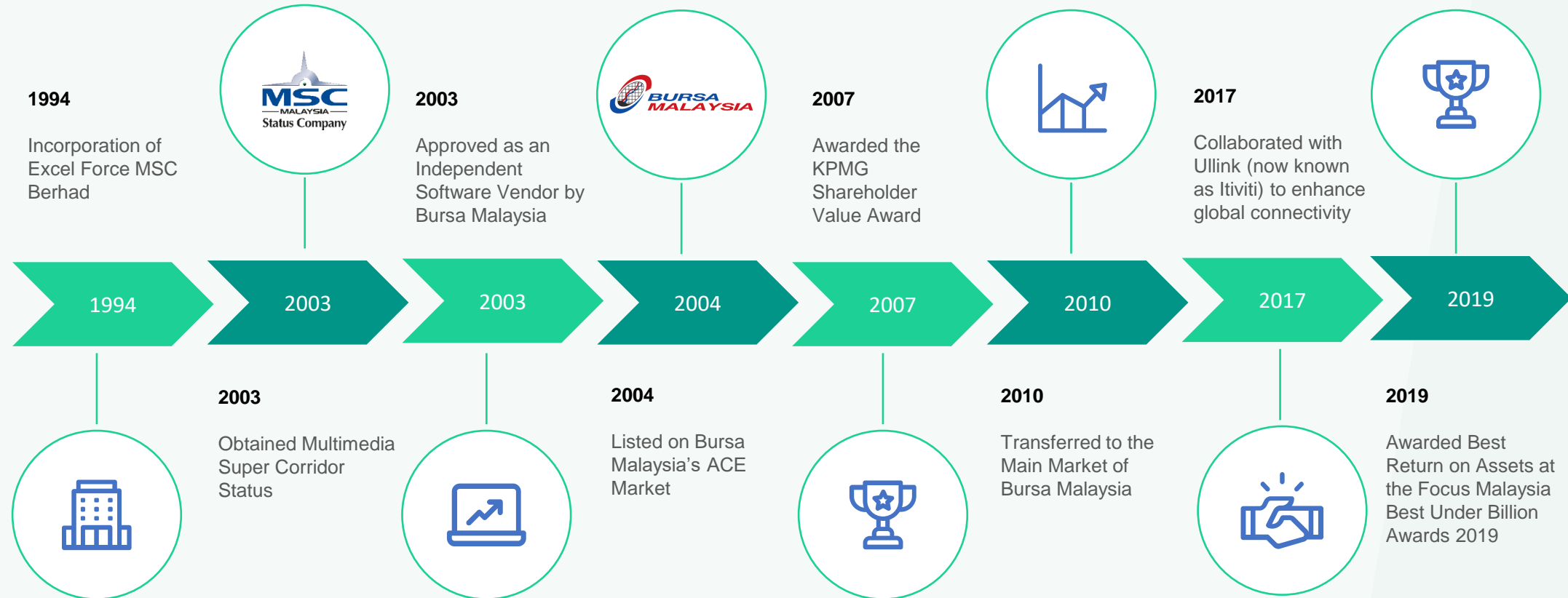
- Market leader in the development and maintenance of investor relation websites for public listed companies in Malaysia
- Provider of Fundamental Analysis investment tools to stockbrokers and end users
- 15 years of data on Bursa listed companies - financial and corporate information



### **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

**DATO' DR NORRAESAH  
BINTI HAJI MOHAMAD**

*Executive Chairman*

**WONG THEAN SOON**

*Alternate Director to Dato' Dr  
Norraesah binti Haji Mohamad*

**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*



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.



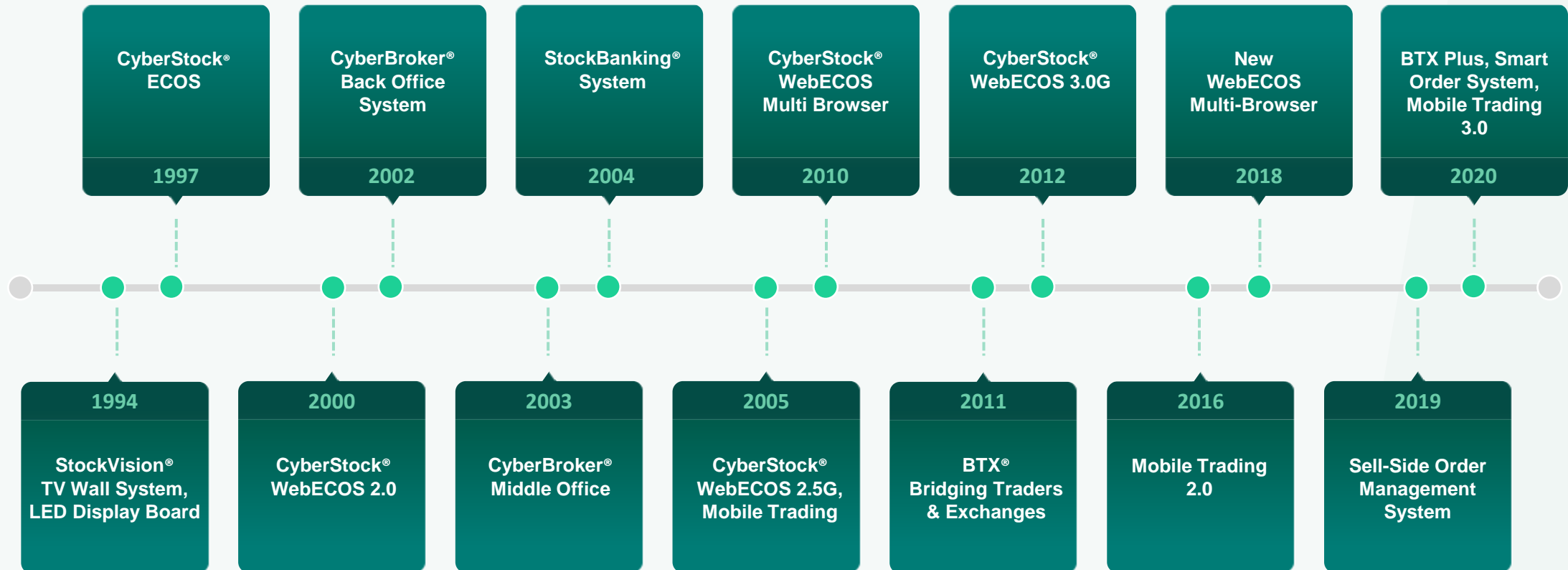
#### Security

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

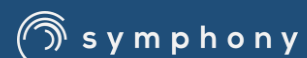


## ➤ Upcoming Product Launches in 2021 to 2024



### 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

### WebECOS 4<sup>th</sup> Generation

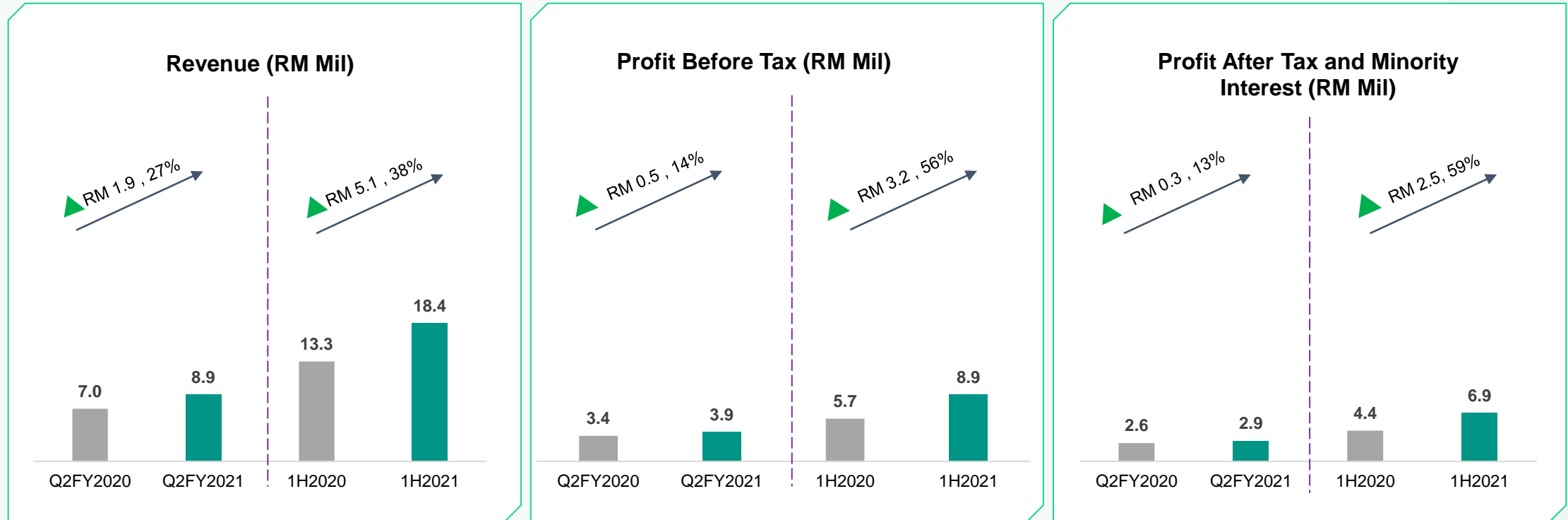
Our next generation internet trading platform, catering to the needs of novices and professionals



# 03

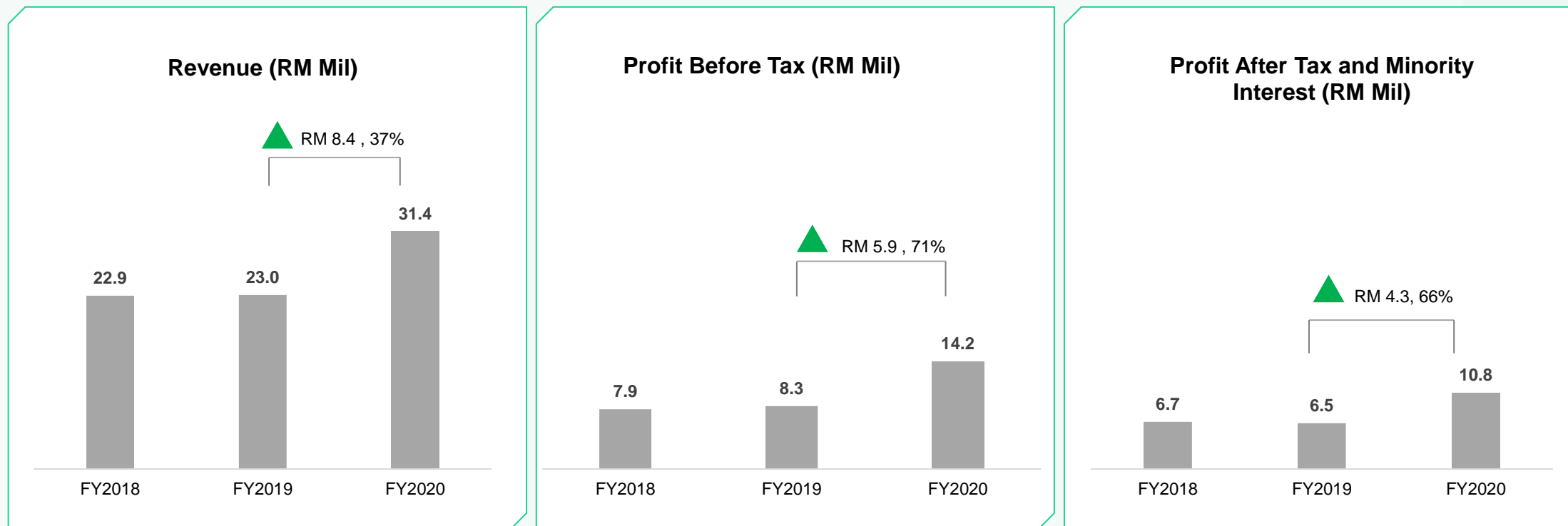
## Financial Overview

## ➤ Q2FYE21 and 1HFYE21 Financial Performance



- Profit Before Tax and Profit After Tax and Minority Interest increased due to contribution from ASP segment.
- Significant improvement in 1H2021 with a PATAMI of RM6.9 million compared to RM4.4 million in 1HFYE20.

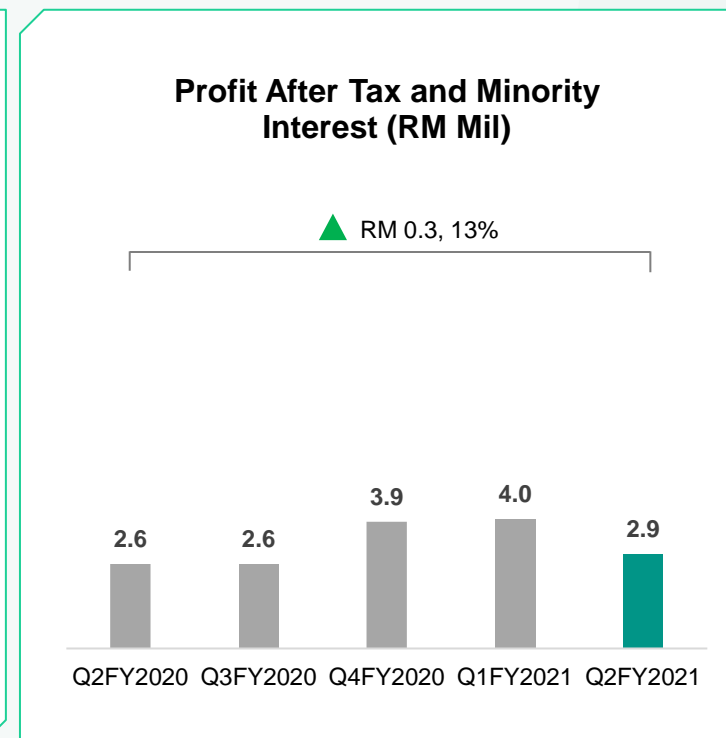
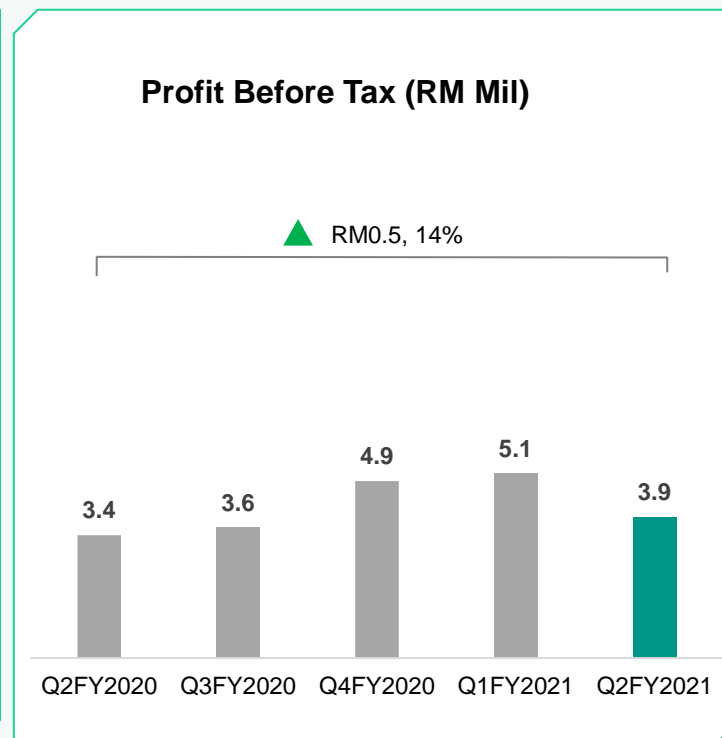
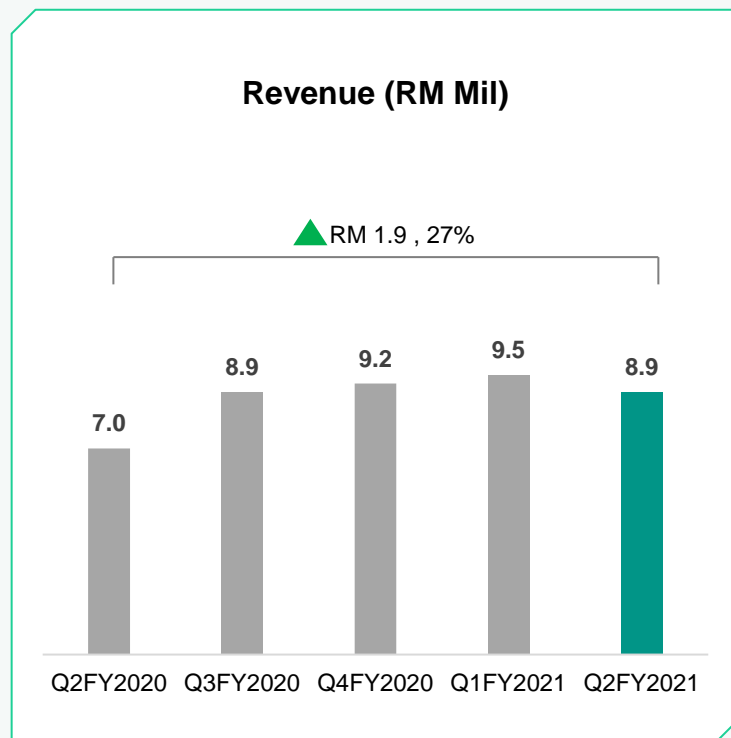
## ➤ Annual Financial Performance



- The Group achieved a record revenue of RM31.4 million in FYE 2020, mainly derived from the Application Services Provider (ASP) segment, an increase of RM8.4 million or 37% compared to the previous financial year.
- Increased retail participation in share trading and volume transacted lifted our revenue performance.
- Profit before tax (PBT) was also a record at RM14.2 million, higher by RM5.9 million or 71% compared to last financial year, a positive outcome of our prudent cost management.



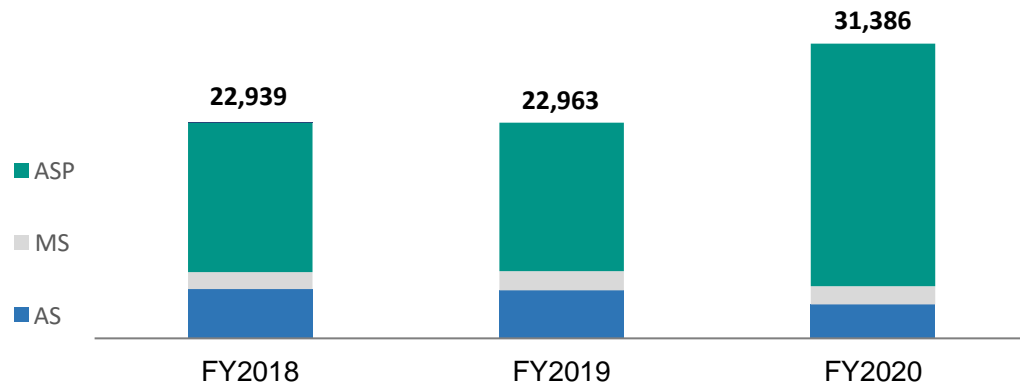
## ➤ Quarterly Financial Performance



- As a result, the Group registered a turnover of RM8.9 million, an increase of 27% compared to last year.
- The PBT improved by RM0.5 million which is equivalent to 14% compared to same period last year.

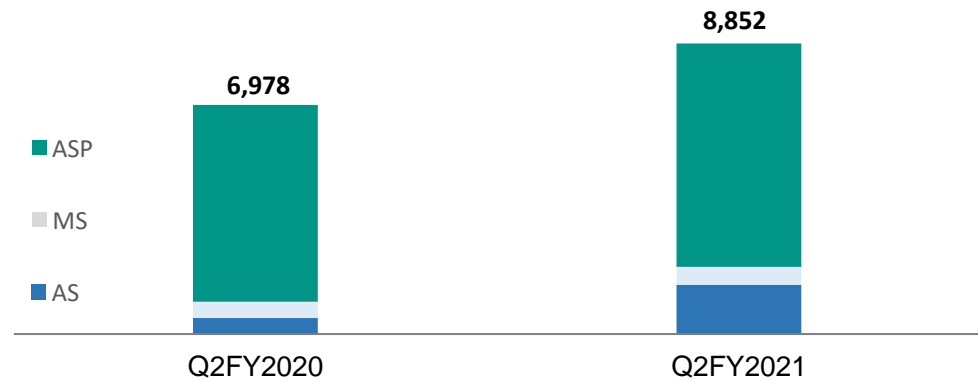
## ➤ Segmental Revenue Performance

Annual Revenue (RM'000)



	FY2018 (RM '000)	FY2019 (RM '000)	FY2020 (RM '000)
Application Solutions (AS)	5,253	5,103	3,594
Maintenance Services (MS)	1,790	2,044	1,971
Application Services Provider (ASP)	15,896	15,816	25,821
<b>Total</b>	<b>22,939</b>	<b>22,963</b>	<b>31,386</b>

Quarterly Revenue (RM'000)



	Q2FY2020 (RM '000)	Q2FY2021 (RM '000)
Application Solutions (AS)	490	1,499
Maintenance Services (MS)	493	547
Application Services Provider (ASP)	5,995	6,806
<b>Total</b>	<b>6,978</b>	<b>8,852</b>

## ➤ 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

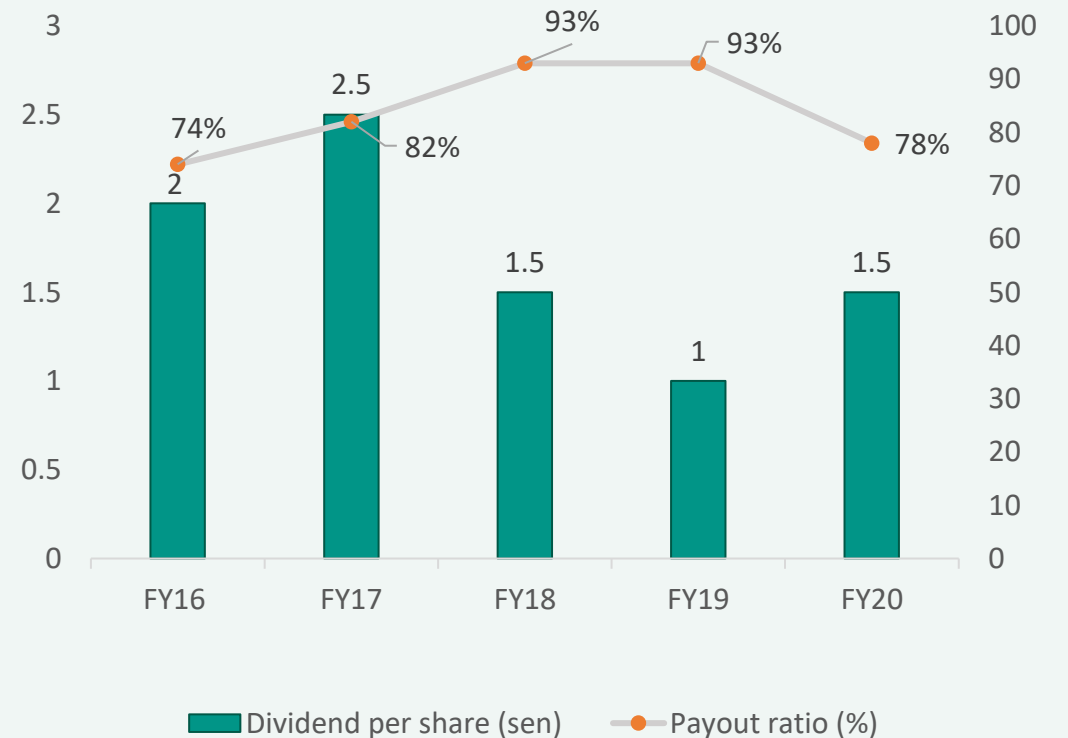
This is one-off earnings for system enhancements and outright software purchases under our ASP segment.



### Dividends

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

### Sustainable Dividend Over the Years



## ➤ Financial Position as at 30 June 2021



**RM111.5 million**

Total Assets

Q1FY2021: RM106.2 million



**RM99.8 million**

Total Equity

Q1FY2021: RM96.9 million



**RM11.7 million**

Total Liabilities

Q1FY2021: RM9.3 million



**RM34.6 million**

Deposit, Cash & Bank Balance

Q1FY2021: RM27.3 million



**5.61 x**

Current Ratio

Q1FY2021: 6.71 x



**17 sen**

Net Asset Per Share

Q1FY2021: 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



**304.861**

Market Cap  
(RM Million)

**559.38**

Issued and Paid-up  
Shares (RM Million)

**0.75**

52-Week Range  
(High) (RM)

**0.41**

52-Week Range  
(Low) (RM)

**0.55**

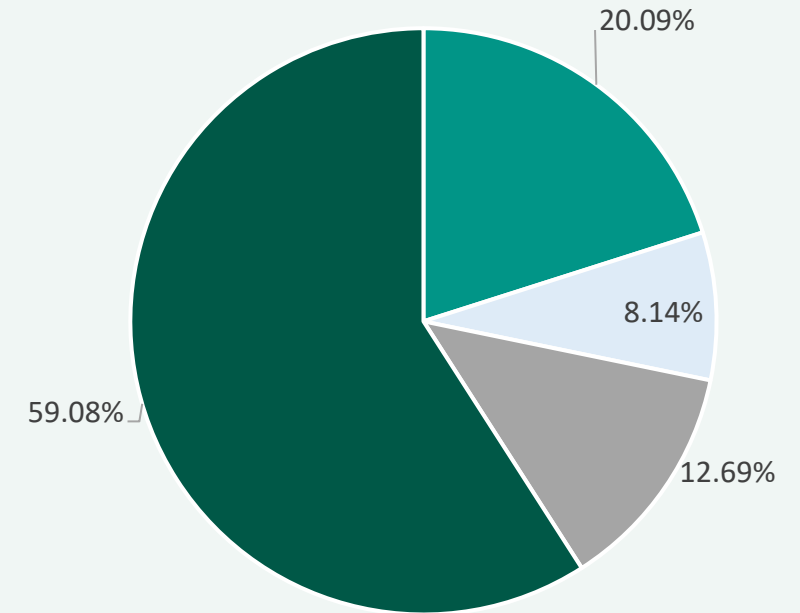
Closing Price  
(RM)

**1,510,563**

30 Day Average  
Volume

Source: Bloomberg as at 27 August 2021, 10.30am

## Shareholdings



■ Asia Internet Holdings Sdn Bhd

■ Mohamed Nizam bin Abdul Razak

■ Wong Thean Soon

■ Others

Source: Excel Force MSC Berhad's Annual Report 2020



## Q&A

Ask a question



**Thank you!**

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