

THIS STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

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

STATEMENT TO SHAREHOLDERS IN RELATION TO

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY FOR EXCEL FORCE MSC BERHAD ("EF" OR "COMPANY") TO PURCHASE ITS OWN ORDINARY SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")

The above proposal will be tabled as Special Business at the Twenty-Second Annual General Meeting ("22nd AGM") to be 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 Thursday, 5 December 2024 at 9.30 a.m. or at any adjournment thereof. The Notice of the 22nd AGM together with a Form of Proxy, are enclosed together with the Company's Annual Report 2024.

As a shareholder, you may appoint a proxy or proxies to attend and vote on your behalf. You must complete and lodge the Form of Proxy at the Company's Share Registrar Office, Aldpro Corporate Services Sdn Bhd, B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1 Medan Syed Putra Utara, 59200 Kuala Lumpur Wilayah Persekutuan, not less than forty-eight (48) hours before the time set for holding the 22nd AGM. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the 22nd AGM should you subsequently wish to do.

Last date and time for lodging the Form of Proxy : Tuesday, 3 December 2024 at 9.30 a.m.
Date and time of the 22nd AGM : Thursday, 5 December 2024 at 9.30 a.m.

This Statement is dated 30 October 2024

DEFINITIONS

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

“Act”	: Companies Act, 2016
“AGM”	: Twenty-Second Annual General Meeting of the Company
“Board”	: Board of Directors of EF
“Bursa Securities”	: Bursa Malaysia Securities Berhad
“Code”	: Malaysian Code on Take-Overs and Mergers, 2016, as amended from time to time and any re-enactment thereof
“Constitution”	: Constitution of EF
“Directors”	: Directors of EF
“FYE”	: Financial year ended/ ending, as the case may be
“FPE”	: Financial period ended
“Listing Requirement”	: Listing Requirement of Bursa Securities
“LPD”	: 1 October 2024, being the latest practicable date prior to the printing of this Statement
“Main Market”	: Main Market of Bursa Securities
“Main Market LR”	: Main Market Listing Requirements of Bursa Securities
“RM” and “sen”	: Ringgit Malaysia and sen, respectively
“Statement”	: The Proposed Renewal of Share Buy-Back dated 30 October 2024
Proposed Share Buy-Back	: Purchase of its own shares
Shares	: Ordinary Shares of EF
“EF” or “Company”	: Excel Force MSC Berhad
“EF Group” or “Group”	: EF and its subsidiaries, collectively
“NA”	: Net Assets

All references to the “Company” or “EF” in this Statement are to EF, references to the “Group” or “EF Group” are to the Company and its consolidated subsidiary and references to “we”, “us”, “our” and “ourselves” are to the Company, and save where the context otherwise requires, the consolidated subsidiary.

All references to “you” in this Statement are to the shareholders of the Company.

Any reference in this Statement to any statutes, rules, regulations or rules of the stock exchange is a reference to such statutes, rules, regulations or rules of the stock exchange currently in force and as may be amended from time to time and any re-enactment thereof.

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified. Any reference in this Statement to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Statement shall be a reference to Malaysian time, unless otherwise specified.

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APPENDICES

APPENDIX 1: FURTHER INFORMATION

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EXCEL FORCE MSC BERHAD

[Registration No. 200201003114 (570777-X)]
(Incorporated in Malaysia)

Registered Office:

B-21-1, Level 21, Tower B
Northpoint Mid Valley City
No. 1 Medan Syed Putra Utara
59200 Kuala Lumpur
Wilayah Persekutuan
Tel:+603 9770 2200
Fax:+603 2201 7774

30 October 2024

Board of Directors:

Datuk Wira Farhash Wafa Salvador (*Executive Chairman*)
Mr Wong Kok Chau (*Managing Director*)
Mr Eng Shao Hon (*Executive Director*)
Datuk Mat Noor Bin Nawawi (*Independent Non-Executive Director*)
Dato' Sri Ismail Bin Ahmad (*Independent Non-Executive Director*)
Ms Elisa Tan Mun-E (*Independent Non-Executive Director*)

To: The Shareholders of EF

Dear Sirs/Madam,

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

1. INTRODUCTION

As the Twenty-First Annual General Meeting ("21st AGM") held on 5 December 2023, the Company has obtained a mandate from its shareholders for the Directors to purchase and/or hold its own shares of up to ten percent (10%) of the issued share capital of the Company. The said mandate shall, in accordance with the Main Market LR, expire at the conclusion of the forthcoming Twenty-Second ("22nd") AGM of the Company.

On 24 October 2024, the Board of Directors had announced to Bursa Securities that the Company will seek a renewal of its shareholders' approval for the Proposed Share Buy-Back Authority.

The purpose of this Statement is to provide you with the information together with the recommendation of the Board and to seek your approval for the ordinary resolution pertaining to the proposed renewal of share buy-back authority to be tabled at the forthcoming 22nd AGM of the Company. The Notice of AGM together with the proxy form are enclosed in the Annual Report 2024.

Shareholders are advised to read and carefully consider the contents of this Statement before voting on the ordinary resolution pertaining to the proposed renewal of share buy-back authority at the forthcoming AGM.

2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

2.1 Quantum

The maximum number of ordinary shares which may be purchased by the Company shall not exceed ten percent (10%) of the issued and paid-up share capital of our Company. Based on the Company's issued and paid-up share capital of RM98,093,979.49 comprising 609,878,375 EF Shares. As at the LPD, the maximum number of EF Shares which may be purchased by the Company pursuant to the proposed renewal of share buy-back authority shall not exceed 60,987,838 EF Shares in aggregate. However, the actual number of EF Shares to be purchased and the timing of any purchase will depend on the market conditions and sentiments of Bursa Securities, the availability of financial resources and retained profits of our Company. In addition, the Board will ensure that the purchase of EF Shares will not result in the Company's public shareholding spread falling below the minimum public shareholding spread of twenty-five percent (25%) of the issued and paid-up share capital.

2.2 Duration

The proposed renewal of share buy-back authority, once approved by the shareholders of EF, shall be effective from the date of the passing of its ordinary resolution at the forthcoming AGM and shall remain in force until: -

- i) the conclusion of the next AGM following the general meeting at which the ordinary resolution pertaining to the proposed renewal of share buy-back authority was passed, at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- iii) revoked or varied by ordinary resolution passed by the shareholders of our Company in a general meeting, whichever occurs first.

2.3 Source of funds

The maximum funds to be allocated by the Company for the purchase of the existing EF Shares in the open market shall be financed by internally generated funds and/or external borrowings. Pursuant to Paragraph 12.10(1) of the Listing Requirements, the Proposed Share Buy-Back must be made wholly from the retained profits of the Company. The Company will ensure that the maximum funds to be utilised for the Proposed Share Buy-Back shall not exceed the total retained profits of the Company. The Proposed Share Buy-Back, if funded through internally-generated funds, is not expected to have a material impact on the cash flow position of the Company. In the event the Proposed Share Buy-Back is to be financed by bank borrowings, the Board will ensure that the Company has the capability to repay such borrowings and that such repayment will not have a material effect on the cash flow of the Company. The actual amount of funds to be utilised for the Proposed Share Buy-Back will only be determined later depending on the actual number of EF Shares to be purchased, availability of funds at the time of purchase(s) and other relevant cost factors.

Based on the latest audited financial statements of the Company for the FYE 30 June 2024, the retained profits of the Company are as follows:

	Retained Profits (RM)
Audited financial statements as at 30 June 2024	24,272,661.00

2.4 Treatment of the Purchased Shares

Pursuant to Section 127(4) of the Act, where the Company has purchased the Shares, the Board may, at their discretion, resolve: -

- i) to cancel the shares so purchased;
- ii) to retain the shares so purchased in treasury, which is referred to as “treasury shares” in the Act; or
- iii) to retain part of the shares so purchased as treasury shares and cancel the remainder of the shares

Accordingly, based on Section 127(7) of the Act, where such Shares are held as treasury shares, the Board may, at their discretion: -

- i) distribute the shares as dividends to shareholders, such dividend to be known as “share dividends”;
- ii) resell the shares or any of the shares in accordance with the relevant rules of Bursa Securities;
- iii) transfer the shares, or any of the shares for the purposes of or under an employees’ share scheme;
- iv) transfer the shares, or any of the shares as purchase consideration;
- v) cancel the shares or any of the shares; or
- vi) sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe.

Upon each Proposed Share Buy Back, an immediate announcement will be made to Bursa Securities in respect of the intention of the Board to either retain the Shares purchased as treasury shares or cancel them or a combination of both. An immediate announcement will also be made to Bursa Securities of any resale, transfer or cancellation of Shares so purchased.

2.5 Public shareholding spread

The Proposed Share Buy-Back will be carried out in accordance with the prevailing laws at the time of the purchase including compliance with the 25% public shareholding spread requirement pursuant to Paragraph 8.02(1) of the Listing Requirement.

According to the Record of Depositors of the Company as at the LPD, the total percentage of the issued and paid-up share capital of EF which is held by the public (in accordance with the public shareholding spread requirements of Bursa Securities), was 63.63%, representing public shareholding of 388,079,075 EF Shares.

The Board will be mindful in ensuring that the minimum public shareholdings spread of 25% is met and maintained before making any purchases of the Shares.

2.6 Purchase price and resale or transfer price

i) Purchase price

Pursuant to Paragraph 12.17 of the Listing Requirement, the Company may only purchase its own Shares listed on Bursa Securities at a price which is not more than 15% above the weighted average market price of the Shares for the five (5) market days immediately before the date of the purchase.

ii) Resale or transfer price

Pursuant to Paragraph 12.18 of the Listing Requirement, the Company may only resell or transfer the Shares purchased which are held as treasury shares on Bursa Securities at: -

- a) a price which is not less than the weighted average market price for the Shares for the five (5) market days immediately before the resale or transfer; or
- b) a discounted price of not more than five percent (5%) to the weighted average market price for the Shares for the five (5) market days immediately before the resale or transfer provided that: -
 - the resale or transfer takes place not earlier than 30 days from the date of purchase; and
 - the resale or transfer price is not less than the cost of purchase of the Shares being resold or transferred.

The Company is required to make an immediate announcement to Bursa Securities of any purchase, resale, transfer or cancellation of the Shares pertaining to the Proposed Share Buy-Back.

3. RATIONALE OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The rationale for the Proposed Share Buy-Back is as follows: -

- i) allows the Company to take preventive measures against speculation to preserve the fundamental value of the Company which may in turn have a favourable impact on the share price of the Company. It is to be carried out when the share price is transacted at levels which do not reflect the potential earnings capabilities and/or underlying asset value of the Group;
- ii) should any treasury shares be distributed as share dividends and/or issued under an employees' share scheme, this would also serve to reward the shareholders of the Company and/or the eligible persons;
- iii) enable the Company to utilise its surplus financial resources, which is not immediately required for other uses, to purchase the Shares from the open market at market prices which the Board views as favourable; and
- iv) if the Shares purchased are subsequently cancelled, long-term investors are expected to enjoy a corresponding increase in the value of their investments in the Company with the proportionate strengthening of the EPS and the NA per Share of the Group may improve (all things being equal).

4. FINANCIAL EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

4.1 Issued share capital

The pro forma effects of the Proposed Share Buy-Back on the number of issued Shares of the Company are as follows: -

	No. of Shares
Issued Shares as at the LPD	609,878,375
Maximum number of Shares that may be purchased and cancelled pursuant to the Proposed Share Buy-Back*	(60,987,838)
Total number of issued Shares after the Proposed Share Buy-Back	548,890,537

**Assuming all Shares purchased are cancelled*

The effect of the Proposed Share Buy-Back on the issued share capital of the Company will depend on the intention of the Board with regards to the treatment of the Shares purchased. If the Shares purchased are cancelled, the issued share capital will be reduced by the number of Shares so cancelled. Conversely, if the Shares purchased are retained as treasury shares, resold or distributed to shareholders, the Proposed Share Buy-Back will not have any effect on the issued share capital of the Company. Nevertheless, certain rights (such as voting rights) attached to the Shares purchased will be suspended when the Shares purchased are held as treasury shares.

4.2 NA and gearing

The effect of the Proposed Share Buy-Back on the consolidated NA of the Group will depend on, inter-alia, the number of purchased Shares, the purchase price of such purchased Shares, the effective funding cost to the Group to finance the purchased Shares or any loss in interest income to our Company and the proposed treatment of the purchased Shares.

If all the purchased Shares are cancelled, the Proposed Share Buy-Back will cause the NA per share of our Group to reduce in the event the purchase price of the purchased Shares exceeds the NA per Share of our Group at the time of purchase, and vice versa.

The NA of the Group would decrease if the purchased Shares are retained as treasury shares due to the requirement for treasury shares to be carried at cost and to be offset against equity, resulting in a decrease in the NA of the Group by the cost of the treasury shares.

In the event the treasury shares are resold through Bursa Securities for a profit, the NA per share of the Group will increase accordingly. If the treasury shares are distributed as share dividends, the NA per share of the Group will decrease by the cost of the treasury shares.

The effect of the Proposed Share Buy-Back on the gearing of the Company will depend on the proportion of borrowings utilised to fund any purchase of shares. Any borrowing utilised to purchase EF Shares may increase the gearing of the Company.

4.3 Working capital

The Proposed Share Buy-Back will reduce the working capital and cash flow of the Group, the quantum of which depends on, amongst others, the number of Shares purchased, the purchase price of the Shares and funding cost, if any.

For Shares purchased which are kept as treasury shares, upon its resale, the working capital and cash flow of the Group will increase assuming that a gain has been realised. The quantum of the increase in the working capital will depend on the actual selling price of the treasury shares and the number of treasury shares resold.

4.4 Earnings and EPS

The effects of the Proposed Share Buy-Back on the earnings and EPS of the Group will depend on the number of Shares purchased, the prices paid for such Shares, the effective funding cost to finance the purchase of such Shares, if any, or any loss in interest income to the Group. Nevertheless, all things being equal, assuming that the treasury shares are retained, the Proposed Share Buy-Back is expected to increase the EPS of the Group as the treasury shares held will not be taken into account in calculating the total number of issued Shares.

If the Shares purchased are cancelled, the number of Shares applied in the computation of EPS will reduce and accordingly, all things being equal, the Proposed Share Buy-Back will increase the EPS of the Group.

If the Shares purchased are resold, the extent of the impact to the EPS of the Group will depend on the actual selling price, the number of treasury shares resold and the effective gain on resale and any funding cost arising from the Proposed Share Buy-Back.

4.5 Dividend

The Proposed Share Buy-Back is not expected to have any impact on the policy of the Board in recommending dividends, if any, to the shareholders. Nonetheless, if the Shares purchased are retained as treasury shares, the treasury shares may be distributed as dividends to the shareholders, if the Company so decides.

If the Shares purchased are cancelled, the Proposed Share Buy-Back will have the effect of increasing the dividend rate of the Company as a result of the reduction in the number of issued Shares.

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4.6 Shareholdings of the substantial shareholder and Directors

For illustration purposes, based on the Company's Record of Depositors as at the LPD, and assuming the Company acquires the maximum number of the Shares authorised under the Proposed Share Buy-Back and thereafter cancels all the purchased Shares, the effect of the Proposed Share Buy-Back on the shareholdings of the Directors and substantial shareholder of the Company are as follows:-

No.		As at the LPD ^(a)				After the Proposed Share Buy-Back ^(b)			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
	<u>Directors</u>								
1.	Datuk Wira Farhash Wafa Salvador	5,000,000	0.820	-	-	5,000,000	0.911	-	-
2.	Wong Kok Chau	6,000	0.001	-	-	6,000	0.001	-	-
3.	Eng Shao Hon	-	-	-	-	-	-	-	-
4.	Elisa Tan Mun-E	-	-	-	-	-	-	-	-
5.	Datuk Mat Noor Bin Nawi	-	-	-	-	-	-	-	-
6.	Dato' Sri Ismail Bin Ahmad	-	-	-	-	-	-	-	-
	<u>Substantial Shareholders</u>								
1.	Asia Internet Holdings Sdn. Bhd.	41,298,900	6.772	-	-	41,298,900	7.524	-	-
2.	Wong Thean Soon (Director of Asia Internet Holdings Sdn Bhd)*	131,677,800	21.591	41,298,900	6.772	131,677,800	23.990	41,298,900	7.524
3.	Mohamed Nizam Bin Abdul Razak	43,816,600	7.184	-	-	43,816,600	7.983	-	-

* Deemed interested by virtue of his shareholding in Asia Internet Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016

Notes:

(a) Calculated based on the existing issued share capital of 609,878,375 shares as at LPD.

(b) Calculated Based on the issued share capital of 548,890,537 shares as at LPD, under the Minimum Scenario.

5. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The potential advantages and disadvantages of the Proposed Share Buy-Back, if implemented, to the Company and the shareholders are as follows:

Potential advantages

- (i) the Proposed Share Buy-Back will enable the Company to take preventive measures against market speculation and reduce volatility of EF Shares by stabilising the demand and supply of EF Shares that will maintain investors' confidence;
- (ii) the Proposed Share Buy-Back will provide the Company with opportunities for potential gains if the purchased Shares which are retained as treasury shares are resold at a higher price;
- (iii) the Proposed Share Buy-Back will allow the Company the flexibility in attaining the desired capital structure, in terms of debt and equity composition and size of equity; and
- (iv) in the event the treasury shares are distributed as share dividends, it will serve to reward the shareholders.

Potential disadvantages

- (i) the Proposed Share Buy-Back will reduce the financial resources of the Group and may result in the forgoing of better investment opportunities that may emerge in the future; and
- (ii) as the Proposed Share Buy-Back may only be made out of the retained profits and/or share premium accounts of the Company, it may result in the reduction of financial resources available for distribution as dividends and/or bonus shares to the shareholders in the immediate future.

The Board will be mindful of the interests of the Company and the shareholders when undertaking the Proposed Share Buy-Back and in the subsequent resale of treasury shares on Bursa Securities, if any.

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6. PURCHASE, RESALE, TRANSFER OR CANCELLATION OF TREASURY SHARES IN THE PRECEDING TWELVE (12) MONTHS

The Company had not made any purchase of its own shares or resale of its treasury shares in the previous twelve (12) months preceding the date of this Statement.

As at LPD, there were no shares purchase held as treasury shares.

7. SHARE PRICES FOR THE PRECEDING TWELVE (12) MONTHS

The monthly highest and lowest share price of EF traded on Bursa Securities for the past twelve (12) months from October 2023 to LPD are as follows:-

Month/Year	Highest (RM)	Lowest (RM)
2023		
October	0.390	0.365
November	0.420	0.365
December	0.400	0.380
2024		
Jan	0.455	0.355
Feb	0.385	0.345
Mar	0.375	0.345
April	0.385	0.340
May	0.405	0.360
June	0.400	0.350
July	0.370	0.345
August	0.350	0.275
September	0.310	0.280

The last transacted price of EF shares on LPD was RM0.295

(Source: <https://www.excelforce.com.my/ir-stockinfo.html>)

8. IMPLICATION OF MALAYSIAN CODE ON TAKEOVERS AND MERGERS

Pursuant to Note 9 of Paragraph 4.01 of the Malaysian Code on Takeovers and Mergers, 2016 as amended from time to time ("Rules"), which due with the obligation to make a mandatory offer pursuant to the purchase by a Company of its own voting shares states that the Rules (which is in relation to mandatory offers) shall apply to the following persons: -

- i) a person obtains controls in a Company as a result of a buy back scheme by the Company; or
- ii) a person (holding more than 33% but not more than 50% of the voting shares or voting rights of a Company), as a result of a buy back scheme by the Company, increase his holding of the voting shares or voting rights of the Company by more than two percent (2%) in any six (6) months period.

The Boards does not intend to undertake the Proposed Share Buy-Back such that it will trigger any obligation to undertake a Mandatory Offer pursuant to the Rules. However, in the event an obligation to undertake a Mandatory offer is expected to arise with respect to any parties resulting from the Proposed Share Buy-Back, which is an action outside its direct participation, the relevant parties shall make the necessary application to the SC for an exemption from undertaking the Mandatory Offer Rule 4 of the Code ("Proposed Waiver").

In the event the Proposed Waiver is not granted, the Company will only proceed with the Proposed Share Buy-Back to the extent that it will not contravene the limit as provided under the Code.

9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

Save for the consequential increase in the percentage of shareholdings of the Directors and major shareholder of the Company as a result of the Proposed Share Buy-Back, none of the Directors and/or major shareholder of the Company and/or persons connected with them, if any, has any interest, direct or indirect, in the Proposed Share Buy-Back.

10. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the proposed renewal of share buy-back authority, is of the opinion that the proposed renewal of share buy-back authority is in the best interest of the Company.

Accordingly, the Board recommends that you vote in favour of the ordinary resolution pertaining to the proposed renewal of share buy-back to be tabled at the forthcoming AGM of the Company.

11. 22nd ANNUAL GENERAL MEETING

The 22nd AGM, notice of which is enclosed in the Company's Annual Report 2024, will be 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 Thursday, 5 December 2024 at 9.30 a.m. or at any adjournment thereof for the purpose of considering, and if thought fit, passing, the Ordinary Resolution on the Proposed Renewal of Share Buy-Back Authority under the agenda of Special Business as set out in the Company's Annual Report 2024.

If you are unable to attend and vote in person at the 22nd AGM, you may appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you must complete, sign and return the Form of Proxy in accordance with the instructions therein at the Company's Share Registrar Office, Aldpro Corporate Services Sdn Bhd, B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1 Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, not less than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof.

12. FURTHER INFORMATION

Shareholders are advised to refer to the enclosed Appendix 1 for further information.

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

DATUK WIRA FARHASH WAFI SALVADOR
EXECUTIVE CHAIRMAN

FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

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

2. MATERIAL CONTRACTS

As at the date of this Statement, neither the Company nor its subsidiaries have entered into any contract which are or may be material impact to the financial position of the Group.

3. MATERIAL LITIGATION

Neither the Company nor its subsidiaries, as at the date of this Statement, is engaged in any material litigation, claims or arbitration, either as plaintiff or defendant which may have a material and adverse effect on the business or financial position of the Group and the Directors are not aware of any proceeding, pending or threatened against the Company and/or its subsidiaries or any facts likely to give rise to any proceeding which may materially and adversely affect the financial position or business of the Company and/ or its subsidiaries.

4. CONTINGENT LIABILITIES

As at the LPD, the Board of EF is not aware of any contingent liabilities incurred or known to be incurred which, upon becoming enforceable, may have material impact on the financial results/ position of the EF Group.

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Company's Registered Office at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1 Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan from Mondays to Fridays (except public holidays) during normal business hours for the period commencing from the date of this Statement up to and including the date of the forthcoming 22nd AGM: -

- i) The Company's Constitution; and
- ii) Audited financial statements of the Company for the past 2 financial years ended 31 December 2021 and 30 June 2023 and the latest unaudited results since the last audited financial statements.

EXTRACT OF THE NOTICE OF THE 22nd AGM

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

EXTRACT OF THE NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING

“Special Business:

To consider and if thought fit, to pass the following resolution: -

Proposed Renewal of Share Buy-Back authority for the Company to purchase its own shares (“Proposed Renewal of Share Buy-Back Authority”)

**Ordinary
Resolution 7**

“THAT subject to the Act, the provisions of the Constitution of the Company, the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

- i. the aggregate number of shares purchased or held as treasury shares does not exceed 10% of the total number of issued and paid-up shares of the Company as quoted on Bursa Securities as at the point of purchase;
- ii. the maximum fund to be allocated by the Company for the purpose of purchasing the shares be backed by an equivalent amount of retained profits; and
- iii. the Directors of the Company may decide either to retain the shares purchased as treasury shares, or cancel the shares, or retain part of the shares so purchased as treasury shares and cancel the remainder, or resell the shares, or transfer the shares or distribute the shares as dividends;

AND THAT the authority conferred by this resolution will commence after the passing of this ordinary resolution and will continue to be in force until:

- i) the conclusion of the next AGM at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
- ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting.

whichever occurs first.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement or to effect the purchase(s) of the shares with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and to take all such steps as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto.”