

## Press Release

### For Immediate Distribution

## ECS records revenue of RM391.8 million and Profit After Tax of RM4.4 million for the first quarter of FY2018

**KUALA LUMPUR, 17 MAY 2018 – ECS ICT Berhad** (ECS, 佳杰科技; Bloomberg: ECS MK; Reuters: ECSI.KL) (“**ECS**” or the “**Group**”), Malaysia’s leading Information & Communications Technology (“**ICT**”) distributor, announced its financial results for the first quarter ended 31 March 2018 (“**Q1FY18**”), posting lower revenue of RM391.8 million, a decrease of 14.2% as compared to RM456.8 million for the preceding year’s corresponding quarter (“**Q1FY17**”). The decline in revenue for Q1FY18 was mainly due to lower contribution from the Group’s ICT Distribution segment.

The revenue recorded for ECS’ Enterprise Systems increased by 36.8% from RM74.6 million in Q1FY17 to RM102.0 million in Q1FY18, due to higher sales of servers and software. The Group’s ICT Services segment also posted higher revenue of RM9.0 million for Q1FY18, an increase of 10.3%, as compared to RM8.1 million for Q1FY17.

Despite lower sales from the Group’s ICT Distribution segment in Q1FY18, the Group has maintained gross profit (“**GP**”) of RM20.0 million for the quarter under review. ECS registered lower Profit Before Tax (“**PBT**”) of RM5.8 million for Q1FY18, a decline of 10.7% as compared to RM6.6 million recorded in Q1FY17, due to foreign exchange loss of RM367,000 as compared to a gain of RM338,000 reported in the preceding year’s corresponding quarter.

<b>Financial Summary (Unaudited Consolidated Results)</b>						
<b>(RM’ 000)</b>	<b>Q1FY18</b>	<b>Q1FY17</b>	<b>Change</b>	<b>3MFY18</b>	<b>3MFY17</b>	<b>Change</b>
	<b>31.03.18</b>	<b>31.03.17</b>	<b>(%)</b>	<b>31.03.18</b>	<b>31.03.17</b>	<b>(%)</b>
Revenue	391,795	456,787	(14.2)	391,795	456,787	(14.2)
Gross Profit (“ <b>GP</b> ”)	19,966	19,945	0.1	19,966	19,945	0.1
Profit Before Tax (“ <b>PBT</b> ”)	5,849	6,550	(10.7)	5,849	6,550	(10.7)
Profit After Tax (“ <b>PAT</b> ”)	4,381	4,821	(9.1)	4,381	4,821	(9.1)
Basic EPS (sen)*	2.4	2.7		2.4	2.7	

\*Based on 180 million shares

**Chief Executive Officer of ECS, Mr. Soong Jan Hsung** expressed, “The sales for consumer products such as notebooks, tablets and smartphones from our ICT Distribution segment did not perform well for the current quarter under review, however we saw an increase in sales of software, networking, server and storage products in the Enterprise Systems segment.”

“Going forward, the outlook is expected to remain challenging for the upcoming months, but we anticipate some improvements for the second half of 2018 with the rebound of consumer spending as well as corporate spending from both private and public sectors. In line with our plans to explore more Internet-of-Things related products for 2018, we will be launching more exciting IoT products in the second half of the year as well as adding several Enterprise products to our portfolio,” **Mr. Soong** added.

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#### **ABOUT ECS ICT BERHAD**

**ECS ICT Berhad, an MSC-status company (“ECS” or “the Group”)**, is a leading distribution hub for Information & Communications Technology (ICT) products in Malaysia. Listed on the Main Market of Bursa Malaysia Securities Berhad on 15 April 2010, the Group is an associate company of ECS Holdings Limited which is one of the leading ICT distributors in the Asia Pacific, with access to a network of more than 25,000 channel partners across China, Thailand, Malaysia, Singapore, Indonesia, the Philippines, Cambodia and Myanmar.

ECS distributes a comprehensive range of ICT products comprising notebooks, personal computers, smartphones, smartwatches, tablets, printers, software, network and communication infrastructure, servers, and enterprise software with over 40 leading principals. With a nationwide channel network of more than 6,100 resellers comprising retailers, system integrators and corporate dealers, ECS also provides value-added product support and technical services. For more information, please visit [www.ecsm.com.my](http://www.ecsm.com.my)

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