

ECS records best ever results for FY2015

- ***Sets record RM32.5 million net profit on RM1.9 billion revenue despite challenging economic conditions***
- ***Proposes final single tier dividend of 3.0 sen per share in respect of FY2015 for shareholders' approval***

Kuala Lumpur, Malaysia, 23 February 2016 - Malaysia's leading ICT distributor ECS ICT Berhad (ECS, 佳杰科技; Bloomberg: ECS MK; Reuters: ECSI.KL) posted its best ever financial performance for the financial year ended 31 December 2015 (FY2015) with net profit rising 10.4% to RM32.5 million and revenue jumping 19.6% to RM1.9 billion despite the challenging economic conditions during the year.

The strong topline growth was led by higher sales of personal computers (PCs), notebooks, and mobility products (namely tablets and smartphones), enabling revenue from the ICT Distribution segment to leap 28.5% to RM1.4 billion in FY2015 from RM1.1 billion in the previous year.

Revenue contribution from the Enterprise Systems segment was sustained in FY2015 at RM426.3 million as compared to RM427.6 million previously, while revenue from the ICT Services dipped 5.9% to RM48.2 million in FY2015 from RM51.2 million a year ago.

“FY2015 was a challenging year, with general consumer sentiment affected by the implementation of Goods and Services Tax as well as the weakening Ringgit versus the US Dollar. Nonetheless, we achieved double-digit expansion leading to our record performance, because we stayed focused on growing our product portfolio and distribution channel, especially in the mobility segment.

Going forward, we intend to better this record. In fact, we have already started the ball rolling by entering the wearables market through the distribution of smartwatches from January 2016 onwards.

For our growth strategies, we will be targeting to add more brands and products into our portfolio throughout the year.”

Mr. Soong Jan Hsung (宋昭雄)
Chief Executive Officer, ECS ICT Berhad

ECS recently announced that its wholly-owned subsidiary ECS Astar Sdn Bhd had obtained distributorships to distribute the Apple Watch, Motorola Moto 360 and ASUS ZenWatch 2. Soon after, the Group also won the rights to distribute the Huawei Watch, making ECS a leading distributor of smartwatches with multiple brands in Malaysia.

The smartwatches will be distributed through its newly established watch channel, in addition to its traditional channels of IT and mobile retailers, Consumer Electronic Chain Stores and E-commerce sites. The Group's overall distribution network exceeds 5,500 resellers across Malaysia to date.

For the fourth quarter ended 31 December 2015 (4Q15), ECS achieved 5.0% higher quarterly net profit of RM10.3 million, compared to RM9.9 million a year ago. Group revenue was noted at RM496.5 million, rising 10.0% from RM451.5 million previously.

ICT Distribution leaped 18.6% to RM379.7 million in 4Q15 from RM320.3 million a year ago, on higher sales from notebooks and tablets. The slower implementations of projects from the public and private sector resulted in revenue from Enterprise Systems and ICT Services decreasing to RM105.4 million and RM11.5 million respectively in 4Q15 versus RM116.1 million and RM15.1 million respectively in 4Q14.

ECS proposed a final single-tier interim dividend of 3.0 sen per share in respect of FY2015 for shareholders' approval at the upcoming Annual General Meeting.

Together with the single-tier interim dividend of 3.0 sen per share and the special dividend of 5.0 sen per share paid on 10 December 2015, the Group has declared total dividends of 11.0 sen per share in respect of FY2015, translating to a dividend payout of RM19.8 million or 60.9% of FY2015 net profit.

Financial Summary (Unaudited Consolidated Results)									
RM'000	4Q15		4Q14	FY15			FY14		
	31.12.15	31.12.14	Change	31.12.15	31.12.14	Change	31.12.15	31.12.14	Change
Revenue	496,549	451,471	10.0%	1,903,299	1,591,117	19.6%			
Pre-tax Profit	13,745	13,093	5.0%	43,614	39,202	11.3%			
Net profit to shareholders	10,343	9,850	5.0%	32,488	29,432	10.4%			
Basic EPS (sen)*	5.7	5.5	3.6%	18.0	16.4	9.8%			
<i>*Based on 180 million shares of RM0.50 par value each</i>									



About ECS ICT Berhad

ECS ICT Berhad (ECS), an MSC-status company, and its group of subsidiaries started in 1985 with the establishment of ECS KU Sdn Bhd. Today, the Group is a leading distribution hub for Information & Communications Technology (ICT) products in Malaysia via ECS ASTAR Sdn. Bhd. and ECS PERICOMP Sdn. Bhd.

Listed on the Main Market of Bursa Malaysia Securities Berhad on 15 April 2010, **ECS** is an associate company of ECS Holdings Limited which is one of the leading ICT distributors in Asia Pacific, accessing 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 from more than 30 leading principals.

With a nationwide channel network of more than 5,500 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

Issued for and on behalf of ECS ICT BERHAD by Aquilas Advisory (Malaysia) Sdn Bhd.

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