



ECS ICT BERHAD
(351038-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2018

	Note	As At 31/03/2018 RM'000	As At 31/12/2017 RM'000
ASSETS			
Plant and equipment		3,035	2,819
Intangible asset		571	571
Investment in joint venture		13,010	12,834
Investment in club membership		62	62
Deferred tax assets		1,064	808
Total non-current assets		17,742	17,094
Inventories	18b	89,588	122,980
Receivables, deposits and prepayments		235,511	281,629
Cash and cash equivalents	18b	80,575	50,526
		405,674	455,135
Assets classified as held for sale	18a	9,440	-
Total current assets		415,114	455,135
TOTAL ASSETS		432,856	472,229
EQUITY			
Share capital		90,000	90,000
Reserves		186,873	182,492
Total equity attributable to owners of the Company		276,873	272,492
LIABILITIES			
Payables and accruals		155,040	198,634
Tax payable		943	1,103
Total current liabilities		155,983	199,737
Total liabilities		155,983	199,737
TOTAL EQUITY AND LIABILITIES		432,856	472,229
Net assets per share attributable to owners of the Company (RM)		1.54	1.51

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2018

	Note	Individual Quarter Three Months Ended		Cumulative Quarter Three Months Ended	
		31/03/2018 RM'000	31/03/2017 RM'000 Restated	31/03/2018 RM'000	31/03/2017 RM'000 Restated
Revenue	28	391,795	456,787	391,795	456,787
Cost of sales	28	(371,829)	(436,842)	(371,829)	(436,842)
Gross profit		<u>19,966</u>	<u>19,945</u>	<u>19,966</u>	<u>19,945</u>
Distribution expenses		(8,931)	(9,164)	(8,931)	(9,164)
Administrative expenses		(5,287)	(5,121)	(5,287)	(5,121)
Other expense/(income)	17	(313)	436	(313)	436
Results from operating activities	17	<u>5,435</u>	<u>6,096</u>	<u>5,435</u>	<u>6,096</u>
Finance income		238	454	238	454
Finance costs		-	-	-	-
Net finance income		<u>238</u>	<u>454</u>	<u>238</u>	<u>454</u>
Share of profit of equity-accounted joint venture, net of tax		176	-	176	-
Profit before tax		<u>5,849</u>	<u>6,550</u>	<u>5,849</u>	<u>6,550</u>
Tax expense	21	(1,468)	(1,729)	(1,468)	(1,729)
Profit for the period / Total comprehensive income for the period		<u>4,381</u>	<u>4,821</u>	<u>4,381</u>	<u>4,821</u>
Profit for the period / Total comprehensive income for the period attributable to:					
Owners of the Company		4,381	4,821	4,381	4,821
Non-controlling interest		-	-	-	-
		<u>4,381</u>	<u>4,821</u>	<u>4,381</u>	<u>4,821</u>
Earnings per share attributable to owners of the Company:					
Basic (sen)	26	2.4	2.7	2.4	2.7
Diluted (sen)		N/A	N/A	N/A	N/A

Notes:

N/A Not applicable

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2018**

	<- Attributable to owners of the Company - >			Non-	Total
	Share	Distributable	Total	Controlling	Equity
	Capital	Retained		Interest	
	RM'000	Earnings	RM'000	RM'000	RM'000
		RM'000			
At 1 January 2017	90,000	166,124	256,124	-	256,124
Profit for the period / Total comprehensive income for the period	-	4,821	4,821	-	4,821
At 31 March 2017	<u>90,000</u>	<u>170,945</u>	<u>260,945</u>	<u>-</u>	<u>260,945</u>
At 1 January 2018	90,000	182,492	272,492	-	272,492
Profit for the period / Total comprehensive income for the period	-	4,381	4,381	-	4,381
At 31 March 2018	<u>90,000</u>	<u>186,873</u>	<u>276,873</u>	<u>-</u>	<u>276,873</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2018**

	Three Months Ended	
	31/03/2018	31/03/2017
	RM'000	RM'000
Cash Flows from Operating Activities		
Profit before tax	5,849	6,550
<i>Adjustments for:</i>		
Non-cash items	664	559
Non-operating items	(414)	(454)
Operating profit before changes in working capital	<u>6,099</u>	<u>6,655</u>
Change in inventories	33,392	(5,258)
Change in receivables, deposits and prepayment	42,004	20,294
Change in payables and accruals	(43,979)	(50,293)
Cash generated from/(used in) operations	<u>37,516</u>	<u>(28,602)</u>
Tax paid	(1,884)	(2,249)
Net cash generated from/(used in) operating activities	<u>35,632</u>	<u>(30,851)</u>
Cash Flows from Investing Activities		
Purchase of plant and equipment	(5,803)	(164)
Proceeds from disposal of plant and equipment	45	100
Net cash used in investing activities	<u>(5,758)</u>	<u>(64)</u>
Cash Flows from Financing Activities		
Interest received	175	332
Net cash from financing activities	<u>175</u>	<u>332</u>
Net increase/(decrease) in cash and cash equivalents	30,049	(30,583)
Cash and cash equivalents at beginning of period	<u>50,526</u>	<u>110,215</u>
Cash and cash equivalents at end of period	<u>80,575</u>	<u>79,632</u>
Cash and cash equivalents comprise the following:		
Cash and bank balances	<u>80,575</u>	<u>79,632</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.



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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR ENDED 31 MARCH 2018

PART A - EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134: INTERIM FINANCIAL REPORTING

1. Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and MFRS 134, *Interim Financial Reporting* in Malaysia and with IAS 34, *Interim Financial Reporting*. They do not include all the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the financial year ended 31 December 2017.

The consolidated financial statements of the Group as at and for the financial year ended 31 December 2017 are available upon request from the Company's registered office at: Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan.

2. Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are consistent with the audited financial statements for the financial year ended 31 December 2017, except with the adoption of the following Malaysian Financial Reporting Standards ("MFRS"), Clarification on MFRS, Issues Committee ("IC") Interpretations and Amendments to MFRS for financial period beginning on or after 1 January 2018:

- MFRS 9, Financial Instruments (2014)
- MFRS 15, Revenue from Contracts with Customers
- Clarifications to MFRS 15, Revenue from Contracts with Customers
- IC Interpretation 22, Foreign Currency Transactions and Advance Consideration
- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 2, Share-based Payment – Classification and Measurement of Share-based Payment Transactions*
- Amendments to MFRS 4, Insurance Contracts – Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*
- Amendments to MFRS 128, Investments in Associates and Joint Ventures (Annual Improvements to MFRS Standards 2014-2016 Cycle)
- Amendments to MFRS 140, Investment Property – Transfers of Investment Property*

The accounting standards marked with [*] are not applicable to the Group.

With the adoption of MFRS 15, Revenue from Contracts with Customers, the Group' revenue and cost of sales are adjusted accordingly with no material impact to profit for the year.

The adoption of the other standards and amendments are not expected to have material financial impacts to the financial statements of the Group.

3. Seasonal or cyclical factors

The Group's operations were not significantly affected by seasonal or cyclical factors.

4. Unusual items

There were no significant unusual items affecting assets, liabilities, equity, net income, or cash flows during the current financial quarter.

5. Material changes in estimates

There were no changes in estimates of amounts that have had a material effect in the current financial quarter results.



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PART A - EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134: INTERIM FINANCIAL REPORTING

6. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter and the financial year-to-date.

7. Dividends paid

There was no dividend paid during the quarter.

8. Segmental reporting

Segment information is presented in respect of the Group's business segments.

The Group business segments comprise the following:

- (i) ICT Distribution Distribution of volume ICT products to resellers, comprising mainly retailers
- (ii) Enterprise Systems Distribution of value ICT products to resellers, comprising mainly system integrators and corporate dealers
- (iii) ICT Services Provision of ICT services

Other non-reportable segments comprise management services and investment holding.

(a) Information about reportable segments

	ICT Distribution RM'000	Enterprise Systems RM'000	ICT Services RM'000	Total RM'000
<u>3 months financial period ended 31 March 2018</u>				
External revenue	280,821	102,019	8,955	391,795
Inter-segment revenue	4,228	522	972	5,722
Total revenue	<u>285,049</u>	<u>102,541</u>	<u>9,927</u>	<u>397,517</u>
Reportable segment profit before tax	<u>2,460</u>	<u>2,707</u>	<u>198</u>	<u>5,365</u>
<u>3 months financial period ended 31 March 2017</u>				
External revenue	374,089	74,579	8,119	456,787
Inter-segment revenue	3,425	693	740	4,858
Total revenue	<u>377,514</u>	<u>75,272</u>	<u>8,859</u>	<u>461,645</u>
Reportable segment profit before tax	<u>4,142</u>	<u>1,643</u>	<u>115</u>	<u>5,900</u>



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PART A - EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134: INTERIM FINANCIAL REPORTING

8. Segmental reporting (continued)

(b) Reconciliation of reportable segment profit and loss:

	Current Year To- date 31/03/2018 RM'000	Preceding Year Corresponding Period 31/03/2017 RM'000
Total profit for reportable segments before tax	5,365	5,900
Other non-reportable segments profit	483	650
Eliminate of inter-segments profit and loss	1	-
Consolidated profit before tax	<u>5,849</u>	<u>6,550</u>

(c) Disaggregation of the Group's revenue

	Current Year to date 31/03/2018 RM'000	Preceding Year to date 31/03/2017 RM'000
ICT Distribution		
Desktop PC, notebooks, mobility devices and peripherals	280,821	374,089
Enterprise Systems		
Server, storage, software and networking products	102,019	74,579
ICT Services		
Services and maintenance	8,955	8,119
Consolidated total	<u>391,795</u>	<u>456,787</u>

(d) Segment assets

	As at 31/03/2018 RM'000	As at 31/12/2017 RM'000
ICT Distribution	285,787	349,270
Enterprise Systems	125,196	122,943
ICT Services	4,972	7,096
Total reportable segment assets	<u>415,955</u>	<u>479,309</u>
<u>Reconciliation of reportable segment:</u>		
Total reportable segment assets	415,955	479,309
Other non-reportable segments assets	126,763	126,450
Elimination of inter-segment balances	(109,862)	(133,530)
Consolidated total	<u>432,856</u>	<u>472,229</u>

There were no major changes in segment assets during the period.



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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR ENDED 31 MARCH 2018

PART A - EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134: INTERIM FINANCIAL REPORTING

8. Segmental reporting (continued)

(e) Segment liabilities

Segment liabilities information is neither included in the internal management reports nor provided regularly to the Chief Executive Office. Hence, no disclosure is made on segment liabilities.

9. Material events subsequent to the end of the financial period

There were no material events subsequent to the end of the financial period under review that have not been reflected in the quarterly financial statements.

10. Changes in the composition of the Group

There were no changes in the composition of the Group.

11. Contingent liabilities and contingent assets

(a) Contingent liabilities

	As At 31/03/2018 RM'000	As At 31/12/2017 RM'000
Guarantees to suppliers and licensed banks for trade credit facilities granted by holding company to Group entities	<u>144,664</u>	<u>146,850</u>

(b) Contingent assets

There were no contingent assets as at the end of the current financial period.

12. Capital commitments

The capital expenditure contracted but not provided for as at the end of the current financial period amounted to RM184,000.



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PART A - EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134: INTERIM FINANCIAL REPORTING

13. Capital expenditure

The major additions and disposals to plant and equipment during the current quarter and financial year-to-date were as follows:

	Current Year Quarter 31/03/2018 RM'000	Current Year To-date 31/03/2018 RM'000
Plant and equipment: Additions	<u>5,803</u>	<u>5,803</u>

14. Related party transactions

Related parties are those defined under MFRS 124: Related Party Disclosures. The Directors are of the opinion that the related party transactions and balances described below were carried out in the ordinary course of business and had been established on negotiated terms.

	Current Year To- date 31/03/2018 RM'000	Balance Due From/(To) As at 31/03/2018 RM'000
Transactions with a company in which a Director has substantial interest:		
Enrich Platinum Sdn Bhd - Rental expenses	(494)	-
Enrich Platinum Sdn Bhd - Administrative and accounting charges	3	1
	<u> </u>	<u> </u>



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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR ENDED 31 MARCH 2018

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS

15. Review of performance

	Individual Quarter			Cumulative Quarter		
	Current	Preceding	Changes	Current	Preceding	Changes
	Year	Year		Year	Year	
Quarter	Corresponding	Quarter	To-date	Corresponding	Period	Changes
	31/03/2018	31/03/2017	%	31/03/2018	31/03/2017	%
	RM'000	RM'000		RM'000	RM'000	
Revenue	391,795	456,787	(14.2)	391,795	456,787	(14.2)
Gross profit	19,966	19,945	0.1	19,966	19,945	0.1
GP margin %	5.1%	4.4%		5.1%	4.4%	
Profit before tax	5,849	6,550	(10.7)	5,849	6,550	(10.7)
Profit for the period	4,381	4,821	(9.1)	4,381	4,821	(9.1)

Q1 2018 compared with Q1 2017

For Q1 FY2018, the Group recorded lower revenue of RM391.8 million, a decrease of 14.2% compared with RM456.8 million last year due to lower revenue from ICT Distribution segment. However, with higher gross profit margin of 5.1% compared with 4.4% last year contributed mainly from Enterprise Systems, the gross profit (GP) was maintained at RM19.9 million.

For Q1 FY2018, the distribution expenses decreased by 2.5% to RM8.9 million from RM9.2 million last year due to a lower revenue. While the administrative expenses increased by 3.2% mainly from warehouse expenses.

Overall, the GP and operating expenses were maintained at same level as per last year. However, due to foreign exchange loss of RM367,000 compared with gain of RM338,000 last year (Note 17), the profit before tax (PBT) decreased by 10.7% to RM5.8 million compared with RM6.6 million last year.

Quarterly Segmental Result

The performance of the three business segments for Q1 FY2018 compared with Q1 FY2017 were as follows:

a) ICT Distribution

Revenue decreased by 24.9% with lower sales mainly from Notebook and mobility products namely tablets and smartphones. With lower sales and GP, the PBT decreased by 40.6% to RM2.5 million compared with RM4.1 million last year.

b) Enterprise Systems

Revenue increased by 36.8% with higher sales from servers and software. With higher sales and better GP margin, the PBT increased by 64.8% to RM2.7 million compared with RM1.6 million last year.

c) ICT Services

Revenue increased by RM836,000. With higher revenue and GP, the PBT increased to RM198,000 compared with RM115,000 last year.



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PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS

16. Financial review of current quarter compared with immediate preceding quarter

	Current Quarter 31/03/2018 RM'000	Immediate Preceding Quarter 31/12/2017 RM'000 Restated	Changes %
Revenue	391,795	497,196	(21.2)
Gross Profit	19,966	26,402	(24.4)
GP margin %	5.1%	5.3%	
Profit before tax	5,849	15,175	(61.5)
Profit for the period	4,381	11,550	(62.1)

All 3 business segments showing decrease in revenue in which ICT Distribution Segment decreased by 21.9%, Enterprise Systems decreased by 19.4% and ICT Services decreased by 20.2%. Total revenue decreased by 21.2% to RM391.8 million from RM497.2 million for the preceding quarter. The first quarter normally has lower sales compared with final quarter due to most sales target are set towards year end.

With lower sales and GP, PBT decreased by 62.1% to RM4.4 million from RM11.6 million for the preceding quarter.

17. Results from operating activities are arrived at after (charging)/crediting:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/2018 RM'000	Preceding Year Corresponding Quarter 31/03/2017 RM'000	Current Year To-date 31/03/2018 RM'000	Preceding Year Corresponding Period 31/03/2017 RM'000
Depreciation	(324)	(327)	(324)	(327)
Impairment on trade receivables	(308)	(74)	(308)	(74)
Inventories written down	(163)	(89)	(163)	(89)
Other Income/(Expenses):				
Bad debts recovered	6	3	6	3
Foreign exchange gain - Realised	18	665	18	665
Foreign exchange (loss)/gain - Unrealised	(1,171)	2,742	(1,171)	2,742
Fair value gain/(loss) on financial instruments	786	(3,069)	786	(3,069)
Gain on fixed assets disposal	45	95	45	95
Other	3	-	3	-
	(313)	436	(313)	436

The Group is exposed to foreign currency risk on purchases that are mainly denominated in US Dollar ("USD"). However, the Group hedges most of these exposures by purchasing forward currency contracts in USD for payments on due dates.

There was no gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets and exceptional items.



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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR ENDED 31 MARCH 2018

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS

18. Commentaries and disclosure of other information

(a) Assets classified as held for sale

The Group has acquired two units of industrial buildings from a debtor to settle an outstanding accounts of RM4.9 million. The acquisition was completed on 27 February 2018 for full settlement of the outstanding debt. This acquisition with debt settlement was made in the best interest of the Group to mitigate the potential risk of default by the debtor. The Group will dispose of the assets in due course at market value which is currently above the purchase price.

(b) Other major changes in financial position and cash flow

The Group had managed to reduce the inventory holding to RM89.6 million compared with RM123.0 million as at 31 December 2017. With lower stock holding and higher collections, the cash and cash equivalent increased to RM80.6 million compared with RM50.5 million last financial year end.

(c) Trade receivable

Trade receivables have a credit term ranging from 14 to 60 days. Aging analysis of trade receivables as at 31 March 2018 were as follows:

	Gross RM'000	Impairment RM'000	Net RM'000
Not past due	125,037	-	125,037
Past due 1 - 30 days	67,769	-	67,769
Past due 31 - 60 days	12,266	-	12,266
Past due 61 - 90 days	16,469	-	16,469
Past due 91 - 180 days	690	(238)	452
Past due more than 181 days	750	(666)	84
	222,981	(904)	222,077

Impairment is not carried out on the past due trade receivables less than 90 days based on the historical collection trends as these balances are believed to be recoverable. Impairment on the trade receivables above 90 days is assessed based on the likelihood of default.

19. Prospects

The uncertainties of the 14th General Election on 9 May 2018 have impacted the overall market sentiments on ICT spending. The sales of notebooks, tablets and smartphones under the ICT distribution segment have slowed down year-to-date this year although there are some increases from software, networking, server and storage products under the Enterprise segment.

The outlook for the remainder of FY 2018 remains to be challenging but we expect improvements for the second half of this year with better consumer spending as well as corporate spending from both the private and public sectors.



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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR ENDED 31 MARCH 2018

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS

20. Profit forecast or profit guarantee

Not applicable as the Group did not publish any profit forecast or profit guarantee.

21. Tax expense

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/2018 RM'000	Preceding Year Corresponding Quarter 31/03/2017 RM'000	Current Year To-date 31/03/2018 RM'000	Preceding Year Corresponding Period 31/03/2017 RM'000
Current income tax:				
Current year	1,724	1,995	1,724	1,995
Under/(Over) provision prior year	-	-	-	-
	<u>1,724</u>	<u>1,995</u>	<u>1,724</u>	<u>1,995</u>
Deferred tax	(256)	(266)	(256)	(266)
	<u>1,468</u>	<u>1,729</u>	<u>1,468</u>	<u>1,729</u>
Effective tax rate	25.1%	26.4%	25.1%	26.4%

The effective tax rate for current year was higher than the Malaysian tax rate of 24% due to certain expenses which were not deductible for tax purposes.

22. Corporate proposals

There was no corporate proposal during the current quarter.

23. Borrowings and debt securities

There were no borrowings as at the end of the current financial period.

24. Changes in material litigation

There was no material litigation as at the end of the current financial period.

25. Dividend

No dividend was recommended in the current quarter under review.



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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR ENDED 31 MARCH 2018

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS

26. Earnings per share

The basic and diluted earnings per share ("EPS") for the current quarter and current year-to-date were computed as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/2018	Preceding Year Corresponding Quarter 31/03/2017	Current Year To-date 31/03/2018	Preceding Year Corresponding Period 31/03/2017
Profit attributable to equity holders of the Company (RM'000)	4,381	4,821	4,381	4,821
Weighted average number of ordinary shares in issue ('000)	180,000	180,000	180,000	180,000
Basic earnings per share (sen)	2.4	2.7	2.4	2.7
Diluted earnings per share (sen)	N/A	N/A	N/A	N/A

Diluted EPS is not applicable as there were no potential ordinary shares in issue for the current quarter and cumulative quarter.

27. Auditor's report on preceding annual financial statements

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2017.

28. Comparative figures

With the adoption of MFRS15, Revenue from Contracts with Customers, the Group had recognised revenue net of credit note given to customers arising from the marketing and promotional activities. The cost of sales was adjusted accordingly with no impact on the profit.

	Individual Quarter		Cumulative Quarter	
	31/03/2017 RM'000 (As restated)	31/03/2017 RM'000 (As previously stated)	31/03/2017 RM'000 (As restated)	31/03/2017 RM'000 (As previously stated)
Revenue	456,787	460,088	456,787	460,088
Cost of sales	(436,842)	(440,143)	(436,842)	(440,143)

By order of the Board

Chua Siew Chuan
Cheng Chia Ping
Company Secretaries

17 May 2018
Selangor