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CSF Group plc
("CSF" or "the Group")

FINAL RESULTS
For the Year Ended 31 March 2014

CSF Group (AIM: CSFG), a leading provider of data centre facilities and services in South East Asia and the largest provider of data centre services in Malaysia, today announces full year results for the year ended 31 March 2014.

Financial highlights:

- Group revenue at RM103.5m (£19.0m*) (FY2013: RM143.1m (£26.3m*)).

- Loss before tax at RM129.8m (£23.9m*) (FY2013 loss before tax: RM30.2m (£5.6m*)) due to lower data centre revenue at RM61.9m (£11.4m*) (FY2013: RM102.6m (£18.9m*)) driven by:

    - Provision of onerous leases of RM62.5m (£11.5m*) (FY2013: Nil))
    - Provision of doubtful debts on advances made to finance the fit-out of data centre
    - Operating expenditure of the joint-venture in Indonesia of RM20.9m (£3.8m*) (FY2013: Nil)).

- EPS at loss 82.78 sen (loss 15.23p*) per share (FY2013: loss 20.51 sen (loss 3.78 p*) per share).

- Closing cash position as at 31 March 2014 of RM19.8m (£3.7m*) (FY2013: RM61.9m (£11.4m*)).

Operational highlights:

- Completed Block B fit-out works at CX5 and received repayment of RM20.0m (£3.7m*) in April 2014 on advances to the project owner for the development of CX5.

- Ongoing Block C fit-out works at CX5 data centre which is scheduled for completion by first half of financial year 2015.

- Completed the sale of its investment in PT Cyber CSF in May 2014 – resulting in cost savings of more than RM0.5m (£0.1m) per month.

- Good progress on new data centre rental – new tenancy contracts were secured for some of the capacity at CX5.

- Currently pursuing a pipeline of potential customers alongside ongoing development and marketing activities for CX2 and CX5.

* *The translation of the financial statements into pro forma balances in pounds Sterling is included solely for convenience. The pro forma balances in pounds Sterling are stated, as a matter of arithmetical computation only, on the basis of all balances being translated from Ringgit Malaysia into pounds Sterling at the rate prevailing on 31 March 2014 of RM5.4336 : £1.00. This translation should not be construed as meaning that the Ringgit Malaysia amounts actually represent, or have been or could be translated into the stated number of pounds Sterling.*

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INTERIM CHAIRMAN'S STATEMENT

Overview of the Year

Despite progress on a number of strategic initiatives during the period, the Group continued to experience a challenging 12 months of trading. As a result, the Group incurred a net loss of RM132.5m (£24.4m*) for FY2014 (FY2013: RM32.8m (£6.0*)) which were mainly attributable to the following one off items;

(i) the operating loss of the data centre rental business (excluding bad debt provisions and provision for onerous leases) of RM28.5m (£5.3m*);

(ii) bad debt provisions of RM16.9m (£3.1m*) comprising a provision for doubtful debts relating to loans and advances given to PT Cyber CSF, the Group's joint-venture in Jakarta, Indonesia of RM20.9m (£3.8m*) – the Group has divested its entire equity interest in the same – net of reversal of provisions for bad debts recovered; and

(iii) provision for onerous leases of RM62.5m (£11.5m*) recognised in the financial current year as a result of the uncertainty as to whether future revenues will be adequate to cover the lease rental and other operating costs of CX5.

The Group had a closing cash position of RM19.8m (£3.7m*) at the year end and approximately RM84.2m (£15.5m*) tied up as working capital relating to the development of CX5. This additional working capital will be collected progressively by the end of FY2015 in line with the completion of the sale of Block B (completed in April 2014) and Block C (expected to be completed by the third quarter of FY2015). To-date, IDCB repaid RM21.6m (£4.0m*) in line with the completion of the sale of Block B at CX5. The Group's cash position as at 17 September 2014 stands at RM40.6m (£7.5m*).

The completion and sale of Block C is contracted between the developer of CX5 (the seller of the facility) and the sovereign fund (the buyer of the facility) and is not dependent on the securing of tenants by CSF.

The Group recorded total revenue of RM103.5m (£19.0m*), a decrease of RM39.6m (£7.3m*) or 27.7%. The decrease in total revenue was mainly attributable to the decrease in revenue from the data centre rental business due to the suspension and/or expiry of certain customer contracts which were subsequently terminated.

Since my appointment as interim chairman to oversee future strategy and the formation of a committee ("the Committee") to oversee the business operations headed by Michael Leong, the Director of Corporate Development of CSF, in July 2013, the following key initiatives have been undertaken:

(i) Closure of Singapore office – resulting in cost savings of more than RM0.1m (£0.02m*) per month;

(ii) Completed the sale of its investment in PT Cyber CSF in May 2014 – resulting in cost savings of more than RM0.5m (£0.1m) per month;

(iii) Commenced discussions with the sovereign fund (the lessor of the CX1, CX2 and CX5 data centres) to request for a reduction in lease rental rates. Although discussions are still ongoing, the Board is cautiously optimistic that the outcome will be favourable; and

(iv) Good progress on new data centre rental – new tenancy contracts were secured for some of the capacity at CX5;

(v) Submitted an application for a government grant which will enable the Group to seek a partial reimbursement for the capital expenditure incurred / to be incurred in connection with a tenancy contract.

Current Trading and Outlook

The Group's immediate focus remains filling remaining capacity in CX5 data centre and to address the non-renewal of certain tenancy contracts at our CX2 data centre by securing replacement contracts with suitable and credible customers. Given the competitive pressure on data centre rental prices, the Board realises that even if the data centres attain full occupancy, the Group's data centre rental division will operate at a loss based on the subsisting lease rental rates payable to the sovereign fund. Therefore, the initiative to reduce the lease rental rates is absolutely critical to the medium to long term viability of the Group's data centre rental business.

Meanwhile, management continues to pursue the Group's pipeline of design and fit-out customers in order to generate adequate cash flows to supplement the temporary underperformance of the data centre rental segment. The Board will continue to ensure that new developments are undertaken based on thorough commercial assessment and with a high degree of financial prudence.

Within 2 years, the Group has almost doubled its data centre capacity from 205,000 sq ft to 406,000 sq ft and with a significant amount of cash associated with the development of CX5 expected to flow into the Group progressively up to the third quarter of FY2015. However, the lease rental commitments on CX5 are substantial and the Board recognises the urgent need to reduce the burn rate of our cash reserve. The Board will ensure that there is no significant cash outlay other than sums required to cover the committed lease rentals and other necessary operating overheads, subject to any further capital or operating expenditure that may be required in relation to tenancy contracts.

In line with this aim of preserving cash, the Board is not recommending the payment of a dividend.

The Board and Management aim to achieve controlled and sustainable growth in revenue, EBITDA, earnings per share and operating cash flows. A key part of this will be the generation of greater levels of recurring revenue through a network of resellers and business partnerships which in turn will provide the Group with greater earnings visibility.

Data Centre Projects

CX1, CX2 and CX3
The Group's CX1 and CX3 data centres continued to operate efficiently.

Although CX2's utilization has suffered a decline in occupancy rate to approximately 86% of installed technical power mainly attributable to the downsizing of the data centre operations of certain customers due to the competitive business environment in which they operate.

The Group invested approximately RM1.7m (£0.32m*) during the year to upgrade the data centre capacity of CX2 in order to cater for the increased power capacity requirements of certain customers.

CSF Computer Exchange 5 (CX5)
The development of CX5 – a facility comprising 3 blocks of 5-storey buildings, with a total gross floor area of approximately 580,000 sq ft and approximately 201,000 sq ft of net data centre space together with critical power infrastructure and associated cooling – is progressing on schedule based on the following key milestones:

- Phase 1 – completed the construction of Block A, Block B and Block C together with fit-out of critical power infrastructure and associated cooling for Block A;

- Phase 2 – completed the fit-out of critical power infrastructure and associated cooling for Block B; and

- Phase 3 – the fit-out of critical power infrastructure and associated cooling for Block C by third quarter of FY2015

CSF both project manage and supply and fit-out core infrastructural equipment for the facility. Upon completion of each block, CSF will enter into a long-term lease agreements for the rental of each block.

As mentioned above, the Group recently secured a tenancy contract which requires the Group to procure and fit-out additional equipment amounting to approximately RM13.0m at CX5 Block B. The Group might need to incur additional capital expenditure when the customer exercises its First Right and Option as elaborated above.

In accordance with its financial plan, the Group has up to 31 March 2014, advanced RM77.9m (£14.3m*) to the project owner for the development of CX5 out of which RM30.0m (£5.5m*) was repaid in the previous financial year and RM20.0m (£3.7m*) was repaid in April 2014.

The Group expects the balance of the advances and trade receivables totaling RM62.6m (£11.5m*) as at 17 September 2014 to be repaid progressively by the end of FY2015 in line with the completion of the sale of Block C by the third quarter of FY2015.

CSF Computer Exchange Jakarta (CXJ) in Jakarta, Indonesia
The joint-venture company in Indonesia known as PT Cyber CSF ("Cyber CSF"), in which CSF holds a 49% interest, continues to suffer operating losses. The Board therefore resolved to dispose of the investment. The Group completed the sale of its investment in PT Cyber CSF and received net proceeds of RM8.9m (£1.6m*) in May 2014.

Other opportunities
The Group continues to pursue and identify opportunities to form business alliances with a view of securing large data centre rental and/or development contracts from local and foreign customers.

Data Centre Rental

The Group now has 406,000 sq ft of data centre space after disposing the entire equity interest of PT Cyber CSF in Jakarta, Indonesia (excluding 3,500 sq ft of data centre space in CX4, Hanoi, Vietnam operated by our 20%-owned associate).

A customer had contracted for Block A and the tenancy commenced on 1 April 2012. Due to the delay experienced by the customer in securing a large government contract, the customer requested for a suspension of the contract for Block A for a period of nine months commencing 1 April 2013. On this basis, the Group reserved the right to contract with other potential customers for the space in Block A. The tenancy contract was subsequently terminated.

The Group also secured a new tenancy contract for a significant amount of capacity at CX5 Block B. In order to ensure that we can fulfill the requirements under this contract, we hired a senior executive with experience in managing the site preparation and fit-out of technically advanced data centres – with emphasis on high levels of security and operational reliability of mission critical computing systems. This person will also be able to assist in technical and commercial negotiations with existing and potential customers.

The Board approved the investment in a fibre-optic network connecting CX1, CX2 and CX5 at an estimated cost of RM3.5m (£0.64m*) which will allow the customers of CX2 and CX5 to connect to the internet gateway located at CX1. We believe this investment will improve the quality of internet service to the existing customers of our CX2 and CX5 data centres and ultimately attract more customers into these data centres.

Maintenance

The Group's maintenance revenue remained stable and the management continues to pursue new contracts to enhance our recurring revenue streams. The Group's maintenance division was commendable in meeting the internal key performance indicators which include measurements of efficiency in carrying out scheduled maintenance and also in completing ad hoc requests for services.

Design and Fit-out of Data Centres

As the development of CX5 comes nearer to completion, the Group's design and fit-out division is actively pursuing external projects. Under a new head of sales who was appointed early in the financial year, a reasonable sales pipeline was established for the said division. The Group completed a contract to fit-out a data centre for a customer in Thailand, whereby the Group earned a project management fee of THB16.0m, i.e. approximately RM1.6m (£0.29m*). This project also marks the Group's first significant fit-out contract outside of Malaysia.

The Board and the management recognise the importance of maintaining the Group's leadership position in data centre design and operational standards and in this regard, we have continued to subject our engineers and technicians to regular, structured training programmes.

The Group continues to receive enquiries from potential customers who would like to develop their in-house data centres and is working towards securing these projects.

Closing Remarks

The Board believes the key initiatives already undertaken will yield positive results. In addition, the Group continues to dedicate adequate resources to support the Committee in the implementation of the key initiatives and the performance of contractual obligations to the Group's customers. The Board and the management are fully committed towards increasing the recurring revenue streams of the Group and while lowering its operating costs.

As mentioned earlier, the initiative to reduce the lease rental rates is absolutely critical to the medium to long term viability of the Group's data centre rental business. In this regard, the Board will support the management's efforts in negotiating for more favourable lease rental terms and targets to complete the negotiations by the third quarter of FY2015.

The Board remains focused on protecting the Company's cash position, securing customers for the data centre rental business, and implementing the various cost control and cash preservation measures that have been established.

Management continues to explore opportunities with a number of strategic partners in order to deliver an end-to-end service package to new and existing customers.

CHIEF FINANCIAL OFFICER'S REVIEW

A. Introduction

Several tenancy contracts either expired or were suspended during the course of the financial year resulting in a loss of data centre rental revenue. In addition, the Group made a net allowance for doubtful debts of RM16.9m (£3.1m*) and provision for onerous leases of RM62.5m (£11.5m*). On this basis, the Group reported a lower revenue of RM103.5m (£19.0m*), a decrease of RM39.6m (£7.3m*) or 27.7% from the previous financial year and a net loss of RM132.4m (£24.4m*) compared to a net loss RM32.8m (£6.0m*) in the previous financial year.

We made a full allowance for doubtful debts of RM20.9m (£3.8m*) in respect of the loans and advances to PT Cyber CSF. The Group has divested its entire equity interest in the joint-venture in May 2014. The Group collected approximately RM4.8m (£0.9m*) of trade receivables that were previously considered to be doubtful and consequently, we made a reversal of allowance for doubtful debts of the same amount. On this basis, the net allowance for doubtful debts for the current year amounts to RM0.8m (£0.1m*) as compared to RM37.6m (£6.9m*) for 2013. The provision for onerous leases was made as a result of the uncertainty as to whether future revenues will be adequate to cover the lease rental and other operating costs of CX5.

With the abovementioned expiry and suspension of tenancy contracts, the occupancy rate for CX2 decreased to approximately 86% of installed technical power whilst Block A of CX5 became substantially ''vacant although there were several new customers secured during the year.

As a result of the significant allowance for doubtful debts and provision for onerous leases, the Group registered a loss from operations of RM129.2 (£23.8m*) as compared to a loss from operations of RM30.9m (£5.7m*) in 2013. The loss from operations is analysed in "***Loss from Operations***" below.

The Group recorded a basic loss per share ("LPS") of 82.78 sen (15.23p*) as compared to a basic LPS of 20.51 sen (3.78p*) in 2013.

B. Financial results

The financial results of the Group are summarised below:

			Proforma*	
	2014	**2013**	**2014**	**2013**
	RM'000	**RM'000**	**£'000**	**£'000**
Total Group Revenue	**103,508**	**143,090**	**19,050**	**26,334**
Gross (loss) / profit	(7,084)	31,129	(1,304)	5,729
Gain on sale of property, plant and equipment	20	2,627	4	483
Allowance for doubtful debts	(16,917)	(37,616)	(3,113)	(6,923)
Impairment of tangible assets	(13,100)	-	(2,411)	-
Provision of onerous leases	(62,500)	-	(11,503)	-
Share of loss after tax of jointly-controlled entity	(7,660)	(6,122)	(1,410)	(1,127)
Share of loss after tax of associates	-	(144)	-	(27)
Share based payment	(728)	(1,248)	(134)	(230)
Loss from operations	**(129,210)**	**(30,893)**	**(23,779)**	**(5,686)**
Net finance (cost) / income	(462)	616	(85)	113
Other (loss) / gain	(173)	49	(32)	10
Lost before tax	**(129,845)**	**(30,228)**	**(23,896)**	**(5,563)**
Tax	(2,620)	(2,597)	(482)	(478)
Total comprehensive income for the financial year	**(132,465)**	**(32,825)**	**(24,378)**	**(6,041)**
Basic (LPS) / EPS	**(82.78 sen)**	**(20.51 sen)**	**(15.23p)**	**(3.78p)**
Weighted average number of ordinary shares for basic EPS ('000)	160,029	160,029	160,029	160,029

			Proforma*	
	2014	**2013**	**2014**	**2013**
Key Performance Indicators				
Gross profit margin	(6.84%)	21.8%	(6.84%)	21.8%
(Loss) / Profit from operations (excluding gain on sale of property, plant and equipment, allowance for doubtful debts, impairment of tangible assets, provision of onerous leases and share of loss after tax of jointly-controlled entity and associate) margin	(28.1%)	7.2%	(28.1%)	7.2%
Trade receivables turnover (days)	374	262	374	262
Trade payables turnover (days)	95	106	95	106
Quick ratio	4.5	4.0	4.5	4.0

C. Revenue

			Proforma*	
	2014	2013	2014	2013
	RM'000	RM'000	£'000	£'000
Data centre rental income	61,901	102,622	11,392	18,886
Maintenance income	9,648	8,862	1,776	1,631
	71,549	111,484	13,168	20,517
Design and development of data centre facilities income	31,959	31,606	5,882	5,817
Total Group revenue	**103,508**	**143,090**	**19,050**	**26,334**

The Group recorded total revenue of RM103.5m (£19.1m*), a decrease of RM39.6m (£7.3m*) or 27.7%. The decrease in data centre rental revenue was mainly attributable to the expiry and suspension of several tenancy contracts as elaborated above. Maintenance revenue increased by RM0.7m (£0.14m*) mainly due to more ad hoc requests received for repair and upkeep of third party data centres.

Revenue from the design and development division remained unchanged from the previous year as the Group recognised the fit-out revenue of RM16.8m (£3.1m*) for the final phase of the CX5 project and RM15.1 (£2.8m*) in respect of other smaller projects.

D. Gross loss margin

The Group recorded a gross loss margin of 6.84% in the current financial year as compared to a gross profit margin of 21.8% in 2013. This was mainly attributable to the gross loss margin on data centre rentals as tabulated below:

			Proforma*	
	2014	**2013**	**2014**	**2013**
	RM'000	**RM'000**	**£'000**	**£'000**
Data centre rental revenue	**61,901**	**102,622**	**11,392**	**18,886**
Direct expenses				
Data centre lease rental expense	(51,006)	(48,931)	(9,387)	(9,005)
Data centre depreciation	(3,201)	(2,854)	(589)	(525)
Other direct expenses	(28,057)	(28,808)	(5,164)	(5,302)
Total direct expenses	**(82,264)**	**(80,593)**	**(15,140)**	**(14,832)**
Gross (loss) / profit on data centre rental	**(20,363)**	**22,029**	**(3,748)**	**4,054**
Gross (loss) / profit margin on data centre rental	**(32.9%)**	**21.5%**	**(32.9%)**	**21.5%**

D. Gross loss margin (Cont'd)

The gross loss margin on data centre rental of 32.9% was mainly due to the significantly lower revenue for CX5 Block A and CX2 of RM0.5m (£0.09m*) and RM50.1m (£9.2m*) recognised in current financial year, as compared to RM23.5m (£4.3m*) and RM61.2m (£11.3m*) recognised in the previous financial year.

Gross profit margin on maintenance income increased from 44.3% in 2013 to 56.5% in 2014 mainly due to more ad hoc requests for repair and upkeep of third party data centres which generated higher profit margins. Gross profit margin on design and development of data centre facilities increased from 16.4% in 2013 to 24.5% in 2014 mainly due to more projects secured with better profit margins compared to last financial year.

E. Loss from operations

The Group registered a loss from operations of RM129.2m (£23.8m*) compared to a loss from operations of RM30.9m (£5.7m*) in 2013 as analysed below:

			Proforma*	
	2014	**2013**	**2014**	**2013**
	RM'000	**RM'000**	**£'000**	**£'000**
Operating (loss) / profit from data centre rental, maintenance, and design and development of data centre facilities	(28,359)	9,175	(5,219)	1,689
Gain on sale of property, plant and equipment	20	2,627	4	483
Other operating income - other	1,030	1,187	190	219
Allowance for doubtful debts	(16,917)	(37,616)	(3,113)	(6,923)
Impairment of tangible assets	(13,100)	-	(2,411)	-
Provision for onerous leases	(62,500)	-	(11,503)	-
Management restructuring costs	(1,724)	-	(317)	-
Share of loss after tax of jointly-controlled entity	(7,660)	(6,122)	(1,410)	(1,127)
Share of loss after tax of associate	-	(144)	-	(27)
Total operating loss	**(129,210)**	**(30,893)**	**(23,779)**	**(5,686)**

The higher operating loss incurred in the current year was mainly attributable to the gross loss recorded by the data centre rental division and the provision for onerous leases as described in "***Gross (loss) / profit margin***" and "***Introduction***" above. In addition, the Group incurred costs relating to the restructuring of the management and development of a detailed plan to improve the Group's performance amounting to RM1.7m (£0.3m*).

F. Net finance income

The net finance income comprises mainly the interest income receivable on bank deposits stated net of finance cost arising from charges on banking facilities and interest cost incurred on bank borrowings.

Finance income for the current year of RM1.1m (£0.19m*) was similar to that of the previous financial year of RM1.2m (£0.21m*).

Finance cost for the financial year increased to RM1.5 (£0.28m*) from RM0.54m (£0.10m*) in 2013 mainly due to additional banking facilities obtained for the purposes of undertaking fit-out contracts.

G. Taxation

The Group incurred a tax charge for the year in spite of reporting a loss for the year mainly because the non-availability of tax relief on losses incurred by certain companies within the Group including the jointly-controlled entity and the associate.

H. Earnings per share

Basic and diluted loss per share ("LPS") was 82.78 sen (15.23p*) compared to a LPS of 20.51 sen (3.78p*) in 2013. The weighted average number of shares during the year used for basic and diluted LPS calculation is 160,028,667 (2013: 160,028,667).

I. Dividends

The Board does not propose any payment of dividends in respect of the current financial year.

J. Cash and treasury

			Proforma*	
	2014 RM'000	2013 RM'000	2014 £'000	2013 £'000
Cash (used by) / generated from operations before working capital movements and net finance income / cost	(27,797)	11,109	(5,114)	2,047
Working capital movements	(9,256)	13,806	(1,703)	2,538
Net finance cost / income	462	(616)	85	(113)
	(36,591)	24,299	(6,732)	4,472
Proceeds from sale of property, plant and equipment	78	4,018	14	739
Loans to the owner of a development project	-	(6,000)	-	(1,104)
Repayment of loans by the owner of a development project	-	30,033	-	5,527
Loans and advances to the jointly-controlled entity	(2,980)	(21,885)	(549)	(4,028)
Capital expenditure	(2,439)	(5,695)	(450)	(1,048)
Acquisition of a subsidiary	(1,200)	335	(221)	63
Net cash from other investing activities	1,078	1,432	198	263
Net cash inflow / (outflow) before financing activities	(42,054)	26,537	(7,740)	4,884
Dividends paid	-	(15,049)	-	(2,770)
Net cash for other financing activities	(37)	(2,360)	(8)	(434)
Net cash inflow / (outflow)	(42,091)	9,128	(7,748)	1,680

The Group recorded net cash used by operations before working capital movements and net finance income / cost of RM27.8m (£5.1m*) as compared to net cash generated of RM11.1m (£2.0m*) in 2013 mainly due to the decrease in total revenue. On this basis, the Group recorded a negative movement in working capital of RM9.3m (£1.7m*) as compared to a positive working capital movement of RM13.8m (£2.5m*) in 2013. The positive working capital movement in 2013 mainly due to the significant collection of trade receivables associated with the CX5 project during 2013 of RM55.0m (£10.1m*) in line with the completion of the sale of Phase 1 of CX5 by the developer, namely Integrated DC Builders Sdn Bhd ("IDCB") to the freeholder. The remaining trade receivables associated with the development of CX5 (Phases 2 and 3) of RM37.2m (£6.8m*) are expected to be collected with the completion of the sale of Block B (completed in April 2014) and Block C (expected to be completed by the third quarter of FY2015).

The gross trade receivables balance increased from RM104.3m (£19.2m*) as at 31 March 2013 to RM107.4 (£19.8m*) as at 31 March 2014 mainly due to delayed payment on some receivables.

The Group's capital expenditure was mainly for the purchase of new equipment to increase the capacity of the CX2 data centre.

J. Cash and treasury (Cont'd)

As at 31 March 2014, the outstanding advances to IDCB amounted to RM47.9m (£8.8m*), out of which RM20.0m (£3.7m*) was repaid in April 2014. IDCB expects to fully repay the remaining outstanding advances progressively by the third quarter of FY2015 in line with the completion of Block B (completed in April 2014) and Block C of CX5.

During the year, additional loans and advances of RM3.0m (£0.55m*) were given to PT Cyber CSF, the jointly-controlled entity in Indonesia to fund its capital expenditure and working capital requirements, bringing the total loans and advances to PT Cyber CSF to RM30.6m (£5.6m*) as at 31 March 2014. As discussed in "***Introduction***" and "***Loss from operations***" above, full allowance for doubtful debts was made in respect of the loans and advances to PT Cyber CSF.

On 1 April 2012, the Group completed the acquisition of Third Wave Infrasys Sdn Bhd ("TWSB") for RM5.0m (£0.92m*) payable over 3 financial years. During the year, RM1.2m (£0.22m*) was paid to the former shareholders of TWSB after TWSB met the profit guarantee for the financial year ended 31 March 2013. TWSB has contributed positively to the revenue and profit of the Group in the 2014 financial year and is expected to continue to do so in the future years. The remaining payment of RM1.4m (£0.26m*) and RM1.9m (£0.35m*) will be payable upon meeting the profit guarantee for financial year ended 31 March 2014 and 31 March 2015.

K. Post Balance Sheet Events

The Group completed the sale of its investment in PT Cyber CSF, the joint-venture in Jakarta, Indonesia and received net proceeds of RM8.9m (£1.6m*) in May 2014.

The Group commenced discussion with the freeholder of the CX1, CX2 and CX5 data centres which encompassed a revision of the terms of the lease agreements pertaining to the aforementioned data centres. The discussions are still ongoing, the Board is cautiously optimistic that the outcome will be favourable.

L. Critical accounting judgement and key sources of estimation uncertainty

The areas of critical accounting judgement and key sources of estimation uncertainty are disclosed in Note 4 of notes to financial statements.

M. Going concern

These financial statements have been prepared on a going concern basis. The directors' consideration of going concern and the associated uncertainties are provided in Note 1.

* *The translation of the financial statements into pro forma balances in pounds Sterling is included solely for convenience. The pro forma balances in pounds Sterling are stated, as a matter of arithmetical computation only, on the basis of all balances being translated from Ringgit Malaysia into pounds Sterling at the rate prevailing on 31 March 2014 of RM5.4336 : £1.00. This translation should not be construed as meaning that the Ringgit Malaysia amounts actually represent, or have been or could be translated into the stated number of pounds Sterling.*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2014

	Note	Year ended 31 March 2014 RM'000	Year ended 31 March 2013 RM'000	Proforma Year ended 31 March 2014 £'000	Proforma Year ended 31 March 2013 £'000
Revenue	3	103,508	143,090	19,050	26,334
Cost of sales	3	(110,592)	(111,961)	(20,354)	(20,605)
Gross (loss)/ profit		(7,084)	31,129	(1,304)	5,729
Other operating income		1,030	1,187	190	219
Net gain on sale of property, plant and equipment		20	2,627	4	483
Gain on disposal of other investment		27	273	5	50
Share of loss after tax					
- associate		-	(144)	-	(27)
- joint venture		(7,660)	(6,122)	(1,410)	(1,127)
Administrative expenses		(20,574)	(20,979)	(3,786)	(3,860)
Share based payment		(728)	(1,248)	(134)	(230)
Net allowance for doubtful debts					
- others		3,992	(37,616)	735	(6,923)
- joint-venture	4	(20,909)	-	(3,848)	-
Impairment of tangible assets		(13,100)	-	(2,411)	-
Provision for onerous leases	5	(62,500)	-	(11,503)	-
Management restructuring cost		(1,724)	-	(317)	-
Total operating expenses		(115,543)	(59,843)	(21,264)	(11,013)
Operating loss		(129,210)	(30,893)	(23,779)	(5,686)
Finance income		1,051	1,159	193	213
Finance costs		(1,513)	(543)	(278)	(100)
Net foreign exchange (loss)/ gain		(173)	49	(32)	10
Loss before tax		(129,845)	(30,228)	(23,896)	(5,563)
Tax		(2,620)	(2,597)	(482)	(478)
Total comprehensive income for the financial year		(132,465)	(32,825)	(24,378)	(6,041)
EPS					
- Basic (Malaysian sen)	6	(82.78)	(20.51)	(15.23)p	(3.78)p
- Diluted (Malaysian sen)	6	(82.78)	(20.51)	(15.23)p	(3.78)p

All results derive from continuing operations.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2014

	Note	As at 31 March 2014 RM'000	As at 31 March 2013 RM'000	Proforma As at 31 March 2014 £'000	Proforma As at 31 March 2013 £'000
Non-current assets					
Property, plant and equipment		11,825	25,548	2,176	4,702
Interest in associate		-	-	-	-
Other Investments		172	213	32	39
Goodwill		3,750	3,750	690	690
Other receivables		-	74,890	-	13,783
Deferred tax asset		729	377	134	69
		16,476	104,778	3,032	19,283
Current assets					
Inventories		2,978	3,984	548	733
Trade and other receivables		137,740	77,235	25,351	14,214
Current tax assets		495	1,740	91	320
Restricted cash		13,231	13,109	2,435	2,413
Cash and cash equivalents		21,972	64,025	4,044	11,783
		176,416	160,093	32,469	29,463
Total assets		192,892	264,871	35,501	48,746
Current liabilities					
Trade and other payables		54,829	60,763	10,091	11,183
Current tax liabilities		491	212	90	39
Bank borrowings		3,213	-	592	-
Obligations under finance leases		140	90	26	16
Investment held for sale	7	6,392	-	1,176	-
		65,065	61,065	11,975	11,238
Non-current liabilities					
Interest in joint venture		-	7,758	-	1,428
Obligations under finance leases		445	285	82	52
Bank borrowings		225	3,213	41	591
Trade and other payables		16,679	12,835	3,069	2,362
Deferred tax liabilities		80	80	15	15
Onerous lease provision	5	62,500	-	11,503	-
		79,929	24,171	14,710	4,448
Total liabilities		144,994	85,236	26,685	15,686
Net assets		47,898	179,635	8,816	33,060
Equity					
Share capital		78,936	78,936	14,527	14,527
Share premium account		104,499	104,499	19,232	19,232
Shares held under Employee Benefit Trust		(2,300)	(2,300)	(423)	(423)
Other reserve		(66,153)	(66,153)	(12,175)	(12,175)
Share option reserve		4,117	3,389	758	624
(Accumulated loss)/ Retained earnings		(71,201)	61,264	(13,103)	11,275
Total equity		47,898	179,635	8,816	33,060

CONSOLIDATED STATEMENT OF CASH FLOW
For the year ended 31 March 2014

	Year ended 31 March 2014 RM'000	Year ended 31 March 2013 RM'000	Proforma Year ended 31 March 2014 £'000	Proforma Year ended 31 March 2013 £'000
Loss for the financial year	(132,465)	(32,825)	(24,378)	(6,041)
Adjustments for:				
Allowance for slow moving inventories	39	216	7	40
Allowance for diminution of investment	41	-	8	-
Allowance for doubtful debts:				
- Others	766	37,616	141	6,923
- Joint venture	20,909	-	3,848	-
Allowance for doubtful debts written back	(4,758)	-	(876)	-
Bad debts written off	194	-	36	-
Depreciation of property, plant and equipment	3,353	2,986	617	550
Impairment of tangible assets	13,100	-	2,411	-
Interest expense	1,513	543	278	100
Interest income	(1,051)	(1,159)	(193)	(213)
Impairment of investment	-	50	-	9
Net gain on sale of property, plant and equipment	(20)	(2,627)	(4)	(483)
Gain on disposal of other investment	(27)	(273)	(5)	(50)
Property, plant and equipment written off	-	1	-	-
Share based payment	728	1,248	134	230
Share of loss after tax of associate	-	144	-	27
Share of loss after tax of jointly controlled entity	7,660	6,122	1,410	1,127
Onerous leases	62,500	-	11,503	-
Tax	2,620	2,597	482	478
Operating cash (outflows) / inflows before movements in working capital	(24,898)	14,639	(4,581)	2,697
Decrease in inventories	967	189	178	35
(Increase)/Decrease in receivables	(8,748)	15,631	(1,610)	2,874
Decrease in payables	(1,475)	(2,014)	(271)	(371)
Cash (used in) / generated by operations	(34,154)	28,445	(6,284)	5,235
Interest paid	(973)	(543)	(179)	(100)
Income taxes paid	(1,464)	(3,603)	(269)	(663)
Net cash (outflow) / inflow from operating activities	(36,591)	24,299	(6,732)	4,472

CONSOLIDATED STATEMENT OF CASH FLOW (Cont'd)
For the year ended 31 March 2014

	Year ended 31 March 2014 RM'000	Year ended 31 March 2013 RM'000	Proforma Year ended 31 March 2014 £'000	Proforma Year ended 31 March 2013 £'000
Net cash (outflow)/ inflow from operating activities	(36,591)	24,299	(6,732)	4,472
Investing activities				
Interest received	1,051	1,159	193	213
Loans to the owner of a development project	-	(6,000)	-	(1,104)
Loans to joint venture	(2,980)	(21,885)	(549)	(4,028)
Repayment of advances from the owner of a development project	-	30,033	-	5,527
Additions to property, plant and equipment	(2,439)	(5,695)	(450)	(1,048)
Net proceeds from sale of property, plant and equipment	78	4,018	14	739
Proceeds from sale of other investment	27	273	5	50
Purchase of new subsidiary, net of cash	(1,200)	335	(221)	63
Net cash (used in) / generated by investing activities	(5,463)	2,238	(1,008)	412
Financing activities				
Repayments of obligations under finance leases	(140)	(92)	(26)	(16)
Increase in restricted cash	(122)	(5,481)	(23)	(1,009)
Drawdown of borrowings	225	3,213	41	591
Dividend paid	-	(15,049)	-	(2,770)
Net cash used in financing activities	(37)	(17,409)	(8)	(3,204)
Net (decrease)/ increase in cash and cash equivalents	(42,091)	9,128	(7,748)	1,680
Cash and cash equivalents at beginning of financial year	61,930	52,802	11,398	9,718
Cash and cash equivalents at end of financial year	19,839	61,930	3,650	11,398

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital RM'000	Share premium account RM'000	Shares held under Employee Benefit Trust RM'000	Other reserve RM'000	Share option reserve RM'000	(Accumulated loss) / Retained earnings RM'000	Total RM'000
At 1 April 2012	78,936	104,499	(2,300)	(66,153)	2,141	109,138	226,261
Total comprehensive income for the year	-	-	-	-	-	(32,825)	(32,825)
Share based payment	-	-	-	-	1,248	-	1,248
Dividend paid	-	-	-	-	-	(15,049)	(15,049)
At 31 March 2013	78,936	104,499	(2,300)	(66,153)	3,389	61,264	179,635
Total comprehensive income for the year	-	-	-	-	-	(132,465)	(132,465)
Share based payment	-	-	-	-	728	-	728
At 31 March 2014	78,936	104,499	(2,300)	(66,153)	4,117	(71,201)	47,898

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
PROFORMA

Proforma	Share Capital £'000	Share premium account £'000	Shares held under Employee Benefit Trust £'000	Other reserve £'000	Share option reserve £'000	(Accumulated loss) / Retained earnings £'000	Total £'000
At 1 April 2012	14,527	19,232	(423)	(12,175)	394	20,086	41,641
Total comprehensive income for the year	-	-	-	-	-	(6,041)	(6,041)
Share based payment	-	-	-	-	230	-	230
Dividend paid	-	-	-	-	-	(2,770)	(2,770)
At 31 March 2013	14,527	19,232	(423)	(12,175)	624	11,275	33,060
Total comprehensive income for the year	-	-	-	-	-	(24,378)	(24,378)
Share based payment	-	-	-	-	134	-	134
At 31 March 2014	14,527	19,232	(423)	(12,175)	758	(13,103)	8,816

1. General information

The Preliminary Announcement and the final accounts of the Group were approved by the Board of Directors on 26 September 2014. The financial information set out in this Preliminary Announcement does not constitute the Group's statutory accounts for the year ended 31 March 2014 but is derived from those accounts. The statutory accounts for 2014 will be delivered to the Jersey Registrar of Companies in October 2014. The auditors have reported on the 2014 accounts and their report was unqualified but did contain an emphasis of matter as described below.

In forming their opinion on the financial statements, which was not qualified, the auditors considered the adequacy of the disclosure made in paragraph (iv) of note 1 and note 5 to this preliminary announcement concerning the Group's ability to continue as a going concern and the basis of calculation of the onerous lease provision.

The Group is forecast to continue to make operating losses and have operating cash outflows for the foreseeable future and the financial projections show the Group needs to complete negotiations with its landlord to reduce the level of lease rental commitments on its data centres in order to have a sustainable business model. The Group's onerous lease provision has been calculated based on management's best estimate which assumes a reduction in the lease rental commitments on its data centres will be agreed. The ability of the Group to complete negotiations to reduce the level of lease rental commitments is inherently uncertain.

These conditions, along with the other matters explained in paragraph (iv) of note 1 and note 5 to this preliminary announcement, indicate the existence of a material uncertainty that:

- may cast significant doubt over the Group's ability to continue as a going concern; and
- may cause the company's future onerous lease obligations to be materially different from the amount provided.

The preliminary announcement does not include the adjustments that would result if the company was unable to continue as a going concern.

(i) Basis of preparation

The consolidated financial statements of CSF Group plc, for the year ended 31 March 2014 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU.

While the financial information included in this preliminary announcement has been prepared in accordance with the recognition and measurement criteria, this announcement does not itself contain sufficient information to comply with IFRS. The Company expects to publish full financial statements that comply with IFRS in late 2014.

1. General information (Cont'd)

(ii) Pro forma balances

The inclusion of pro forma balances in pounds Sterling is included solely for convenience. The pro forma balances in pounds Sterling are stated, as a matter of arithmetical computation only, on the basis of all balances being translated from Malaysian Ringgits into pounds Sterling at the rate prevailing on 31 March 2014 of RM5.4336 : £1.00. This translation should not be construed as meaning that the Malaysian Ringgit amounts actually represent, or have been or could be converted into the stated number of pounds Sterling.

(iii) Basis of accounting

The consolidated financial statements have been prepared on the historical cost basis, except for the valuation of listed investments. The principal accounting policies adopted are consistent with previous financial year.

(iv) Going concern

The Group's business activities, together with the factors likely to affect the future development, performance and position are set out in the Interim Chairman's Statement. The financial position of the Group, its cash flows and liquidity positions are described in the Chief Financial Officer's Statement. In addition, the notes to financial statements include foreign currency risk management, interest rate risk management, credit risk management and liquidity risk management.

As at 31 March 2014, the Group's cash and cash equivalents excluding deposits held on behalf of the Employee Benefit Trust stand at RM19.8 million.

The Directors have prepared financial projections, including cash flows, for a period up to 31 March 2017. The projections include sensitivity testing to consider a reasonable worst case scenario. Based on these projections and taking into consideration the current financial position of the Group and future capital and lease commitments, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements. In reaching this conclusion the directors have paid particular attention to the following factors:

- The positive progress that is already being made in restructuring the business and the heightened focus on cash management;
- The existing cash reserves of the business, and the fact that the Group has low levels of bank borrowings with low financial covenants;
- The Group's business model is to lease its data centres as opposed to outright ownership. As a result, the Group is committed to regular lease rental payments, which constitute a significant proportion of the Group's cost base. The Group therefore needs to achieve a certain level of tenant occupancy to cover the minimum lease and other costs of ownership of a given data centre;
- The Group has already secured new tenants for part of CX5 and is in active discussions with a number of other potential tenants to secure an adequate level of occupancy;

1. General information (Cont'd)

- Due to changes in the data centre rental market, current market rentals for the Group's data centre space are below the fixed costs of the Group's data centres. The Group is in active negotiations with the landlord of CX1, CX2 and CX5 to reduce the operating lease payments to a sustainable level, and is confident that a rent reduction will be agreed in the short term;
- The Group received significant cash receipts of RM20.0 million upon the completion of blocks B of CX5 in April 2014 and is due to receive additional significant cash receipts of RM49.7 million on the completion of block C of CX5, which is expected to complete in winter 2014. This will provide a short term increase in cash reserves, however will increase the level of lease rental payments. Such receipts are governed by legal agreements between the Group, the developer and the freeholder;
- The proceeds received from the disposal of the investment in PT Cyber CSF in May 2014;
- The funding requirements of existing and proposed new ventures and/or projects.

Given prevailing market conditions and the current levels of occupancy in the Group's data centres, the Group is forecast to continue to make operating losses and have operating cash outflows. The Board is continuing to review the Group's business model with the aim of establishing sustainable profitable trading. Furthermore, the financial projections show that the Group needs to complete negotiations to reduce the level of lease rental commitments in order to have a sustainable business model and that the cash receipts from IDCB are required to enable the Group to continue to operate within its existing facilities in the short term. The directors note that the receipt of proceeds for block C of CX5 is governed by existing contractual arrangements and that based on the current status of the development and discussions with the freeholder they have no reason to believe that the receipt of proceeds will be subject to significant delay or other issue. The directors believe that they will be successful in negotiating a lease rental reduction and therefore reducing the cost base of the Group to a sustainable level, and that such rental reduction can be achieved without other adverse impacts on the Group. On this basis they continue to adopt the going concern basis. However, there is inherent uncertainty around the timing, amount and other impacts of any lease rental reduction, which is considered to represent a material uncertainty that may cast significant doubt over the Group's ability to continue as a going concern and, therefore, the Group may be unable to realize its assets and discharge its liabilities in the normal course of business.

Notwithstanding the above and taking into consideration the current financial position, future capital and lease commitments of the Group, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements for the year ended 31 March 2014. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

2. Revenue recognition and contract accounting

Revenue represents amounts receivable for work carried out in the rental of data centre space (including reimbursement for electricity consumed by customers), design and development of data centre facilities, the maintenance of data centres and imputed interest on loans to data centre developers.

Revenue from contract works is recognised in the Consolidated Statement of Comprehensive Income based on the stage of completion which is determined based on the contract costs incurred for work performed to date in proportion to the estimated total contract costs.

Revenue on design and development activity is recognised over the period of the activity and in accordance with the underlying contract. Revenue is measured by reference to the fair value of consideration received or receivable from customers. Cost overspends on design and development are recognised as they arise and cost under-spends recognised when it is known with reasonable certainty, the final position of the relevant contract. Where design and development projects are in progress and where sales invoiced exceed the cost of work completed, the excess is shown as deferred income, within other financial assets. When it is probable that total fit-out costs will exceed contract revenue, the expected loss is recognised as an expense immediately. Income from support and maintenance agreements and the rental of data centre space is recognised on a straight line basis over the period of the related activity. Data centre space is rented out under operating leases.

The Group advanced cash loans to Integrated DC Builders Sdn Bhd (“IDCB”), the developer of the CX5 data centre. Such loans are either interest free or the effective interest rate is below a fair market rate. The notional interest income on the loan computed based on the difference between the effective rate and a fair market rate is included as a part of the contract revenue receivable by the Group relating to the Group’s services in connection with the development of CX5.

3. Segment reporting

The Management regularly reviews segment information based on the key products and services provided to its customers; rental of data centre space, maintenance (including) support of data centres, and the design and development of data centre facilities.

Year ended 31 March 2014	**Data centre rental RM'000**	**Maintenance RM'000**	**Design and development of data centre facilities RM'000**	**Consolidated RM'000**
Revenue	61,901	9,648	31,959	103,508
Cost of sales	(82,264)	(4,193)	(24,135)	(110,592)
Gross profit / (loss)	(20,363)	5,455	7,824	(7,084)
Other operating income	-	-	1,029	1,029
Administrative cost	(3,719)	(463)	(1,597)	(5,779)
Allowance for doubtful debts	2,192	(212)	2,012	3,992
Allowance for slowing stock	-	-	(39)	(39)
Allowance for diminution of investment	-	-	(41)	(41)
Bad debts written off	-	-	(195)	(195)
Onerous leases	(62,500)	-	-	(62,500)
Staff costs	(4,410)	(838)	(2,628)	(7,876)
Segment depreciation	(44)	(20)	(69)	(133)
Segment result	(88,844)	3,922	6,296	(78,626)
Allowance for doubtful debts - joint venture				(20,909)
Management restructuring costs				(1,724)
Impairment of tangible assets				(13,100)
Corporate cost				(7,238)
Finance income				1,051
Net foreign exchange loss				(173)
Gain on disposal of property, plant and equipment				20
Gain on disposal of other investment				27
Share of loss of jointly controlled entity				(7,660)
Finance costs				(1,513)
Loss before tax				(129,845)
Tax				(2,620)
Loss after tax				(132,465)

Year ended 31 March 2013	Data centre rental RM'000	Maintenance RM'000	Design and development of data centre facilities RM'000	Consolidated RM'000
Revenue	102,622	8,862	31,606	143,090
Cost of sales	(80,593)	(4,934)	(26,434)	(111,961)
Gross profit	22,029	3,928	5,172	31,129
Other operating income	821	-	366	1,187
Administrative cost	(2,575)	(318)	(1,705)	(4,598)
Allowance for doubtful debts	(37,254)	(29)	(333)	(37,616)
Staff costs	(5,631)	(891)	(2,630)	(9,152)
Segment depreciation	(40)	(17)	(63)	(120)
Segment result	(22,650)	2,673	807	(19,170)
Corporate cost				(8,357)
Finance income				1,159
Net foreign exchange gain				49
Gain on disposal of property, plant and equipment				2,627
Gain on disposal of other investment				273
Share of loss of associate				(144)
Share of loss of jointly controlled entity				(6,122)
Finance costs				(543)
Loss before tax				(30,228)
Tax				(2,597)
Loss after tax				(32,825)

4. Allowance for doubtful debts – joint venture

The allowance pertain to amount owing by PT Cyber CSF, Indonesia. The said amount, which arose mainly to fund its capital expenditure and working capital requirement. As at 31 March 2014, the Group has provided an allowance of RM20,909,000 for impairment of the unsecured advances to PT Cyber CSF.

5. Onerous leases

	As at 31 March 2014 RM'000	As at 31 March 2013 RM'000
Movement in provision of onerous leases		
At start of financial year	-	-
Additional provision during the financial year	62,500	-
Provision no longer required	-	-
At end of financial year	62,500	-

The Group's business model is to lease data centres and committed to lease rentals and certain other costs of ownership. As such, the Group needs to achieve a certain level of rental income from tenants over the life of the data centre lease such that revenue received will exceed costs.

The provision of onerous leases in the financial statements represents the present value of the future lease payments that the Group is presently obliged to make under non-cancellable operating lease contracts, less revenue expected to be earned on the lease. The estimate may vary as a result of changes in the utilisation of the data centres. The unexpired terms of the leases range from 8 to 10 years.

The onerous lease provision included in long term liabilities has been calculated on the assumption that the Group will agree a reduction in ongoing lease rental costs in respect of certain of its data centres. Whilst the directors expect such a lease rental reduction to be successfully negotiated, there is no legal agreement in place as at the date of approval of these financial statements, and it is inherently uncertain whether such a legal agreement will be achieved. If such an agreement is not reached then the onerous lease provision would be increased from RM62.5 million to RM161.3 million. This is a significant judgement which is considered to represent a material uncertainty.

6. Earnings per share

The calculations for earnings per share, based on the weighted average number of shares, are shown in the table below.

	Year ended 31 March 2014	Year ended 31 March 2013
Net (loss) for the financial year after taxation attributable to members (RM'000)	(132,465)	(32,825)
Weighted average number of ordinary shares for basic earnings per share ('000)	160,029	160,029
Weighted average number of ordinary shares for diluted earnings per share ('000)	160,029	160,029

The number of ordinary shares for diluted earnings per share is the weighted average number of ordinary shares of CSF Group plc that would have been in issue. The calculation of the diluted earnings per share does not assume conversion, exercise or other issue of potential ordinary shares that would increase the net profit or decrease the net loss per share. As the Group is currently in a loss making position than the inclusion of potential ordinary shares associated with share options in the diluted loss per share calculation would serve to decrease the net loss per share. On that basis, no adjustment has been made for diluted loss per share.

7. Investment held for sale

	As at 31 March 2014 RM'000	As at 31 March 2013 RM'000
Investment, at cost	388	-
Group share of post-acquisition loss	(15,805)	-
	(15,417)	-
Loan to PT Cyber CSF	9,025	-
	(6,392)	-

The investment held for sale was reclassified from Interest in Joint Venture. On 24 March 2014, the Group had entered into an agreement with a third party to dispose of its entire interest in PT Cyber CSF including the settlement of the net amount owing by PT Cyber CSF to the Group for a net consideration USD2,732,483 (RM8,921,284) which was received in full by the Group on 22 May 2014.

8. Dividend

	Year ended 31 March 2014 RM'000	Year ended 31 March 2013 RM'000
Amounts recognised as distributions to equity holders in the year:		
Dividend paid	-	15,049

9. Contingencies

The Group holds a number of guarantees with various banks in respect of banking facilities as follows:

	As at 31 March 2014 RM'000	As at 31 March 2013 RM'000
Bank guarantees	25,507	19,922

10. Commitment

	As at 31 March 2014 RM'000	As at 31 March 2013 RM'000
Commitment for a loan to IDCB for the development of the CX5 data centre	2,030	2,030

The commitment amount as disclosed above represents the remaining balance of a loan of RM80,000,000 to the project owner for development of the CX5 data centre. As at 31 March 2014, the Group has loaned RM77,970,000 to IDCB.

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