



**TFP SOLUTIONS BERHAD (773550-A)**  
**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**Quarterly Report For The Second Quarter Ended 30 June 2008**  
(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 30 Jun 2008 RM'000	Preceding Year Corresponding Quarter 30 Jun 2007 RM'000	Current Year To date 30 Jun 2008 RM'000	Preceding Year Corresponding Period 30 Jun 2007 RM'000
Revenue		2,481	-	6,107	-
Direct costs		(1,167)	-	(3,271)	-
<b>Gross profit</b>		<b>1,314</b>	<b>-</b>	<b>2,836</b>	<b>-</b>
Other operating income		108	-	213	-
Administrative expenses		(1,062)	-	(1,866)	-
<b>Profit from operations</b>		<b>360</b>	<b>-</b>	<b>1,183</b>	<b>-</b>
Share of profit in associated company		31	-	35	-
<b>Profit before taxation</b>		<b>391</b>	<b>-</b>	<b>1,218</b>	<b>-</b>
Taxation	B5	(160)	-	(201)	-
<b>Profit for the financial period</b>		<b>231</b>	<b>-</b>	<b>1,017</b>	<b>-</b>
<b>Profit attributable to :</b>					
Equity holders of the Company		231	-	1,017	-
<b>Basic earnings per share (sen)</b>	B14	<b>0.18</b>	<b>-</b>	<b>0.78</b>	<b>-</b>

**Note:**

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the period ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

TFP Solutions Bhd was listed on the MESDAQ Market on 22 February 2008 and as such, there are no comparable figures available for the preceding year quarter/ period.



**TFP SOLUTIONS BERHAD (773550-A)**  
**CONDENSED CONSOLIDATED BALANCE SHEET**  
**As at 30 June 2008**  
(The figures have not been audited)

	<b>As at Current Year Quarter 30 Jun 2008 RM'000 (Unaudited)</b>	<b>As at Preceding Financial Year Ended 31 Dec 2007 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	328	321
Development costs	947	819
Investment property	2,076	2,097
Investment in associated company	1,470	1,435
	<u>4,821</u>	<u>4,672</u>
<b>CURRENT ASSETS</b>		
Trade receivables	3,953	5,231
Other receivables, deposits & prepayments	433	741
Cash and cash equivalents	13,954	2,949
	<u>18,340</u>	<u>8,921</u>
<b>TOTAL ASSETS</b>	<u>23,161</u>	<u>13,593</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	14,008	6,938
Share Premium	2,945	-
Retained profits	4,165	3,148
Shareholders' funds	21,118	10,086
Minority interests	-	-
<b>Total Equity</b>	<u>21,118</u>	<u>10,086</u>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liabilities	5	5
<b>CURRENT LIABILITIES</b>		
Trade payables	1,332	2,679
Other payables and accruals	540	539
Deferred income	118	205
Provision for taxation	48	79
	<u>2,038</u>	<u>3,502</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>23,161</u>	<u>13,593</u>
Net Assets per share (RM)	<u>0.15</u>	<u>0.15</u>

**Note:**

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the period ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

Net Assets per share for the current quarter is arrived at based on the Group's Net Assets of RM21,118,000 over the number of ordinary shares of 140,077,200 shares of RM0.10 each.



**TFP SOLUTIONS BERHAD (773550-A)**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**Quarterly Report For The Second Quarter Ended 30 June 2008**  
(The figures have not been audited)

	<----- Non-distributable ----->			Distributable			
	Share Capital RM'000	Share Premium RM'000	Reserve on Consolidation RM'000	Retained profits RM'000	Shareholders' Fund RM'000	Minority Interest RM'000	Total RM'000
As at incorporation	*	-	-	-	-	-	*
Issue of shares due to acquisition of companies	6,938	-	-	-	-	-	6,938
Net profit for the financial period	-	-	-	3,148	-	-	3,148
At 31 December 2007 (Audited)	<u>6,938</u>	<u>-</u>	<u>-</u>	<u>3,148</u>	<u>-</u>	<u>-</u>	<u>10,086</u>
At 1 January 2008	6,938	-	-	3,148	10,086	-	10,086
Public issue on 22 February 2008	2,400	9,120	-	-	11,520	-	11,520
Amount capitalised for Bonus Issue**	4,670	(4,670)	-	-	-	-	-
Listing expenses		(1,505)	-	-	(1,505)	-	(1,505)
Net profit for the financial period	-	-	-	1,017	1,017	-	1,017
At 30 June 2008	<u>14,008</u>	<u>2,945</u>	<u>-</u>	<u>4,165</u>	<u>21,118</u>	<u>-</u>	<u>21,118</u>

**Note:**

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the period ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

\* Denotes RM0.20

\*\* Bonus issue was issued on the basis of one (1) share for every two (2) shares held upon public issue, as contained in the prospectus dated 5 February 2008.

TFP Solutions Bhd was listed on the MESDAQ Market on 22 February 2008 and as such, there are no comparable figures available for the preceding year quarter/ period.



**TFP SOLUTIONS BERHAD (773550-A)**  
**CONDENSED CONSOLIDATED CASHFLOW STATEMENT**  
**Quarterly Report For The Second Quarter Ended 30 June 2008**  
(The figures have not been audited)

	<b>Current Year To date ended 30 Jun 2008 RM'000</b>	<b>Preceding Corresponding Year To date ended 30 Jun 2007 RM'000</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,218	-
Adjustments for:		
Depreciation	74	-
Amortisation of development costs	65	-
Share of profit in associated company	(35)	-
Interest income	(214)	-
Operating profit before working capital changes	1,108	-
(Increase)/Decrease in trade and other receivables	1,586	-
Increase/(Decrease) in trade and other payables	(1,346)	-
Increase/(Decrease) in deferred income	(87)	-
Cash generated from operations	1,261	-
Tax paid	(232)	-
Net cash generated from operating activities	1,029	-
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>		
Internally developed intangible assets	(193)	-
Interest received	214	-
Purchase of property, plant and equipment	(60)	-
Net cash used in investing activities	(39)	-
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from public issue of shares	11,520	-
Payment of listing expenses	(1,505)	-
Net cash used in financing activities	10,015	-
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	11,005	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	2,949	-
<b>CASH AND CASH EQUIVALENTS AT END OF THE QUARTER</b>	13,954	-
	A15	

**Note:**

The Condensed Consolidated Cashflow Statement should be read in conjunction with the Audited Financial Statements for the period ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

TFP Solutions Bhd was listed on the MESDAQ Market on 22 February 2008 and as such, there are no comparable figures available for the preceding year quarter/ period.



**TFP SOLUTIONS BERHAD (773550-A)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**Quarterly Report For The Second Quarter Ended 30 June 2008**

**A NOTES TO THE INTERIM FINANCIAL REPORT**

**A1 Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard ("FRS") No. 134: Interim Financial Reporting, and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market ("MMLR").

The accounting policies and methods of computation adopted by TFP, its subsidiary companies and its associate company ("TFP Group" or "Group") in the preparation of this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2007 as well as those for the annual period beginning 1 January 2008 as disclosed therein.

**A2 Audit report of preceding annual financial statements**

The preceding year's annual audited financial statements were not subject to any qualification.

**A3 Seasonal or cyclical factors**

The Group's operations are not materially affected by seasonal or cyclical changes during the current quarter under review.

**A4 Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter, except for the completion of the listing of and quotation for the entire issued and paid-up share capital of the Company on the MESDAQ Market of Bursa Securities.

**A5 Material changes in estimates**

There were no changes in estimates of amounts reported in prior financial years, which have a material effect in the current quarter under review.

**A6 Debt and equity securities**

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares for the current financial quarter under review.

**A7 Dividend paid**

No dividend has been paid by the company in the current financial quarter under review.

**A8 Segmental information**

Segmental information is not presented as the Group is primarily engaged in only one business segment which is to provide information technology ("IT") solutions and related services.

The Group's operations are currently conducted predominantly in Malaysia.



**TFP SOLUTIONS BERHAD (773550-A)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**Quarterly Report For The Second Quarter Ended 30 June 2008**

**A NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)**

**A9 Valuation of property, plant and equipment**

There was no valuation of the property, plant and equipment in the current quarter under review.

**A10 Material events subsequent to the end of the quarter**

As announced on 18 July 2008, TFP Group acquired the entire paid up share capital of a company in Singapore, TFP International Pte. Ltd., for a total consideration of SGD 2.00. This is part of its expansion plan in the ASEAN region.

There were no other material events subsequent to the end of the current financial quarter.

**A11 Changes in the composition of the Group**

There were no changes in the composition of the Group for the current financial quarter, save as disclosed in Note A10 above.

**A12 Contingent liabilities**

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at reporting date.

**A13 Capital commitments**

As at 30 June 2008, the Group has no material capital commitments in respect of property, plant and equipment.

**A14 Significant related party transactions**

During the current financial quarter, the Directors are of the opinion that the Group has no related party transactions which would have a significant impact on the financial position and business of the Group save as disclosed below.

Shareholders' mandate for the Recurrent Related Party Transactions (RRPTs) entered into by the Company was obtained at the Annual General Meeting held on 24 June 2008. The RRPTs in the current financial quarter and cumulative year to date is as follows:-

	<b>Current Year Quarter 30.06.2008 RM'000</b>	<b>Cumulative Year To Date 30.06.2008 RM'000</b>
(i) Products and services provided to TenInfo Thailand Limited	-	-
(ii) Office rental paid to Lim Lung Wen, a Director of the Company	7	15
(iii) Training and consultancy services provided by Adaptive Training & Consulting Sdn Bhd	6	6



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**A NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)**

**A15 Cash and cash equivalents**

	<b>Current Year To Date 30 Jun 2008 RM'000</b>	<b>Preceding Corresponding Year To Date 30 Jun 2007 RM'000</b>
Fixed deposits with licensed banks	2,150	-
Cash and bank balances	11,804	-
	13,954	-

**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS**

**B1 Review of performance**

For the current quarter ended 30 June 2008, TFP Group recorded a revenue of RM2.480 million mainly due to sale of Enterprise Resource Planning ("ERP") solutions and outsourcing services. In line with the revenue recorded, TFP Group achieved a profit before tax of RM0.391 million and a profit after tax of RM0.231 million. Whereas, for the financial year-to-date, the Group achieved revenue and profit after taxation of approximately RM6.107 million and RM1.017 million respectively.

**B2 Variation of results against preceding quarter**

	<b>Current Quarter 30 Jun 2008 RM'000</b>	<b>Preceding Quarter 31 Mar 2008 RM'000</b>
Revenue	2,481	3,626
Profit before tax	391	827

There was a drop in revenue and corresponding profits in the current quarter ended 30 June 2008 compared to preceeding quarter 31 March 2008. The decrease was mainly due to the delay in securing new contracts as well as slower progress billings for the Group's project on hand.

**B3 Prospects**

Barring unforeseen circumstances, the Board of Directors are of the opinion that the performance of the existing business of the TFP Group is expected to remain satisfactory for the financial year ending 2008.

**B4 Variation of actual profit from forecast profit**

Not applicable for the current financial quarter.



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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS**

**B5 Taxation**

	<b>Current Quarter 30 Jun 2008 RM'000</b>	<b>Cumulative Quarter 30 Jun 2008 RM'000</b>
Current tax expense	160	201

The effective rate is higher as the MSC status subsidiary companies within the TFP Group incurred a loss during the period and its accompanying tax benefit has not been optimised for the TFP Group's overall tax commitment.

**B6 Unquoted investments and properties**

There were no changes in the unquoted investments and properties of the Group for the current financial quarter and financial year-to-date.

**B7 Quoted securities**

There were no acquisitions or disposals of quoted securities during the current financial quarter and financial year-to-date.

**B8 Status of corporate proposals**

There is no corporate proposals announced but not yet completed as at the date of this announcement.

**B9 Status of utilisation of proceeds from public issue**

TFP was listed on 22 February 2008 on the MESDAQ Market. The utilisation of gross proceeds of RM11,520,000 from the public issue by the Group as at 30 June 2008 were as follows:-

<b>Purpose</b>	<b>Proposed Amount RM'000</b>	<b>Amount Utilised RM'000</b>	<b>Amount Unutilised RM'000</b>	<b>Time frame for utilisation</b>
Working Capital	3,720	785	2,935	To be utilised by Feb 2011
Expansion	3,000	6	2,994	To be utilised by Feb 2011
R&D Expenditure	3,300	193	3,107	To be utilised by Feb 2011
Listing Expenses	1,500	1,505	(5) *	
	<u>11,520</u>	<u>2,489</u>	<u>9,031</u>	

\* In view that the actual listing expenses were higher than estimated, the deficit had been funded out of proceeds allocated for working capital.





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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)**

**B10 Group's borrowings and debt securities**

The TFP Group has no borrowings or debts securities as at 30 June 2008.

The TFP Group does not have any foreign currency borrowings.

**B11 Off balance sheet financial instruments**

As at reporting date, the TFP Group does not have any off balance sheet financial instruments.

**B12 Material litigation**

Save as disclosed below, neither the Company nor its subsidiary companies is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary companies and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary companies:-

- (i) MBP has received a letter of demand dated 6 September 2007 from the solicitors of General Aluminium Works (M) Sdn Bhd ("GAW") demanding for the full payment and/or refund for the sum of RM396,344.00 which GAW has paid to MBP for services rendered in relation to the installation and/or implementation of an ERP system which GAW now claims that it is unable to utilize the full benefits of the said ERP system. At present, no legal proceedings have been initiated by either party and both MBP and GAW are still in the midst of corresponding. MBP's solicitors' preliminary view is that MBP has grounds to defend GAW's claim for a refund should GAW initiate legal proceedings against MBP based on the allegations in their letter of demand dated 6 September 2007.

**B13 Dividends**

On 13 June 2008, the Directors had proposed an interim dividend of 7.5% per ordinary share of RM0.10 each (or 0.75 sen per share) for the financial year ending 31 December 2008, amounting to RM1,050,579 (Ringgit Malaysia One Million Fifty Thousand Five Hundred Seventy Nine Only). The dividend was paid on 29 July 2008 to shareholders who were registered at the close of business on 30 June 2008.



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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)**

**B14 Earnings per share**

	<b>Current Year</b>	<b>Preceding Year</b>	<b>Current Year</b>	<b>Preceding Year</b>
	<b>Quarter</b>	<b>Corresponding</b>	<b>To date</b>	<b>Corresponding</b>
	<b>30 Jun 2008</b>	<b>Quarter</b>	<b>30 Jun 2008</b>	<b>Period</b>
		<b>30 Jun 2007</b>		<b>30 Jun 2007</b>
Profit after taxation and minority interests (RM'000)	231	-	1,017	-
Weighted average number of shares in issue ('000)	130,033	-	130,033	-
Basic earnings per share (sen)	0.18	-	0.78	-

Diluted earnings per share is not disclosed herein as there are no options granted as at the date of this announcement.

**B15 Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 26 August 2008.

**TFP Solutions Berhad**

26 August 2008