



TFP SOLUTIONS BERHAD (773550-A)
CONDENSED CONSOLIDATED INCOME STATEMENT
Quarterly Report For The Fourth Quarter Ended 31 December 2009
(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 31 Dec 2009 RM'000	Preceding Year Corresponding Quarter 31 Dec 2008 RM'000	Current Year To date 31 Dec 2009 RM'000	Preceding Year Corresponding Period 31 Dec 2008 RM'000
Revenue		32,745	4,456	61,409	13,608
Direct costs		(32,243)	(3,345)	(59,633)	(9,083)
Gross profit		502	1,111	1,776	4,525
Other operating income		66	243	407	556
Administrative expenses		(1,093)	(1,669)	(4,312)	(4,354)
Other operating expenses		(159)	(2)	(171)	(213)
Finance costs		(11)	-	(15)	-
(Loss)/profit from operations		(695)	(317)	(2,315)	514
Share of (loss)/profit in associated company		-	(99)	(137)	(34)
Pre-Acquisition Profits		-	-	-	-
Negative goodwill realised		-	-	-	-
(Loss)/profit before taxation		(695)	(416)	(2,452)	480
Taxation	B5	(37)	(61)	(37)	(265)
(Loss)/profit for the financial period		(732)	(477)	(2,489)	215
(Loss)/profit attributable to :					
Equity holders of the Company		(681)	(477)	(2,286)	215
Minority shareholders		(51)	-	(203)	-
		(732)	(477)	(2,489)	215
Basic (loss)/earnings per share (sen)	B14	(0.49)	(0.37)	(1.63)	0.17

Note:

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



TFP SOLUTIONS BERHAD (773550-A)
CONDENSED CONSOLIDATED BALANCE SHEET

As at 31 December 2009

(The figures have not been audited)

	As at Current Year Quarter 31 Dec 2009 RM'000 (Unaudited)	As at Preceding Financial Year Ended 31 Dec 2008 RM'000 (Audited)
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	600	485
Development costs	1,749	1,532
Goodwill on consolidation	251	-
Investment property	4,020	2,055
Investment in associated company	-	1,071
Deferred tax assets	38	84
	<u>6,658</u>	<u>5,227</u>
CURRENT ASSETS		
Stocks	4,740	-
Trade receivables	3,885	5,198
Other receivables, deposits & prepayments	202	1,022
Tax recoverable	518	177
Cash and cash equivalents	6,250	11,419
	<u>15,595</u>	<u>17,816</u>
TOTAL ASSETS	<u>22,253</u>	<u>23,043</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	14,007	14,007
Share Premium	2,946	2,946
Retained profits	33	2,319
Shareholders' funds	<u>16,986</u>	<u>19,272</u>
Minority interests	42	-
Total Equity	<u>17,028</u>	<u>19,272</u>
NON-CURRENT LIABILITIES		
Term loan (Secured)	339	-
Deferred tax liabilities	-	13
	<u>339</u>	<u>13</u>
CURRENT LIABILITIES		
Trade payables	1,462	2,707
Other payables and accruals	2,880	745
Deferred income	515	156
Term loan (Secured)	29	-
Provision for taxation	-	150
	<u>4,886</u>	<u>3,758</u>
TOTAL EQUITY AND LIABILITIES	<u>22,253</u>	<u>23,043</u>
Net Assets per share (RM)	<u>0.12</u>	<u>0.14</u>

Note:

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008 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 RM16,986,000 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 Fourth Quarter Ended 31 December 2009
(The figures have not been audited)

	<----- Non-distributable ----->			Distributable	Shareholders'	Minority	Total
	Share Capital RM'000	Share Premium RM'000	Reserve on Consolidation RM'000				
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	4,669	(4,669)	-	-	-	-	-
Listing expenses	-	(1,505)	-	-	(1,505)	-	(1,505)
Net profit for the financial year	-	-	-	222	222	-	222
Dividend paid during the financial year	-	-	-	(1,051)	(1,051)	-	(1,051)
At 31 December 2008 (Audited)	<u>14,007</u>	<u>2,946</u>	<u>-</u>	<u>2,319</u>	<u>19,272</u>	<u>-</u>	<u>19,272</u>
At 1 January 2009	14,007	2,946	-	2,319	19,272	-	19,272
Minority investment in shares of subsidiary	-	-	-	-	-	245	245
Net loss for the financial period	-	-	-	(2,286)	(2,286)	(203)	(2,489)
At 31 December 2009 (Unaudited)	<u>14,007</u>	<u>2,946</u>	<u>-</u>	<u>33</u>	<u>16,986</u>	<u>42</u>	<u>17,028</u>

Note:

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



TFP SOLUTIONS BERHAD (773550-A)
CONDENSED CONSOLIDATED CASHFLOW STATEMENT
Quarterly Report For The Fourth Quarter Ended 31 December 2009
(The figures have not been audited)

	Current Year To date ended 31 Dec 2009 RM'000 (Unaudited)	Preceding Year To date ended 31 Dec 2008 RM'000 (Audited)
CASHFLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	(2,452)	367
Adjustments for:		
Amortisation of development costs	396	196
Depreciation of investment property	15	42
Depreciation of plant and equipment	239	116
Interest income	(156)	(278)
Loss on disposal of plant and equipment	-	7
Share of loss in associated company	137	33
Operating (loss)/profit before working capital changes	(1,821)	483
(Decrease) in deferred income	359	(49)
Increase in trade and other payables	219	234
(Increase) in trade and other receivables	(2,550)	(248)
Cash (used in)/generated from operations	(3,793)	420
Interest received	156	278
Tax paid	(274)	(327)
Net cash (used in)/generated from operating activities	(3,911)	371
CASHFLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(45)	(291)
Proceeds from disposal of plant and equipment	-	4
Acquisition of subsidiary company	(833)	-
Internally developed intangible assets	(613)	(909)
Minority share of increase in share capital of subsidiary	245	-
Net cash used in investing activities	(1,246)	(1,196)
CASHFLOWS FROM FINANCING ACTIVITIES		
Dividend paid during the year	-	(1,051)
Proceeds from public issue of shares	-	11,520
Payment of listing expenses	-	(1,505)
Dividends received from associate	-	331
Term loan paid during the year	(12)	-
Net cash (used in)/generated from financing activities	(12)	9,295
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(5,169)	8,470
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	11,419	2,949
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	A15 <u>6,250</u>	<u>11,419</u>

Note:

The Condensed Consolidated Cashflow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



TFP SOLUTIONS BERHAD (773550-A)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
Quarterly Report For The Fourth Quarter Ended 31 December 2009

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 ACE Market ("AMLR").

The accounting policies and methods of computation adopted by TFP and its subsidiary companies ("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 2008 as well as those for the annual period beginning 1 January 2009 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 ACE 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 quarter under review.

A7 Dividend paid

There were no dividends paid during the current 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 Fourth Quarter Ended 31 December 2009

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

A9 Valuation of property, plant and equipment

There was a valuation report dated 25 June 2009 performed by Henry Butcher Malaysia (Sel) Sdn Bhd on two (2) properties of the Group for purposes of the proposed disposal as further detailed in Note A10 below.

A10 Material events subsequent to the end of the quarter

On 25 August 2009, the Board of Directors of TFP had announced that it proposed to dispose two (2) units of 4 storey shop offices for a total cash consideration of RM5.1 million ("Proposed Disposal"). The Proposed Disposal was approved by the shareholders of TFP at an extraordinary general meeting convened on 16 October 2009. The Proposed Disposal has been approved by shareholders during the extraordinary general meeting.

The Proposed Disposal was completed on 23 February 2010.

A11 Changes in the composition of the Group

There were no changes in the composition of the Group for the current financial quarter .

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, other than that disclosed in the audited financial statements for the financial year ended 31 December 2008.

A13 Capital commitments

As at 31 December 2009, 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:-

	Current Year Quarter 31.12.2009 RM'000	Cumulative Year To Date 31.12.2009 RM'000
(i) Office rental paid to Lim Lung Wen, a Director of the Company	10	40
(ii) Training and consultancy services provided by Adaptive Training & Consulting Sdn Bhd	-	14



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

A15 Cash and cash equivalents

	Current Year To Date 31 Dec 2009 RM'000	Preceding Year To Date 31 Dec 2008 RM'000
Fixed deposits with licensed banks	3,546	3,681
Cash and bank balances	2,704	7,738
	6,250	11,419

B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET

B1 Review of performance

For the current quarter ended 31 December 2009, TFP Group recorded revenue of RM32.745 million. This is attributed mainly from the sale of infrastructure and turnkey projects and Enterprise Resource Planning ("ERP") solutions. The Group incurred loss before taxation of RM0.695 million and loss after taxation of RM0.732 million, for the current quarter.

The Group's overall profit margin has been depressed due to highly competitive market conditions and higher inflationary costs. These factors have been aggravated by the regional financial crisis and lacklustre economic performance in most business sectors.

B2 Variation of results against preceding quarter

	Current Quarter 31 Dec 2009 RM'000	Preceding Quarter 30 Sep 2009 RM'000
Revenue	32,745	22,993
Loss before tax	(695)	(611)

Compared to preceding quarter 30 September 2009, the Group recorded a higher increase in revenue in the current quarter 31 December 2009. The Group continued to incur losses for the quarter mainly due to low profit margin projects and competitive pricing.



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Quarterly Report For The Fourth Quarter Ended 31 December 2009

B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET (Cont'd)

B3 Prospects

TFP is fully aware of the impact of the global economic downturn. 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 be challenging for the financial year ending 2010.

The management of TFP is currently implementing new business initiatives to secure more projects and embarking on cost-cutting measures to optimise operational costs.

B4 Variation of actual profit from forecast profit

Not applicable for the current financial quarter.

B5 Taxation

The tax arising during the current quarter were due mainly to profits in some of the subsidiary companies and adjustments for deferred taxes. The effective tax 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

Save as disclosed in Note A10, 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 are no corporate proposals announced but not yet completed as at the date of this announcement.



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Quarterly Report For The Fourth Quarter Ended 31 December 2009

B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET (Cont'd)

B9 Status of utilisation of proceeds from public issue

TFP was listed on 22 February 2008 on the MESDAQ Market (now known as ACE Market). The utilisation of gross proceeds of RM11,520,000 from the public issue by the Group as at 31 December 2009 were as follows:-

Purpose	Proposed Amount RM'000	Amount Utilised RM'000	Amount Unutilised RM'000	Time frame for utilisation
Working Capital	3,720	3,715	5	To be utilised by Feb 2011
Expansion	3,000	289	2,711	To be utilised by Feb 2011
R&D Expenditure	3,300	1,633	1,667	To be utilised by Feb 2011
Listing Expenses	1,500	1,505	(5) *	
	<u>11,520</u>	<u>7,142</u>	<u>4,378</u>	

* In view that the actual listing expenses was higher than estimated, the deficit had been funded out of proceeds allocated for working capital. TFP management team continue to be vigilante and prudent in managing the proceeds raised from the public issue as the overall economic climate in ASEAN continues to be uncertain.

B10 Group's borrowings and debt securities

As at 31 December 2009, the Group's borrowings amounted to RM0.368 million.

	As at 31 Dec 2009 RM'000	As at 31 Dec 2008 RM'000
Term Loan (Secured)		
Short-term	29	-
Long-term	339	-
	<u>368</u>	<u>-</u>

The TFP Group does not have any foreign currency borrowings.

B11 Off balance sheet financial instruments

As at reporting date, TFP issued corporate guarantees in favour of vendor companies for the supply of goods and services to its subsidiary companies up to approximately RM4.7 million.



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B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET (Cont'd)

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 Group 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 Group:-

- (i) On 6 September 2007, a subsidiary received a letter of demand from a former customer for the refund of the contract sum for the implementation of an ERP system. At present, no legal proceedings have been initiated by either party. The directors are of the opinion that the likelihood of a potential liability arising from the demand is remote.

B13 Dividends

No dividend has been declared by the Company in the current financial quarter under review.

B14 Earnings per share

	Current Year Quarter 31 Dec 2009	Preceding Year Corresponding Quarter 31 Dec 2008	Current Year To date 31 Dec 2009	Preceding Year Corresponding Period 31 Dec 2008
Profit/(loss) after taxation and minority interests (RM'000)	(681)	(477)	(2,286)	215
Weighted average number of shares in issue ('000)	140,077	130,006	140,077	130,006
Basic earnings/(loss) per share (sen)	(0.49)	(0.37)	(1.63)	0.17

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 23 February 2010.