



TFP SOLUTIONS BERHAD (773550-A)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Quarterly Report For The First Quarter Ended 30 September 2012
(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 30 Sep 2012 RM'000	Preceding Year Corresponding Quarter 30 Sep 2011 RM'000	Current Year To date 30 Sep 2012 RM'000	Preceding Year Corresponding Period 30 Sep 2011 RM'000
Revenue		17,346	8,140	39,251	25,620
Direct costs		(16,004)	(6,995)	(35,864)	(21,974)
Gross profit		1,342	1,145	3,387	3,646
Other operating income		486	62	1,436	237
Other income		-	-	-	-
Administrative expenses		(1,587)	(1,047)	(4,079)	(3,435)
Other operating expenses		(230)	(161)	(236)	(172)
Profit before taxation		11	(1)	508	276
Taxation	B5	5	1	(381)	(88)
Profit for the financial period		16	-	127	188
Other comprehensive income		-	-	-	-
Total comprehensive income		16	-	127	188
Profit/(loss) attributable to :					
Equity holders of the Company		21	38	149	324
Minority shareholders		(5)	(38)	(22)	(136)
		16	-	127	188
Basic earnings per share (sen)	B14	0.01	0.03	0.10	0.23

Note:

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.



TFP SOLUTIONS BERHAD (773550-A)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2012

(The figures have not been audited)

	As at Current Year Quarter 30 Sep 2012 RM'000 (Unaudited)	As at Preceding Financial Year Ended 31 Dec 2011 RM'000 (Audited)
ASSETS		
NON-CURRENT ASSETS		
Plant and equipment	204	224
Development costs	1,908	1,986
Goodwill on consolidation	13,691	255
	<u>15,803</u>	<u>2,465</u>
CURRENT ASSETS		
Trade receivables	16,751	12,673
Other receivables, deposits & prepayments	4,010	908
Tax recoverable	-	529
Cash and cash equivalents	4,255	7,419
	<u>25,016</u>	<u>21,529</u>
TOTAL ASSETS	<u>40,819</u>	<u>23,994</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	20,181	14,007
Share premium	6,758	2,946
Exchange fluctuation account	(1)	-
Accumulated losses	(2,085)	(2,234)
Shareholders' funds	<u>24,853</u>	<u>14,719</u>
Minority interests	<u>(293)</u>	<u>(270)</u>
Total Equity	<u>24,560</u>	<u>14,449</u>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	<u>59</u>	<u>37</u>
CURRENT LIABILITIES		
Trade payables	13,897	8,841
Other payables and accruals	1,994	583
Deferred income	44	84
Bank Borrowings (Secured)	15	-
Provision for taxation	250	-
	<u>16,200</u>	<u>9,508</u>
TOTAL EQUITY AND LIABILITIES	<u>40,819</u>	<u>23,994</u>
Net Assets per share (RM)	<u>0.12</u>	<u>0.10</u>

Note:

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011 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 RM24,560,000 over the number of ordinary shares of 201,805,595 shares of RM0.10 each.



TFP SOLUTIONS BERHAD (773550-A)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Quarterly Report For The First Quarter Ended 30 September 2012

(The figures have not been audited)

	<----- Non-distributable ----->			Distributable Retained profits RM'000	Shareholders' Fund RM'000	Exchange Fluctuation Account RM'000	Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Reserve on Consolidation RM'000					
At 1 January 2011	14,007	2,946	-	(2,347)	14,606	-	(92)	14,514
Minority investment in shares of subsidiary	-	-	-	-	-	-	-	-
Net loss for the financial period	-	-	-	113	113	-	(178)	(65)
At 31 December 2011 (Audited)	14,007	2,946	-	(2,234)	14,719	-	(270)	14,449
At 1 January 2012	14,007	2,946	-	(2,234)	14,719	-	(270)	14,449
Net profit/(loss) for the financial period	-	-	-	149	149	-	(22)	127
Share issued during period	6,173	3,812	-	-	9,985	-	-	9,985
Exchange arising from translation of foreign currency	-	-	-	-	-	(1)	-	(1)
At 30 September 2012 (Unaudited)	20,180	6,758	-	(2,085)	24,853	(1)	(292)	24,560

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 2011 and the accompanying explanatory notes attached to the interim financial statements.



TFP SOLUTIONS BERHAD (773550-A)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
Quarterly Report For The First Quarter Ended 30 September 2012
(The figures have not been audited)

	Current Year To date ended 30 Sep 2012 RM'000 (Unaudited)	Preceding Corresponding Year To date ended 30 Sep 2011 RM'000 (Audited)
CASHFLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	508	276
Adjustments for:		
Amortisation of development costs	323	365
Depreciation of plant and equipment	92	130
Impairment loss on trade receivables	-	2
Reversal of impairment loss on trade receivables	(158)	(88)
Loss on disposal of plant and equipment	1	38
Plant and equipment written off	1	9
Net unrealised foreign exchange loss	-	7
Interest income	(101)	(81)
Operating profit before working capital changes	666	658
Decrease/(Increase) in inventories	-	1,913
Decrease/(Increase) in trade and other receivables	(6,646)	4,301
(Decrease)/Increase in trade and other payables	6,886	(3,497)
Decrease in deferred income	(40)	3
Cash (used in)/generated from operations	866	3,378
Tax recovered/(paid)	111	(156)
Interest received	101	81
Net cash (used in)/generated from operating activities	1,078	3,303
CASHFLOWS FROM INVESTING ACTIVITIES		
Internally developed intangible assets	(245)	(351)
Purchase of property, plant and equipment	(53)	(30)
Summary of proceeds of acquisition of subsidiary	(3,944)	-
Proceeds from disposal of plant and equipment	1	-
Net cash used in investing activities	(4,241)	(381)
CASHFLOWS FROM FINANCING ACTIVITIES		
Repayment of bills payable	-	(1,848)
Net cash used in financing activities	-	(1,848)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(3,163)	1,074
FOREIGN EXCHANGE TRANSACTION DIFFERENCES	(1)	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	7,419	5,530
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	A16 4,255	6,604

Note:

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011 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 First Quarter Ended 30 September 2012

A NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements outlined in the Financial Reporting Standards ("FRS") No. 134: Interim Financial Reporting, and Paragraph 9.22 of the Bursa Malaysia Securities Berhad ACE Market Listing Requirements ("AMLR") and should be read in conjunction with the audited financial statements of the Company and its subsidiary companies ("TFP Group" or "TFP") for the financial year ended 31 December 2011.

The interim financial statements are prepared based on the historical cost convention and in compliance with the applicable Approved Accounting Standards in Malaysia.

A2 Significant accounting policies

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 2011.

Save as disclosed below, the Directors anticipate that the application of the following new/revised FRSs, Issues Committee ("IC") Interpretations, amendments to FRSs and IC Interpretations, issued by the Malaysian Accounting Standards Board ("MASB"), which are mandatory and will be effective for the financial periods as stated below, will have no material impact on the financial statements of the Group and of the Company:

FRSs and IC Interpretations (including the Consequential Amendments)	Effective date
FRS 9 Financial Instruments	1 January 2015
FRS 10 Consolidated Financial Statements	1 January 2013
FRS 11 Joint Arrangements	1 January 2013
FRS 12 Disclosure of Interests in Other Entities	1 January 2013
FRS 13 Fair Value Measurement	1 January 2013
FRS 119 (Revised) Employee Benefits	1 January 2013
FRS 124 (Revised) Related Party Disclosures	1 January 2012
FRS 127 (2011) Separate Financial Statements	1 January 2013
FRS 128 (2011) Investments in Associates and Joint Ventures	1 January 2013
Amendments to FRS 1 (Revised): Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 January 2012
Amendments to FRS 7: Disclosures – Transfers of Financial Assets	1 January 2012
Amendments to FRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 9: Mandatory Effective Date of FRS 9 and Transition Disclosures	1 January 2015
Amendments to FRS 101 (Revised): Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to FRS 112: Recovery of Underlying Assets	1 January 2012
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014



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

A2 Significant accounting policies (cont'd)

FRSs and IC Interpretations (including the Consequential Amendments) (Cont'd)	Effective date
IC Interpretation 15 Agreements for the Construction of Real Estate	Withdrawn on 19 November 2011
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement	1 July 2011

The Group's next set of financial statements for the annual period beginning on 1 January 2012 will be prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs") issued by the MASB that will also comply with International Financial Reporting Standards ("IFRSs"). As a result, the Group will not be adopting the above accounting standards and interpretations (including the consequential amendments) that are effective for annual periods beginning on or after 1 January 2012.

Following the issuance of MFRSs (equivalent to IFRSs) by the MASB on 19 November 2011, the Group will be adopting these new accounting standards in the next financial year. The possible change of the accounting policies is expected to have no material impact on the financial statements of the Group upon their initial application.

A3 Audit report of preceding annual financial statements

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

A4 Seasonal or cyclical factors

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

A5 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, other than the acquisition of subsidiary company as announced in the Extraordinary General Meeting.

A6 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.



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

A7 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.

A8 Dividend paid

There were no dividends paid during the current quarter under review.

A9 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.

A10 Valuation of property, plant and equipment

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

A11 Material events subsequent to the end of the quarter

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

A12 Changes in the composition of the Group

There were no changes in the composition of the Group for the current financial quarter, other than the acquisition of subsidiary company as announced in the Extraordinary General Meeting.

A13 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 2011.

A14 Capital commitments

As at 30 September 2012, the Group has no material capital commitments in respect of property, plant and equipment.



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Quarterly Report For The First Quarter Ended 30 September 2012

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

A15 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 20 June 2012. The RRPTs in the current financial quarter and cumulative year to date is as follows:-

	Current Year Quarter 30.09.2012 RM'000	Cumulative Year To Date 30.09.2012 RM'000
(i) Office rental paid to Directors of the Company	15	46

A16 Cash and cash equivalents

	Current Year To Date 30 Sep 2012 RM'000	Preceding Corresponding Year To Date 30 Sep 2011 RM'000
Fixed deposits with licensed banks	3,459	5,880
Cash and bank balances	796	724
	4,255	6,604

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

B1 Review of performance

For the current quarter ended 30 September 2012, TFP Group recorded revenue of RM17.346 million. This is attributed mainly from the sale of infrastructure and turnkey projects and Enterprise Resource Planning ("ERP") solutions. The Group recorded a profit before taxation of RM11 thousand for the current quarter.

The Group is striving hard to overcome the challenging market conditions and are building up a healthier profit margin, for billings in infrastructure projects and ERP solutions.



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

B2 Variation of results against preceding quarter

	Current Quarter 30 Sep 2012 RM'000	Preceding Quarter 30 June 2012 RM'000
Revenue	17,346	7,683
Profit before tax	11	256

Compared to preceding quarter 30 June 2012, the Group recorded an increase in revenue in the current quarter 30 September 2012. The Group achieved a profit before tax of RM11 thousand in the current quarter, as compared to a profit before tax of RM256 thousand in the previous quarter, mainly due to related cost of RM219 thousand incurred for the acquisition of subsidiary company, and annual trip expense of RM154k.

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 2012.

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

	Current Quarter 30 Sep 2012 RM'000	Cumulative Quarter 30 Sep 2012 RM'000
Current tax expense	(5)	381

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

There were no disposal of any unquoted investments or properties in the current quarter under review.



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Quarterly Report For The First Quarter Ended 30 September 2012

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

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

TFP Group had announced on 12 July 2012 and 16 July 2012 respectively, the Proposed Acquisition of the Entire Equity Interest in Comm Zed Sdn. Bhd. ("Comm Zed") at A Purchase Consideration of RM14.0 Million to be satisfied via Cash and New Ordinary Shares of RM0.10 each in TFP ("TFP Shares" or "Shares") ("Proposed Acquisition").

The proposed acquisition was approved by Bursa on 24 August 2012. The shareholders had approved the proposed acquisition via an Extraordinary General Meeting held on 21 September 2012. The change in ownership was lodged with Bursa on 27 September 2012 and control is recognised with effect from 30 September 2012. The acquisition was completed on 22 October 2012, in compliance with the terms and conditions of the Bursa's approval, pursuant to Rule 6.62 of the Listing Requirement.

There are no other 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 ACE Market (formerly known as MESDAQ Market).

On 4 April 2011, the company made the following announcement:-

- (i) the redeployment of part of its IPO proceeds of RM2.68 million, originally allocated for business expansion and capital expenditure to be used as working capital for TFP and its subsidiaries ("TFP Group" or the "Group") ("Proposed Revision"); and
- (ii) the extension of time for full utilisation of its remaining IPO proceeds as at 28 February 2011 amounted to RM3.76 million, made up of working capital of RM2.68 million by one (1) year to 21 February 2012 and research and development ("R&D") expenditure of RM1.08 million by one and half (1½) years to 21 August 2012 ("Extension of Time").



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QUARTERLY REPORT ON CONSOLIDATED RESULTS

Quarterly Report For The First Quarter Ended 30 September 2012

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

B9 Status of utilisation of proceeds from public issue (cont'd)

The utilisation of gross proceeds of RM11,520,000 from the public issue by the Group as at 30 September 2012 were as follows:-

Purpose	Revised Proposed Amount RM'000	Amount Utilised RM'000	Amount Unutilised RM'000	Time frame for utilisation
Working Capital	6,401	6,396	5	To be utilised by Feb 2012
Expansion	319	319	-	To be utilised by Feb 2011
R&D Expenditure	3,300	3,300	-	To be utilised by Aug 2012
Listing Expenses	1,500	1,505	(5) *	
	<u>11,520</u>	<u>11,520</u>	<u>-</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 30 September 2012, the Group's borrowings amounted to RM 15 thousand.

	As at 30 Sep 2012 RM'000	As at 30 June 2012 RM'000
Hire Purchase (Secured)		
Short-term	15	-
Long-term	-	-
	<u>15</u>	<u>-</u>

The hire purchase was part of the assets and liabilities taken over from the acquisition of subsidiary company. The TFP Group has no other borrowings or debt securities as at 30 September 2012.

The TFP Group does not have any foreign currency borrowings.



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

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 RM9.1 million.

B12 Material litigation

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.

B13 Dividends

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

B14 Earnings per share

	Current Year Quarter 30 Sep 2012	Preceding Year Corresponding Quarter 30 Sep 2011	Current Year To date 30 Sep 2012	Preceding Year Corresponding Period 30 Sep 2011
Profit after taxation and minority interests (RM'000)	21	38	149	324
Weighted average number of shares in issue ('000)	156,313	140,077	156,313	140,077
Basic earnings per share (sen)	0.01	0.03	0.10	0.23

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



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QUARTERLY REPORT ON CONSOLIDATED RESULTS
Quarterly Report For The First Quarter Ended 30 September 2012

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

B15 Realised and Unrealised Losses Disclosure

The accumulated losses as at 30 September 2012 and 30 June 2012 is analysed as follows:-

	Current Quarter 30 Sep 2012 RM'000	Preceding Quarter 30 June 2012 RM'000
Total accumulated losses of TFP Group:		
- Realised	(117)	(414)
- Unrealised	-	-
	<hr/>	<hr/>
	(117)	(414)
Less : Consolidation adjustments	(1,967)	(1,692)
	<hr/>	<hr/>
Total group accumulated losses as per statement of financial position	<u>(2,084)</u>	<u>(2,106)</u>

B16 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 21 Nov 2012.

TFP Solutions Berhad
26 Nov 2012