



**TFP SOLUTIONS BERHAD (773550-A)**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**Quarterly Report For The Third Quarter Ended 30 September 2013**  
(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 30 Sep 2013 RM'000	Preceding Year Corresponding Quarter 30 Sep 2012 RM'000	Current Year To date 30 Sep 2013 RM'000	Preceding Year Corresponding Period 30 Sep 2012 RM'000
Revenue		22,680	17,346	59,732	39,251
Direct costs		(19,651)	(16,004)	(52,408)	(35,864)
Gross profit		3,029	1,342	7,324	3,387
Other operating income		312	486	1,972	1,436
Other income		-	-	-	-
Administrative expenses		(2,853)	(1,587)	(6,787)	(4,079)
Other operating expenses		(32)	(230)	(41)	(236)
<b>Profit before taxation</b>		456	11	2,468	508
Taxation	B6	(159)	5	(459)	(381)
<b>Profit for the financial period</b>		297	16	2,009	127
<b>Other comprehensive income</b>		-	-	-	-
<b>Total comprehensive income</b>		297	16	2,009	127
<b>Profit/(loss) attributable to :</b>					
Equity holders of the Company		312	21	2,038	149
Minority shareholders		(15)	(5)	(29)	(22)
		297	16	2,009	127
<b>Basic earnings per share (sen)</b>	B15	0.15	0.01	1.01	0.10

**Note:**

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 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 2013**

(The figures have not been audited)

	As at Current Year Quarter 30 Sep 2013 RM'000 (Unaudited)	As at Preceding Financial Year Ended 31 Dec 2012 RM'000 (Audited)
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Plant and equipment	153	175
Development costs	1,409	1,858
Goodwill on consolidation	14,024	14,024
	<u>15,586</u>	<u>16,057</u>
<b>CURRENT ASSETS</b>		
Trade receivables	24,375	15,875
Other receivables, deposits & prepayments	8,265	418
Cash and cash equivalents	279	8,400
	<u>32,919</u>	<u>24,693</u>
<b>TOTAL ASSETS</b>	<u>48,505</u>	<u>40,750</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	20,180	20,180
Share premium	6,758	6,758
Exchange fluctuation account	(3)	(3)
Retained profits/ (accumulated losses)	1,679	(359)
Shareholders' funds	<u>28,614</u>	<u>26,576</u>
Minority interests	<u>(308)</u>	<u>(279)</u>
<b>Total Equity</b>	<u>28,306</u>	<u>26,297</u>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liabilities	<u>37</u>	<u>37</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	16,242	12,636
Other payables and accruals	3,784	859
Deferred income	49	34
Bank Borrowings (Secured)	-	14
Provision for taxation	87	873
	<u>20,162</u>	<u>14,416</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>48,505</u>	<u>40,750</u>
Net Assets per share (RM)	<u>0.14</u>	<u>0.13</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 2012 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 RM28,306,000 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 Third Quarter Ended 30 September 2013

(The figures have not been audited)

	<----- Non-distributable ----->			Distributable	Exchange	Shareholders'	Minority	Total
	Share	Share	Reserve on	Retained	Fluctuation	Fund	Interest	Equity
	Capital	Premium	Consolidation	profits	Account			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2012	14,007	2,946	-	(2,234)	-	14,719	(270)	14,449
Net profit/(loss) for the financial period	-	-	-	1,875	-	1,875	(9)	1,866
Share issued during period	6,173	3,812	-	-	-	9,985	-	9,985
Exchange arising from translation of foreign currency	-	-	-	-	(3)	(3)	-	(3)
At 31 December 2012 (Audited)	20,180	6,758	-	(359)	(3)	26,576	(279)	26,297
At 1 January 2013	20,180	6,758	-	(359)	(3)	26,576	(279)	26,297
Net profit/(loss) for the financial period	-	-	-	2,038	-	2,038	(29)	2,009
At 30 September 2013 (Unaudited)	20,180	6,758	-	1,679	(3)	28,614	(308)	28,306

**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 2012 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 Third Quarter Ended 30 September 2013**  
(The figures have not been audited)

	<b>Current Year To date ended 30 Sep 2013 RM'000</b>	<b>Preceding Corresponding Year To date ended 30 Sep 2012 RM'000</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	2,468	508
Adjustments for:		
Amortisation of development costs	471	323
Depreciation of plant and equipment	74	92
Impairment loss on trade receivables	-	(158)
Loss on disposal of plant and equipment	10	1
Plant and equipment written off	-	1
Interest income	(83)	(101)
Operating profit before working capital changes	2,940	666
Decrease/(Increase) in trade and other receivables	(18,764)	(6,646)
(Decrease)/Increase in trade and other payables	8,948	6,886
Decrease in deferred income	15	(40)
Cash (used in)/generated from operations	(6,861)	866
Tax (paid)/refunded	(1,245)	111
Interest received	83	101
Net cash (used in)/generated from operating activities	(8,023)	1,078
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>		
Internally developed intangible assets	(22)	(245)
Purchase of property, plant and equipment	(62)	(53)
Summary of proceeds of acquisition of subsidiary	-	(3,944)
Proceeds from disposal of plant and equipment	-	1
Net cash used in investing activities	(84)	(4,241)
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of hire purchase	(14)	-
Net cash used in financing activities	(14)	-
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(8,121)	(3,163)
<b>FOREIGN EXCHANGE TRANSACTION DIFFERENCES</b>	-	(1)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	8,400	7,419
<b>CASH AND CASH EQUIVALENTS AT END OF THE QUARTER</b>	A16 279	4,255

**Note:**

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 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 Third Quarter Ended 30 September 2013**

**A NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**A1 Basis of preparation**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements outlined in the Malaysian Financial Reporting Standards ("MFRS") 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 2012.

The Group has adopted the Malaysian Financial Reporting Standard (MFRS) framework issued by MASB with effect from 1 January 2012. There were no material financial impacts on the transition from FRSs to MFRSs.

The interim financial statements are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 1965 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 2012.

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 127 Separate Financial Statements	1 January 2013
FRS 128 Investments in Associates and Joint Ventures	1 January 2013



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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
Amendments to MFRS 1: Government Loans	1 January 2013
Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 9: Mandatory Effective Date of MFRS 9 and Transition Disclosures	1 January 2015
Amendments to MFRS 10, MFRS 11 and MFRS 12: Transition Guidance	1 January 2013
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
Amendments to MFRS 101: Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Annual Improvements to MFRSs 2009 - 2011 Cycle	1 January 2013

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.

**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.

**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.



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

**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 .

**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 2012.

**A14 Capital commitments**

As at 30 September 2013, the Group has no material capital commitments in respect of property, plant and equipment.

**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 2013. The RRPTs in the current financial quarter and cumulative year to date is as follows:-

	<b>Current Year Quarter 30.09.2013 RM'000</b>	<b>Cumulative Year To Date 30.09.2013 RM'000</b>
(i) Office rental paid to Directors of the Company	15	46
(ii) Transaction with related company	1,708	1,708



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

**A16 Cash and cash equivalents**

	<b>Current Year To Date 30 Sep 2013 RM'000</b>	<b>Preceding Corresponding Year To Date 30 Sep 2012 RM'000</b>
Fixed deposits with licensed banks	-	3,459
Cash and bank balances	279	796
	<u>279</u>	<u>4,255</u>

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

**B1 Review of performance**

For the current quarter ended 30 September 2013, TFP Group recorded a revenue of RM22.680 million. This is attributed mainly from the IT infrastructure business and Enterprise Resource Planning ("ERP") solutions. The Group recorded a profit before taxation of RM0.456 million for the current quarter.

**B2 Variation of results against preceding quarter**

	<b>Current Quarter 30 Sep 2013 RM'000</b>	<b>Preceding Quarter 30 Jun 2013 RM'000</b>
Revenue	22,680	27,351
Profit before tax	456	1,765

Compared to preceding quarter 30 June 2013, the Group recorded a decrease in revenue in the current quarter 30 September 2013. The lower profit before tax in the current quarter, as compared to the previous quarter, was mainly due to lower margin sales in the current quarter.

**B3 Prospects**

TFP is fully aware of the continuing global economic challenges. Barring unforeseen circumstances, the Board of Directors are of the opinion that the performance of the existing business of the TFP Group will continue to be positive. The Board remain cautiously optimistic for the new financial year ending 2013.

The management of TFP will persevere in its business initiatives to secure more projects and continuously looking for new business opportunities to expand our business portfolios.





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

**B4 Variation of actual profit from forecast profit**  
 Not applicable for the current financial quarter.

<b>B5 Statement of Comprehensive Income</b>	<b>Current Quarter 30 Sep 2013 RM'000</b>	<b>Cumulative Quarter 30 Sep 2013 RM'000</b>
a. interest income	11	94
b. other income including investment income	301	1,836
c. foreign exchange gain	-	29
d. interest expense	-	-
e. depreciation and amortisation	177	546
f. provision for and write off of receivables	-	-
g. provision for and write off of inventories	-	-
h. gain/(loss) on disposal of investments	-	-
i. impairment of assets	-	-
j. foreign exchange loss	32	37
k. gain/(loss) on derivatives	-	-
l. exceptional items (with details)	-	-

<b>B6 Taxation</b>	<b>Current Quarter 30 Sep 2013 RM'000</b>	<b>Cumulative Quarter 30 Sep 2013 RM'000</b>
Current tax expense	159	459

The effective tax rate for the current quarter is higher as the accompanying tax benefit of the MSC status subsidiary companies within the TFP Group had not been fully optimised for the TFP Group's overall tax commitment.

However, cumulatively for the current year to date, the effective tax rate for TFP Group is lower due to the tax exemption enjoyed by a subsidiary company with MSC status.

**B7 Unquoted investments and properties**

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

**B8 Quoted securities**

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



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

**B9 Status of corporate proposals**

TA Securities Holdings Berhad, had on behalf of the Board of Directors of TFP, announced on Friday, 29 November 2013, that the Company proposes to undertake the following corporate proposals:

- (i) proposed issue of up to 110,992,798 free warrants ("Free Warrants") on the basis of one (1) Free Warrant for every two (2) existing ordinary shares of RM0.10 each in TFP ("TFP Shares") held at an entitlement date to be determined later; and
- (ii) proposed private placement of up to 30,270,000 new TFP Shares, representing approximately ten percent (10%) of the enlarged issued and paid-up capital of TFP (excluding treasury shares, if any).

There are no other corporate proposals announced but not yet completed, except as disclosed above.

**B10 Status of utilisation of proceeds from public issue**

TFP was listed on 22 February 2008 on the ACE Market of Bursa Malaysia Securities Berhad.

The gross proceeds of RM11,520,000 from the public issue have been fully utilised by the Group as at 31 March 2013.

**B11 Group's borrowings and debt securities**

The TFP Group has no borrowings or debt securities as at 30 September 2013.

The TFP Group does not have any foreign currency borrowings.

**B12 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.

**B13 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.

**B14 Dividends**

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



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**Quarterly Report For The Third Quarter Ended 30 September 2013**

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

**B15 Earnings per share**

	Current Year Quarter 30 Sep 2013	Preceding Year Corresponding Quarter 30 Sep 2012	Current Year To date 30 Sep 2013	Preceding Year Corresponding Period 30 Sep 2012
Profit after taxation and minority interests (RM'000)	312	21	2,038	149
Weighted average number of shares in issue ('000)	201,806	156,313	201,806	156,313
Basic earnings per share (sen)	0.15	0.01	1.01	0.10

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

**B16 Realised and Unrealised Losses Disclosure**

The accumulated losses as at 30 September 2013 and 30 June 2013 is analysed as follows:-

	Current Quarter 30 Sep 2013 RM'000	Preceding Quarter 30 Jun 2013 RM'000
Total retained profits/(accumulated losses) of TFP Group:		
- Realised	3,334	3,037
- Unrealised	(37)	(37)
	<u>3,297</u>	<u>3,000</u>
Less : Consolidation adjustments	(1,618)	(1,633)
Total group retained profits/(accumulated losses) as per statement of financial position	<u>1,679</u>	<u>1,367</u>

**B17 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 November 2013.