



TFP SOLUTIONS BERHAD (773550-A)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Quarterly Report For The Fourth Quarter Ended 31 December 2013
(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 31 Dec 2013 RM'000	Preceding Year Corresponding Quarter 31 Dec 2012 RM'000	Current Year To date 31 Dec 2013 RM'000	Preceding Year Corresponding Period 31 Dec 2012 RM'000
Revenue		37,114	23,153	96,846	62,404
Direct costs		(34,007)	(19,170)	(86,415)	(55,034)
Gross profit		3,107	3,983	10,431	7,370
Other operating income		559	115	2,531	1,551
Other income		-	-	-	-
Administrative expenses		(1,898)	(1,768)	(8,685)	(5,847)
Other operating expenses		(81)	(140)	(122)	(376)
Profit before taxation		1,687	2,190	4,155	2,698
Taxation	B6	(20)	(451)	(479)	(832)
Profit for the financial period		1,667	1,739	3,676	1,866
Other comprehensive income		-	-	-	-
Total comprehensive income		1,667	1,739	3,676	1,866
Profit/(loss) attributable to :					
Equity holders of the Company		1,647	1,720	3,685	1,869
Non-Controlling Interest		20	19	(9)	(3)
		1,667	1,739	3,676	1,866
Basic earnings per share (sen)	B15	0.82	1.10	1.83	1.20

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 31 December 2013

(The figures have not been audited)

	As at Current Year Quarter 31 Dec 2013 RM'000 (Unaudited)	As at Preceding Financial Year Ended 31 Dec 2012 RM'000 (Audited)
ASSETS		
NON-CURRENT ASSETS		
Plant and equipment	137	175
Development costs	1,257	1,858
Goodwill on consolidation	14,024	14,024
	<u>15,418</u>	<u>16,057</u>
CURRENT ASSETS		
Trade receivables	28,143	15,875
Other receivables, deposits & prepayments	2,998	418
Cash and cash equivalents	12,358	8,400
	<u>43,499</u>	<u>24,693</u>
TOTAL ASSETS	<u>58,917</u>	<u>40,750</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	20,180	20,180
Share premium	6,758	6,758
Exchange fluctuation account	(6)	(3)
Retained profits/ (accumulated losses)	3,326	(359)
Shareholders' funds	<u>30,258</u>	<u>26,576</u>
Minority interests	<u>(288)</u>	<u>(279)</u>
Total Equity	<u>29,970</u>	<u>26,297</u>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	<u>37</u>	<u>37</u>
CURRENT LIABILITIES		
Trade payables	26,491	12,636
Other payables and accruals	2,350	859
Deferred income	58	34
Bank Borrowings (Secured)	-	14
Provision for taxation	11	873
	<u>28,910</u>	<u>14,416</u>
TOTAL EQUITY AND LIABILITIES	<u>58,917</u>	<u>40,750</u>
Net Assets per share (RM)	<u>0.15</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 RM29,970,000 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 Fourth Quarter Ended 31 December 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	-	-	-	3,685	(3)	3,682	(9)	3,673
At 31 December 2013 (Unaudited)	20,180	6,758	-	3,326	(6)	30,258	(288)	29,970

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 Fourth Quarter Ended 31 December 2013
(The figures have not been audited)

	Current Year To date ended 31 Dec 2013 RM'000	Preceding Corresponding Year To date ended 31 Dec 2012 RM'000
CASHFLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	4,155	2,698
Adjustments for:		
Amortisation of development costs	623	457
Depreciation of plant and equipment	95	121
Impairment loss on trade receivables	-	48
Writeback of impairment loss on trade receivables	-	(158)
Loss on disposal of plant and equipment	10	-
Plant and equipment written off	-	2
Interest income	(119)	(130)
Operating profit before working capital changes	4,764	3,038
Increase in trade and other receivables	(17,266)	(1,759)
Increase in trade and other payables	17,764	3,613
Increase/(Decrease) in deferred income	24	(50)
Cash generated from operations	5,286	4,842
Tax (paid)/refunded	(1,341)	340
Interest received	119	130
Net cash generated from operating activities	4,064	5,312
CASHFLOWS FROM INVESTING ACTIVITIES		
Development costs paid	(22)	(329)
Purchase of property, plant and equipment	(67)	(53)
Summary of proceeds of acquisition of subsidiary	-	(3,929)
Net cash used in investing activities	(89)	(4,311)
CASHFLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase	(14)	(2)
Share issuance expenses	-	(15)
Net cash used in financing activities	(14)	(17)
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,961	984
FOREIGN EXCHANGE TRANSACTION DIFFERENCES	(3)	(3)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	8,400	7,419
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	12,358	8,400
A16		

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 Fourth Quarter Ended 31 December 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



TFP SOLUTIONS BERHAD (773550-A)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
Quarterly Report For The Fourth Quarter Ended 31 December 2013

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.



TFP SOLUTIONS BERHAD (773550-A)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
Quarterly Report For The Fourth Quarter Ended 31 December 2013

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, other than as disclosed below:

TA Securities Holdings Berhad ("TA Securities"), had on behalf of the Board of Directors of TFP, announced on 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).

On 12 December 2013, TA Securities announced on behalf of TFP Group that Bursa Securities had, vide its letter dated 11 December 2013, approved the following:

- (i) Admission to the Official List and listing and quotation of up to 110,992,798 Free Warrants to be issued pursuant to the Proposed Free Warrants Issue;
- (ii) Listing and quotation of up to 110,992,798 new TFP Shares to be issued pursuant to the exercise of the Free Warrants; and
- (iii) Listing and quotation of up to 30,270,000 Placement Shares to be issued pursuant to the Proposed Private Placement.



TFP SOLUTIONS BERHAD (773550-A)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
Quarterly Report For The Fourth Quarter Ended 31 December 2013

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

A11 Material events subsequent to the end of the quarter (cont'd)

The approval granted by Bursa Securities for the Proposed Free Warrants Issue and Proposed Private Placement is subject to the following conditions:

- (i) TFP and TA Securities must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Free Warrants Issue and Proposed Private Placement;
- (ii) TFP and TA Securities to inform Bursa Securities upon the completion of the Proposed Free Warrants Issue and Proposed Private Placement;
- (iii) TFP to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Free Warrants Issue and Proposed Private Placement are completed; and
- (iv) TFP to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Free Warrants as at end of each quarter together with a detailed computation of listing fees payable.

An Extraordinary General Meeting held on 23 January 2014, had passed the resolution to approve the above proposals.

On 21 February 2014, TA Securities announced on behalf of TFP Group, that the Free Warrants Issue has been completed following the listing of and quotation for the 100,902,794 Free Warrants on the ACE Market of Bursa Securities

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 31 December 2013, the Group has no material capital commitments in respect of property, plant and equipment.



TFP SOLUTIONS BERHAD (773550-A)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
Quarterly Report For The Fourth Quarter Ended 31 December 2013

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

	Current Year Quarter 31.12.2013 RM'000	Cumulative Year To Date 31.12.2013 RM'000
(i) Office rental paid to Directors of the Company	16	62
(ii) Transaction with related company	2,396	4,104

A16 Cash and cash equivalents

	Current Year To Date 31 Dec 2013 RM'000	Preceding Corresponding Year To Date 31 Dec 2012 RM'000
Fixed deposits with licensed banks	10,150	3,503
Cash and bank balances	2,208	4,897
	<u>12,358</u>	<u>8,400</u>

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

B1 Review of performance

For the current quarter ended 31 December 2013, TFP Group recorded a revenue of RM37.114 million. This is attributed mainly from the IT infrastructure business and Enterprise Resource Planning ("ERP") solutions. The Group recorded a profit before taxation of RM1.687 million for the current quarter.



TFP SOLUTIONS BERHAD (773550-A)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

Quarterly Report For The Fourth Quarter Ended 31 December 2013

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

B2 Variation of results against preceding quarter

	Current Quarter 31 Dec 2013 RM'000	Preceding Quarter 30 Sep 2013 RM'000
Revenue	37,114	22,680
Profit before tax	1,687	456

Compared to preceding quarter 30 September 2013, the Group recorded an increase in revenue in the current quarter 31 December 2013. The Group achieved a higher profit before tax in the current quarter, as compared to the previous quarter, mainly due to increased sale of IT infrastructure projects 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 2014.

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.

B4 Variation of actual profit from forecast profit

Not applicable for the current financial quarter.

B5 Statement of Comprehensive Income

	Current Quarter 31 Dec 2013 RM'000	Cumulative Quarter 31 Dec 2013 RM'000
a. interest income	25	119
b. other income including investment income	531	2,367
c. foreign exchange gain	2	31
d. interest expense	-	-
e. depreciation and amortisation	172	718
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	4	41
k. gain/(loss) on derivatives	-	-
l. exceptional items (with details)	-	-



TFP SOLUTIONS BERHAD (773550-A)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

Quarterly Report For The Fourth Quarter Ended 31 December 2013

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

B6 Taxation	Current	Cumulative
	Quarter	Quarter
	31 Dec 2013	31 Dec 2013
	RM'000	RM'000
Current tax expense	<u>20</u>	<u>479</u>

The effective tax rate for the current quarter is lower due to the tax exemption enjoyed by a subsidiary company with MSC status and the utilisation of previous years tax losses carried forward.

For the current year to date, the cumulative 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.

B9 Status of corporate proposals

There are no other corporate proposals announced but not yet completed, except as disclosed Note A11 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 31 December 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.



TFP SOLUTIONS BERHAD (773550-A)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

Quarterly Report For The Fourth Quarter Ended 31 December 2013

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

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.

B15 Earnings per share

	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To date	Corresponding
	31 Dec 2013	Quarter	31 Dec 2013	Period
		31 Dec 2012		31 Dec 2012
Profit after taxation and minority interests (RM'000)	1,647	1,720	3,685	1,869
Weighted average number of shares in issue ('000)	201,806	156,313	201,806	156,313
Basic earnings per share (sen)	0.82	1.10	1.83	1.20

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



TFP SOLUTIONS BERHAD (773550-A)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
Quarterly Report For The Fourth Quarter Ended 31 December 2013

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

B16 Realised and Unrealised Losses Disclosure

The accumulated losses as at 31 December 2013 and 30 September 2013 is analysed as follows:-

	Current Quarter 31 Dec 2013 RM'000	Preceding Quarter 30 Sep 2013 RM'000
Total retained profits of TFP Group:		
- Realised	4,981	3,334
- Unrealised	(37)	(37)
	<hr/> 4,944	<hr/> 3,297
Less : Consolidation adjustments	(1,618)	(1,618)
Total group retained profits as per statement of financial position	<hr/> <hr/> 3,326	<hr/> <hr/> 1,679

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 27 February 2014.

TFP Solutions Berhad
28 February 2014