



**TFP SOLUTIONS BERHAD (773550-A)**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**Quarterly Report For The Third Quarter Ended 30 September 2014**  
(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 30 Sep 2014 RM'000	Preceding Year Corresponding Quarter 30 Sep 2013 RM'000	Current Year To date 30 Sep 2014 RM'000	Preceding Year Corresponding Period 30 Sep 2013 RM'000
Revenue		15,339	22,680	59,599	59,732
Direct costs		(13,791)	(19,651)	(53,741)	(52,408)
Gross profit		1,548	3,029	5,858	7,324
Other operating income		410	312	1,043	1,972
Administrative expenses		(1,825)	(2,853)	(6,068)	(6,787)
Other operating expenses		(13)	(32)	(34)	(41)
<b>Profit before taxation</b>		120	456	799	2,468
Taxation	B5	(89)	(159)	(487)	(459)
<b>Profit for the financial period</b>		31	297	312	2,009
<b>Other comprehensive income</b>		-	-	-	-
<b>Total comprehensive income</b>		31	297	312	2,009
<b>Profit attributable to :</b>					
Equity holders of the Company		(166)	312	47	2,038
Minority shareholders		197	(15)	265	(29)
		31	297	312	2,009
<b>Earnings per share (sen)</b>					
- Basic	B15	(0.08)	0.15	0.02	1.01
- Diluted	B15	(0.05)	0.15	0.02	1.01

**Note:**

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013 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 2014**

(The figures have not been audited)

	<b>As at Current Year Quarter 30 Sep 2014 RM'000 (Unaudited)</b>	<b>As at Preceding Financial Year Ended 31 Dec 2013 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Plant and equipment	161	137
Development costs	919	1,257
Goodwill on consolidation	14,024	14,024
	<u>15,104</u>	<u>15,418</u>
<b>CURRENT ASSETS</b>		
Trade receivables	17,056	28,143
Other receivables, deposits & prepayments	10,665	2,998
Tax recoverable	139	172
Cash and cash equivalents	7,062	12,358
	<u>34,922</u>	<u>43,671</u>
<b>TOTAL ASSETS</b>	<u>50,026</u>	<u>59,089</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	20,506	20,180
Share premium	6,758	6,758
Warrant reserves	1,357	-
Exchange fluctuation account	(5)	(5)
Retained profits	2,198	3,508
Shareholders' funds	<u>30,814</u>	<u>30,441</u>
Minority interests	<u>(23)</u>	<u>(288)</u>
<b>Total Equity</b>	<u>30,791</u>	<u>30,153</u>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liabilities	<u>37</u>	<u>37</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	16,011	26,491
Other payables and accruals	3,099	2,350
Deferred income	88	58
Provision for taxation	-	-
	<u>19,198</u>	<u>28,899</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>50,026</u>	<u>59,089</u>
Net Assets per share (RM)	<u>0.15</u>	<u>0.15</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 2013 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 RM30,791,000 over the number of ordinary shares of 205,057,395 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 2014

(The figures have not been audited)

	<----- Non-distributable ----->			Distributable Retained Profits RM'000	Exchange Fluctuation Account RM'000	Shareholders' Fund RM'000	Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Warrant Reserve RM'000					
At 1 January 2013	20,180	6,758	-	(359)	(3)	26,576	(279)	26,297
Net profit/(loss) for the financial period	-	-	-	3,867	-	3,867	(9)	3,858
Exchange arising from translation of foreign currency	-	-	-	-	(2)	(2)	-	(2)
At 31 December 2013 (Audited)	20,180	6,758	-	3,508	(5)	30,441	(288)	30,153
At 1 January 2014	20,180	6,758	-	3,508	(5)	30,441	(288)	30,153
Net profit for the financial period	-	-	-	47	-	47	265	312
Share issued during period	326	-	-	-	-	326	-	326
Warrant reserves	-	-	1,357	(1,357)	-	-	-	-
Exchange arising from translation of foreign currency	-	-	-	-	-	-	-	-
At 30 September 2014 (Unaudited)	20,506	6,758	1,357	2,198	(5)	30,814	(23)	30,791

**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 2013 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 2014**  
(The figures have not been audited)

	<b>Current Year To date ended 30 Sep 2014 RM'000</b>	<b>Preceding Corresponding Year To date ended 30 Sep 2013 RM'000</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	799	2,468
Adjustments for:		
Amortisation of development costs	338	471
Depreciation of plant and equipment	43	74
Loss on disposal of plant and equipment	-	10
Plant and equipment written off	-	-
Net unrealised foreign exchange loss	-	-
Interest income	(109)	(83)
Operating profit before working capital changes	1,071	2,940
Decrease/(Increase) in trade and other receivables	3,419	(18,764)
(Decrease)/Increase in trade and other payables	(9,730)	8,948
Increase in deferred income	30	15
Cash used in operations	(5,210)	(6,861)
Tax paid	(454)	(1,245)
Interest received	109	83
Net cash used in operating activities	(5,555)	(8,023)
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>		
Internally developed intangible assets	-	(22)
Purchase of property, plant and equipment	(67)	(62)
Net cash used in investing activities	(67)	(84)
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of hire purchase	-	(14)
Proceeds from issue of shares	326	-
Net cash generated from/(used in) financing activities	326	(14)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(5,296)	(8,121)
<b>FOREIGN EXCHANGE TRANSACTION DIFFERENCES</b>	-	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	12,358	8,400
<b>CASH AND CASH EQUIVALENTS AT END OF THE QUARTER</b>	A16 7,062	279

**Note:**

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013 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 2014**

**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 2013.

The Group has adopted the Malaysian Financial Reporting Standard (MFRS) framework issued by MASB with effect from 1 January 2013. 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 2013.

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
MFRS 9 (2009) Financial Instruments	)
MFRS 9 (2010) Financial Instruments	) To be
MFRS 9 Financial Instruments (Hedge Accounting and Amendments to MFRS 7, MFRS 9 and MFRS 139)	) announced
Amendments to MFRS 9 and MFRS 7: Mandatory Effective Date of MFRS 9 and Transition Disclosures	) by MASB
Amendments to MFRS 10, MFRS 12 and MFRS 127 (2011): Investment Entities	)
Amendments to MFRS 119: Defined Benefit Plans – Employee Contributions	)
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	01-Jan-2014
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-financial Assets	01-Jul-2014
	01-Jan-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) Effective date  
 (Cont'd)

Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting	01-Jan-2014
IC Interpretation 21 Levies	01-Jan-2014
Annual Improvements to MFRSs 2010 – 2012 Cycle	01-Jul-2014
Annual Improvements to MFRSs 2011 – 2013 Cycle	01-Jul-2014

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, save as disclosed below:-

	Ordinary Share Capital RM'000	Warrants RM'000
Balance at 1 January 2014	20,180	10,091
Add: Warrants converted to ordinary shares	326	(326)
Balance at 30 September 2014	<u>20,506</u>	<u>9,765</u>



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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 2013.

**A14 Capital commitments**

As at 30 September 2014, 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 24 June 2014. The RRPTs in the current financial quarter and cumulative year to date is as follows:-

	<b>Current Year Quarter 30.09.2014 RM'000</b>	<b>Cumulative Year To Date 30.09.2014 RM'000</b>
(i) Office rental paid to Directors of the Company	15	46
(ii) Transaction with related company	39	185



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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 2014 RM'000</b>	<b>Preceding Corresponding Year To Date 30 Sep 2013 RM'000</b>
Fixed deposits with licensed banks	4,807	-
Cash and bank balances	2,255	279
	7,062	279

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

**B1 Review of performance**

For the current quarter ended 30 September 2014, TFP Group recorded a revenue of RM15.339 million. This is attributed mainly from the IT infrastructure business and Enterprise Resource Planning ("ERP") solutions. The Group recorded a profit before taxation of RM0.120 million for the current quarter.

**B2 Variation of results against preceding quarter**

	<b>Current Quarter 30 Sep 2014 RM'000</b>	<b>Preceding Quarter 30 Jun 2014 RM'000</b>
Revenue	15,339	31,603
Profit before tax	120	201

Compared to preceding quarter 30 June 2014, the Group recorded a decrease in revenue in the current quarter 30 September 2014, due to certain projects on hand were completed in the following quarter. The lower profit before tax in the current quarter, as compared to the previous quarter, was mainly due to lower revenue 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 remain cautiously optimistic for the 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.





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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 2014 RM'000</b>	<b>Cumulative Quarter 30 Sep 2014 RM'000</b>
a. interest income	31	110
b. other income including investment income	380	934
c. foreign exchange gain	-	-
d. interest expense	-	-
e. depreciation and amortisation	114	381
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	13	32
k. gain/(loss) on derivatives	-	-
l. exceptional items (with details)	-	-

<b>B6 Taxation</b>	<b>Current Quarter 30 Sep 2014 RM'000</b>	<b>Cumulative Quarter 30 Sep 2014 RM'000</b>
Current tax expense	89	487

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.

**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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**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

Quarterly Report For The Third Quarter Ended 30 September 2014

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

**B9 Status of corporate proposals**

There are no corporate proposals announced but not yet completed as at the date of this announcement, except as disclosed below:-

An Extraordinary General Meeting held on 23 January 2014, had passed the resolution to approve the following proposals:-

- (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.

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.

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

TFP was listed on 22 February 2008 on the ACE Market (formerly known as MESDAQ Market).

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 2014.

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.



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

**B14 Dividends**

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

**B15 Earnings per share**

	<b>Current Year Quarter 30 Sep 2014</b>	<b>Preceding Year Corresponding Quarter 30 Sep 2013</b>	<b>Current Year To date 30 Sep 2014</b>	<b>Preceding Year Corresponding Period 30 Sep 2013</b>
Profit after taxation and minority interests (RM'000)	(166)	312	47	2,038
Weighted average number of shares in issue ('000)	204,402	201,806	204,402	201,806
Basic earnings per share (sen)	(0.08)	0.15	0.02	1.01
Number of shares in issue	205,057	201,806	205,057	201,806
Warrants in issue	97,650	-	97,650	-
	<u>302,707</u>	<u>201,806</u>	<u>302,707</u>	<u>201,806</u>
Diluted earnings per share (sen)	(0.05)	0.15	0.02	1.01

**B16 Realised and Unrealised Profits/(Losses) Disclosure**

The retained profits/(accumulated losses) as at 30 September 2014 and 30 June 2014 is analysed as follows:-

	<b>Current Quarter 30 Sep 2014 RM'000</b>	<b>Preceding Quarter 30 Jun 2014 RM'000</b>
Total retained profits/(accumulated losses) of TFP Group:		
- Realised	5,220	5,189
- Unrealised	(37)	(37)
	<u>5,183</u>	<u>5,152</u>
Less : Consolidation adjustments	(1,628)	(1,431)
Total group retained profits/(accumulated losses) as per statement of financial position	<u>3,555</u>	<u>3,721</u>



**TFP SOLUTIONS BERHAD (773550-A)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

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

**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 2014.

**TFP Solutions Berhad**

27 November 2014