

Our Vision

We aspire to be the preferred solutions provider to increase "Total Factor Productivity" (TFP) for Businesses in ASEAN.

Cover Rationale

"PEOPLE PRODUCTIVITY IS KEY TO OUR SUCCESS"

In Business, Human Capital is often viewed as a resource and an expense factor.

Within TFP, our employees are our most important asset. We believe that our success is built on the collective performance of individuals. Hence it is our priority to support our employees in their daily task, and help them in realising both their professional and personal goals.

In TFP, it is our culture for the team to complement each other's strengths and overcome weaknesses and barriers through our support system. Together we reap the rewards of the success.



Content



02	Corporate Information
03	Corporate Structure
04	Chairman's Message
06	Board of Directors
10	Management's Discussion
12	Financial Highlights
13	Business Information
16	Corporate Social Responsibility 2012
17	Statement of Corporate Governance
22	Statement on Risk Management and Internal Control
24	Audit Committee Report
28	Additional Compliance Information
30	Directors' Report
34	Statement by Directors
34	Statutory Declaration
35	Independent Auditors' Report
37	Statements of Financial Position
38	Statements of Comprehensive Income
39	Statements of Changes in Equity
40	Statements of Cash Flows
42	Notes to the Financial Statements
77	Supplementary Information
78	Statistics of Shareholdings
81	Notice of the Sixth Annual General Meeting
	Form of Proxy

Corporate Information

BOARD OF DIRECTORS

Dato' Jamaludin Bin Hassan

Chairman, Independent Non-Executive Director

Quah Teik Jin

Group Managing Director, Non-Independent

Lim Lung Wen

Executive Director, Non-Independent

Dr. Chew Seng Poh

Executive Director, Non-Independent

Edward Khor Yew Heng

Independent Non-Executive Director

Joseph Ting

Independent Non-Executive Director

Dato' Hussian @ Rizal Bin A. Rahman

Non-Independent Non-Executive Director

(Appointed on 15 February 2013)



AUDIT COMMITTEE

Chairman

Dato' Jamaludin Bin Hassan
Independent Non-Executive Director

Members

Edward Khor Yew Heng
Independent Non-Executive Director

Joseph Ting
Independent Non-Executive Director

COMPANY SECRETARY

Chua Siew Chuan
(MAICSA 0777689)

REGISTERED OFFICE

Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur
Tel no. : +603 2084 9000
Fax no. : +603 2094 9940
+603 2095 0292

CORPORATE OFFICE

No. 8-3, Jalan Puteri 4/2,
Bandar Puteri,
47100 Puchong,
Selangor Darul Ehsan.
Tel no. : +603 8060 0088
Fax no. : +603 8061 3682

AUDITORS

Crowe Horwath
Kuala Lumpur Office,
Level 16 Tower C,
Megan Avenue II,
12 Jalan Yap Kwan Seng,
50450 Kuala Lumpur
Tel no. : +603 2788 9999
Fax no. : +603 2788 9998

SHARE REGISTRAR

**Securities Services
(Holdings) Sdn Bhd**
Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur.
Tel no. : +603 2084 9000
Fax no. : +603 2094 9940
+603 2095 0292

PRINCIPAL BANKER

Malayan Banking Berhad
Puchong Jaya SSC,
No. 7, Jalan Kenari 1,
Bandar Puchong Jaya,
Jalan Puchong,
47100 Puchong,
Selangor Darul Ehsan.
Tel no. : +603 5882 0179/ 197/ 270
Fax no. : +603 5882 0276

STOCK EXCHANGE LISTING

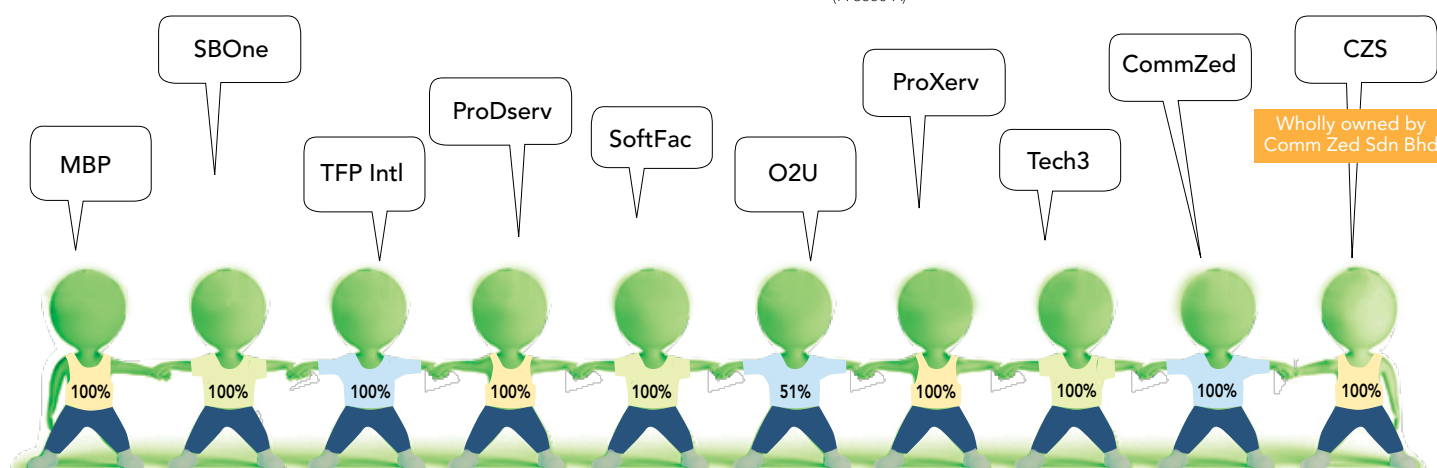
**ACE Market of Bursa Malaysia
Securities Berhad**
("Bursa Securities")
Stock Name : TFP
Stock Code : 0145



Corporate Structure



TFP Solutions Berhad
(773550-A)



Name of Subsidiary Companies	Date and place of incorporation	Equity interest %	Issued and paid-up share capital	Principal activity
MBP Solutions Sdn Bhd (MBP)	13 March 2004 Malaysia	100	RM 1,000,000	Providing Enterprise Resource Planning (ERP) consulting and implementation of Microsoft Dynamics products
ProDserv Sdn Bhd (ProDserv)	3 August 2006 Malaysia	100	RM100,000	Developing and providing Enterprise Business Solutions (EBS) value added solutions
ProXerv Sdn Bhd (ProXerv)	20 September 2005 Malaysia	100	RM100,000	Providing shared services Information Technology (IT) outsourcing
SBOne Solutions Sdn Bhd (SBOne)	15 April 2005 Malaysia	100	RM500,000	Providing ERP consulting and implementation of SAP products
SoftFac Technology Sdn Bhd (SoftFac)	28 June 2005 Malaysia	100	RM500,000	Providing Human Capital Resource Management (HCRM) solutions
Tech3 Solutions Sdn Bhd (Tech3)	22 July 2002 Malaysia	100	RM5,000,000	Providing enterprise systems solutions
TFP International Pte Ltd (TFP Intl)	20 June 2008 Malaysia	100	SGD2	Dormant
O2U Solutions Sdn Bhd (O2U)	18 December 2008 Malaysia	51	RM500,000	Providing ERP consulting and implementation of Oracle products
Comm Zed Sdn Bhd (CommZed)	16 August 2001 Malaysia	100	RM326,002	Providing network security, IT Solution, hardware and software maintenance
Comm Zed Solution Sdn Bhd (CZS)	19 March 2013 Malaysia	100	RM100,000	Dormant

Chairman's Message

Dear Shareholders, Customers, Partners and Employees,

On behalf of the Board of Directors of TFP Solutions Berhad ("TFP" or "TFP Group"), I am pleased to present the Annual Report and Audited Financial Statements of the Group and the Company for the financial year ended 31 December 2012 ("FYE 2012").



2013 Economic Outlook

The world economy which had been experiencing a two-speed recovery, strong in emerging market and developing economies but weaker in advanced economies, is now becoming a three-speed recovery. Emerging market and developing economies are still going strong, but in advanced economies, there appears to be a growing bifurcation between the United States on one hand and the Euro area on the other. World output growth is forecast to reach 3.25% in 2013 and 4% in 2014 (IMF).

IMF has reported that growth in emerging market and developing economies is forecast to reach 5.3% in 2013 and 5.7% in 2014. With respect to Malaysia's major trading partners, United States' growth is forecast to be 1.9% in 2013 and 3.0% in 2014. Growth in the Euro area is forecast to be negative 0.3% in 2013 and 1.1% in 2014. Japan forecast growth is 1.6% in 2013 and 1.4% in 2014 while its neighbour China growth forecast is 8.0% in 2013 and 8.2% in 2014. The ASEAN-5 economy is forecasted to grow at 5.9% in 2013 and 5.5% in 2014.

The Malaysian economy continued to expand in 2012 with a real GDP growth of 5.6% compared to 5.1% growth in 2011. The 2012 growth was driven by continuing strong domestic demand, with impressive annual growth in both private consumption and private and public investment outlays. The Malaysian GDP growth forecast is expected to be 5.6% for the year 2013 and 5.5% - 6.2% in 2014.

Financial Performance

We, in TFP Group managed to close the 2012 financial year with revenue totaling RM62.4 million compared with RM33.9 million in the previous year. This amount to a 84% increase in revenue as compared to the year 2011. Our profit before tax had improved from RM0.164 million in 2011 to RM2.698 million in 2012. The improvement achieved in our sales revenue and a resilient business cost structure has resulted in Group profit after taxation of RM1.875 million for the financial year ended 31 December 2012. The Group's better financial performance was the result of deploying right business strategies and enhancing the business model adopted by the Group in 2011.



Business Growth Potential

Gartner predicted that worldwide IT spending will surpass USD\$3.7 trillion in 2013, which is a 3.8% increase from 2012. Major growth drivers include big data projects, cloud computing, and mobile. Worldwide IT spending will surpass \$4 trillion by 2015. Malaysia will spend US\$10.4 billion in 2013, representing a 7.7% increase from the year 2012 (IDC). This growth will be driven by growth in the sectors of cloud services, big data analytics, social business and mobile broadband.

TFP Group shall develop the appropriate strategies to seek these growth opportunities and enhance our successful business model in 2012 to meet such challenges. The acquisition of Comm Zed Sdn. Bhd. in 2012 will further enhance our Group's core competency and provide more business opportunities for the Group. We are confident that TFP Group will rise to meet the challenges posed by the ICT business landscape in Malaysia and ASEAN. The economic uncertainties in Europe and United States will certainly affect certain business sectors in Malaysia and ASEAN. However, TFP Group is confident to meet the challenges put ahead of us in 2013. The journey of 2013 will continue to be challenging and with strong perseverance and commitment by TFP staff, we envisage that 2013 shall be a more successful year than 2012.

Corporate Social Responsibility (CSR)

Since 2009, TFP Group has decided to support the ten principles of the UN Global Compact with respect to human rights, labour standards, protection of environment and anti-corruption. Today, we are happy to confirm our continued support for the Global Compact and renew our ongoing commitment to the initiative and its principles. CSR activities undertaken by our Group in 2012 are summarised in our CSR review in this annual report. We shall continue to actively pursue a CSR conscious culture within our TFP Group. The Group believes that effective CSR can deliver benefits to its businesses and its shareholders by enhancing our reputation, business trust, customer loyalty and long-term shareholder value.

Acknowledgement

The Board of Directors of TFP Solutions Berhad wishes to take this opportunity to thank our shareholders, investors, customers, business associates, suppliers and financiers for their ongoing support and confidence in our Group. I trust this good relationship will continue to flourish well in 2013. I would like also to extend our gratitude and appreciation to the management and staff of TFP for their dedication and commitment to the Group. Your industrious efforts and dedication in delivering excellent service has helped the Group to achieve their desired goals in 2012. I would also like to take this opportunity to welcome YBhg. Dato' Hussian @ Rizal Bin A. Rahman as a Non-Independent Non-Executive Director of TFP Board. Last, but not least, my thanks goes to my fellow Board members for their invaluable contributions, advice and guidance. We look forward with confidence for a more successful year in 2013.

Dato' Jamaludin Bin Hassan,
Chairman



Board of Directors



FROM LEFT TO RIGHT (Back Row)

Quah Teik Jin

*Group Managing Director,
Non-Independent*

Edward Khor Yew Heng

Independent Non-Executive Director

Dr. Chew Seng Poh

Executive Director, Non-Independent

Lim Lung Wen

Executive Director, Non-Independent

Joseph Ting

Independent Non-Executive Director

FROM LEFT TO RIGHT (Front Row)

Dato' Jamaludin Bin Hassan

Chairman, Independent Non-Executive

Dato' Hussian @ Rizal Bin A. Rahman

Non-Independent Non-Executive Director



Board of Directors (Cont'd)



Dato' Jamaludin Bin Hassan

DSPN, JSM, AMN, AMK

63 years old, Malaysian.

Chairman, Independent Non-Executive Director

Dato' Jamaludin was appointed to the Board of the Company on 28 December 2007. He graduated from the University of Malaya with a Bachelor of Economics (Honours) degree and Post-graduate Diploma in Business Analysis, University of Lancaster, United Kingdom and attended a course on Policy for Public Enterprises in Developing Countries, Harvard Institute for International Development, Harvard University Boston, USA.

He started his career in the Administrative and Diplomatic Service in 1974 and had served in various capacities in the public service including positions as Assistant Director, International Trade Division, Ministry of Trade and Industry, Assistant Trade Commissioner, Malaysian Trade Mission in Sydney Australia, Secretary Road Transport Licensing Board, Ministry of Public Enterprises, Principal Assistant Secretary, International Economic Section, The Treasury, Special Officer to Secretary General, Ministry of Finance and Special Assistant to the Chairman, Malaysian Airline System Bhd (MAS). Subsequently, he opted out to retire early from the Government Service and joined Malaysian Industrial Development Finance Berhad (MIDF) as General Manager, Corporate Affairs in 1994 and moving up to become the Chief Operating Officer of the Development Finance Division before retiring in 2007 and thereafter appointed as Advisor at the Group Managing Director's Office.

During his tenure with the Government of Malaysia and MIDF, Dato' Jamaludin had served on the Boards of Pahang State Economic Development Corporation, Kedah State Development Corporation, Amanah International Finance Sdn. Bhd., Amanah Factors Sdn. Bhd. and Malaysian Technology Development Corporation (MTDC). Whilst serving with the Treasury, he was also made Corporate Advisor of Sabah Gas Industry and Sabah Energy Corporation. He is the Chairman of the Audit Committee and member of the Nomination Committee of the Company and he does not hold any directorships in other public companies.



Quah Teik Jin

41 years old, Malaysian.

Group Managing Director

Quah Teik Jin is currently our Group Managing Director and he was appointed to the Board of the Company on 28 December 2007. He graduated with a Diploma in Information Technology from National Computing Centre (NCC), United Kingdom. He is the founder of MBP Solutions Sdn Bhd, one of our subsidiary companies which business focus is on providing ERP consultancy and EBS to the manufacturing and services industry.

He began his career with ISC Technology Sdn Bhd as a System Engineer in 1994 and rose up the ranks as Business Executive. In 1998, he left for HPD Systems Sdn Bhd ("HPD") and took up the role of Sales Manager where he was responsible for sales in the northern and east coast region of Peninsula Malaysia, and East Malaysia.

With the repertoire of sales and marketing skills acquired during his tenure in HPD, he has since steered and positioned our Group as a prominent solutions and services player for the manufacturing and services sector in Malaysia and ASEAN.

In 2012, he assumed the position of Group Managing Director of TFP Group. In his current role as Group Managing Director, he oversees responsibility for all aspects of the operations comprising sales, marketing, consulting, support, education, R&D and customer care.

He is a member of the Remuneration Committee of the Company and he does not hold any directorships in other public companies.

Board of Directors (Cont'd)



Lim Lung Wen

53 years old, Malaysian.
Executive Director

Lim Lung Wen was appointed to the Board of the Company on 28 December 2007 and is currently our Executive Director. He graduated with a Bachelor of Science in Computer Science and a Master in Business Administration (MBA) from University of Arkansas, United States of America. He has over 28 years of experience in the ICT industry, mainly engaging with the manufacturing and services industry.

He began his career in 1986 as a System Analyst in Edaran Otomobil Nasional Berhad. Thereafter, he joined PT Setia Sapta in Indonesia as a System Analyst and rose to the position of sales manager where he was responsible for the overall sales and marketing operation of the company. In 1996, he returned to Malaysia and joined HPD Systems Sdn Bhd ("HPD") as General Manager. Later in 2002, Lim Lung Wen was appointed as Senior Vice President of Patimas Computers Berhad ("Patimas"), a company listed on the Main Board of Bursa Securities as part of Patimas' acquisition of HPD.

His years of ICT business experience and deep understanding of ICT provided him with a wide repertoire of skills to engage in the ICT industry.

In 2012, he relinquished his position of Group Managing Director of TFP Group in favour of Quah Teik Jin. He is not a member of any Board Committee of the Company and he does not hold any directorships in other public companies.



Dr. Chew Seng Poh

51 years old, Malaysian
Executive Director

Dr. Chew Seng Poh was appointed to the Board of the Company on 28 December 2007 and he is currently our Chief Technology Officer. He holds a Doctoral Degree in Business Administration (DBA) and a Master in Business Administration (MBA) from Southern Cross University, Australia. He also holds a Higher Diploma in Computer Studies from International Computers Limited, Beaumont, England.

He began his career in PDX Computers Sdn Bhd ("PDX") as a System Development Executive in 1985. After two (2) years, he joined Nixdorf Computers Sdn Bhd as a business software analyst and was promoted to project manager in 1988. He then rejoined PDX as Group Technical Manager and in the subsequent ten (10) years went on to hold various directorship positions in PDX's subsidiaries locally and overseas. He left PDX in 1998 as Group Technical Director to establish EIX Solutions Sdn Bhd ("EIX"), where he was a Director and shareholder. In 2001, he joined Patimas Computers Berhad ("Patimas") as part of Patimas' acquisition of EIX. In Patimas, Dr. Chew Seng Poh was Chief Technology Officer and the Executive Vice President.

During his professional career, he has accumulated over 27 years of management and technical ICT experience. His previous work engagement involve consulting IT companies in their strategic business direction, building technology synergy, business development as well as creating high level strategic alliances, partnerships and technology transfer. He also plays an active role in ensuring the adoption of technology within the local IT organisations in Malaysia.

His technical expertise covers area in software design and development, e-business solutions, ICT outsourcing, telecommunication and data networks, IT infrastructure solutions and consulting services. He is not a member of any Board Committee of the Company and he does not hold any directorships in other public companies.



Board of Directors (Cont'd)



Edward Khor Yew Heng

42 years old, Malaysian.
Independent Non-Executive Director

Edward Khor was appointed to the Board of the Company on 28 December 2007 and he is a chartered management accountant by training. He is an Associate member of the Chartered Institute of Management Accountants, UK (CIMA) since 1996 and a registered chartered accountant with the Malaysian Institute of Accountants (MIA).

He has over 18 years of experience in areas of corporate affairs, corporate finance, strategy planning and financial management and has spent most of his years in the ICT industry. He has held various positions in the areas of corporate planning, corporate finance, business development, accounting operations, strategic marketing, debt and credit recovery and legal affairs.

He started his career as an auditor and management consultant with international public accountants, Deloitte Touche Tohmatsu. He also spent seven (7) years with the TIME Engineering Berhad Group which is the Technology & Engineering division of Renong Berhad Group (now known as UEM World Group).

Edward Khor is the Chairman of the Remuneration Committee and member of the Nomination and Audit Committees of the Company, and he does not hold any directorship in other public companies.



Joseph Ting

48 years old, Malaysian.
Independent Non-Executive Director

Joseph Ting was appointed to the Board of the Company on 28 December 2007 and he is a practicing lawyer. He was conferred his Bachelor of Social Science majoring in Law and Economics with Honours (Second Class Upper) from the University of Keele, England in 1989 and completed his Certificate of Legal Practice in 1990. He chambered in Messrs Chooi & Co and was called to the Bar in 1991.

He is currently practicing as a partner in Messrs Joseph Ting & Co, Advocates & Solicitors. His area of practice is mainly in civil litigation and the preparation of commercial documentations.

Joseph Ting is the Chairman of the Nomination Committee and member of the Audit and Remuneration Committees of the Company, and he does not hold any directorship in other public companies.



Dato' Hussian @ Rizal Bin A. Rahman

(D.S.A.P)

51 years old, Malaysian.
Non-Independent Non-Executive Director

Dato' Hussian was appointed to the Board of the Company on 15 February 2013. He obtained the Postgraduate Diploma in Business Management from The Oxford Association of Management, Oxford, England ("OXIM") and was also admitted to the membership of Certified Master of Business Administration from the OXIM, a membership that recognises management competency and professional development.

Dato' Hussian has been an entrepreneur since in his mid-20s. He was involved in the businesses of trading and shipping and subsequently ventured into the ICT industry. He has extensive experience in the ICT industry and currently is the Executive Director and major shareholder of MobilityOne Limited ("MobilityOne"), which is listed on AIM of the London Stock Exchange. MobilityOne is an e-commerce infrastructure payment solutions and platform provider that works closely with most of the telecommunication companies and financial institutions in Malaysia. Dato' Hussian is also an Independent Director of Asia Media Group Berhad, a digital out-of-home transit media company which is listed on the ACE Market of Bursa Malaysia Securities Berhad.

Dato' Hussian is not a member of any Board Committee of the Company and he does not hold any other directorship in other public companies, save as disclosed above.

Note :

- All Directors have no conflict of interest with the Company and have no family relationships with any other Director/or major shareholder of the Company.
- All Directors have not been convicted for any offences within the past (10) years other than traffic offences (if any).

Management's Discussion



Management Team

FROM LEFT TO RIGHT (Back Row)

Andrew Xavier A/L Xavier George
Vice President, Technical Services

Ooi Chee Hong
Vice President, Research and Development

Cheah Ui Huat
Vice President, Converged Infrastructure Solutions

Tan Man Siang
Senior Vice President, Sales and Marketing

Foong Siang Ming
Vice President, Enterprise Business Solutions

Choo Chuin Hui
Financial Controller

FROM RIGHT TO LEFT (Front Row)

Quah Teik Jin
Group Managing Director, Non-Independent

Lim Lung Wen
Executive Director, Non-Independent

Dr. Chew Seng Poh
Executive Director, Non-Independent

Financial Performance

For the year under review, our consolidated revenue for the financial year ended 31 December 2012 was RM 62.4 million as compared to RM 33.9 million in 2011. As the result of that, we have successfully recorded 84% higher revenue in 2012 as compared to 2011. With that, TFP managed to report a profit after taxation of RM 1.875 mil as compared to a profit after taxation of RM 0.113 million in 2011. Subsequently, TFP have also managed to increase our gross operating margin to RM 9.26 million in 2012 as compared to RM 6.49 million in 2011. TFP's acquisition of Comm Zed Sdn. Bhd. in 2012 has also positively contributed to the overall results of the Group. Our corporate strategy in 2012 to focus on sales products and services within our core competencies has resulted in our increased revenue and thus, achieving a sustainable growth and profitability for the Group. Our positive earnings before interest, taxation, depreciation and amortisation (EBITDA) results in 2012 of RM 3.27 million as compared to our EBITDA of RM 1.49 million in 2011 indicate a healthier and manageable operational expenditure for the Group. Our Group asset position has grown to RM40.75 million in 2012 as compared to RM 23.99 million in 2011. The strategy adopted by TFP to enhance our business model adopted within the Group in 2011 has resulted in a much better overall financial performance for TFP Group.



Management's Discussion (Cont'd)

Thriving on our success in 2012, our strategy in 2013 shall focus on achieving sustainable growth through strengthening areas of core competencies which will result in higher profit margins for TFP Group. The acquisition of Comm Zed Sdn. Bhd. will further strengthen our product offering and our core competencies in the infrastructure management solutions. As such, the management team of TFP shall remain focused on growing our successful core businesses in 2013 whilst embarking on the journey to enhance and strengthen our successful business model in 2012. At the same time, the management team shall continuously seek to improve our productivity and strengthen our operational efficiency within the Group.

Industry Prospects

Global economic prospects have improved again in 2013 but the road to recovery in the advanced economies will remain bumpy. World output growth is forecast to reach 3.25% in 2013 and 4.0% in 2014. In advanced economies, activity is expected to gradually accelerate, starting in the second half of 2013. Private demand appears increasingly robust in the United States but still very sluggish in the Euro area. In emerging market and developing economies, activity has already picked up steam (IMF, 2013).

However, IMF has forecasted an increase in ASEAN-5 countries GDP growth to 5.9% in 2013 against a 5.5% growth in 2014. Growth on major developing countries such as China and India will be experiencing economic growth at 8.0% and 5.5% respectively. In Malaysia, Malaysian Institute of Economic Research (MIER) has reported that the Malaysian economy grew in the pace of 5.6% in the year 2012 and forecasted the same growth in 2013. The performance of Malaysia's key macroeconomic indicators, continued implementation of ETP and 10MP projects and strong private investment, domestic demand is expected to continue driving growth of the Malaysian economy in 2013.

Digital Planet forecast ICT spending in Malaysia for the year 2013 amounting to US\$28.84 billion. However, IDC forecast IT spending in Malaysia will be US\$10.4 billion in 2013, representing a 7.7% increase from the year before (2012). The predicted growth percentage of 7.7% is lower than what Malaysia has been used to achieving in the past two years, a figure that has been closer to 11% on average. Consequently, International Data Corporation (IDC) also predicted IT growth sectors of cloud services, big data analytics, social business and mobile broadband in the Year 2013. This will represent ample growth opportunities for TFP Group in 2013 as we are well positioned to harness these opportunities.

Economic fundamentals in Malaysia are encouraging and TFP business pillars are well aligned to address these opportunities presented upon us. As such, the management team of TFP is confident in improving our group performance in 2013. Moving forward, TFP Group will continue to address these business opportunities through the introduction of new products and services that reflect on the needs of Malaysian IT industry. 2013 will be an exciting year ahead and we look forward to the challenges ahead of us.

Research & Development

("R&D")

In 2012, the Group has invested approximately RM 0.33 million in R&D activities for innovating and producing new products and services. We are expecting to roll out these new products in 2013. These new products will further enhance our competitive advantage in delivering business management solution (BMS) in our market space. It will further strengthen TFP Group as a key player in delivering cloud based business management solutions. We in TFP consider R&D as a key factor in ensuring sustainable growth and increase our value proposition for TFP Group. In essence, TFP will continue innovating new products and services that will embrace world class IT technologies.

Appreciation

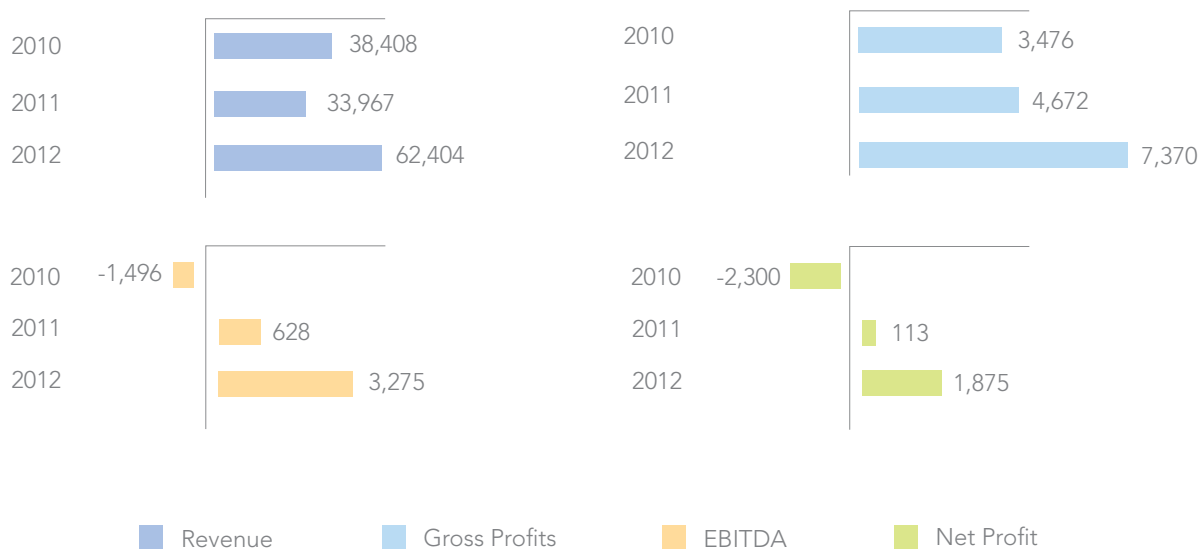
Our journey in 2012 was exciting and full of challenges. The success and the performance for TFP in 2012 were built upon strong commitment and industrious efforts from all employees and the management team of TFP. In view of that, TFP shall continue to build upon our success in 2012 and move forward with much confidence. The achievement is a testimony of determination and dedication that our people having relentlessly pursued our group mission throughout the years.

Moving forward, we are confident and upbeat in recording a better performance in the year 2013. TFP management team would like to take this opportunity to convey our sincere thanks to all the employees of TFP Group for their relentless efforts to get us to what we are today. Subsequently, we would like to thank TFP Board for their continued guidance, support and confidence on the management team of TFP. Our sincere gratitude also goes to our valued customers, business partners, shareholders for their support and confidence they have on us throughout the year 2012. 2013 will be another exciting journey and we look forward for more success ahead of us.

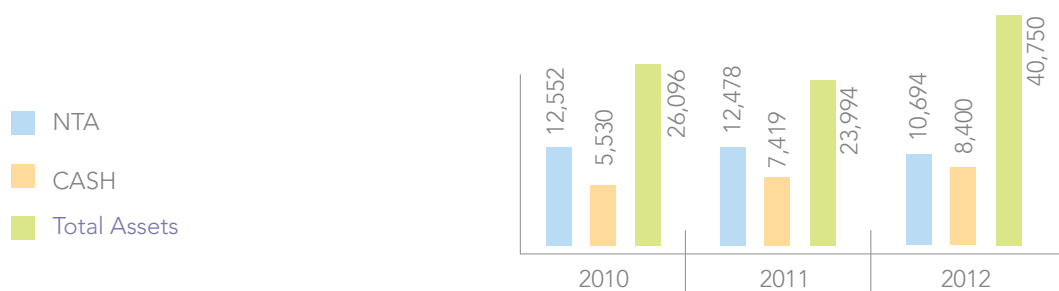
Financial Highlights

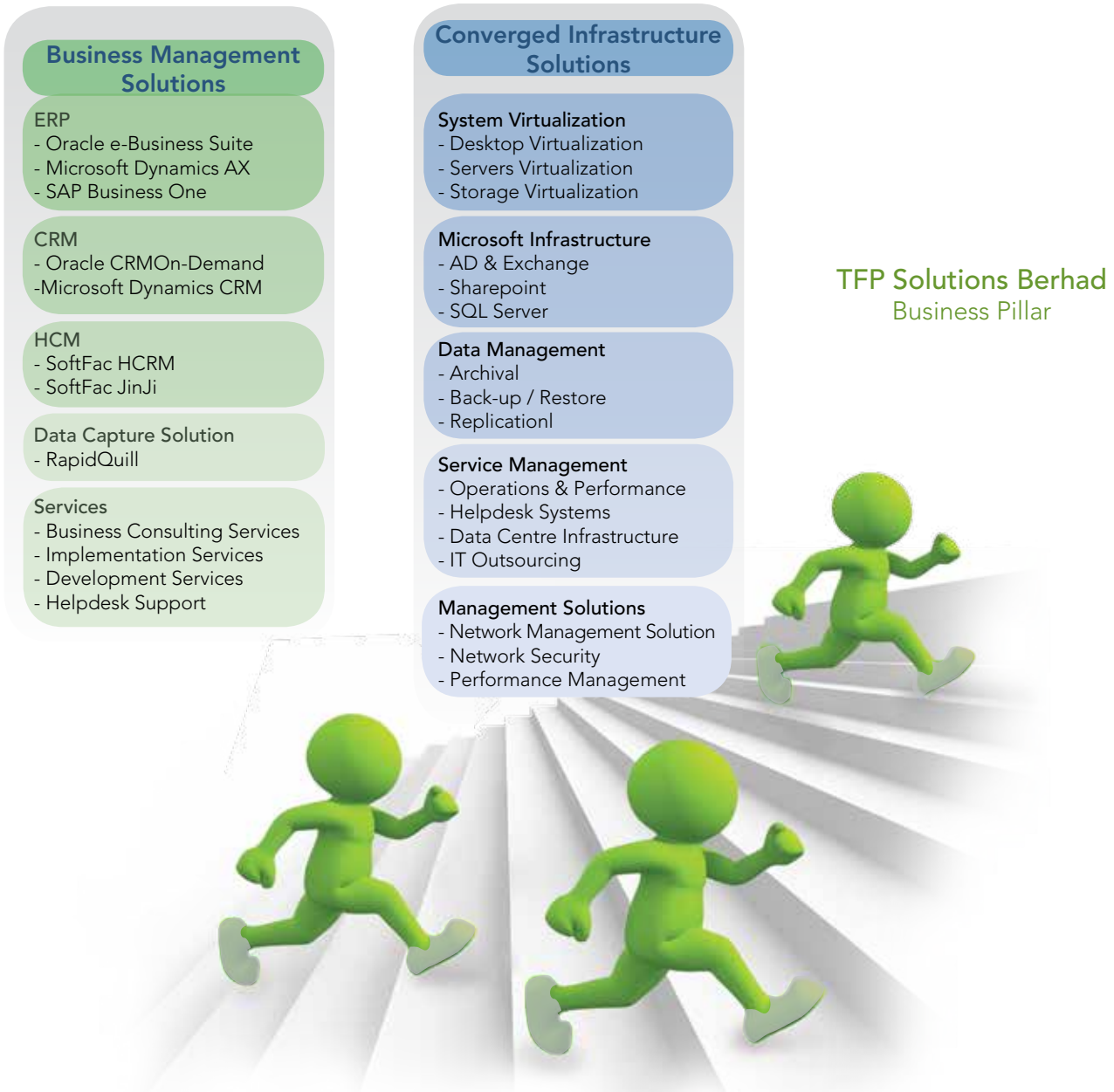
(RM'000)	Audited 2010	Audited 2011	Audited 2012
Revenue	38,408	33,967	62,404
Gross Profits	3,476	4,672	7,370
EBITDA #	(1,496)	628	3,275
Net Profit/(Loss)	(2,300)	113	1,875

Earnings before interest, taxation, depreciation and amortisation but includes share of profits in associate company, is arrived by taking profit before taxation after associate profits, plus depreciation and amortisation.



(RM'000)	Audited 2010	Audited 2011	Audited 2012
NTA	12,552	12,478	10,694
Cash	5,530	7,419	8,400
Total Assets	26,096	23,994	40,750





Our business intent is focused on enhancing the business productivity of business enterprises by providing solutions and services which will improve their Total Factor Productivity.

Business Management Solutions

In line with the Total Factor Productivity tagline, our Business Management Solutions (BMS) team provides sales, consultation, implementation, helpdesk and after-sales support and maintenance services for the various solutions in Enterprise Resource Planning (ERP), Customer Relationship Management (CRM) and Human Capital Management (HCM).

Marketing to the Malaysian Small and Medium Enterprises (SMEs), our knowledge workers have the necessary domain expertise in their respective subject matter; coupled with the best solutions the industry has from SAP, Microsoft and Oracle, we offer best in class solution to our customers the right solution at the right price.

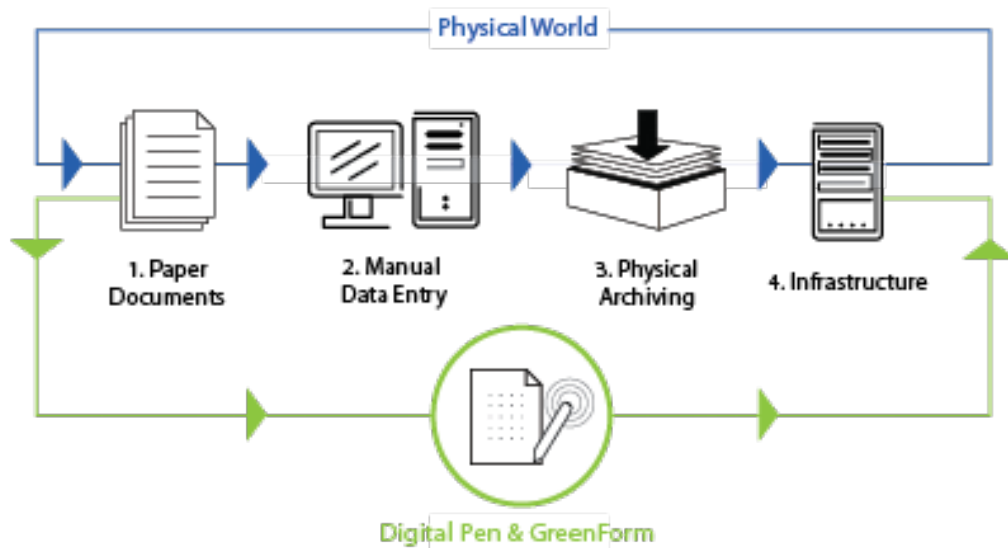
For SMEs to be competitive in the globalization market, adopting the latest technology in this information age is inevitable. Challenges to the SMEs then are lack of know-how, affordability and having the right knowledge workers to run and optimize the many IT applications such as ERP, CRM, BI, SCM to maximize return of investment.

Addressing these specific challenges, TFP's Cloud Computing Business Productivity Suite initiative, together with our Technology Partners, such as Oracle and Microsoft, TFP now offers our client Subscription-Based business applications such as ERP and CRM. Now, our client can acquire the latest technology with a much lower Total Cost of Ownership (TCO) with a faster and shorter Return of Investment (ROI). No more high capital expenditure (Capex) but a Software as a Service (SaaS) pay-as-you-go approach.

Business Information (Cont'd)

Our R&D team has made great stride. Available to our customers now, our RapidQuill Data Capture Solution helps to simplify and streamline otherwise traditional complex business processes. Using a patented Digital Pen which has a built-in infrared camera, paper or forms that are printed with digital carbon dots and also integration to any ERP and CRM application, we help our customers increase their adoption of IT application and productivity. Non-IT literate staffs can now use this pen and paper technology for the daily tasks and all the handwritten information will be digitize through RapidQuill.

● Data capture workflow



Converged Infrastructure Solutions

Technology today is moving towards being mobile, connected, interactive, immediate and fluid. The end objective is to build a Cloud Computing on an integrated open platform that enables enterprises and service providers to build and manage services across private, public and hybrid cloud environments. The integrated infrastructure comprises of servers, storage, networking, security and management to automate the application to infrastructure lifecycle for hybrid service delivery management. The result is a complete converged cloud solution that lets you gain agility and speed, and allows service providers to drive top-line growth.

TFP is offering consultancy on Cloud computing as a model to drive our client's business innovation and accelerate above their competitors. Progressively with cloud computing solutions, it enables their business to provide new services, explore into new market opportunities, get closer to customers, and make increasingly mobile and demanding employees more productive. Cloud computing solutions redefine the way IT produces and delivers services for your business.

Organizations should embrace cloud computing solutions as a model for achieving innovation through increased efficiency, reliability and agility. With this, an organization can leverage on a fully implemented cloud computing as a model for producing and consuming computing, shifting legacy systems to a more flexible infrastructure, investing in automation and policy based management for greater efficiency and reliability and enabling a broad range of stakeholders to consume IT services via self-service.



Business Information (Cont'd)



Source of diagram: © 2013 Hewlett-Packard Development Company, L.P.

We focus on service delivery, providing technology-enabled services to users whenever and wherever they need by ensuring it to be cost-effective, secured and efficient. In summary, the key benefits of Cloud Computing are:

- Significant Cost Reduction
- Increased Storage
- Highly Automated
- Flexible and Adaptable
- Mobility
- And Reduce cost of ownership

Our Converged Infrastructure Solutions (CIS) team provides the following solutions:

- System Virtualization for Desktops, Servers, and Storage Systems
- Microsoft Infrastructure Solutions
- Linux Infrastructure Solutions
- Data Management Solutions
- Service Management & Performance Monitoring Solutions

We offer a wide range of CIS products and services such as:

- Enterprise Servers (x64 & UNIX Platforms)
- Enterprise Storage System (DAS, NAS, SAN, & Tape Solutions)
- Networking Components (Switches, Routers, Load Balancers)
- Data Centre Infrastructure (Availability, Accessibility, Performance)
- IT Outsourcing Services



We provide consultancy, design, provisioning and integration services for ICT infrastructure management solutions which enable customers to:

- consolidates complex IT and network operation management tasks to improve availability and resiliency of network system with real time service management for data centers, network operation centers and IT domains;
- streamline event and alert management, business service management and incident and problem management processes by improving efficiency through automation;
- manage complex networks by identifying the source of network faults and speed problem resolution with real time root-cause analysis and network diagnostics;
- provide integration portal that allows a common administration console for multiple products; and
- provide integration services between the ICT Infrastructure management solutions to customer existing systems. These integrations services will enable customer to retain their existing investment and provide a more comprehensive ICT infrastructure management system

Corporate Social Responsibility 2012

TFP Solutions Berhad's (TFP) Corporate Social Responsibility (CSR) core philosophy is based on United Nations Global Compact principles. In 2012, TFP contributed to a few CSR projects in Malaysia. TFP is committed to contribute to our society as we believe that it could bring positive benefits to our business. 2012 has been a busy year for TFP Group. However, we have not lost focus on the need of our contribution to the society.

Since 2009, TFP has "adopted" an underprivileged home, "House of Joy" (HOJ), in Puchong. House of Joy is a non-profit charitable home that administers shelter, care and training to orphans, children and teens who are underprivileged, abused, abandoned, neglected, poor and/or delinquent. In 2012, TFP staff has contributed and provided both in terms of monetary and time efforts to continue supporting the underprivileged home. In 2012, apart from the above efforts, TFP Group has also made monetary contribution to the following organisations:

- Chempaka Physiotherapy Center
- Taiwan Buddhist Tzu Chi Foundation

The total monetary contribution by TFP amounted to RM 10,000 in 2012. The staff of TFP also contributed efforts to assist these underprivileged organisations in the celebration of festival activities, for example, Chinese New Year, Christmas and Hari Raya.

To continue with our "Green" culture in TFP, we continue to strive on our efforts to protect our environment through energy conservation and recycling campaign to reduce our carbon emission within our organisation. The "Green" campaign involves the following activities:

- Reusing of printed papers
- Installation of recycle bins within the organisation
- Disposal of recycle waste and e-waste to recycling
- Efforts to measure and reduce our electrical power usage in the organisation



TFP Solutions Berhad
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