

**Tejoori Limited**

**Interim condensed financial information  
for the six months ended December 31<sup>st</sup>, 2012**

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# **Tejoori Limited**

## **Interim condensed financial information**

### **for the six months ended December 31<sup>st</sup>, 2012**

#### **Chairman's Statement**

Welcome to the interim results of Tejoori Limited ("Tejoori" or the "Company") for the six month period ending 31 December 2012. Tejoori is a Dubai-based, Shari'a-compliant investment company.

As at 31 December 2012, the Company had cash available for investment of USD 5,066,829 (31 December 2011: USD 4,095,298). As at 31 December 2012, USD 4,924,131 of the cash available for investment was placed on short term Wakala deposits which carry a profit rate of 5 per cent. per annum.

During the period under review Tejoori generated income of USD 55,394 (six months ended 31 December 2011: USD 67,841) and a net profit of USD 10,164 (six months ended 31 December 2011: net loss of USD 35,878).

The activities of the Company during the period were as follows:

#### **Successful Acquisition of Arjan Plots:**

As announced by the Company on 17<sup>th</sup> December, 2012, Tejoori successfully settled the long standing issue regarding its investment in the Lagoons Plots development, following an agreement being entered into with Dubai Properties to consolidate the Lagoons plots into the acquisition of three plots in Arjan, a commercial and residential community, located in DubaiLand (the "Arjan Plots").

- **Status of the Arjan Plots:**

The consideration already paid by Tejoori for its investment in the Lagoons plots of USD 13.62m was offset against the consideration payable by Tejoori for the acquisition of the Arjan Plots. Through this arrangement, two of the three Arjan Plots have been fully paid for and have no further consideration payable towards them. As a result we have also obtained the "title deeds" for both the plots in the name of Tejoori.

The balance due by Tejoori, being USD 1.92m, is payable by the Company over a period of 18 months in six equal instalments. Once this has been settled the title deed for the third Arjan Plot will be granted in the Company's name.

- **Tejoori's future strategy for the Arjan Plots:**

The Board is reviewing various options with regards to the development of the Arjan Plots, including: for Tejoori to develop the plots itself; to sell the plots to a third party un-developed; or to undertake a joint venture with well-established real estate developers in the UAE, who can assist in the development, promotion and eventual sale of the plots on behalf of Tejoori. As detailed in the statement released after the annual general meeting on 11 February 2013, Tejoori are in discussions with a highly regarded development company for them being the Company's development partner. All the options are still under review and once finalised the outcome will be shared with our shareholders.

#### **Outlook**

Following the successful acquisition of the Arjan Plots, and the plans under consideration for their development, we expect the company to be more active in the current financial period. The Board will continue to work towards strengthening the Company's investment portfolio and delivering value to shareholders.

**Khalid Al Nasser**  
**Chairman of Board**

**27-03-2013**

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**Statement of financial position**

	Note	As at	
		Dec 2012 USD	Dec 2011 USD
<b>ASSETS</b>			
Cash and bank balances	1	142,698	4,095,298
Due from related parties	13	48,059	74,194
Trade and other receivables	2	8,259,799	76,450
Available-for-sale investment	3	8,019,715	8,019,715
Other Investments	4	1,916,478	1,372,739
Advance towards acquisition of investment property	4	9,130,353	4,386,058
Property and equipment	5	0	681
<b>Total assets</b>		<u>27,517,101</u>	<u>18,025,135</u>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Due to a shareholder	6	877,200	877,200
Due to a related party		-	-
Trade and other payables	7	1,640,280	79,535
<b>Total liabilities</b>		<u>2,517,480</u>	<u>956,735</u>
<b>Equity</b>			
Share capital	8	277,089	277,089
Share premium	9	41,286,207	41,286,207
Share warrants reserve		-	1,370,000
Accumulated losses		(16,563,675)	(25,864,896)
<b>Total equity</b>		<u>24,999,621</u>	<u>17,068,400</u>
<b>Total liabilities and equity</b>		<u>27,517,101</u>	<u>18,025,135</u>

These financial statements were approved for issue by the Board of Directors of the company on 28 March 2013 and signed on its behalf by:

\_\_\_\_\_  
 Director

\_\_\_\_\_  
 Director

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**Statement of comprehensive income**

	Notes	For six months ended	
		Dec 2012 USD	Dec 2011 USD
<b>Income</b>			
Return on Islamic investments		55,394	67,841
Gains from sale of interest in investment property			
Provisions written back			
<b>Total income</b>		<u>55,394</u>	<u>67,841</u>
<b>Expenses</b>			
Administrative and other operating expenses	10	(45,230)	(103,719)
<b>Profit/(loss) for the period under review</b>		<u>10,164</u>	<u>(35,878)</u>
Other comprehensive income/(loss)		-	-
<b>Total comprehensive profit/(loss) for the period under review</b>		<u><u>10,164</u></u>	<u><u>(35,878)</u></u>
Earnings/(loss) per share - basic	11	0.0004	(0.0012)
Earnings/(loss) per share – diluted	11	0.0004	(0.0011)

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**Statement of changes in shareholders' equity**

	Share capital  USD	Share premium  USD	Share warrants reserve USD	Accumulated losses/profit  USD
At 1 July 2011	277,089	41,286,207	1,370,000	(25,829,016)
Total comprehensive income for the year	-	-	-	7,885,177
At 30 June 2012	277,089	41,286,207	-	(17,943,839)
Transferred to Accumulated losses			(1,370,000)	1,370,000
Total comprehensive income for the period under review				10,164
At 31st Dec 2012	277,089	41,286,207	-	(16,563,675)

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**Statement of cash flows**

	Notes	For six months ended	
		Dec 2012 USD	Dec 2011 USD
<b>Operating activities</b>			
Profit/(loss) for the period		10,164	(35,878)
Adjustments for:			
Depreciation		-	-
		<hr/>	<hr/>
Operating cash flows before changes in assets and liabilities and payment of employees' end of service benefits		10,164	(35,878)
Payment of employees' end of service benefit		0	0
Changes in assets and liabilities:			
Available-for-sale investment	3	-	(1,372,739)
Investment in Wakala deposits	1	(2,373,621)	
Due to shareholder	6		
Due from related parties	3	-	(34,517)
Due to related party			
Trade and other receivables	2	3,334,988	62,890
Trade and other payables net of provision for employees' end of service benefits	7		(13,452)
		<hr/>	<hr/>
Net cash (used in)/generated from operating activities		971,531	(1,393,696)
		<hr/>	<hr/>
<b>Cash flow from investing activities</b>			
Fixed deposit with banks		-	
		<hr/>	<hr/>
<b>Net cash used in investing activities</b>			
		<hr/>	<hr/>
<b>Net increase (decrease) in cash and cash equivalents</b>		971,531	(1,393,696)
Cash and cash equivalents, beginning of the year		4,095,298	5,488,994
		<hr/>	<hr/>
<b>Cash and cash equivalents, end of the year</b>	<b>1</b>	<b>5,066,829</b>	<b>4,095,298</b>
<b>Cash in bank (Fixed Deposit)</b>		<b>-</b>	<b>-</b>
<b>Cash available at the end of the period</b>		<b>5,066,829</b>	<b>4,095,298</b>
		<hr/>	<hr/>

# Tejoori Limited

## Notes to the financial statements For the six months ended December 31, 2012

### 1 Cash and bank balances

	2012 Dec USD	2011 De USD
Cash at bank	142,698	3,485,536
Cash in hand	0	236
Investment in Wakala deposits	4,924,131	609,526
	<hr/>	<hr/>
	5,066,829	4,095,298
	<hr/>	<hr/>
Cash and bank balances	5,066,829	4,095,298
Investment in wakala deposits with original maturity of three months or more	-	
	5,066,829	4,095,298

Cash at bank and investment in Wakaladeposits are placed with reputable banks and corporate based in the United Arab Emirates. The Wakala deposits carried a profit rate of 5% .

### 2 Trade and other receivables

	2012 Dec USD	2011 Dec USD
Prepayments	-	31,827
Advances and deposits	680	680
Advance to Martin Hage	1,685,592	1,685,592
Wakala Deposit	4,924,131	-
Other receivables	3,334,988	3,148,987
	<hr/>	<hr/>
	9,945,391	4,867,086
Impairment of advance to Martin Hage	(1,685,592)	(1,685,592)
Impairment of other receivables	-	(3,105,044)
	<hr/>	<hr/>
	8,259,799	76,450
	<hr/> <hr/>	<hr/> <hr/>

Other receivables include an amount of USD 3.1 million receivable from the potential disposal of the Group's interest in an investment property (Note 4) which was fully impaired at 30 June 2011.

The Group had committed and invested a total of EUR 1.5 million (USD 1.9 million) in a joint venture with Martin Hage for the development of an innovative safety system for



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### Notes to the financial statements For the six months ended December 31, 2012

motor vehicles designed to significantly improve vehicular safety standards. The advance was considered to be irrecoverable and had been fully provided for.

#### 3 Available-for-sale investment

The available-for-sale investment represents an unquoted investment in the BEKON Group, carried at cost and not assessed for impairment. During the year ended 30 June 2007, the Group entered into an agreement to invest up to EUR 6 million to acquire a 16.7% equity interest in the BEKON Group, the holding company of a group of entities focused on the development, construction, marketing and operation of biogas, energy and waste treatment plants.

During the year ended 31 June 2012, BEKON Group increased its capital by USD 3,810,130. The Group has not participated in the capital increase and, accordingly, its investment in the BEKON Group has been diluted to 12.67%.

#### 4 Advance towards acquisition of investment property

	2012 Dec USD	2011 Dec USD
Advance against plots of land	22,763,295	22,763,295
Provision for impairment	(13,632,942)	(18,377,237)
	<u>9,130,353</u>	<u>4,386,058</u>

Advance towards acquisition of investment property (including the premium paid on the plots and the legal and administration costs) previously amounted to USD 33.8 million and represented an advance towards acquisition of three plots of land in the Lagoon project in Dubai, United Arab Emirates. On 26 October 2008, the Group entered into a contract to sell its interest in one of the plots for USD 12.6 million of which USD 3.1 million was receivable and fully impaired at 30 June 2011 (Note 2). The Group, however, continues to hold the legal and beneficial interest in the plot until the balance of the USD 3.1 million is paid by the prospective acquirer of the plot.

In December 2012 the Group finalised negotiations with the developer to apply the amounts advanced against all the three plots of land towards the acquisition of the three new plots of land in the Arjan area in Dubai for USD 15.5 million, which includes a further commitment from Tejoori of USD 1.92 million over a period of 18 months. The acquisition value of the new three plots was based on a rate equivalent to the rate as per the Dubai Land Department's evaluation of the plot price in that area during May 2011.

Accordingly, the Group has also received the Title deeds for the two new plots of land which they have fully paid for.

## Tejoori Limited

### Notes to the financial statements

For the six months ended December 31, 2012

#### 5 Property and equipment

	Furniture and fixtures USD	Office equipment USD	Computers USD	Total USD
<b>Cost</b>				
At 30 June 2011	10,788	17,008	25,864	53,660
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>				
At 30 June 2011	10,107	17,008	25,864	52,979
Charge for the year	681			
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book amount</b>				
31stDec2012	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
30 June 2011	681	-	-	681
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

#### 6 Due to a shareholder

	2012 Dec USD	2011 Dec USD
Opening balance	877,200	877,200
Repayments during the year	-	
	<u>          </u>	<u>          </u>
	877,200	877,200
	<u>          </u>	<u>          </u>

In accordance with the company's placement document, the shareholding of individual investors cannot exceed eight percent of the issued and fully paid share capital. This balance represents funds received from a shareholder in excess of the eight percent limit and is refundable to the investors unless the company is able to secure additional capital from the other shareholders.

## Tejoori Limited

### Notes to the financial statements For the six months ended December 31, 2012

#### 7 Trade and other payables

	2012 Dec USD	2011 Dec USD
Trade payables	30,396	41,010
Employees' end of service benefits		
Other payables	1,610,122	28,526
	<u>1,640,518</u>	<u>79,535</u>

#### 8 Share capital

The authorised share capital of the company comprises 1 billion shares of USD 0.01 each (31 December 2011: 1 billion shares of USD 0.01 each).

#### 9 Share premium

Share premium represents amounts received from shareholders in excess of the nominal value of the shares allotted to them.

#### 10 Administrative and other operating expenses

	2012 Dec USD	2011 Dec USD
Legal and professional fees	19,659	62,546
Employees' end of service benefits		
Administration fees	15,097	13,195
Directors' remuneration and fees (Note 16)	10,000	9,994
Depreciation (Note 8)	-	-
Net foreign exchange loss	-	-
Others	474	17,984
	<u>45,230</u>	<u>103,719</u>

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## Notes to the financial statements For the six months ended December 31, 2012

### 11 Earnings per share

The basic earnings per share is calculated by dividing the net profit/loss attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

	Six Months ended 31 December 2012	Six Months ended 31 December 2011
<b>Basic</b>		
Profit/(loss) for the year in USD	10,164	(35,878)
Weighted average number of shares in issue	27,708,864	27,708,864
Basic earnings/(loss) per share in USD	<u>0.0004</u>	<u>(0.00129)</u>
	<u>                    </u>	<u>                    </u>

### 12 Segmental reporting

For the financial year ended 31 Dec 2012, segment reporting by the company was prepared in accordance with IFRS 8, 'Operating segments'

Following the management approach of IFRS 8, operating segments are reported in accordance with the internal reporting provided to the Board of Directors (the chief operating decision-maker), which is responsible for allocating resources to the reportable segments and assesses its performance. The company is managed as one unit and therefore the Board of Directors are of the opinion that the company is engaged in a single segment of investing in Shari'a compliant investments worldwide.

### 13 Related party transactions and balances

Related parties comprise key management, businesses controlled by shareholders and directors as well as businesses over which they exercise significant influence. During the year, the company entered into significant transactions with related parties in the ordinary course of business. In addition to the disclosure in note 1, following are the other transactions and balances arising from these transactions:

	2012 Dec USD	2011 Dec USD
<b>Transactions</b>		
Key management remuneration	-	-
Directors' fees and other remuneration(Note 10)	<u>10,000</u>	<u>9,994</u>

## Tejoori Limited

### Notes to the financial statements For the six months ended December 31, 2012

	2012 Dec USD	2011 Dec USD
<b>Balances</b>		
<b>Due from related parties</b>		
Due from Injaz Capital Investments LLC*	48,058	34,517
	<u>48,058</u>	<u>34,517</u>

\*Injaz Capital Investments is a company owned by one of the company's shareholders and directors.

	2012 Dec USD	2011 Dec USD
<b>Due to related parties</b>		
Due to a shareholder (Note 6)	877,200	877,200
Due to a related party	-	-
Directors' fees and other remuneration	-	9,999
	<u>-</u>	<u>9,999</u>

Related party balances are profit fee and payable/receivable on demand.

## 14 Subsidiary and special purpose vehicles

The company has the following subsidiary and special purpose vehicles.

Entity	Percentage of equity beneficially owned		Country of incorporation
	2012	2011	
Tejoori Emirates LLC	100	100	United Arab Emirates
Tejoori Environmental Middle East Limited	100	100	British Virgin Islands
Lagoons Plot 1 Limited	100	100	British Virgin Islands
Lagoons Plot 2 Limited	100	100	British Virgin Islands
Lagoons Plot 3 Limited	100	100	British Virgin Islands