

**Tejoori Limited**

**Interim condensed financial information  
for the six months ended 31 December 2008**

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**Tejoori Limited**  
**Chairman's statement**  
**for the six months ended 31 December 2008**

**Background**

Tejoori was incorporated in The British Virgin Islands in September 2005 and listed on AIM in March 2006 having raised US\$41.56 million (before expenses) through a placing of ordinary shares at US\$1.50 per share. These results reflect the period from 1 July 2008 to 31 December 2008.

In the period ended 31 December 2008, Tejoori recorded a profit before tax of US\$ 0.384 million or US\$ 0.014 per share. The net asset value at the end of the period was US\$ 41.25 million or US\$ 1.49 per share and available cash stood at US\$ 8.73 million or US\$ 0.315 per share.

We are pleased with this set of interim financial results and believe that they confirm the potential of the Company outlined in the last financial report.

**Strategy and investments**

The Board of Tejoori remain confident about the future prospects of the Company. The investment with the most potential, in the Board's view, is Dubai Real Estate. However, the Board is also reviewing opportunities to widen its portfolio of interests to achieve a suitable portfolio given the current global economic conditions.

On October 2007, Tejoori surrounded three plots located at The Lagoons project in Dubai as a result of closing the MUSHARKAH agreement with Omniyat; we have sold one of the plots on November 2008.

Tejoori acquired 16.7% of BEKON, a German renewable energy corporate group for approximately EUR 6.00 million. BEKON specializes in designing, building and operating waste fermentation biogas plants. Subsequent orders by European and international cities triggered high profile interest internationally and significantly increased confidence in BEKON's technology. Accordingly, American investors acquired 20% of the BEKON holding which resulted in diluting Tejoori's equity to 15.2%. We expect that our investment in BEKON will improve its performance in the future following its international expansion.

Tejoori has invested EUR 1.50 million for an 85% stake in a joint venture which is in the process of developing a cold gas release mechanism to be used as a new inflation technology for automobile airbags. Currently the prototype is being tested and certified for the mass production phase.

We are currently in the process of refining our investment strategy in order to be aligned with newly emerging sectors and high growth markets such as the Gulf Corporation Council ("GCC"). Based on this review, we will continue to focus on markets where future investments look promising, specifically in the field of real-estate & environmental technologies where we have already demonstrated aptitude. As a result, the team will now concentrate on this goal and will seek to monetise our current investments.

Our future looks promising as our initial investments mature and as our evolving strategic focus ensures we are well equipped to build on this set of results.

A handwritten signature in black ink, enclosed within a hand-drawn oval. The signature is stylized and appears to be 'M. Al Mahmood'.

Mahmood Al Mahmood  
Chairman of the Board  
Tejoori Limited  
Date: 31 March 2009

Enquiries:

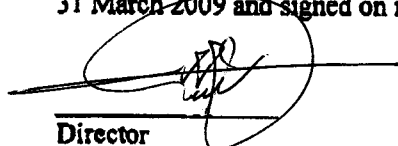
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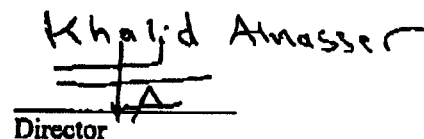
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**Tejoori Limited****Balance sheet**

	Note	31 December 2008 USD	30 June 2008 USD
<b>ASSETS</b>			
Cash and cash equivalents	3	8,730,849	162,168
Available-for-sale investment	4	7,570,187	7,570,187
Trade and other receivables	5	4,799,514	1,915,064
Advance towards acquisition of investment property	6	22,763,300	33,806,767
Property and equipment	7	19,544	27,056
<b>Total assets</b>		<u>43,883,394</u>	<u>43,481,242</u>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Due to shareholders	8	1,754,400	1,754,400
Trade and other payables	9	878,197	860,754
<b>Total liabilities</b>		<u>2,632,597</u>	<u>2,615,154</u>
<b>Equity</b>			
Share capital	10	277,089	277,089
Share premium	11	41,286,207	41,286,207
Share warrants reserve	10	1,370,000	1,370,000
Accumulated losses		(1,682,499)	(2,067,208)
<b>Total equity</b>		<u>41,250,797</u>	<u>40,866,088</u>
<b>Total liabilities and equity</b>		<u>43,883,394</u>	<u>43,481,242</u>

This interim condensed financial information was approved by the Board of Directors on 31 March 2009 and signed on its behalf by:

  
Director

  
Director

# Tejoori Limited

## Income statement

		<u>Six months ended 31 December</u>	
	Note	2008	2007
		USD	USD
<b>Income</b>			
Gain from sale of interest in investment property	6	1,589,276	-
Exchange gain		-	135,124
<b>Total income</b>		<u>1,589,276</u>	<u>135,124</u>
<b>Expenses</b>			
Administrative and operating expenses	12	(990,641)	(1,032,132)
Exchange loss		(213,926)	-
<b>Profit/(loss) for the period</b>		<u>384,709</u>	<u>(897,008)</u>
Earnings /(loss) per share- basic	13	0.014	(0.032)
Earnings /(loss) per share – diluted	13	0.013	(0.029)

## Tejoori Limited

### Statement of changes in equity

	Share capital USD	Share premium USD	Share warrants reserve USD	Accumulated losses USD	Total USD
<b>At 1 July 2007</b>	277,089	41,286,207	1,370,000	(925,911)	42,007,385
Loss for the period	-	-	-	(897,008)	(897,008)
	<u>277,089</u>	<u>41,286,207</u>	<u>1,370,000</u>	<u>(897,008)</u>	<u>(897,008)</u>
<b>At 31 December 2007</b>	<u>277,089</u>	<u>41,286,207</u>	<u>1,370,000</u>	<u>(1,822,919)</u>	<u>41,110,377</u>
<b>At 1 July 2008</b>	277,089	41,286,207	1,370,000	(2,067,208)	40,866,088
Profit for the period	-	-	-	384,709	384,709
	<u>277,089</u>	<u>41,286,207</u>	<u>1,370,000</u>	<u>384,709</u>	<u>384,709</u>
<b>At 31 December 2008</b>	<u>277,089</u>	<u>41,286,207</u>	<u>1,370,000</u>	<u>(1,682,499)</u>	<u>41,250,797</u>

# Tejoori Limited

## Cash flow statement

		<u>Six months ended 31 December</u>	
		2008	2007
		USD	USD
<b>Operating activities</b>	Note		
Profit/(loss) for the period		384,709	(897,008)
Adjustments for:			
Depreciation	7	7,512	7,512
Operating cash flows before changes in working capital		<u>392,221</u>	<u>(889,496)</u>
Changes in working capital:			
Advance towards acquisition of investment property	6	11,043,467	(3,162,831)
Trade and other receivables	5	(2,884,450)	2,107,888
Trade and other payables	9	17,443	(120,028)
Net cash generated from/(used in) operating activities		<u>8,568,681</u>	<u>(2,064,467)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>		8,568,681	(2,064,467)
Cash and cash equivalents, beginning of the period		<u>162,168</u>	<u>2,500,524</u>
Cash and cash equivalents, end of the period	3	<u>8,730,849</u>	<u>436,057</u>



# **Tejoori Limited**

## **Notes to the condensed interim financial information for the six months ended 31 December 2008**

### **1 Establishment and principal activities**

Tejoori Limited (“the company”) is a self-managed closed-ended investment company incorporated and domiciled in the British Virgin Islands. The registered address of the company is PO Box 173, Kingston Chambers, Road Town, Tortola, British Virgin Islands.

The principal activity of the company is that of an investment company which invests in Shari’a compliant ventures worldwide.

### **2 Significant accounting policies**

The interim condensed financial information is prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting”. The interim condensed financial information is prepared under the historical cost convention as modified by the revaluation of available-for-sale financial assets.

The accounting policies applied in the preparation of the interim condensed financial information are consistent with those applied in the annual financial statements for the year ended 30 June 2008.

Costs that occur unevenly during the financial year are anticipated or deferred in the interim condensed financial information only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

The interim condensed financial information should be read in conjunction with the year ended 30 June 2008 financial statements.

#### Interpretations and amendments to published standards effective in 2008

The following interpretations and amendments to published standards are effective for accounting periods beginning on or after 1 January 2008:

- IFRIC 11, ‘IFRS 2 – Company and treasury share transactions’;
- IFRIC 12, ‘Service concession arrangements’;
- IFRIC 14, ‘IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction’; and
- IAS 39, ‘Financial instruments: Recognition and measurement’ (amendment) and IFRS 7, ‘Financial instruments: Disclosures’ (amendment) – Reclassification of financial assets.

Management has assessed the applicability of the above interpretations and amendments and concluded that they are either not relevant to the company or do not have any significant impact on its financial position or the results of its operations.

# Tejoori Limited

## Notes to the condensed interim financial information for the six months ended 31 December 2008 (continued)

### 2 Significant accounting policies

Standard, interpretations and amendments to published standards effective in 2009 but not early adopted by the company

Management has assessed the relevance of the standard, interpretations and amendments to published standards effective for the company's accounting period beginning 1 July 2009 and concluded that they are either not relevant to the company or do not have any significant impact on its financial position or the results of its operations except for the amendment to IAS 1. The amendment to IAS 1, will affect the presentation of the statement of changes in equity and of comprehensive income. This amendment does not impact the recognition, measurement or disclosure of specific transactions and other events required by other IFRS.

### 3 Cash and cash equivalents

	31 December 2008 USD	30 June 2008 USD
Cash at bank	8,730,849	162,168

Cash at bank is held with an international bank based in the United Arab Emirates and is non interest bearing.

### 4 Available-for-sale investment

The available-for-sale investment at 31 December 2008 represents an unquoted investment in the BEKON Group. During the year ended 30 June 2007, the company 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 focused on the development, construction, marketing and operation of biogas, energy and waste treatment plants. In accordance with the agreement, the company was to inject up to EUR 3 million to buy-out an existing shareholder and inject an additional EUR 3 million in equity to meet the global expansion and working capital needs of the BEKON Group.

The company's investment in BEKON Group is carried at its cost of USD 7,570,187 (30 June 2008: USD 7,570,187) since it is impracticable to reliably assess its fair value.

At 31 December 2008, the company had an investment commitment of EUR 300,000 (USD 441,852) (30 June 2008: EUR 300,000 (USD 405,000)) in respect of this investment.

## Tejoori Limited

### Notes to the condensed interim financial information for the six months ended 31 December 2008 (continued)

#### 5 Trade and other receivables

	31 December 2008 USD	30 Ju 2008 USD
Trade receivables	3,105,044	-
Prepayments	1,719	15,117
Advances and deposits	1,315	5,291
Advance to Martin Hage	1,691,436	1,894,656
	<u>4,799,514</u>	<u>1,915,064</u>

The company committed and invested a total of EUR 1.5 million (USD 2.6 million) in a joint venture with Martin Hage for the research and development of an innovative safety system for motor vehicles designed to significantly improve vehicular safety standards. Of the total amount invested, USD 0.4 million relating to the research phase has been written off and the balance of USD 1.7 million is reflected as an advance to Martin Hage at 31 December 2008.

The decrease in the advance to Martin Hage from USD 1,894,656 at 30 June 2008 to USD 1,691,436 at 31 December 2008 is on account of exchange losses.

#### 6 Advance towards acquisition of investment property

On 17 December 2006, the company and Omniyat Group closed the Musharaka agreement with the company acquiring a 25% equity stake in Omniyat Properties Eleven Limited, a British Virgin Islands Company. On 10 June 2007, the shareholders of Omniyat Properties Eleven Limited entered into a dissolution agreement in which it was agreed and acknowledged that the company surrenders its shareholding in Omniyat Properties Eleven Limited in exchange for three plots of land with an aggregate fair value of USD 86,651,520. The advance towards acquisition of investment property at 31 December 2008 represents the deposit and premium paid on these plots of land. The commitment outstanding at 31 December 2008 relating to the acquisition of these plots of land is USD 39 million (30 June 2008: USD 54 million). On 26 October 2008, the Company entered into a contract to sell one of the plots. The plot was sold for USD 12,632,743, resulting in a gain of USD 1,589,276.

## Tejoori Limited

### Notes to the condensed interim financial information for the six months ended 31 December 2008 (continued)

#### 7 Property and equipment

	Furniture and fixtures USD	Office equipmen USD	Computers USD	Total USD
<b>Cost</b>				
At 1 July 2007	10,788	17,008	25,864	53,660
At 30 June 2008 and 31 December 2008	10,788	17,008	25,864	53,660
<b>Depreciation</b>				
At 1 July 2007	1,973	2,490	7,117	11,580
Charge for the year	2,172	4,260	8,592	15,024
At 30 June 2008	4,145	6,750	15,709	26,604
Charge for the period	1,086	2,130	4,296	7,512
At 31 December 2008	5,231	8,880	20,005	34,116
<b>Net book amount</b>				
31 December 2008	5,557	8,128	5,859	19,544
30 June 2008	6,643	10,258	10,155	27,056

## Tejoori Limited

### Notes to the condensed interim financial information for the six months ended 31 December 2008 (continued)

#### 8 Due to shareholders

	31 December 2008 USD	30 June 2008 USD
Funds due to shareholders	1,754,400	1,754,400

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. Funds received from shareholders in excess of eight percent limit are refundable to the investors unless the company is able to secure additional capital from the other shareholders.

#### 9 Trade and other payables

	31 December 2008 USD	30 June 2008 USD
Trade payables	134,147	239,840
Employees' end of service benefits	36,761	36,077
Directors' remuneration (Note 15)	276,000	204,000
Other payables	431,289	380,837
	<u>878,197</u>	<u>860,754</u>

## **Tejoori Limited**

### **Notes to the condensed interim financial information for the six months ended 31 December 2008** (continued)

#### **10 Share capital**

The authorised share capital of the company comprises 1 billion shares of USD 0.01 each (30 June 2008: 1 billion shares of USD 0.01 each).

The issued and fully paid share capital of the company comprises 27,708,864 shares of USD 0.01 each (30 June 2008: 27,708,864 shares of USD 0.01 each).

#### ***Share warrants***

On 16 September 2006, the company granted share warrants to employees, directors and a company that provide services to the company. The exercise price of the granted warrants is USD 1. The options should be exercised on or before the date falling five years from the grant date. The company has no legal or constructive obligation to repurchase or settle the share warrants in cash.

No share warrants were issued and exercised during the period under review and the number of share warrants outstanding at 31 December 2008 is 2,740,000 (30 June 2008: 2,740,000). The fair value of the share warrants on grant date was based on the fair value of the company's shares of about USD 1.50 per share on that date.

#### **11 Share premium**

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

#### **12 Administrative and operating expenses**

	<u>Six months ended 31 December</u>	
	2008	2007
	USD	USD
Administration fees	668,741	526,773
Salaries and benefits	70,300	263,338
Legal and professional fees	168,162	110,210
Employees' end of service benefits	2,951	14,727
Directors' remuneration and fees	72,000	77,967
Depreciation	7,512	7,512
Others	975	31,605
	<u>990,641</u>	<u>1,032,132</u>

## Tejoori Limited

### Notes to the condensed interim financial information for the six months ended 31 December 2008 (continued)

#### 13 Earnings per share

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

	31 December 2008	31 December 2007
<b>Basic</b>		
Net profit/(loss) for the period in USD	384,709	(897,088)
Weighted average number of shares in issue	27,708,864	27,708,864
Basic earnings/(loss) per share in USD	0.014	(0.032)

#### Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The company has one category of dilutive potential ordinary shares: share warrants. For the share options, a calculation is made in order to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the company's shares) based on the monetary value of the subscription rights attached to outstanding share warrants. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share warrants.

	31 December 2008	31 December 2007
Net profit/(loss) for the period in USD	384,709	(897,008)
Weighted average number of shares in issue	27,708,864	27,708,864
Adjustment for share warrants	2,740,000	2,740,000
Weighted average number of shares for diluted earnings per share	30,448,864	30,448,864
Diluted earnings/(loss) per share in USD	0.013	(0.029)

## Tejoori Limited

### Notes to the condensed interim financial information for the six months ended 31 December 2008 (continued)

#### 14 Segmental reporting

The directors are of the opinion that the company is engaged in a single segment of the business being Shari'a compliant investment business operating in a worldwide geographical area.

#### 15 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 period, the company entered into significant transactions with related parties in the ordinary course of business. The transactions and balances arising from these transactions are as follows:

	<u>Six months ended 31 December</u>	
	2008	2007
	USD	USD
<b>Transactions</b>		
Purchase of services – McKinivan Moos Inc	-	4,839
– International Holdings Group	457,029	426,107
Key management remuneration	-	111,066
Directors' fees and other remuneration	72,000	77,967
	<u>                    </u>	<u>                    </u>
	31 December	30 June
	2008	2008
	USD	USD
<b>Balances</b>		
Due to shareholders (Note 8)	1,754,400	1,754,400
	<u>                    </u>	<u>                    </u>
Directors' remuneration	276,000	-
	<u>                    </u>	<u>                    </u>

Pius Jacob Sidler is a founder and partner of McKinivan Moos Inc. McKinivan Moos Inc. provided printing and marketing services to the company. These services were provided on an arm's length basis.

Yaqub Yousuf is the CEO of International Holdings Group (IHG), a holding company for a diverse group of business, project and investments. IHG provides support services to the company.