

**Tejoori Limited**

**Interim condensed financial information  
for the six months ended 31 December 2007**

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**for the six months ended 31 December 2007**

	<b>Pages</b>
<b>Chairman's report</b>	<b>1 - 2</b>
<b>Review report</b>	<b>3</b>
<b>Condensed interim balance sheet</b>	<b>4</b>
<b>Condensed interim income statement</b>	<b>5</b>
<b>Condensed interim statement of changes in shareholders' equity</b>	<b>6</b>
<b>Condensed interim cash flow statement</b>	<b>7</b>
<b>Notes to the condensed interim financial information</b>	<b>8 - 15</b>

**TEJOORI LIMITED**  
**Interim condensed financial information**  
**31 December 2007**

**Chairman's statement**

Tejoori Limited ("the Company" or "Tejoori"), the Dubai-based, AIM-quoted investment company established to make Shari'a-compliant investments, announces its interim results for the 6 months ended 31 December 2007 ("the Period").

**Operational highlights**

- No new investments made in the period; existing investment portfolio continues to mature
- Investment strategy continues to focus on seizing opportunities in Dubai's real estate sector
- Continued belief in the long term growth prospects of environmental technologies and the automotive sector in which the Company is invested

**Financial Highlights**

- Net Asset Value as at 31 December 2007 of USD 41.11 million (30 June 2007: USD 42.0 million) representing USD 1.48 per share (30 June 2007: USD 1.51 per share)
- Profit before tax for the period of USD 0.062 million (2006: USD 7.40 million)
- Basic earnings per share of USD 0.002 for the period (2006: USD 0.27 per share)
- Available cash and cash equivalents at 31 December 2007 of USD 0.44 million (30 June 2007: USD 2.50 million)

**Commenting, Sheikh Fawaz Bashraheel, Chairman of Tejoori, said:**

"As announced in our results for the full year ended 30 June 2006, given Dubai's booming real estate sector, our investment strategy has focused on seizing opportunities in this sector, a strategy which we continue to believe will be favourable to you as shareholders of Tejoori.

For diversification and long term focus we continue to believe in the long term growth prospects of environmental technologies and the automotive sector, sectors which we have made investments in.

All of Tejoori's investments are Shari'a-compliant and demonstrate social responsibility.

The markets in which we operate continue to remain extremely competitive but also continue to offer substantial opportunities. Our future outlook remains promising as our investment portfolio matures and our investment strategy facilitates creation of long term prosperity for all stakeholders."

**Tejoori Limited**  
**Interim condensed financial information**  
**for the six months ended 31 December 2007**

**Chairman's statement (continued)**

**Sheikh Fawaz Bashraheel**

Chairman of the Board

Date: 31 March 2008

**Enquiries:**

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[www.tejoori.com](http://www.tejoori.com)

## **Review report to the shareholders and directors of Tejoori Limited**

### **Introduction**

We have reviewed the accompanying interim condensed balance sheet of Tejoori Limited (“the company”) as of 31 December 2007 and the related condensed income statement, changes in shareholders’ equity and cash flows for the six month period then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 – Interim Financial Reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 – Interim Financial Reporting.

Dubai, United Arab Emirates

## Tejoori Limited

### Condensed interim balance sheet

	Note	31 December 2007 USD	30 June 2007 USD
<b>ASSETS</b>			
Cash and cash equivalents	3	436,057	2,500,524
Available-for-sale investment	4	7,570,187	7,570,187
Trade and other receivables	5	1,931,031	4,038,919
Advance towards acquisition of investment property	6	33,806,767	30,643,936
Property and equipment	7	34,568	42,080
<b>Total assets</b>		<u>43,778,610</u>	<u>44,795,646</u>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Due to shareholders	8	1,754,400	1,754,400
Trade and other payables	9	913,833	1,033,861
<b>Total liabilities</b>		<u>2,668,233</u>	<u>2,788,261</u>
<b>Equity</b>			
Share capital	10	277,089	277,089
Share premium	11	41,286,207	41,286,207
Share warrants reserve	10	411,000	1,370,000
Accumulated losses		(863,919)	(925,911)
<b>Total equity</b>		<u>41,110,377</u>	<u>42,007,385</u>
<b>Total liabilities and equity</b>		<u>43,778,610</u>	<u>44,795,646</u>

This condensed financial information was approved by the Board of Directors of the company on 31 March 2008 and signed on its behalf by:

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

## Tejoori Limited

### Condensed interim income statement

		<u>Six months ended 31 December</u>	
	Note	2007 USD	2006 USD
<b>Income</b>			
Return on Islamic investments		-	284,777
Gain on Musharaka agreement		-	8,706,435
Exchange gains		135,124	244,585
		<hr/>	<hr/>
<b>Total income</b>		135,124	9,235,797
<b>Expenses</b>			
Loss on write-off of property and equipment		-	(9,739)
Administrative and other expenses	13	(1,032,132)	(1,431,537)
Write off of advance to Martin Hage	5	-	(396,592)
Movement in share warrant reserve		959,000	-
		<hr/>	<hr/>
<b>Profit for the period</b>		61,992	7,397,929
		<hr/> <hr/>	<hr/> <hr/>
Earnings per share - basic	14	0.002	0.267
Earnings per share – diluted	14	0.002	0.267
		<hr/> <hr/>	<hr/> <hr/>

## Tejoori Limited

### Condensed interim statement of changes in shareholders' equity

	Note	Share capital	Share premium	Share warrants reserve	Accumulated losses/(profit)	Total
		USD	USD	USD	USD	USD
<b>At 1 July 2006</b>		277,089	41,286,207	-	(4,462,220)	37,101,076
Profit for the period		-	-	-	7,397,929	7,397,929
		<u>277,089</u>	<u>41,286,207</u>	<u>-</u>	<u>2,935,709</u>	<u>44,499,005</u>
<b>At 31 December 2006</b>		<u>277,089</u>	<u>41,286,207</u>	<u>-</u>	<u>2,935,709</u>	<u>44,499,005</u>
<b>At 1 July 2007</b>		277,089	41,286,207	1,370,000	(925,911)	42,007,385
Profit for the period		-	-	-	61,992	61,992
Changes in share warrants reserve	10	-	-	(959,000)	-	(959,000)
		<u>277,089</u>	<u>41,286,207</u>	<u>411,000</u>	<u>(863,919)</u>	<u>41,110,377</u>
<b>At 31 December 2007</b>		<u>277,089</u>	<u>41,286,207</u>	<u>411,000</u>	<u>(863,919)</u>	<u>41,110,377</u>



# Tejoori Limited

## Condensed interim cash flow statement

		Six months ended 31 December	
		2007	2006
		USD	USD
<b>Operating activities</b>	Note		
Profit for the period		61,992	7,397,929
Adjustments for:			
Gain on Musharaka agreement		-	(8,706,435)
Movement in share warrants reserve	10	(959,000)	-
Depreciation	7	7,512	4,258
Loss on write-off of property and equipment		-	9,739
		<hr/>	<hr/>
Operating cash flows before changes in working capital		(889,496)	(1,294,509)
Changes in working capital:			
Available-for- sale investment	4	-	(4,770,957)
Islamic investments		-	(62,221)
Investment in Musharaka agreement and additional payment for investment property	6	(3,162,831)	(14,978,213)
Trade and other receivables	5	2,107,888	(3,700,586)
Trade and other payables	9	(120,028)	4,662,023
		<hr/>	<hr/>
Net cash used in operating activities		(2,064,467)	(20,144,463)
		<hr/>	<hr/>
<b>Investing activities</b>			
Purchase of property and equipment	7	-	(52,787)
		<hr/>	<hr/>
<b>Financing activities</b>			
Due to shareholders	8		(1,782,477)
		<hr/>	<hr/>
<b>Net decrease in cash and cash equivalents</b>		(2,064,467)	(21,979,727)
Cash and cash equivalents, beginning of the period		2,500,524	31,024,732
		<hr/>	<hr/>
Cash and cash equivalents, end of the period	3	436,057	9,045,005
		<hr/> <hr/>	<hr/> <hr/>

# **Tejoori Limited**

## **Notes to the condensed interim financial information for the six months ended 31 December 2007**

### **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 2007.

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 2007 financial statements.

#### Interpretations and amendments to published standards effective in 2007

Management has assessed the relevance of the interpretation and amendment to published standards effective in 1 January 2007 with respect to the company’s operations 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 as follows:

IFRS 7 – Financial Instruments: Disclosures, and a complementary amendment to International Accounting Standard (“IAS”) 1, Presentation of Financial Statements – Capital Disclosures (effective 1 January 2007). IFRS 7 requires disclosures relating to the nature and risks arising from financial instruments. The company has assessed the impact of IFRS 7 and the amendments to IAS 1 and has concluded that additional disclosures of significance will be required in respect of terms and conditions of pledges on financial assets, concentration of risk on financial instruments, maturity analysis of the financial liabilities and sensitivity analysis to market risk and the disclosures required by the amendments to IAS 1 relating to management of capital.

The application of IFRS 7 and IAS 1 will be reflected in the company’s complete set of financial statements for the year ending 30 June 2008.

## Tejoori Limited

### Notes to the condensed interim financial information for the six months ended 31 December 2007

#### 3 Cash and cash equivalents

	31 December 2007 USD	30 June 2007 USD
Cash at bank	436,057	2,500,524

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 2007 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 will 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 2007: USD 7,570,187) since it is impracticable to reliably assess its fair value.

At 31 December 2007, the company had an investment commitment of EUR 300,000 (USD 441,852) (30 June 2007: EUR 300,000 (USD 405,000)) in respect of this investment.

#### 5 Trade and other receivables

	31 December 2007 USD	30 Ju 2007 USD
Prepayments	139,077	32,633
Advances and deposits	11,008	16,724
Advance to Martin Hage	1,767,420	1,489,908
Other receivables	13,526	2,499,654
	<u>1,931,031</u>	<u>4,038,919</u>

## **Tejoori Limited**

### **Notes to the condensed interim financial information for the six months ended 31 December 2007**

#### **5 Trade and other receivables** (continued)

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 2.2 million is reflected as an advance to Martin Hage at 31 December 2007.

The increase in the advance to Martin Hage from USD 1,489,908 at 30 June 2007 to USD 2,209,200 at 31 December 2007 is mainly on account of additional advance made and exchange gains.

#### **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 2007 represents the deposit and premium paid on these plots of land. The commitment outstanding at 31 December 2007 relating to the acquisition of these plots of land is USD 53 million (30 June 2007: USD 56 million).

## Tejoori Limited

### Notes to the condensed interim financial information for the six months ended 31 December 2007

#### 7 Property and equipment

	Furniture and fixtures USD	Office equipment USD	Computers USD	Total USD
<b>Cost</b>				
At 1 July 2006	-	-	-	-
Additions	21,162	17,008	25,864	64,034
Write off	(10,374)	-	-	(10,374)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 30 June 2007 & 31 December 2007	10,788	17,008	25,864	53,660
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>				
At 1 July 2006	-	-	-	-
Charge for the year	2,855	2,490	7,117	12,462
Write off	(882)	-	-	(882)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 30 June 2007	1,973	2,490	7,117	11,580
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Charge for the period	1,086	2,130	4,296	7,512
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2007	3,059	4,620	11,413	19,092
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book amount</b>				
31 December 2007	7,729	12,388	14,451	34,568
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
30 June 2007	8,815	14,518	18,747	42,080
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

#### 8 Due to shareholders

	31 December USD	30 June 2006 USD
Funds due to shareholders	1,754,400	1,754,400
	<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. 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.

## Tejoori Limited

### Notes to the condensed interim financial information for the six months ended 31 December 2007

#### 9 Trade and other payables

	31 December 2007 USD	30 June 2007 USD
Trade payables	254,761	174,914
Employees' end of service benefits	29,039	14,312
Other payables	630,033	844,635
	<u>913,833</u>	<u>1,033,861</u>

#### 10 Share capital

The authorised share capital of the company comprises 1 billion shares of USD 0.01 each (30 June 2007: 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 2007: 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.

Movements in the number of share warrants outstanding and their related weighted average exercise prices are as follows:

	Exercise price USD	Warrants
At 1 July 2006	-	-
Granted	1	2,940,000
Forfeited	1	(200,000)
Exercised	-	-
	<u>1</u>	<u>2,740,000</u>

## Tejoori Limited

### Notes to the condensed interim financial information for the six months ended 31 December 2007

#### 10 Share capital (continued)

##### *Share warrants (continued)*

The fair value of the share warrants granted during the period is based on the fair value of the company's shares of USD 1.15 at 31 December 2007 ( 30 June 2007 - USD1.50) per share at the grant date.

#### 11 Share premium

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

#### 12 Gain on Musharaka agreement

The gain on Musharaka agreement during the six months ended 31 December 2006 represents the gain realized on the closure the Musharaka agreement entered into by the company on 7 December 2006 with the Omniyat Group (Note 6).

#### 13 Administrative and operating expenses

	Six months ended 31 December	
	2007	2006
	USD	USD
Administration fees	526,773	188,644
Salaries and benefits	263,338	571,331
Marketing and communication	-	240,672
Legal and professional fees	110,210	225,349
Employees' end of service benefits	14,727	-
Directors' remuneration and fees	77,967	54,000
Depreciation	7,512	4,257
Others	31,605	147,284
	<u>1,032,132</u>	<u>1,431,537</u>

## Tejoori Limited

### Notes to the condensed interim financial information for the six months ended 31 December 2007

#### 14 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 2007	31 December 2006
<b>Basic</b>		
Net profit for the period in USD	61,992	7,397,929
Weighted average number of shares in issue	27,708,864	27,708,864
Basic earnings per share in USD	0.002	0.267
	<u>          </u>	<u>          </u>

#### 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 2007	31 December 2006
Net profit for the period in USD	61,992	7,397,929
Weighted average number of shares in issue	27,708,864	27,708,864
Adjustment for share warrants	2,740,000	-
	<u>          </u>	<u>          </u>
Weighted average number of shares for diluted earnings per share	30,448,864	27,708,864
	<u>          </u>	<u>          </u>
Diluted earnings per share in USD	0.002	0.267
	<u>          </u>	<u>          </u>



## Tejoori Limited

### Notes to the condensed interim financial information for the six months ended 31 December 2007

#### 15 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.

#### 16 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>	
	2007	2006
	USD	USD
<b>Transactions</b>		
Purchase of services – McKinivan Moos Inc	4,839	40,099
– International Holdings Group	426,107	87,165
Key management remuneration	111,066	-
Directors' fees and other remuneration	77,967	54,000
	=====	=====
	31 December	30 June
	2007	2006
	USD	USD
<b>Balances</b>		
Due to shareholders (note 8)	1,754,400	1,754,400
	=====	=====

Pius Jacob Sidler is a founder and partner of McKinivan Moos Inc. McKinivan Moos Inc. provided printing and marketing services, to the company during the period ended 31 December 2007. These services were provided on an arms 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.