

**TEJOORI LIMITED**

Interim condensed financial information  
For the six months ended December 31, 2010.

**Tejoori Limited**

**Interim condensed financial statements  
For the six months ended December 31, 2010**

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**Tejoori Limited**  
**Chairman's statement**

We are pleased to present Tejoori's interim results for the six month period ending 31 December 2010.

We are pleased to report that, despite facing continuing difficult market conditions in the period under review, Tejoori has achieved an improved operating performance compared to the six months ended 30 June 2010 as a result of a well-executed strategy. We have directed our recent efforts into moving the Company towards profitability.

*Financial performance during the period*

For the six months to 31 December 2010 the Group achieved a net profit of US\$ 337,672 (six months to 31 December 2009, loss of US\$ 14.9 million). Earnings per share at 31 December 2010 were US\$ 0.012 (31 December 2009, loss per share of US\$ 0.54 per share) and cash available for investment stood at US\$ 5.77 million, or US\$ 0.208 per share (31 December 2009, US\$ 6.32 million). The Directors are confident of Tejoori's growth prospects going forward.

*Investment activity during the period*

As announced by the Company on 8 December 2010, Tejoori entered into an agreement on 7 December 2010 to dispose of its investment in M/s Al Manafeth Real Estate Development & Trading Company, the owner of a parcel of land in Saudi Arabia, for a cash consideration of SAR 11 million (equivalent to US\$2.93 million). SAR 8 million of the cash proceeds were received on completion and SAR 3 million was received by Tejoori on 15 December 2010. The disposal represented a gain of 10 per cent for Tejoori on the initial investment. The Board intends to use the net proceeds from this disposal to make further investments in line with the Company's investment strategy.

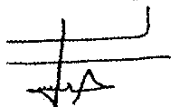
*Future investment opportunities*

The Company is currently evaluating various potential investment opportunities to strengthen Tejoori's portfolio and maximize potential returns for its shareholders. As a part of the Company's investment strategy, we are looking to identify investments in certain profitable operating companies, through equity participation. The Board will consider both long term and short term investment options.

*Outlook*

The Boardview 2011 with a positive outlook and hope to be able to continue to improve the Company's performance. Any future investments by Tejoori will be made with a view to strengthening the Company's investment portfolio and achieving higher potential returns for shareholders. Tejoori is today in a more competitive position than in previous periods and the Board views the future with confidence.

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



Tejoori Limited  
23<sup>rd</sup> March 2011

**Independent Auditor's Review Report**

To  
The Shareholder's  
Tejoori Limited

We have reviewed the accompanying balance sheet of **Tejoori Limited** as at December 31, 2010, the related statements of income, changes in shareholders' equity and cash flows for the six months period ended December 31, 2010. These financial statements are the responsibility of the Company's management as to their correctness and the completeness of the presentation. Our responsibility is to issue a report on these financial statements based on our reviews.

We conducted our reviews in accordance with the International standards on auditing applicable to review engagements. Those standards require that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

In our opinion, the financial statements are presented fairly, in all material respects, in accordance with International Financial Reporting Standards.

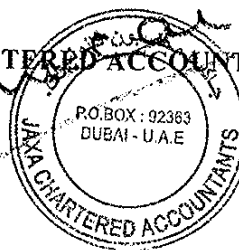
Dubai

March 23, 2011

Ref: JAXA/SS/311/049

**JAXA CHARTERED ACCOUNTANTS**

Reg. No. 442



**Tejoori Limited****Statement of financial position  
(In US Dollars)**

	Note	<b>December 31, 2010</b>	<b>June 30, 2010</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and bank balances	4	5,774,955	5,575,578
Trade and other receivables	5	118,779	71,804
Due from related party		-	402,011
<b>Total current assets</b>		<b><u>5,893,734</u></b>	<b><u>6,049,393</u></b>
<b>Non- current assets</b>			
Available-for-sale investment	6	8,019,715	8,019,715
Advance towards acquisition of investment	7	4,386,058	4,386,058
<b>Property</b>			
Property and equipment	8	1,951	4,037
<b>Total non- current assets</b>		<b><u>12,407,724</u></b>	<b><u>12,409,810</u></b>
<b>Total assets</b>		<b><u>18,301,458</u></b>	<b><u>18,459,203</u></b>
<b>Liabilities and Shareholder's Equity</b>			
<b>Liabilities</b>			
Due to shareholders	9	877,200	877,200
Trade and other payables	10	346,586	570,153
Due to related party		-	271,850
<b>Total liabilities</b>		<b><u>1,223,786</u></b>	<b><u>1,719,203</u></b>
<b>Shareholder's equity</b>			
Share capital	11	277,089	277,089
Share premium	12	41,286,207	41,286,207
Share warrants reserve		1,370,000	1,370,000
Accumulated losses		(25,855,624)	(26,193,296)
<b>Total shareholder's equity</b>		<b><u>17,077,672</u></b>	<b><u>16,740,000</u></b>
<b>Total liabilities and shareholder's equity</b>		<b><u>18,301,458</u></b>	<b><u>18,459,203</u></b>

The accompanying notes form an integral part of these financial statements.

The financial statements on pages 3 to 19 were approved by the directors on March 23, 2011 and signed on its behalf by:

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**Tejoori Limited**

**Statement of Comprehensive Income**  
**For the six months ended December 31, 2010**  
**(In US Dollars)**

	<u>Note</u>	<u>For the six</u> <u>months ended</u> <u>December 31,</u> <u>2010</u>	<u>For the six</u> <u>months ended</u> <u>December 31,</u> <u>2009</u>
Gain from sale of interest in investment property		239,064	-
Return on Islamic Investment		83,123	182,834
Provisions written back		352,331	-
Other income		-	17,850
<b>Total Income</b>		<b>674,518</b>	<b>200,684</b>
General and administrative expenses	13	( 336,480)	( 3,636,525)
Foreign exchange loss		( 366)	-
Impairment on advance towards acquisition of investment property		-	( 11,548,248)
<b>Net profit/ ( loss) for the period</b>		<b><u>337,672</u></b>	<b><u>( 14,984,089)</u></b>
Earnings/ (Loss) per share- basic	14	0.012	(0.541)
Earnings/ (Loss) per share – diluted	14	<u>0.011</u>	<u>(0.492)</u>

The accompanying notes form an integral part of these financial statements.

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**Tejoori Limited**

**Statement of Changes in Shareholders' Equity  
For the six months ended December 31, 2010  
(In US Dollars)**

	<u>Share capital</u>	<u>Share premium</u>	<u>Share warrants reserve</u>	<u>Accumulated losses</u>	<u>Total</u>
As at July 1, 2009	277,089	41,286,207	1,370,000	(10,569,107)	32,364,189
Net comprehensive loss for the period	-	-	-	(14,984,089)	(14,984,089)
<b>Balance at December 31, 2009</b>	<b>277,089</b>	<b>41,286,207</b>	<b>1,370,000</b>	<b>(25,553,196)</b>	<b>17,380,100</b>
As at January 1, 2010	277,089	41,286,207	1,370,000	(25,553,196)	17,380,100
Net comprehensive profit for the period	-	-	-	(640,100)	(640,100)
Balance at June 30, 2010	277,089	41,286,207	1,370,000	(26,193,296)	16,740,000
Net comprehensive loss for the period	-	-	-	-	-
As at July 1, 2010	277,089	41,286,207	1,370,000	(26,193,296)	16,740,000
Net comprehensive profit for the period	-	-	-	337,672	337,672
<b>Balance at December 31, 2010</b>	<b>277,089</b>	<b>41,286,207</b>	<b>1,370,000</b>	<b>(25,855,624)</b>	<b>17,077,672</b>

The accompanying notes form an integral part of these financial statements.

**Tejoori Limited**

**Statement of Cash Flows**  
**For the six months ended December 31, 2010**  
**(In US Dollars)**

	<u>Six months</u> <u>ended</u> <u>December 31,</u> <u>2010</u>	<u>Six months</u> <u>ended</u> <u>December 31,</u> <u>2009</u>
<b>Cash flows from operating activities</b>		
Net comprehensive loss for the period	337,672	( 14,984,089)
Adjustments for:		
Depreciation	2,086	4,779
Impairment of advance towards acquisition of investment property	-	11,548,248
Impairment loss on trade and other receivables	-	3,105,044
<b>Operating cash flows before movements in working capital</b>	<u>339,758</u>	<u>326,018</u>
Trade receivables	( 46,975)	4,372
Due from related parties	402,011	-
Trade and other payables	( 223,567)	46,001
Due to related parties	( 271,850)	-
<b>Net cash generated from/( used in) operating activities</b>	<u>199,377</u>	<u>( 275,645)</u>
<b>Cash flow from investing activities</b>		
Investment in Bekon	-	( 449,528)
Fixed deposit with banks (note 4)	( 2,775,510)	-
<b>Net cash ( used in) investing activities</b>	<u>( 2,775,510)</u>	<u>( 449,528)</u>
<b>Cash flows from financing activities</b>		
Payment made to shareholders	-	( 877,200)
<b>Net cash used in financing activities</b>	<u>-</u>	<u>( 877,200)</u>
<b>Net (decrease) in cash and cash equivalents</b>	<u>( 2,576,133)</u>	<u>( 1,602,373)</u>
Cash and cash equivalents at the beginning of the period	<u>5,575,578</u>	<u>7,926,730</u>
<b>Cash and cash equivalents at the end of the period (note4)</b>	<u>2,999,445</u>	<u>6,324,357</u>
<b>Cash in bank ( Fixed Deposit)</b>	<u>2,775,510</u>	<u>-</u>
<b>Cash available at the end of the period</b>	<u>5,774,955</u>	<u>6,324,357</u>

The accompanying notes form an integral part of these financial statements.

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## Tejoori Limited

### Notes to the Financial Statements

For the six months ended December 31, 2010

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#### 1. Establishment and operations

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. Basis of presentation of financial statements

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 June 30, 2010.

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 June 30, 2010 financial statements.

**Tejoori Limited**

**Notes to the Financial Statements (continued)  
For the six months ended December 31, 2010**

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**2. Basis of presentation of financial statements (continued)**

**Property and equipment**

Property and equipment are carried at cost, less accumulated depreciation and any identified impairment loss.

**Depreciation**

Depreciation is charged to the statement of comprehensive income on a straight line basis over the estimated remaining useful lives of property, plant and equipment. The estimated useful lives are as follows:

Furniture and fixtures	:	5 years
Office equipment	:	4 years
Computers	:	3 years

**Impairment**

At each statement of financial position date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered any impairment loss. The loss, if any, is recognized on the date of impairment.

**Financial instruments**

**Trade receivables**

Trade receivables are carried at original invoice amount less allowance made for impairment of these receivables. An allowance for impairment of trade receivables is established where there is objective evidence that the Company will not be able to collect all amounts due according to the terms of receivables. Bad debts are written off when identified

**Trade payables**

Trade payables are stated at their nominal value.

**Provisions**

Provisions are recognized when the Company has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reasonably estimated.

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**Tejoori Limited**

**Notes to the Financial Statements (continued)  
For the six months ended December 31, 2010**

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**2. Basis of presentation of financial statements (continued)**

**Foreign currencies**

Transactions denominated in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of transactions. Monetary assets and liabilities arising in foreign currencies are converted into United Arab Emirates Dirham at the rates of exchange prevailing on Statement of Financial Position date and profit or loss arising thereon was charged to statement of income.

**Cash and cash equivalents**

For the purpose of cash flow statement, cash and cash equivalents consist of cash on hand, current account, demand and time deposit with the banks, with an original maturity of three months or less at the date of placement, free of encumbrances.

**3. Critical accounting judgment and key sources of estimation uncertainty**

***Critical judgments in applying the Company's accounting policies***

In the process of applying the Company's accounting policies, which are described in note 2 to the financial statements, management has made the following judgment that have the most significant effect on the amounts recognized in the financial statements ( apart from those involving estimations, which are dealt below):

***Revenue recognition***

Management considered the detailed criteria for the recognition of revenue from rendering services as set out in IAS 18 *Revenue*. Management has judged that revenue has been recognized only when the outcome of the transactions involving the sale of goods and rendering of services can be estimated reliably. In making this judgment, management considers that the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company.

**Tejoori Limited**

**Notes to the Financial Statements (continued)  
For the six months ended December 31, 2010**

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**3. Critical accounting judgment and key sources of estimation uncertainty  
(Continued.....)**

*Key estimates applied in preparing the financial statements*

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

*Property and equipment*

The cost of property and equipment is depreciated over the estimated useful life of the assets. The estimated life is based on expected usage of the asset and expected physical wear and tear, which depends on operational factors. Management has not considered any residual value as it is deemed immaterial.

*Allowance for doubtful debts*

Management has estimated the recoverability of trade receivables balances and has considered the allowance required for doubtful debts based on the current economic environment and past default history.



**Tejoori Limited****Notes to the Financial Statements (continued)  
For the six months ended December 31, 2010****4. Cash and Bank balances**

	<u>December 31,</u> <u>2010</u> <u>USD</u>	<u>June 30, 2010</u>  <u>USD</u>
Cash in hand	235	236
Bank balances- Current accounts	2,999,210	147,934
Investment in waqala/murabaha deposits	<u>2,775,510</u>	<u>5,427,408</u>
	<u>5,774,955</u>	<u>5,575,578</u>

**Cash and cash equivalents**

For the purpose of cash flow statement, cash and cash equivalents consists of:

	<u>December 31,</u> <u>2010</u> <u>USD</u>	<u>June 30, 2010</u>  <u>USD</u>
Cash and bank balances	5,774,955	5,575,578
Investment in waqala/murabaha deposits with original maturity of three months or more	<u>( 2,775,510)</u>	<u>-</u>
	<u>2,999,445</u>	<u>5,575,578</u>

**5. Trade and other receivables**

	<u>December 31,</u> <u>2010</u> <u>USD</u>	<u>June 30, 2010</u>  <u>USD</u>
Prepayments	58,434	6,240
Advances and deposits	14,340	3,362
Advance to Martin Hage	1,685,592	1,685,592
Other receivables	<u>3,151,049</u>	<u>3,167,246</u>
	4,909,415	4,862,440
Less: Impairment	<u>( 4,790,636)</u>	<u>( 4,790,636)</u>
	<u>118,779</u>	<u>71,804</u>

## **Tejoori Limited**

### **Notes to the Financial Statements (continued) For the six months ended December 31, 2010**

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#### **6. Available-for-sale investment**

The available-for-sale investment at 31 December 2010 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 8,019,715 (30 June 2010: USD 8,019,715) since it is impracticable to reliably assess its fair value.

#### **7. Advance towards acquisition of investment property**

The advance towards acquisition of investment property at 31 December 2010 represents the deposit and premium paid on two plots of land. The commitment outstanding at 31 December 2010 relating to the acquisition of these plots of land is USD 36 million (30 June 2010: USD 36 million).

The total amount paid for two plots is USD 16,731,449/-. A revaluation gain of USD 6,031,846 was recorded in 2007 on the carrying value. During the year 2009 an impairment loss of USD 6,828,989 has been recorded on the carrying value and again during the year 2010 an impairment loss of USD 11,548,248 has been recorded on the carrying value .

Tejoori Limited

Notes to the Financial Statements (continued)  
For the six months ended December 31, 2010

8. Property and equipment

	<u>Furniture and office equipments</u>	<u>Office equipments</u>	<u>Computers</u>	<u>Total</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
<b>Cost</b>				
As on July 01, 2009	10,788	17,008	25,864	53,660
As at December 31, 2010	10,788	17,008	25,864	53,660
<b>Depreciation</b>				
As on July 01, 2009	6,317	11,010	24,301	41,628
Charge for the year	2,172	4,260	1,563	7,995
As on June 30, 2010	8,489	15,270	25,864	49,623
Charge for the period	809	1,277	-	2,086
As at December 31, 2010	9,298	16,547	25,864	51,709
<b>Net book value</b>				
As at December 31, 2010	1,490	461	-	1,951

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**Tejoori Limited**

**Notes to the Financial Statements (continued)  
For the six months ended December 31, 2010**

**9. Due to shareholders**

	<u>December 31, 2010</u> <u>USD</u>	<u>June 30, 2010</u> <u>USD</u>
Funds due to shareholders	<u>877,200</u>	<u>877,200</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.

**10. Trade and other payables**

	<u>December 31, 2010</u> <u>USD</u>	<u>June 30, 2010</u> <u>USD</u>
Trade payables	-	37,179
Employees' end of service benefits	12,157	20,258
Directors' remuneration (Note 16)	99,654	213,500
Other payables	<u>234,775</u>	<u>299,216</u>
	<u>346,586</u>	<u>570,153</u>

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**Tejoori Limited**

**Notes to the Financial Statements (continued)**

**For the six months ended December 31, 2010**

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**11. Share capital**

The authorized share capital of the company comprises 1 billion shares of USD 0.01 each (30 June 2010: 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 2010: 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 2010 is 2,740,000 (30 June 2010: 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.

**12. Share premium**

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



**Tejoori Limited**

**Notes to the Financial Statements (continued)**  
**For the six months ended December 31, 2010**

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**13. General and administrative expenses**

	<u>For the six months ended December 31, 2010</u>	<u>For the six months ended December 31, 2009</u>
	<u>USD</u>	<u>USD</u>
Administration fees	59,935	131,818
Salaries and benefits	52,131	105,988
Legal and professional fees	189,338	262,648
Employees' end of service benefits	579	3,506
Directors' remuneration and fees	27,500	20,000
Depreciation	2,086	4,779
Impairment on trade and other receivables	-	3,105,044
Others	<u>4,911</u>	<u>2,742</u>
	<u>336,480</u>	<u>3,636,525</u>

**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.

	<u>For the six months ended December 31, 2010</u>	<u>For the six months ended December 31, 2009</u>
Net profit/(loss) for the period in USD	<u>337,672</u>	<u>(14,984,089)</u>
Weighted average number of shares in issue	<u>27,708,864</u>	<u>27,708,864</u>
Basic earnings/(loss) per share in USD	0.012	(0.541)

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**Tejoori Limited**

**Notes to the Financial Statements (continued)  
For the six months ended December 31, 2010**

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**14. Earnings per share (continued)**

**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.

	<u>For the six months ended December 31, 2010</u>	<u>For the six months ended December 31, 2009</u>
Net profit/(loss) for the period in USD	<u>337,672</u>	<u>(14,984,089)</u>
Weighted average number of shares in issue	27,708,864	27,708,864
Adjustment for share warrants	<u>2,740,000</u>	<u>2,740,000</u>
Weighted average number of shares for diluted	30,448,864	30,448,864
Diluted earnings/(loss) per share in USD	<u>0.011</u>	<u>(0.492)</u>

## Tejoori Limited

### Notes to the Financial Statements (continued) For the six months ended December 31, 2010

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#### 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</u>	
	<u>December</u> <u>31,2010</u>	<u>December</u> <u>31,2009</u>
<b>Transactions</b>		
Key management remuneration	<u>-</u>	<u>65,753</u>
Directors' fees and other remuneration	<u>27,500</u>	<u>20,000</u>
<b>Balances</b>		
	<u>December</u> <u>31,2010</u>	<u>December</u> <u>31,2009</u>
Due to shareholders (Note 9)	<u>877,200</u>	<u>877,200</u>
Directors' remuneration	<u>99,654</u>	<u>213,500</u>