

Tejoori Limited
(“Tejoori” or the “Company”)

Sale of investment in Lagoons development
and
Acquisition of plots in Arjan

The Board of Tejoori (AIM:TJI), the Dubai-based Shari’a-compliant investment company, is pleased to announce that, on 9 December 2012, the Company entered into settlement agreements (the “Settlement Agreements”) to cancel the existing sale and purchase agreements for the acquisition by Tejoori of three plots of land in the Lagoon development in Dubai (the “Lagoon Plots”). At the same time the Company has also entered into new sale and purchase agreements (the “SPAs”) for the acquisition by Tejoori of three plots of land in Arjan, a commercial and residential property community development within DubaiLand in Dubai, United Arab Emirates (the “Arjan Plots”).

As detailed in the Company’s interim results released in March 2012, the Board of Tejoori has been negotiating options for the consolidation of its investment in the Lagoon Plots, following the postponement of the Lagoon development.

Key details of the Arjan Plots are as follows:

- Three plots of land located in the AED 20 Billion (US\$5.4 Billion) Arjan development within DubaiLand
- Total land square footage of 245,891 square feet
- Anticipated ground floor area of 760,851 square feet
- Can be used for either commercial or residential development
- Surrounding area already received significant development, with majority of properties near completion
- Tejoori have the option to either develop the plots themselves or to sell them undeveloped

On 9 December 2012, the Company entered into the Settlement Agreements with The Lagoons LLC (the “Lagoons Seller”) to cancel the existing sale and purchase agreement dated 7 October 2007 for the acquisition by Tejoori of the Lagoon Plots (the “Lagoons SPAs”). Concurrently, the Company has entered into the SPAs with Liwan LLC (the “Arjan Seller”) for the purchase of the Arjan Plots. The total consideration payable for the Arjan Plots is AED 57.06 million (US\$15.53 million). Both the Lagoons Seller and the Arjan Seller are controlled by Dubai Properties Group. No further consideration is payable by Tejoori under the Lagoons SPAs and the total amount paid to date by Tejoori under the Lagoons SPAs, being AED 50.02 million (US\$13.62 million), has been offset against the consideration payable by Tejoori for the acquisition of the Arjan Plots. The balance due by Tejoori for the acquisition of the Arjan Plots, being AED 7.04 million (US\$1.92 million), is payable by the Company over a period of 18 months in six equal instalments.

In the Company’s accounts for the year ended 30 June 2011 the Lagoon Plots contributed zero revenue and carried a net asset value of US\$4.39 million. At 30 June 2011 the commitment outstanding by Tejoori in relation to the acquisition of the Lagoon Plots was US\$36 million.

Abdullah Lootah, CEO of Tejoori, commented:

“This transaction has, in effect, transferred our investment from the Lagoon Plots to the Arjan Plots, which we anticipate will have a much shorter time before we are able to realise value, given the more advanced stage of development of the area. In addition, we have been able to significantly reduce our liabilities on our property investments, as the outstanding balance on the Arjan Plots AED 7.04 million (US\$1.92 million) is substantially below that which was outstanding on the Lagoon Plots (US\$36 million).”

Khalid Al Nasser, Chairman of Tejoori, added:

“I would like to congratulate the management of Tejoori for their efforts over the year in the negotiations on the Lagoon Plots and the successful outcome which has resulted in Tejoori’s ownership in the Arjan Plots.”

For further information:

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An exchange rate of AED US\$ of 1 AED:0.272 USD has been used throughout this announcement.

About Arjan:

Arjan is an AED 20 billion master planned community covering 11 million square feet and located in the heart of DubaiLand, a significant tourism, leisure and entertainment project.

Conveniently situated on Emirates Road and connected to main arterial roads and highways, Arjan is just 10 minutes drive from Dubai International Airport, close to Dubai World Central International Airport and 60 minutes away from Abu Dhabi, the UAE's capital city.

The master developer of Arjan is Minzin, part of the Dubai Government owned Dubai Holdings - a real-estate company specializing in Dubai master developments. Minzin have sold off development plots to sub developers to build their own residential and commercial towers.

The developments in Arjan have already commenced, including business towers, entertainment sites and residential complexes.