30 December 2010

Tejoori Limited

Full Year results for the period ended 30 June 2010

Tejoori Limited ("Tejoori" or the "Company"), the Dubai-based, AIM-quoted investment company established to invest in Shari'a-compliant investments, announces its audited results for the year ended 30 June 2010.

Chairman's Statement

Welcome to Tejoori's final results for the year ended 30 June 2010.

The financial crises during this period has driven down the financial markets globally and as a result the Board of Tejoori has been focussing on taking necessary measures warranting cost reduction and astute funds utilization strategies to achieve better results.

We assessed diversification of our investment portfolio by investing in GCC to diversify risks and maximize returns for our shareholders. In June 2010, Tejoori entered into an agreement to acquire a 10% shareholding in M/s Al Manafeth Real Estate Development & Trading Company, based in Saudi Arabia, engaged in real estate activities. Manafeth was the owner of a 919,119.02 sq ft parcel of undeveloped land in Saudi Arabia. It was an investment totalling SAR 10 million (equivalent to US$2.67 million) of which SAR 1.5 Million was advanced by 30 June 2010 and an additional SAR 8.5 Million in July 2010. This investment was in line with Company's investing strategy and was made on a short term basis with the intention for Tejoori to realise returns within a short duration. As announced by the Company on 8 December 2010, Tejoori entered into an agreement on 7 December 2010 to dispose of the investment 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 represents a gain of 10 per cent for Tejoori on the investment. The board intends to use the proceeds from the disposal to make further investments in line with the company's investment strategy in the upcoming period.

As at 30 June 2010 net asset value was US$16.7 million (30 June 2009: US$32.3 million) representing US$0.60 per share (30 June 2009: US$1.17 per share). Losses before tax for the year ended 30 June 2010 were US$15.6 million (12 months ended 30 June 2009: US$8.5 million). Available cash and cash equivalents at 30 June 2010 were US$5.6 million (30 June 2009: US$7.9 million).

To achieve improved results we have also realigned the workforce which has led to restructuring of our organization and the Tejoori board. In March 2010 Mahmod Al Mahmood resigned as Chairman of Tejoori to pursue other business interests and, having previously been a non-executive director, I became Chairman of Tejoori. We also appointed Mr Abdullah Ibrahim Saeed Lootah as a non-executive director of Tejoori in June 2010. Abdullah is a member of the highly respected Lootah family in Dubai and has held board positions in a number of large UAE property and construction companies. Mr Lootah subsequently became CEO of Tejoori in August 2010 and is responsible for implementing the Company's overall strategy and the accomplishment of the Company's objectives and investing strategy. His depth of experience, particularly in Dubai's property and construction markets, is of great value to Tejoori.

We would like to assure our shareholders that Tejoori has been restructured and the team is now better positioned and focused on assessing and embarking on new investment opportunities in line with the company's investment strategy in upcoming periods.

Khalid Al Nasser
Chairman of the Board

Tejoori Limited
29 December 2010

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Statement of financial position

	As at 30 June	
	2010	2009
	USD	USD
ASSETS		
Cash and cash equivalents	5,575,578	7,926,730
Due from a related party	402,011	-
Trade and other receivables	71,804	3,251,258
Available-for-sale investment	8,019,715	7,570,187
Advance towards acquisition of investment property	4,386,058	15,934,306
Property and equipment	4,037	12,032
Total assets	18,459,203	34,694,513
LIABILITIES AND EQUITY		
Liabilities		
Due to a shareholder	877,200	1,754,400
Due to a related party	271,850	-
Trade and other payables	570,153	575,924
Total liabilities	1,719,203	2,330,324

Equity		
Share capital	277,089	277,089
Share premium	41,286,207	41,286,207
Share warrants reserve	1,370,000	1,370,000
Accumulated losses	(26,193,296)	(10,569,107)
Total equity	16,740,000	32,364,189
Total liabilities and equity	18,459,203	34,694,513

Statement of comprehensive income

	Year ended 30 June	
	2010	2009
	USD	USD
Income		
Return on Islamic investments	271,953	86,839
Gain from disposal of interest in investment property	-	1,589,271
Total income	271,953	1,676,110
Expenses		
Administrative and operating expenses	(1,240,038)	(1,474,425)
Impairment losses	(14,653,292)	(8,514,581)
Other losses-net	(2,812)	(189,003)
Loss for the year	(15,624,189)	(8,501,899)
Other comprehensive income/(loss)	-	-
Total comprehensive loss for the year	(15,624,189)	(8,501,899)
Loss per share - basic	(0.56)	(0.31)
Loss per share – diluted	(0.51)	(0.28)

Statement of changes in shareholders' equity

	Share capital USD	**Share premium** USD	**Share warrants reserve** USD	**Accumulated losses** USD	**Total** USD
At 1 July 2008	277,089	41,286,207	1,370,000	(2,067,208)	40,866,088

Loss for the year	-	-	-	(8,501,899)	(8,501,899)
	-	-			
At 30 June 2009	277,089	41,286,207	1,370,000	(10,569,107)	32,364,189
Loss for the year	-	-	-	(15,624,189)	(15,624,189)
	-	-			
At 30 June 2010	277,089	41,286,207	1,370,000	(26,193,296)	16,740,000

Statement of cash flows

	Year ended 30 June	
	2010	2009
	USD	USD
Operating activities		
Loss for the year	(15,624,189)	(8,501,899)
Adjustments for:		
Depreciation	7,995	15,024
Employees' end of service benefits	10,934	27,431
Foreign exchange loss/gain	-	211,239
Impairment loss	14,653,292	8,514,581
Operating cash flows before changes in assets and liabilities and payment of employees' end of service benefits	(951,968)	266,376
Payment of employees' end of service benefit	-	(54,184)
Changes in assets and liabilities:		
Available-for-sale investment	(449,528)	-
Disposal of interest in investment property	-	11,043,472
Due to shareholder	(877,200)	-
Due from related party	(402,011)	-
Due to related party	271,850	-
Trade and other receivables	74,410	(3,233,025)
Trade and other payables	(16,705)	(258,077)
Net cash (used in) /generated from operating activities	(2,351,152)	7,764,562
Net (decrease)/increase in cash and cash equivalents	(2,351,152)	7,764,562
Cash and cash equivalents, beginning of the year	7,926,730	162,168
Cash and cash equivalents, end of the year	5,575,578	7,926,730

These financial statements were approved for issue by the Board of Directors of the company on 29 December 2010.

Notes to the financial statements for the year ended 30 June 2010

The following selected notes have been extracted, and should be read in conjunction with, the audited financial statements which will be available shortly from the Company's website (www.tejooriltd.ae) and from which the summarised financial statements have been extracted.

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 company's operations are managed from the United Arab Emirates (UAE).

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

2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets.

The preparation of financial statements in conformity with the IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. There are no significant areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements.

3. Cash and cash equivalents

	2010 USD	2009 USD
Cash at bank	147,934	1,142,234
Cash in hand	236	235
Investment in Murabaha deposits	-	6,784,261
Investment in Wakala deposits	5,427,408	-
	5,575,578	7,926,730

Cash at bank and investment in Wakala deposits are placed with reputable banks based in the United Arab Emirates. The Wakala deposits carried a profit rate of 4.85 % (2009: Murabaha deposit 7.30%) per annum.

4. Available-for-sale investment

	2010 USD	2009 USD
Opening balance	7,570,187	7,570,187
Additions during the year	449,528	-
	8,019,715	7,570,187

Available-for-sale investment 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.

The company's investment in BEKON Group is carried at its cost since it is impracticable to reliably assess its fair value.

At 30 June 2010 the company had no investment commitment (30 June 2009: EUR 300,000) in respect of this investment.

5. Advance towards acquisition of investment property

	2010 USD	2009 USD
Opening balance	22,763,295	33,806,767
Disposals during the year	-	(11,043,472)
Impairment loss	(18,377,237)	(6,828,989)
	4,386,058	15,934,306

On 17 December 2006, the company and Omniyat Group closed a 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 would surrender 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 30 June 2010 and 30 June 2009 represents the deposit and premium paid on these plots of land plus legal and administration fees paid. The commitment outstanding at 30 June 2010 relating to the acquisition of these plots of land is USD 36 million (2009: USD 36 million).

On 26 October 2008, the company entered into a contract to sell its interest in one of the plots. This plot was sold for USD 12,632,743, resulting in a gain of USD 1,589,271.

An impairment loss of USD 11,548,248 (2009 - USD 6,828,989) has been recognized in respect of the carrying amount of the advance USD 15,934,306 (2009 - USD 22,763,295) as at 30 June 2010 in order to reduce it to its recoverable amount as at that date.

6. Earnings per share

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

	2010	2009
Basic		
Loss for the year in USD	(15,624,189)	(8,501,899)
Weighted average number of shares in issue	27,708,864	27,708,864
Basic loss per share in USD	(0.56)	(0.31)

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 warrants, 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.

	2010	2009
Loss for the year in USD	(15,624,189)	(8,501,899)
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 loss per share in USD	(0.51)	(0.28)