AIM: FOX 10 September 2015

Fox Marble Holdings plc

("Fox Marble" or the "Company")

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

Fox Marble Holdings plc (AIM: FOX) announces its interim results for the six months ended 30 June 2015.

Key highlights during the period and post period end:

- Revenues for the half year were significantly lower than expected.
- As at 10 September 2015 our order book stands at €2.8 million of which €1.4 million is expected to be realised in the current financial year.
- Argento Grigio marble installed within new development of St George Plc, the luxury homes division of Berkeley Homes Plc. Since the period end, the Company has received a further purchase order in relation to the subsequent phases of this development.
- Further to the sales agency agreement signed with Zhong Shengdestone Co Ltd ("ZSC") in December 2014, the first sample order of blocks has been shipped to China to be processed in ZSC factories.
- The Company is now moving on to the site of the second Malesheva quarry following delays caused by local government administration. Operations to open quarry benches and extract the first blocks of this popular stone are commencing.
- Reached agreement with a neighbouring property to our Sivec quarry through which we believe we can access higher grades of Sivec more rapidly. The Company has just shipped the first batch of processed slabs of the higher grade Sivec.
- Significant progress had been made in the construction of the Company's processing plant, with the building complete and installation of key machinery in progress, although the delay in procurement of two key pieces of equipment bound for the site due to circumstances outside of our control has caused a setback.

Chris Gilbert, CEO, commented: "Despite a challenging start, I am looking forward to the next six months and our progress in developing new markets. We have been frustrated by the operational setbacks we have experienced, which could not have been predicted. Our strategy remains the same and we have made good headway, particularly with regards to sales efforts, which are starting to bear fruit as our material gains recognition. As various aspects of our development fall into place I am confident of fulfilling our plans and look forward to updating the market in due course."

Enquiries

For more information on Fox Marble please visit www.foxmarble.net or contact;

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Chairman's Statement

The Board of Directors present the interim results of Fox Marble Holdings plc for the six month period to 30 June 2015.

The Company has had a challenging start to 2015 with a number of operational setbacks; however, we have also seen significant progress and maintain a positive outlook for the remainder of 2015 and 2016 with a strong order book.

Sales and Marketing

Revenues for the half year were significantly lower than expected at €110,000. This shortfall against expectations was to a large extent due to slower than expected completion of deliveries of our order book as a result of delays in accessing the new Malesheva quarry containing supplies of Illyric White marble and slower than expected development of our Sivec quarries. I am pleased to confirm that both issues have now been rectified.

We continue to focus on expanding our sales order book and sales leads which have expanded in both depth and geographic reach. As at 10 September 2015, our order book stands at €2.8 million, of which €1.4 million is expected to be realised in the current financial year.

Key highlights of the year to date include:

- The first half of 2015 has seen our Argento Grigio marble installed within the bathrooms of the new Chelsea Creek development by St George Plc, the luxury homes division of Berkeley Homes Plc. Following the success of this project, we have received a larger commission for the subsequent phases of this development, which we are currently processing for delivery in the last quarter of this year.
- The sales agency agreement signed with Zhong Shengdestone Co Ltd ("ZSC") in December 2014 has provided us with access to the Chinese market. In May 2015, we hosted a delegation from ZSC at our quarries and following the meeting, the first sample order of blocks has been shipped to China to be processed in ZSC factories. Initial reports on the material are positive and we are awaiting the return visit by ZSC and more significant orders.

Lastly, we are pleased to announce that we will be showcasing our premium marble at the Marmomacc International Trade Fair for stone, design and technology at Veronafiere, Verona, Italy, between 30 September and 3 October 2015. This internationally renowned exhibition offers the opportunity for Fox Marble to showcase its premium quality marble to potential buyers and architects as the Company continues to focus on establishing itself within the marble industry. The exhibition expects 65,000 visitors from 145 countries.

Production

We have seen good levels of production at our Syrigane and Cervenilla quarries which supply our Breccia, Argento Grigio, Flora and Rosso Cait marbles. As these quarries have matured we have seen the visual quality of stone improve and now have the ability to produce uniform large blocks. Following the ZSC delegation visit to the Cervenilla quarry, Fox Marble has opened a new Flora bench in order to provide a dedicated supply of the material to meet expected increase in demand.

We are pleased to announce that we have moved on to the site of the second Malesheva quarry, acquired in 2014, following delays caused by local government administration. Operations to open the benches and extract the first blocks of this popular material have begun. The Company is very positive about the quality of marble within this quarry and have potential customers waiting on the first deliveries.

As previously announced, development of our Sivec quarries in Macedonia has been subject to delays as the Company seeks to access higher grades of material. The Company has negotiated with a neighbouring property to our quarry through which we believe we can access higher grades of Sivec more rapidly than we can through our licensed area. The Company has recently shipped its first batch of processed higher grade Sivec and over the upcoming months will be able to satisfy the outstanding orders for this material.

Processing Factory

We have seen significant progress in the construction of the Company's processing plant, with the building complete and installation of key machinery in progress. However, as previously announced, there has been a delay in procuring two key pieces of equipment bound for the site due to circumstances outside of our control which has caused a setback.

The Company has decided to prioritise completion of the tile processing facilities in the factory with the aim of entering the production phase of these tiles by the year end. This will enable the Company to process marble tiles for sale into the Kosovan and Balkan market. The tile market in the region is currently dominated by a small number of companies offering expensive, imported goods, which we are confident we can supplant. We believe in the short term we can continue to process marble slabs in Carrara and Macedonia, until such time as our slab processing facilities are complete.

We remain confident in the desirability of the marble that we are extracting and processing. We expect to continue expanding the reach of our sales team with better results in building on our order book over the coming months.

The Board of Directors will continue to ensure that the management team focus on addressing the operational delays we have experienced in the first half of the year and delivering the sales against our growing order book. We recognise that it has taken longer than expected to build revenues; however, we remain optimistic and are focussed on fulfilling the expectations of shareholders, which we expect to achieve.

Andrew Allner
Non-Executive Chairman
10 September 2015

FOX MARBLE HOLDINGS PLC

Condensed consolidated income statement and statement of comprehensive income

	Note	**Six months ended 30 June 2015 Unaudited**	Six months ended 30 June 2014 Unaudited	For the year ended 2014 Audited
		€'000s	€'000s	€'000s
Revenue		**110**	34	150
Cost of Sales		**(63)**	(22)	(84)
Gross Profit		**47**	12	66
Production and administrative expenses		**(899)**	(1,106)	(2,182)
Operating loss		**(852)**	(1,094)	(2,116)
Finance costs	3	**(246)**	(150)	(209)
Loss before taxation		**(1,098)**	(1,244)	(2,325)
Taxation		-	-	-
Loss for the period		**(1,098)**	(1,244)	(2,325)
Other comprehensive income		**-**	-	-
Total comprehensive loss for the period attributable to owners of the parent company		**(1,098)**	(1,244)	(2,325)
Loss per share				
Basic loss per share	4	**€(0.01)**	€(0.01)	€(0.02)
Diluted loss per share	4	**€(0.01)**	€(0.01)	€(0.02)

FOX MARBLE HOLDINGS PLC

Condensed consolidated statement of financial position

	Notes	**As at 30 June 2015 Unaudited**	As at 31 December 2014 Audited	As at 30 June 2014 Unaudited
		€'000s	€'000s	€'000s
Assets				
Non-current assets				
Intangible assets – Capitalised mining costs		1,345	1,346	91
Property, plant and equipment	5	3,804	3,314	3,486
Receivables		431	64	62
Total non-current assets		**5,580**	**4,724**	**3,639**
Current assets				
Trade and other receivables		504	918	473
Inventories		2,099	1,570	733
Cash and cash equivalents		5,587	4,701	2,530
Total current assets		**8,190**	7,189	**3,736**
Total assets		**13,770**	**11,913**	**7,375**
Current liabilities				
Trade and other payables		640	377	306
Total current liabilities		**640**	**377**	**306**
Non-current liabilities				
Convertible loan notes	7	1,549	1,480	1,447
Total non-current liabilities		**1,549**	**1,480**	**1,447**
Total liabilities		**2,189**	**1,857**	**1,753**
Net assets		**11,581**	**10,056**	**5,622**
Equity				
Share capital	8	**2,009**	1,871	1,540
Share premium		**24,146**	21,662	16,486
Retained loss		**(14,693)**	(13,595)	(12,514)
Share based payment reserve		**83**	82	74
Other reserves		**36**	36	36
Total equity attributable to owners of the parent company		**11,581**	**10,056**	**5,622**

FOX MARBLE HOLDINGS PLC

Condensed consolidated statement of cash flows

	Notes	**Six months ended 30 June 2014 Unaudited**	Six months ended 30 June 2014 Unaudited	Year ended 31 December 2014 Audited
		€'000s	€'000s	€'000s
Cash flows from operating activities				
Loss before taxation		**(1,098)**	**(1,244)**	**(2,325)**
Adjustment for:				
Finance costs		246	150	209
Operating loss for the period		**(852)**	**(1,094)**	**(2,116)**
Adjustment for:				
Amortisation		1	1	2
Depreciation	5	132	133	393
Exchange gains on cash and cash equivalents		(280)	-	(95)
Equity settled transactions		1	18	26
Decrease in receivables		46	451	5
Increase in inventories		(529)	(384)	(1,222)
Decrease in accruals		(5)	(176)	(80)
Increase in trade and other payables		267	20	(4)
Net cash used in operating activities		**(1,219)**	**(1,031)**	**(3,091)**
Cash flow from investing activities				
Expenditure on acquisition of mining rights and licences		-	-	(1,256)
Expenditure on property, plant and equipment	5	(621)	(1,697)	(1,786)
Net cash outflow from investing activities		**(621)**	**(1,697)**	**(3,042)**
Cash flows from financing activities				
Proceeds from issue of shares (net of costs)		2,622	-	5,507
Interest cost		(176)	-	(27)
Net cash inflow from financing activities		**2,446**	**-**	**5,480**
Net increase/(decrease) in cash and cash equivalents		**606**	**(2,728)**	**(653)**
Impact of foreign exchange differences		280	(1)	95
Cash and cash equivalents at beginning of period		4,701	5,259	5,259
Cash and cash equivalents at end of period		**5,587**	**2,530**	**4,701**

FOX MARBLE HOLDINGS PLC

Condensed consolidated statement of changes in equity

	Share capital €'000s	Share premium €'000s	Share based payment reserve €'000s	Other reserve €'000s	Profit and loss reserve [1] €'000s	**Total** **€'000s**
As at 31 December 2013	**1,540**	**16,486**	**56**	**36**	**(11,270)**	**6,848**
Total comprehensive loss for the period	-	-	-	-	(1,244)	**(1,244)**
Equity settled transactions	-	-	18	-		**18**
As at 30 June 2014	**1,540**	**16,486**	**74**	**36**	**(12,514)**	**5,622**
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**(1,081)**	**(1,081)**
Share capital issued	**331**	**5,176**	**-**	**-**	**-**	**5,507**
Equity settled transactions	**-**	**-**	**8**	**-**	**-**	**8**
As at 31 December 2014	**1,871**	**21,662**	**82**	**36**	**(13,595)**	**10,056**
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**(1,098)**	**(1,098)**
Share capital issued	**138**	**2,484**	**-**	**-**	**-**	**2,622**
Equity settled transactions	**-**	**-**	**1**	**-**	**-**	**1**
As at 30 June 2015	**2,009**	**24,146**	**83**	**36**	**(14,693)**	**11,581**

(1) Brought forward losses at 31 December 2013 includes a charge incurred following the admission of the Company to AIM on the 31 August 2012 when loan notes with a carrying value of €1,508,807 (£1,195,000) were converted into 29,875,000 shares at an issue price of 20p, with a total value of €7,544,035 (£5,975,000) resulting in a non-cash accounting charge of €6,035,228, reflecting the fair value loss being recognised, in the statement of comprehensive income in the period ended 31 December 2012.

Notes to the Condensed consolidated financial statements for the period ended 30 June 2014

1) General information

Fox Marble Holdings plc and its subsidiary companies Fox Marble Limited, Fox Marble Kosova Sh.p.k, H&P Sh.p.k, Granit Shala Sh.p.k and Rex Marble Sh.p.k (collectively "Group") principal activity is the exploitation of quarry reserves in the Republic of Kosovo and South East Europe.

Fox Marble Holdings plc, the Group's ultimate Parent Company, is incorporated in England and Wales its registered office is 15 Kings Terrace, London, NW1 0JP.

Fox Marble Holdings plc shares are admitted to trading on the London Stock Exchange's AIM market.

2) Basis of preparation

The results presented in this report are unaudited and they have been prepared in accordance with the principles of International Financial Reporting Standards as adopted by the European Union that are expected to be applicable to the financial statements for the year ending 31 December 2015.

The accounting policies applied in these results are consistent with those applied in the Group's Annual Report and Accounts for the year ending 31 December 2014 and those expected to be applicable to the financial statements for the year ending 31 December 2015.

The adoption of the above new and revised standards has had no effect on the reported financial results or the disclosures in this half yearly report.

This half yearly report does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for Fox Marble Holdings plc for the year ended 31 December 2014 were approved by the Board on 13 April 2015 and have been filed with the Registrar of Companies. The report of the auditors on those accounts was unqualified and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006. These condensed interim financial statements for the six months ended 30 June 2015 have been prepared in accordance IAS 34, 'Interim financial reporting', as adopted by the European Union. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2014, which have been prepared in accordance with IFRSs as adopted by the European Union. The Annual Report and Accounts 2014 for the Group are available at www.foxmarble.net.

Going concern

The Directors have reviewed detailed projected cash flow forecasts and are of the opinion that it is appropriate to prepare this report on a going concern basis. In making this assessment management has considered:

(a) The current working capital position and operational requirements;
(b) The sensitivities of forecasts sales figures in the next two years;
(c) The timing and magnitude of planned capital expenditure; and
(d) The strategic exploitation of the company's significant resources.

The Company is subject to a number of risks and uncertainties which may impact on the forecast financial performance on the company. The following risk factors, which are not exhaustive, are considered particularly relevant to the Group's ability to function as a going concern.

(a) The Malesheva and Prilep quarries are not currently at full level of production. The amount of marble quarried at these sites is expected to increase significantly over the coming year. Levels of production can be impacted by unforeseen delays due to inclement weather, equipment failure or the need to re-site the quarry bench. Delays in reaching anticipated levels of production may impact the Company's ability to generate revenues or achieve profitability.

(b) The Company's marble processing machinery is being installed. Once completed machinery will need to be tested, and a workforce recruited and trained. Completion of the factory could be subject to delays or cost overruns. This would impact the ability of the company to process marble at its own site and impact the profitability of the Company's future operations.

(c) The Company's level of historical sales is low and the volume of sales is anticipated to grow over the next twelve months. There can be no assurance however that sales will be realised, that the Group will generate sufficient revenues or achieve profitability.

(d) The Company convertible loan note arrangement with Amati Global Investors Limited (see note 7) is subject to a potential increase in interest rate as of 1 October 2015 from 8% to 25%. If the loan note is not converted prior to this date the Company intends to repay the loan in full. The Company has sufficient funds to repay the loan in full, however this action would impact the level of free working capital within the business.

In the event that the cash receipts from sales are lower than anticipated the Company has available to it a number of contingent actions it can take to mitigate the impact of potential downside scenarios. These include reviewing planned capital expenditure, redeploying company resources to more profitable resources, reducing overhead and seeking additional financing.

In conclusion, having regard to the existing working capital position and projected sales, the Directors are of the opinion that the Group has adequate resources to enable it to undertake its planned activities for the next 12 months.

3) Finance costs

	Six months ended 30 June 2015 €'000s	Six months ended 30 June 2014 €'000s	Year ended 31 December 2014 €'000
Interest expense on convertible loan notes	**59**	77	143
Amortisation of costs incurred	**17**	17	35
Movement in fair value of derivative	**13**	-	(58)
Foreign exchange loss/(gain)	**157**	56	89
	246	150	209

4) Loss per share

	Six months ended 30 June 2015 €'000s	Six months ended 30 June 2014 €'000s	Year ended 31 December 2014 €'000
Loss for the year used for the calculation of basic LPS	**1,098**	1,244	2,325
Number of shares			
Weighted average number of ordinary shares for the purpose of basic LPS	**152,403,822**	123,459,383	134,188,929
Effect of potentially dilutive ordinary shares		-	
Weighted average number of ordinary shares for the purpose of diluted LPS	**152,403,822**	123,459,383	134,188,929
Loss per share:			
Basic	€(0.01)	€(0.01)	€(0.02)
Diluted	€(0.01)	€(0.01)	€(0.02)

5) Property, plant and equipment

	Land	Construction in progress	Plant and machinery	Office equipment and leasehold improvements	Total
	€'000s	€'000	€'000s	€'000s	€'000s
Cost					
As at 31 December 2013	**160**	**-**	**1,861**	**15**	**2,036**
Additions	-	587	1,107	3	1,697
As at 30 June 2014	**160**	**587**	**2,968**	**18**	**3,733**
Additions	-	224	134	-	358
Reclassifications	-	455	(724)	-	(269)
As at 31 December 2014	**160**	**1,266**	**2,378**	**18**	**3,822**
Additions	-	317	22	4	343
Reclassifications	-	278	-	-	278
As at 30 June 2015	**160**	**1,861**	**2,400**	**22**	**4,443**
Depreciation					
As at 31 December 2013	**-**	**-**	**108**	**6**	**114**
Charge for the period	**-**	**-**	129	4	133
As at 30 June 2014	**-**	**-**	**237**	**10**	**247**
Charge for the period	**-**	**-**	257	3	260
As at 31 December 2014	**-**	**-**	**494**	**13**	**507**
Charge for the period	**-**	**-**	130	2	132
As at 30 June 2015	-	-	**624**	**15**	**639**
Net book value					
As at 30 June 2015	**160**	**1,861**	**1,776**	**7**	**3,804**
As at 31 December 2014	160	1,266	1,883	5	3,314
As at 30 June 2014	160	587	2,731	8	3,486

6) Trade and other receivables

	30 June 2015 €'000s	31 December 2014 €'000s	30 June 2014 €'000s
Non-current assets			
VAT recoverable	360	-	-
Other receivables	71	64	62
	431	**64**	**62**
Current assets			
Trade receivables	157	138	67
Deposits on capital equipment	-	274	-
Other receivables	130	4	55
Prepayments	142	162	134
VAT recoverable	75	339	217
	504	**917**	**473**

7) Convertible loan notes

	30 June 2015 €'000s	31 December 2014 €'000s	30 June 2014 €'000s
Financial liability at amortised cost	**1,511**	1,472	1,391
Derivative over own equity at fair value	**44**	31	96
Capitalised transaction costs	**(6)**	(23)	(40)
	1,549	1,480	1,447

On 31 August 2012 the Company issued €1,295,278 (£1,060,000) fixed rate convertible unsecured loan note 2017 to Amati Global Investors Limited ("Series 1 Loan Note").

Interest accrues on the Series 1 Loan Note at 8% per annum from the date of issue due quarterly in arrears. On the third anniversary of issue, or in the event of a default, the interest rate may be raised by the loan note holder to 25 %. In the event that the interest rate rises to 25% the loan note becomes repayable by the company.

At any time prior to repayment of the Series 1 Loan Note, a Stockholder may issue a conversion notice. The Stockholder will receive such number of fully paid Ordinary Shares as satisfied by the formula: 1 Ordinary Share for every y pence nominal of Stock converted, where y is the lesser of 20 + (number of whole months which have lapsed between the date of issue of the Stock held by the Stockholder and the date of receipt of by the Company of a conversion notice multiplied by 0.1666); and 26.

If the Series 1 Loan Note is not converted at the Stockholders request it must be repaid in full on the 5th anniversary of the instrument date.

As at 30 June 2015 the loan note held at amortised cost had a balance of €1,510,972 (31 December 2014 - €1,471,854). The Stockholders' option to convert the loan has been treated as an embedded derivative and measured at fair value. As at 30 June 2015 this option had a fair value of €44,004 (31 December 2014 - €30,838) which is derived using a Black Scholes calculation.

Costs of €103,551 were incurred in connection with the issue of the Series 1 loan notes. Costs are amortised over the period of the loan. As at 30 June 2015 the balance of these costs amounted to €5,895 (31 December 2014 – €23,011).

The Company was provided notice on 17 August 2015 that Amati Global Investors Limited was invoking its right to increase the interest rate on the debt from 1 October 2015. If the debt is not converted prior to this date the Company, has the option to either repay the debt or pay the increased interest rate.

8) Share capital

	30 June 2015 Number	31 December 2014 Number	**30 June 2015 €'000s**	31 December 2014 €'000s
Issued, called up and fully paid:				
Ordinary shares of 1 pence each	**159,848,266**	149,848,266	**2,009**	1,871

On 11 May 2015 the Board of Directors approved the issue of 10,000,000 issued shares at a price of 20.0p per share as part of a Secondary Placing on AIM. The shares placed were within existing authorities held by the board of directors

On 15 May 2015 10,000,000 ordinary shares of the Company were admitted for trading, on AIM increasing the Company's issued share capital to 159,848,266.