

**Eco Buildings Group PLC**  
**(“Eco Buildings” or the “Company”)**

**Interim Results for the six months ended 30 June 2023**

Eco Buildings Group PLC (AIM: ECOB), announces its unaudited interim results for the six months ended 30 June 2023 (the “Interim Results”).

As a result of the publication of the Interim Results, the Company's ordinary shares of 1 pence each will resume trading on the AIM Market of the London Stock Exchange with effect from 7.30 am on 3 October 2023.

**Operational Highlights**

- ✘ Acquisition of Eco Buildings Group Ltd completed on the 2 June 2023 following the general meeting held on the 26 May 2023. The acquisition was classified as a Reverse Takeover under the AIM rules and as such required approval from shareholders at a General Meeting.
- ✘ Share reorganisation completed on the 2 June 2023, with the shares of Fox Marble Holdings Plc. readmitted to AIM under a new ticker symbol ECOB. Fox Marble Holdings plc name was changed to Eco Buildings Group Plc.
- ✘ Placing completed raising £2.7 million before expenses via the issue of shares in Eco Buildings Group Plc at 55p per share.
- ✘ 8,232,857 preference shares issued to holders of record in Fox Marble Holdings Plc on the 1 June 2023, which will allow them to participate in the net proceeds arising from a successful conclusion to the current arbitration case being pursued against the republic of Kosovo.
- ✘ Factory commission of Eco Buildings Group factory producing GFRG panelling significantly underway in Durres. The factory is expected to be fully commissioned during Q4 2023, with commercial production beginning shortly after.

**Financial Highlights**

- ✘ The transaction to acquire Eco Buildings Group Ltd has been accounted for using the acquisition method of accounting in accordance with IFRS 3, which requires the identification of the acquirer and the acquiree for accounting purposes. Based on the assessment of the indicators under IFRS 3 and consideration of all pertinent facts and circumstances, Eco Buildings’ management determined that Eco Buildings Group Limited (since renamed Eco Buildings Operations Limited) is the acquirer for accounting purposes and as such, the merger will be accounted for as a reverse acquisition. As a result, the financial statements of Eco Buildings Group Plc in subsequent filings will represent the historical financial statements of Eco Buildings Group Ltd.
- ✘ Losses for the half year were €0.9 million (H1 2022: €0.6 million), due to costs incurred as part of the RTO process, offset by strict measures to control expenditure.

## **Operational Update**

### **Eco Buildings Group Acquisition and Reverse Takeover**

On the 2 June 2023 the Company completed the acquisition of the entire share capital of Eco Buildings Group Limited, a company that will operate in the prefabricated modular housing sector.

Eco Buildings Group Ltd had acquired proven and innovative prefabricated modular technology which has been in development and commercial use since 2006. Based on this technology, Eco Buildings' management team has utilised its network, in the Balkans and initially secured two contracts in Albania that are expected to generate sales revenue of up to €114 million in total for the first three years following the commissioning of the factory. Eco Buildings' technology system is not subject to patent protection and embodies know how and process innovations that have been developed using its system.

The Directors believe Eco Buildings' range of modular housing products provide a solution for the construction of both affordable and high-end housing, with Eco Buildings' products being up to 50% cheaper, two-thirds lighter and five times faster to build than conventionally built homes. Eco Buildings' vision is to alleviate the global housing deficit in a sustainable and profitable way.

The Directors believe that the Company's existing building products and operations should deliver revenue synergies when combined with Eco Buildings. These include the supply of processed dimensional marble from its existing quarries for use within Eco Buildings' modular housing projects.

The Acquisition constituted a reverse takeover by the Company under 26 May 2023.

The transaction to acquire Eco Buildings Group Ltd has been accounted for using the acquisition method of accounting in accordance with IFRS 3, which requires the identification of the acquirer and the acquiree for accounting purposes. Based on the assessment of the indicators under IFRS 3 and consideration of all pertinent facts and circumstances, Eco Buildings' management determined that Eco Buildings Group Limited (since renamed Eco Buildings Operations Limited) is the acquirer for accounting purposes and as such, the transaction will be accounted for as a reverse acquisition under IFRS 3. As a result, the financial statements of Eco Buildings Group Plc in subsequent filings will represent the historical financial statements of Eco Buildings Group Ltd.

### **Share Reorganisation**

At close of business on 11 April 2022, the date prior to which trading in its Existing Ordinary Shares on AIM was suspended, the Company had 417,333,753 Existing Ordinary Shares which had a mid-market closing price of 1.085 pence per share.

On the 2 June 2023 each Ordinary Share in the issued share capital of the Company at the 1 June 2023 was sub-divided into 13 Sub-divided Shares, following which 113,974 Sub-divided Shares were issued at nominal value. Following the Sub-divided Share Issuance, every 659 Sub-divided Shares was consolidated into one Post-Consolidation Ordinary Share and then each Post-Consolidation Share was sub-divided into one New Ordinary Share with a nominal value of 1p and one New Deferred Share with a nominal value of 50p.

The New Ordinary Shares have the same rights as the previous Ordinary Shares including voting, dividend, return of capital and other rights.

The New Deferred Shares do not have any voting rights and do not carry any entitlement to attend general meetings of the Company; nor will they be admitted to AIM or any other market.

The Share Reorganisation resulted in the Company having 8,232,857 New Ordinary Shares and 8,232,857 New Deferred Shares being in issue immediately following the Share Reorganisation.

## **Operating Update**

### ***Factory***

Eco Buildings Group Limited (ECOB) is pleased to confirm that the recommissioning of the plant and machinery from Dubai at the new factory in Durres is progressing according to plan.

The main components of the production line have now been assembled and fixed in place in the factory.

This includes the following which are all assembled and fixed in place:

- the main press mould, its framework, its surrounding equipment platforms and gantries;
- the CNC saw table, the caddy on which the saw travels down the saw table and the multi-directional CNC saw unit itself;
- the gypsum powder bulk silo, the weighing hopper it loads into and the mixer hopper for the slurry which our wall product is moulded from; and
- the dust extraction towers and blower motors.

### ***Sales and Marketing***

The Group has been successful in securing sales contracts with the following construction companies:

- Andrra Invest LLC A Kosovan company specialising in construction of residential and non-residential projects. Its activities include project management and development as well as marketing already finished construction sites. One of the best known completed projects is Andrra Residence in the capital Pristina, which is a high rise residential and business building complex.
- Egeu Stone LLC A well-recognised construction company in Albania, which has won 9 public tenders and has completed over 25 diverse construction projects in Albania, including multistorey residential dwellings, hotels and other commercial and industrial buildings, schools and public spaces.

Both sales agreements follow the same framework and involve the targeted production of between 350 and 450 residential units per year with sizes ranging from 120 square metres to 150 square metres.

The Company has received details of the first project to be undertaken under the Andrra Invest contract. The construction of a model home on site is being completed using existing stock of walls shipped from the UAE site to the specifications laid out by Andrra, whilst the commissioning process at the factory is ongoing.

### ***Arbitration Proceedings***

On 28 April 2023, the Company entered into a deed of assignment with Fox Marble SPV, a wholly owned subsidiary of the Company pursuant to which the net proceeds arising from the Kosovo Dispute will be paid to Fox Marble SPV. The deed of assignment also includes an indemnity from Fox Marble SPV to the Company for all costs and liabilities that may arise in respect of the Kosovo Dispute. Pursuant to this deed, Fox Marble SPV issued 8,232,857 shares of £0.01 each to the Company.

Pursuant to the Bonus Issue, every shareholder of the Company as at the 1 June 2023 will receive 1 New Preference Share. The New Preference Shares shall entitle the holders thereof to receive a preferential dividend equal to the net proceeds of any successful arbitration. In the event that the Arbitration is not successful, no amount shall be payable to the holders of the Preference Shares by the Company.

This announcement contains inside information for the purposes of Article 7 of EU regulation 596/2014.

**For more information on Eco Buildings please visit [www.eco-buildingsplc.com](http://www.eco-buildingsplc.com) or contact:**

#### **Eco Buildings Group plc**

Sanjay Bowry, Chief Executive Officer

Tel: +44 (0)20 7380 0999

Fiona Hadfield, Finance Director

Tel: +44 (0)20 7380 0999

**Spark Advisory Partners Limited (Nominated Adviser)**

Matt Davis / James Keeshan

Tel: +44 (0)20 3368 3550

**Tavira Securities Limited (Broker)**

Oliver Stansfield/Jonathan Evans

+44 (0)203 192 1739

ECO BUILDINGS GROUP PLC

Condensed unaudited consolidated income statement and statement of comprehensive income

|   | Note | Six months<br>ended 30 June<br>2023<br>Unaudited<br>€'000s | Six months<br>ended 30 June<br>2023<br>Unaudited<br>€'000s | For the<br>year<br>ended<br>2022<br>Unaudited<br>€'000s |
|---|------|--|--|---|
| <b>Revenue</b>  |      | 32   | -  | -   |
| Cost of Sales   |      | (4)  | -  | -   |
| <b>Gross Profit</b>   |      | <b>28</b>  | -  | -   |
| Administrative and other operating expenses   |      | (132)  | (63)   | (242)   |
| Charge on conversion of Pre IPO loan instrument   |      | (749)  | -  | -   |
| <b>Operating loss</b>   |      | <b>(854)</b>   | <b>(63)</b>  | <b>(242)</b>  |
| Net finance (costs)/income  | 4    | (53)   | (19)   | (92)  |
| <b>Loss before taxation</b>   |      | <b>(907)</b>   | <b>(82)</b>  | <b>(334)</b>  |
| Taxation  |      | -  | -  | -   |
| <b>Loss for the period</b>  |      | <b>(907)</b>   | <b>(82)</b>  | <b>(334)</b>  |
| Other comprehensive income  |      | -  | -  | -   |
| <b>Total comprehensive loss for the period<br/>attributable to owners of the parent company</b> |      | <b>(907)</b>   | <b>(82)</b>  | <b>(334)</b>  |
| <b>Loss per share</b>   |      |  |  |   |
| Basic loss per share  | 7    | €0.016   | €0.0015  | €0.0061   |
| Diluted loss per share  | 7    | €0.016   | €0.0015  | €0.0061   |

ECO BUILDINGS GROUP PLC

Condensed unaudited consolidated statement of financial position

|   | Notes | As at 30<br>June 2023<br>Unaudited<br>€'000s | As at 31<br>December 2022<br>Unaudited<br>€'000s | As at 30 June<br>2022<br>Unaudited<br>€'000s |
|---|-------|--|--|--|
| <b>Assets</b>   |       |  |  |  |
| <b>Non-current assets</b>   |       |  |  |  |
| Intangible assets   | 5     | 4,246  | -  | -  |
| Property, plant and equipment   | 6     | 5,639  | 1,341  | 906  |
| <b>Total non-current assets</b>   |       | <b>9,885</b>                                 | <b>1,341</b>                                     | <b>906</b>                                   |
| <b>Current assets</b>   |       |  |  |  |
| Trade and other receivables   |       | 2,543  | 90   | 187  |
| Inventories   |       | 2,392  | -  | -  |
| Cash and cash equivalents   |       | 638  | 10   | 167  |
| <b>Total current assets</b>   |       | <b>5,573</b>                                 | <b>100</b>                                       | <b>354</b>                                   |
| <b>Total assets</b>   |       | <b>15,458</b>                                | <b>1,441</b>                                     | <b>1,260</b>                                 |
| <b>Current liabilities</b>  |       |  |  |  |
| Trade and other payables  |       | 2,447  | 15   |  |
| Borrowings  | 7     | -  | 728  | 611  |
| <b>Total current liabilities</b>  |       | <b>2,447</b>                                 | <b>743</b>                                       | <b>611</b>                                   |
| <b>Non-current liabilities</b>  |       |  |  |  |
| Deferred tax liability  |       | 85   | -  | -  |
| Lease Commitments   |       | 351  | 265  | -  |
| Borrowings  | 7     | 5,430  | 767  | 731  |
| <b>Total non-current liabilities</b>  |       | <b>5,866</b>                                 | <b>1,032</b>                                     | <b>731</b>                                   |
| <b>Total liabilities</b>  |       | <b>8,313</b>                                 | <b>1,775</b>                                     | <b>1,342</b>                                 |
| <b>Net assets/(loss)</b>  |       | <b>7,145</b>                                 | <b>(334)</b>                                     | <b>(82)</b>                                  |
| <b>Equity</b>   |       |  |  |  |
| Share capital   | 8     | 5,772  | 1  | 1  |
| Share premium   | 8     | 4,446  | -  | -  |
| Retained loss   |       | (1,241)                                      | (335)  | (83)   |
| Other reserves  |       | (1,832)                                      | -  | -  |
| <b>Total equity/(loss) attributable to owners<br/>of the parent company</b> |       | <b>7,145</b>                                 | <b>(334)</b>                                     | <b>(82)</b>                                  |

ECO BUILDINGS GROUP PLC

Condensed consolidated statement of cash flows

|   | Notes | Six months ended<br>30 June<br>2023<br>Unaudited<br>€'000s | Six months ended<br>30 June<br>2022<br>Unaudited<br>€'000s | Year ended 31<br>December<br>2022<br>€'000s |
|---|-------|--|--|---|
| <b>Cash flows from operating activities</b>                 |       |  |  |   |
| <b>Loss before taxation</b>                                 |       | <b>(907)</b>   | <b>(82)</b>  | <b>(334)</b>                                |
| Adjustment for:   |       |  |  |   |
| Net finance costs/(income)                                  |       | 53   | 19   | 92  |
| <b>Operating loss for the period</b>                        |       | <b>(854)</b>   | <b>(63)</b>  | <b>(242)</b>                                |
| Adjustment for:   |       |  |  |   |
| Amortisation  |       | 8  | -  | -   |
| Depreciation  | 6     | 128  | -  | 32  |
| Charge on conversion of Pre IPO loan instrument             |       | 794  | -  | -   |
| Changes in working capital:                                 | =     |  |  |   |
| Increase in receivables                                     |       | (1,109)  | (188)  | (89)  |
| Decrease in inventories                                     |       | 166  | -  | -   |
| Increase in trade and other payables                        |       | 685  | -  | 14  |
| <b>Net cash used in operating activities</b>                |       | <b>(182)</b>   | <b>(251)</b>   | <b>(286)</b>                                |
| <b>Cash flow from investing activities</b>                  |       |  |  |   |
| Expenditure on property, plant and equipment                | 6     | (220)  | (175)  | (372)                                       |
| Expenditure on rights of use assets                         |       | (41)   | -  | (68)  |
| <b>Net cash outflow from investing activities</b>           |       | <b>(261)</b>   | <b>(175)</b>   | <b>(439)</b>                                |
| <b>Cash flows from financing activities</b>                 |       |  |  |   |
| Proceeds from issue of shares                               | 8     | 1,153  | -  | -   |
| Drawdown or (Repayment) of debt                             |       | (145)  | 592  | 735   |
| Interest paid   |       | (37)   | -  | -   |
| <b>Net cash inflow from financing activities</b>            |       | <b>971</b>   | <b>592</b>   | <b>735</b>                                  |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |       | <b>528</b>   | <b>167</b>   | <b>10</b>                                   |
| Foreign exchange difference arising on translation          |       |  | -  | -   |
| Cash and cash equivalents at beginning of Period            |       | 10   | -  | -   |
| <b>Cash and cash equivalents at end of period</b>           |       | <b>638</b>   | <b>167</b>   | <b>10</b>                                   |

## ECO BUILDINGS GROUP PLC

### Condensed consolidated statement of changes in equity

|   | Share capital | Share premium | Share based payment reserve | Other reserve  | Profit and loss reserve | Total        |
|---|---------------|---------------|-----------------------------|----------------|-------------------------|--------------|
|   | €'000s        | €'000s        | €'000s                      | €'000s         | €'000s                  | €'000s       |
| <b>As at 1 January 2022</b>             | <b>1</b>      | <b>-</b>      | <b>-</b>                    | <b>-</b>       | <b>-</b>                | <b>1</b>     |
| Total comprehensive loss for the period |               |               |                             |                | (82)                    | (82)         |
| <b>As at 30 June 2022</b>               | <b>1</b>      | <b>-</b>      | <b>-</b>                    | <b>-</b>       | <b>(82)</b>             | <b>(81)</b>  |
| Total comprehensive loss for the period |               |               |                             |                | (253)                   | (253)        |
| <b>As at 31 December 2022</b>           | <b>1</b>      | <b>-</b>      | <b>-</b>                    | <b>-</b>       | <b>(335)</b>            | <b>(334)</b> |
| Total comprehensive loss for the period |               |               |                             |                | (907)                   | (907)        |
| <b>Transactions with owners</b>         |               |               |                             |                |                         |              |
| Share based transactions                |               |               |                             |                |                         |              |
| RTO transaction                         | 5,772         | 4,446         | -                           | (1,832)        | -                       | <b>8,386</b> |
| <b>As at 30 June 2023</b>               | <b>5,773</b>  | <b>4,446</b>  | <b>-</b>                    | <b>(1,832)</b> | <b>(1,242)</b>          | <b>7,145</b> |

### Notes to the condensed consolidated financial statements for the period ended 30 June 2023

#### 1) General information

The principal activity of Eco Buildings Group plc and its subsidiary and associate companies (collectively "Fox Marble Group" or "Group") is the exploitation of quarry reserves in the Republic of Kosovo and the Republic of North Macedonia.

Eco Buildings Group plc is the Group's ultimate Parent Company ("the parent company"). It is incorporated in England and Wales and domiciled in England. The address of its registered office is 160 Camden High Street, London, NW1 0NE. Eco Buildings Group 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 ("IFRS") as adopted by the European Union that are applicable to the financial statements for the year ending 31 December 2022.

The accounting policies applied in these results are consistent with those applied in the Group's Annual Report and Accounts for the year ended 31 December 2022 and those expected to be applicable to the financial statements for the year ending 31 December 2023.

This half yearly report does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for Eco Buildings Group plc for the year ended 31 December 2022 were approved by the Board on 16 October 2023 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 2021 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 2022, which have been prepared in accordance with IFRS as adopted by the European Union. The Annual Report and Accounts 2022 for the Group are available at [www.eco-buildingsplc.com](http://www.eco-buildingsplc.com)



During 2023 the Company completed the acquisition of Eco Buildings Group Ltd, as described further in Note 9. The transaction will be accounted for using the acquisition method of accounting in accordance with IFRS 3, which requires the identification of the acquirer and the acquiree for accounting purposes. Based on the assessment of the indicators under IFRS 3 and consideration of all pertinent facts and circumstances, Eco Buildings' management determined that Eco Buildings Group Limited (since renamed Eco Buildings Operations Limited) is the acquirer for accounting purposes and as such, the transaction will be accounted for as a reverse acquisition.

Consolidated financial statements prepared following a reverse acquisition are issued under the name of the legal parent (accounting acquiree – Eco Buildings Group PLC(formerly Fox Marble Holdings PLC)) but described in the notes as a continuation of the financial statements of the legal subsidiary (accounting acquirer – Eco Buildings Operations Ltd (formerly Eco Buildings Group Ltd) ), with one adjustment, which is to adjust retroactively the accounting acquirer's legal capital to reflect the legal capital of the accounting acquiree. That adjustment is required to reflect the capital of the legal parent. Comparative information presented in those consolidated financial statements also is retroactively adjusted to reflect the legal capital of the legal parent.

As a result, the financial statements of Eco Buildings Group Plc in subsequent filings will represent the historical financial statements of Eco Buildings Operations Limited.

Because the consolidated financial statements represent the continuation of the financial statements of Eco Buildings Operations Limited except for its capital structure, the consolidated financial statements reflect: (a) the assets and liabilities of the Eco Buildings Operations Limited (the accounting acquirer) recognised and measured at their pre-combination carrying amounts. (b) the assets and liabilities of the Eco Buildings Group PLC recognised and measured in accordance with this IFRS. (c) the retained earnings and other equity balances of the Eco Buildings Operations Limited (accounting acquirer) before the business combination. (d) the amount recognised as issued equity interests in the consolidated financial statements determined by adding the issued equity interest of the legal subsidiary (the accounting acquirer) outstanding immediately before the business combination to the fair value of the legal parent, Eco Buildings Group PLC, (accounting acquiree). However, the equity structure (ie the number and type of equity interests issued) reflects the equity structure of the legal parent, Eco Buildings Group PLC, (the accounting acquiree), including the equity interests the legal parent issued to effect the combination. Accordingly, the equity structure of the legal subsidiary, Eco Buildings Operations Limited (the accounting acquirer) is restated using the exchange ratio established in the acquisition agreement to reflect the number of shares of the legal parent (the accounting acquiree) issued in the reverse acquisition.

### **3) 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 they have considered:

- a) the current working capital position and operational requirements;
- b) the proposed business plan for the combined entity including commissioning of the new GFRG factory in Albania;
- c) the timing and expected start of revenues under the contracts for construction secured by Eco Buildings with Andrra Invest LLC and Egeu Stone LLC.
- d) the timing of expected sales receipts and completion of other existing orders, as well as collection of outstanding debtors;
- e) the sensitivities of forecast sales figures over the next two years;
- f) the timing and magnitude of planned capital expenditure including expansion of production facilities at the GFRG factory in Albania; and
- g) the level of indebtedness of the company and timing of when such liabilities may fall due, and accordingly the working capital position over the next 18 months.

The forecasts assume that the Company will execute a new business plan for the combined entity, as described in the strategic report. It further assumes that production at the Fox Marble factory will continue to operate in good order. The forecast assumes existing contracts held by the Company will be fulfilled on a timely basis. Furthermore, the forecasts assume that sales of block marble will resume as the global effect of the pandemic recedes. Further the Company is anticipating significant growth in revenue through the realisation of existing sale contracts and offtake agreements as well as from newly generated sales.

There are several scenarios which management have considered that could impact the financial performance of the Company. These include:

- a) The business plan for the combined entity, including planned capital and strategic expansions could be delayed or result in further losses for the group;
- b) Receipts of outstanding amounts due under the placing completed in June 2023 could be delayed;
- c) Commissioning of the new factory in Albania could be delayed; levels of production at the factory could be lower than expected;
- d) Levels of production at the quarries can be impacted by unforeseen delays due to inclement weather or equipment failure; lower than expected quality of material being produced, and the continuing effects of the pandemic;
- e) Costs of production and construction could be higher than planned, or there could be unforeseen additional costs;
- f) Fulfilment of the Company's order book could be delayed, or the payment of amounts due under such contracts could be delayed; and
- g) The resumption of block sales to the international block market may be slower than expected.

If the cash receipts from sales are lower than anticipated the Company has identified that it has available to it several other contingent actions, that it can take to mitigate the impact of potential downside scenarios. These include seeking additional financing, leveraging existing sale agreements, reviewing planned capital expenditure, reducing overheads and further renegotiation of the terms on its existing debt obligations.

In conclusion having regard to the existing and future working capital position and projected sales, the Directors are of the opinion that the application of the going concern basis is appropriate.

#### 4) Loss per share

|   | Six months ended<br>30 June<br>2023<br>€'000s <sup>(1)</sup> | Six months<br>ended<br>30 June<br>2022<br>€'000s <sup>(2)</sup> | Year ended<br>31 December<br>2022<br>€'000 <sup>(2)</sup> |
|---|--|---|---|
| Loss for the period used for the calculation of basic LPS                 | <b>(907)</b>   | <b>(82)</b>   | <b>(334)</b>  |
| <b>Number of shares</b>   |  |   |   |
| Weighted average number of ordinary shares for the purpose of basic LPS   | 57,132,992   | 54,545,455  | 54,545,455  |
| Effect of potentially dilutive ordinary shares                            | -  | -   | -   |
| Weighted average number of ordinary shares for the purpose of diluted LPS | 57,132,992   | 54,545,455  | 54,545,455  |
| <b>Loss per share:</b>  |  |   |   |
| Basic   | €0.016   | €0.0015   | €0.0061   |
| Diluted   | €0.016   | €0.0015   | €0.0061   |

Basic earnings per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

- (1) Pursuant to IAS 33.20 and in conjunction with IAS 33.64 the share consolidation that occurred in June 2023, as disclosed in note 29, changes the average number of shares without a concomitant change in the level of resources. The number of common shares in issue prior to the share reorganisation in June 2023 is adjusted in accordance with the change in the number of ordinary shares as if the share reorganisation had occurred at the beginning of the period under review.
- (2) Earnings per share for the periods ended 30 June 2022 and 31 December 2022 weighted average number of shares of former Eco Buildings Operations Limited have been adjusted by the exchange ratio of 1:54,545 to provide comparability in accordance with IFRS 3 – Business Combinations.

## 5) Intangible assets

|  | Goodwill     | Mining rights and licences | Capitalised exploration and evaluation expenditure | Total        |
|--|--------------|----------------------------|--|--------------|
| <b>Cost</b>  |              |                            |  |              |
| <b>As at 31 December 2021, 30 June 2022 and 31 December 2022</b> | -            | -                          | -  | -            |
| Arising on acquisition   | 1,563        | -                          | -  | 1,563        |
| Acquired   | 85           | 2,533                      | 74   | 2,692        |
| <b>As at 30 June 2023</b>  | <b>1,648</b> | <b>2,533</b>               | <b>74</b>  | <b>4,255</b> |
| <b>Depreciation</b>  |              |                            |  |              |
| <b>As at 31 December 2021, 30 June 2022 and 31 December 2022</b> | -            | -                          | -  | -            |
| Charge for the period  | -            | 5                          | 3  | 8            |
| <b>As at 30 June 2023</b>  | <b>-</b>     | <b>5</b>                   | <b>3</b>   | <b>8</b>     |
| <b>Net book value</b>  |              |                            |  |              |
| <b>As at 30 June 2023</b>  | <b>1,648</b> | <b>2,528</b>               | <b>71</b>  | <b>4,246</b> |
| As at 31 December 2022   | -            | -                          | -  | -            |
| As at 30 June 2022   | -            | -                          | -  | -            |

## 6) Property, plant and equipment

|  | GFRG<br>Factory<br>Plant and<br>machinery | Land       | Marble<br>Factory<br>Plant and<br>machinery | Rights of<br>use assets | Quarry<br>Plant and<br>machinery | Office<br>equipment<br>and leasehold<br>improvements | Total        |
|--|---|------------|---|-------------------------|----------------------------------|--|--------------|
|  |   | €'000s     | €'000s                                      | €'000                   | €'000s                           | €'000s   | €'000s       |
| <b>Cost</b>                                    |   |            |   |                         |                                  |  |              |
| <b>As at 31 December 2021</b>                  |   |            |   |                         |                                  |  |              |
| Additions                                      | 906                                       | -          | -   | -                       | -                                | -  | 906          |
| <b>As at 30 June 2022</b>                      | <b>906</b>                                | -          | -   | -                       | -                                | -  | <b>906</b>   |
| Additions                                      | 145                                       | -          | -   | 322                     | -                                | -  | 467          |
| <b>As at 31 December 2022</b>                  | <b>1,051</b>                              | -          | -   | <b>322</b>              | -                                | -  | <b>1,373</b> |
| Additions                                      | 220                                       | -          | -   | -                       | -                                | -  | 220          |
| Arising on acquisition                         | -   | 160        | 2,881                                       | 95                      | 1,069                            | 1  | 4,206        |
| <b>As at 30 June 2023</b>                      | <b>1,271</b>                              | <b>160</b> | <b>2,881</b>                                | <b>417</b>              | <b>1,069</b>                     | <b>1</b>   | <b>5,799</b> |
| <b>Depreciation</b>                            |   |            |   |                         |                                  |  |              |
| <b>As at 31 December 2021 and 30 June 2022</b> | -   | -          | -   | -                       | -                                | -  | -            |
| Charge for the period                          | -   | -          | -   | 32                      | -                                | -  | 32           |
| <b>As at 31 December 2022</b>                  | -   | -          | -   | <b>32</b>               | -                                | -  | <b>32</b>    |
| Charge for the period                          | -   | -          | 70  | 56                      | 2                                | -  | 128          |

|                           |              |            |              |            |              |          |              |
|---------------------------|--------------|------------|--------------|------------|--------------|----------|--------------|
| <b>As at 30 June 2023</b> | -            | -          | 70           | 88         | 2            | -        | 161          |
| <b>Net book value</b>     |              |            |              |            |              |          |              |
| <b>As at 30 June 2023</b> | <b>1,271</b> | <b>160</b> | <b>2,811</b> | <b>328</b> | <b>1,067</b> | <b>1</b> | <b>5,639</b> |
| As at 31 December 2022    | <b>1,051</b> | -          | -            | <b>290</b> | -            | -        | <b>1,341</b> |
| As at 30 June 2022        | <b>906</b>   | -          | -            | -          | -            | -        | <b>906</b>   |

## 7) Borrowings

|                                | <b>30 June<br/>2023<br/>€'000s</b> | 31 December<br>2022<br>€'000s | 30 June<br>2022<br>€'000s |
|--------------------------------|------------------------------------|-------------------------------|---------------------------|
| <b>Current liabilities</b>     |                                    |                               |                           |
| Convertible loan note          | -                                  | 728                           | 611                       |
|                                |                                    | <u>728</u>                    | <u>611</u>                |
| <b>Non-Current liabilities</b> |                                    |                               |                           |
| Convertible loan note          | 5,431                              | 767                           | 731                       |
|                                | <u>5,431</u>                       | <u>767</u>                    | <u>731</u>                |

On 3 March 2022 the Company entered into an agreement to acquire operational assets from Gulf Wall FZO, a company registered in Dubai, United Arab Emirates. The consideration for this purchase was the issue of shares in Eco Buildings Group Ltd and the issue of \$1,000,000 (£759,763) loan note. The terms of the loan note were agreed on 7 September 2022. The loan note has a four-year term and an interest rate of 2%. As at 30 June 2023 the loan note held at amortised cost had a balance of €818,272. Between 6 May 2022 and 31 December 2022, Eco Buildings Group Limited issued £645,000 of unsecured convertible loan notes. The loan notes were novated into Fox Marble Holdings PLC as part of the RTO transaction and were converted to shares on 50% discount on re-admission of the Eco Buildings Group Plc. (formerly Fox Marble Holdings PLC) to AIM.

Eco Buildings Group PLC (formerly Fox Marble Holdings PLC) held the following debt at the acquisition date of the 2nd June 2023.

### a. Series 11 Loan Note

On 27 May 2020 Eco Buildings Group PLC reached agreement with the holders of the Series 3, 4, 6, 7, 8, 9 and 10 loan note holders to reschedule the terms of the loan notes.

The existing loan notes were cancelled and replaced by the Series 11 Loan Note. The Series 11 Loan Note has an interest rate of 2% per annum. The Loan note is due for conversion or repayment on the 1 December 2026 with a conversion price of 5p.

On the 2 June 2023, effective on readmission, the term of the loan note was varied to change the conversion price to 80p per share based on the post consolidation share capital of the Company.

As at 30 June 2023, the Series 11 Loan Note held at amortised cost had a balance of €2,525,616. The Stockholders' option to convert the loan has been treated as an embedded derivative and measured at fair value. The fair value has been assessed using a Black Scholes methodology. The derivative is classified as a level 3 derivative on the basis that the valuation includes one or more significant inputs not based on observable market data.

The Directors consider that the carrying amount of borrowings approximates their fair value at 30 June 2023.

### b. Gulf Loan Note

As consideration for the acquisition of Gulf Marble Investments Limited Eco Buildings has issued an Unsecured Convertible Loan Note ('Gulf Loan Note') in the amount of €1,785,000. Under the terms of the Loan Note, the holder may elect to convert at a conversion price of 130% of the 3-month volume weighted average share price.

The Loan Note was repayable from 1 October 2020. The Loan Note carries an interest rate of Libor plus 1.5% payable annually in arrears.

As at 30 June 2023, the Gulf Loan Note held at amortised cost had a balance of €1,939,473. The Stockholders' option to convert the loan has been treated as an embedded derivative and measured at fair value. As at 31 30 June 2023, the derivative had a value of €123. The fair value has been assessed using a Black Scholes methodology. The derivative is classified as a level 3 derivative on the basis that the valuation includes one or more significant inputs not based on observable market data.

Subsequent to year end the term of the loan note was varied to extend the repayment date to 1 January 2025 in return for an increase in the principal of €100,000.

**c. Other Borrowings held at amortised cost**

In September 2019, the Company entered a short-term borrowing arrangement with a value of £345,000. The interest rate was 1% per calendar month with a repayment date of the 31 March 2020. On the 27 May 2020 holders of £225,000 of these borrowings agreed to exchange them with Series 11 Loan notes as described above. The term of the remaining borrowings amounting to £120,000 were varied to extend the repayment date to 2 June 2023. As at 30 June 2023, these loans had been fully repaid.

**8) Share capital**

In accordance with IFRS 3 - Business Combinations, as applied to a reverse acquisition, the share capital in the consolidated accounts of Eco Buildings Group PLC reflects the share capital of the legal acquirer, Eco Buildings Group PLC, with the difference between share capital of the legal acquirer and the accounting acquirer, Eco Buildings Operations Limited (formerly Eco Buildings Group Ltd), being aggregated and shown as part of retained earnings and other reserves.

|   | 30 June<br>2023<br>Number | 31 December<br>2022<br>Number | Share<br>capital<br>30 June<br>2023<br>€'000 | Share<br>capital<br>31<br>December<br>2022<br>€'000 | Share<br>premium<br>30 June<br>2023<br>€'000 | Share<br>premium<br>31<br>December<br>2022<br>€'000 |
|---|---------------------------|-------------------------------|--|---|--|---|
| <b>Issued, called up and fully paid Ordinary shares of<br/>€0.01 each</b>   |                           |                               |  |   |  |   |
| At start of the period  | 54,545,455                | 54,545,455                    | 1  | 1   | -  | -   |
| Issued in the year  | 15,524,625                | -                             | 815  | -   | 4,446  | -   |
| At end of the period  | 70,070,080                | 54,545,455                    | 816  | 1   | 4,446  | -   |
| <b>Issued, called up and fully paid Preference shares of<br/>€0.01 each</b> |                           |                               |  |   |  |   |
| At start of the period  | -                         | -                             | -  | -   | -  | -   |
| Issued in the year  | 8,232,857                 | -                             | 95   | -   | -  | -   |
| At end of the period  | 8,232,857                 | -                             | 95   | -   | -  | -   |
| <b>Issued, called up and fully paid Deferred shares of<br/>€0.50 each</b>   |                           |                               |  |   |  |   |
| At start of the period  | -                         | -                             | -  | -   | -  | -   |
| Issued in the year  | 8,232,857                 | -                             | 4,861  | -   | -  | -   |
| At end of the period  | 8,232,857                 | -                             | 4,861  | -   | -  | -   |
|   |                           |                               | <b>5,772</b>                                 | <b>1</b>  | <b>4,446</b>                                 | <b>-</b>  |

On the 2 June 2023 each Ordinary Share in the issued share capital of the Eco Buildings Group PLC at the 1 June 2023 was sub-divided into 13 Sub-divided Shares, following which 113,974 Sub-divided Shares were issued at nominal value. Following the Sub-divided Share Issuance, every 659 Sub-divided Shares was consolidated into one Post-Consolidation Ordinary Share and then each Post-Consolidation Share was sub-divided into one New Ordinary Share with a nominal value of 1p and one New Deferred Share with a nominal value of 50p.

The New Ordinary Shares have the same rights as the previous Ordinary Shares including voting, dividend, return of capital and other rights.

The New Deferred Shares do not have any voting rights and do not carry any entitlement to attend general meetings of the Company; nor will they be admitted to AIM or any other market.

The Share Reorganisation resulted in the Company having 8,232,857 New Ordinary Shares and 8,232,857 New Deferred Shares being in issue immediately following the Share Reorganisation.

### Issue of Shares

On the 2 June 2023, following the share reorganisation described above the Company issued in aggregate 61,837,223 new ordinary shares representing the total of the Placing Shares, the Consideration Shares and the CLN Shares)

| NAME                 | NUMBER OF ORDINARY SHARE | ISSUE PRICE | ISSUE DATE  |
|----------------------|--------------------------|-------------|-------------|
| PLACING SHARES       | 4,946,313                | 55p         | 2 June 2023 |
| CONSIDERATION SHARES | 54,545,455               | 55p         | 2 June 2023 |
| CLN SHARES           | 2,345,455                | 27.5p       | 2 June 2023 |

- ✘ The Placing shares were issued as part of placing to raise £2.7 million prior to expense at a placing price of 55p.
- ✘ Consideration shares were issued in settlement of the consideration price for the acquisition of Eco Buildings Group Ltd .
- ✘ CLN Shares were issued as settlement of the Convertible Loan Notes totalling £645,000 novated into the Company as part of the Acquisition of Eco Buildings Group Limited as noted above

### 9) Acquisition of Eco Buildings Group Limited

On 28 April 2023, the Company entered into an acquisition agreement pursuant to which it agreed to purchase the entire issued share capital of Eco Buildings in exchange for shares in the Company. The aggregate total consideration to be paid by the Company for the shares in Eco Buildings is to be satisfied at by the issue of 54,545,455 Shares in the enlarged group.

On the 2 June 2023 the Company completed the acquisition of 100% of the issued share capital of Eco Buildings Group Ltd.

The Acquisition constituted a reverse takeover by the Company under the AIM Rules and was, therefore, subject to the approval of Shareholders at the General Meeting.

|                                    | % Ownership | Date acquired/<br>Incorporated | Registered Office   | Place of incorporation | Principal activity |
|------------------------------------|-------------|--------------------------------|---|------------------------|--------------------|
| Eco Buildings Group Limited        | 100%        | 3 August 2012                  | 160 Camden High Street NW1 0NE                            | England & Wales        | Operating Company  |
| Eco Buildings Group Albania Sh.P.K | 100%        | 11 December 2012               | Rruga "Frosina Plaku", pall. 21, hyrja 13, Kati 1, Tirana | Albania                | Operating Company  |

The transaction has been accounted for using the acquisition method of accounting in accordance with IFRS 3, which requires the identification of the acquirer and the acquiree for accounting purposes. Based on the assessment of the indicators under IFRS 3 and consideration of all pertinent facts and circumstances, Eco Buildings' management determined that Eco Buildings Group Limited (since renamed Eco Buildings Operations Limited) is the acquirer for accounting purposes and as such, the merger will be accounted for as a reverse acquisition. As a result, the financial statements of Eco Buildings Group Plc in subsequent filings will represent the historical financial statements of Eco Buildings Operations Limited.

The IFRS 3 acquisition method of accounting applies the fair value concepts defined in IFRS 13 - Fair Value Measurement ("IFRS 13") and requires, among other things, the assets acquired and the liabilities assumed in a business combination to be recognized by the acquirer at their fair values as of the acquisition date, with certain exceptions. As a result, the acquisition method of accounting has been applied and the assets and liabilities of Eco Buildings Group PLC (formerly Fox Marble Holdings PLC) have been recorded at their respective fair values, with limited exceptions as permitted by IFRS 3.

### Computation of consideration

Eco Buildings Group Ltd shareholders received 54,545 Eco Buildings Group plc (formerly Fox Marble Holdings PLC) ordinary shares for each Eco Buildings Operations Ltd (formally Eco Buildings Group PLC) ordinary share held immediately prior to the acquisition as consideration in connection with the merger, which represented 54,545,455 shares. However, as required by IFRS 3, the consideration transferred is calculated as if Eco Buildings Operations Limited, as the accounting acquirer, issued shares to the shareholders of the accounting acquiree, Eco Buildings Group plc. The value of the consideration transferred has been measured based on the issue price shares of 55 pence per share on 2 June 2023. The number of Eco Buildings Operations Limited shares that Eco Buildings Operations Limited is deemed to issue to Eco Buildings Group Plc shareholders under reverse acquisition accounting provides the former Eco Buildings Group Plc shareholders with the same ownership in the combined group as obtained in the acquisition.

|  | Provisional fair<br>value<br>€'000 |
|--|------------------------------------|
| Fair value of consideration issued   |                                    |
| Deemed consideration   | 5,262                              |
|  | <b>5,262</b>                       |
| <hr/>  |                                    |
|  | Provisional fair<br>value<br>€     |
| The assets and liabilities recognised as a result of the acquisition are as follows: |                                    |
| Net assets acquired  | 3,699                              |
| Goodwill arising on acquisition  | 1,563                              |

The excess of the consideration transferred over the fair value of Eco Buildings Group PLC's assets acquired and liabilities assumed has been recorded as goodwill. Eco Building Operations Limited (formerly Eco Buildings Group Limited) 's assets and liabilities together with its operations will continue to be recorded at their pre-acquisition historical carrying values for all periods presented in the consolidated financial statements of Eco Buildings Group PLC. Following the completion of the transaction, the earnings of the combined group reflect the impacts of purchase accounting adjustments, including changes in amortization and depreciation expense for acquired assets.

As permitted by IFRS 3 Business Combinations, the business combination is accounted for using provisional amounts. Any adjustments to the provisional amounts will be made within the measurement period to reflect new information obtained about fact and circumstances that were in existence at the acquisition date. The measurement period cannot exceed one year from the acquisition date.

The acquired business contributed a net loss of €816 to the group for the period from 2 June 2023 to 30 June 2023. If the business had been acquired at 1 January 2023 the impact on revenue would be €143k and the net loss would have been €105k.

The Interim Results for the six months ended 30 June 2023 are available at [www.eco-buildingsplc.com](http://www.eco-buildingsplc.com)

**Caution regarding forward looking statements**

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should" "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors