10 May 2018

Fox Marble Holdings plc
("Fox Marble" or the "Company")

Preliminary Results for the year ended 31 December 2017

Fox Marble, the AIM listed company focused on marble quarrying and finishing in Kosovo and the Balkans region is pleased to announce its preliminary results for the year ended 31 December 2017.

Highlights of 2017 financial year

- Marble processing factory completed in September 2017, with over 14,000 m2 of material processed up to 31 December 2017. The factory is capable of producing high quality slabs cut to internationally recognised standards to within a 2mm tolerance with a high quality finish.
- Production of 8,811 tonnes of material at the Prilep and Maleshevë quarries (2016 – 4,286 tonnes, of which 2,687 tonnes at Prilep and Maleshevë).
- Revenue for the year of €1.2 million (2016 - €0.8 million) with further advances of €0.4 million received. 4,641 tonnes of material sold in 2017 (2016 – 1,243 tonnes), together with over 5,000 sqm of processed material (2016 – 6,118 sqm).
- Operating loss for the year of €2.9 million (2016 - €3.0 million). Loss for the year of €3.4 million (2016 2.7 million). The increase in overall loss is caused by an increase in finance costs in the year.
- New sales contract entered into with OM Enterprises ("OM") in September 2017 to purchase a minimum of 5,000 tonnes of material over the next three years. OM has paid a $500,000 advance payment in respect of the first 2,500 tonnes of material.
- Three year sales agreement signed with Mr Shailesh Patil. Subject to achieving a minimum commitment of 3,000 tonnes per annum, and payment of a £0.5 million advance, the agreement grants exclusivity over the GCC (Gulf Cooperation Council) region. The minimum commitment under the Agreement equates to approximately €0.6 million to €0.8 million per annum..
- Recurring block orders to large wholesalers in India and Turkey, including Mahadev Marble Pvt, RK Marble Pvt, and Simsekler Dogaltas Madencilik A.S totaling €0.5 million.

Highlights year to date 2018

- Successful share placing completed in January 2018 raising £2.8 million through the issue of 26,283,331 ordinary shares at 10.5p. The Company simultaneously issued 7,457,140 shares to discharge £783,000 of the Company's outstanding loans and other liabilities to certain Directors and to Brandon Hill Capital Limited.

- On 30 January 2018 the Company repaid the Series 1 Loan Note due to Amati Global Investors Limited in the amount of €1.1 million and repaid the short term borrowings due to Peers Hardy (UK) Limited in the amount of €0.6 million.
- Following the repayment of debt completed on the 31 January 2018, and through the issue of shares, the debt outstanding in the Company as at 30 April 2018 was reduced to €0.76 million in the form of unsecured convertible loan notes.
- Cash balance as at 30 April 2018 of €0.44 million.
- Capital investment made in the quarries to support increased production in 2018 of €0.5 million, together with the purchase, installation and commissioning of a state of the art CNC machine to allow bespoke cut to size polished slabs and tiles to be produced in the factory.

Chris Gilbert, CEO, commented: "I'm pleased to report that in 2017 we achieved a significant operational breakthrough with the successful completion of our factory in Kosovo. Furthermore, this major achievement was coupled with the securing of a number of key international sales agreements throughout the year. Our marketing, sales and distribution efforts have produced multiple customers in multiple jurisdictions who are repeat ordering our material.

"Today Fox Marble is in a unique period of development as our quarries are reaching maturity and our factory is fully operational. As global demand for marble continues to grow, our focus remains on capitalising on this growth and strengthening our position in the market.

"We are establishing Fox Marble as a major international supplier of high quality marble blocks and processed marble products as we increase our capacity and enhance our product range. Demand for our materials is increasing and our recent fund raising has enabled us to strengthen our balance sheet, increase production capacity in the quarries and drive our sales to deliver sustained growth going forward."

The AGM will be held at 11.00am on 5 June 2018 at CMS Cameron McKenna Nabarro Olswang LLP, Cannon Place, 78 Cannon Street, London, EC4N 6AF.

For further information please visit www.foxmarble.net.

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Notes to Editors

Fox Marble (AIM: FOX), is a marble production, processing and distribution company in Kosovo and the Balkans region.

Its marble products, which includes Illirico Bianco, Illirico Selene, Grigio Argento and are gaining traction globally both to international wholesale companies as well as being supplied directly into luxury residential properties. In the UK these include among others St George's Homes and Capital and Counties Plc's Lillie Square development. In Sydney, Australia Rosso Cait, Alexandrian White and Breccia Paradisea marble have been used in what is expected to be Australia's most expensive private residence. These sales serve to demonstrate the desirability of Fox's premium marble products as the stone of choice in some of the most prestigious and expensive residential developments around the world.

Fox Marble holds 40 year mining licences for six separate marble quarries with a maiden JORC resource indicating an in-situ valuation of approximately Euro 16.5 billion. Fox has taken three of the six sites into production (the Drini and Maleshevë quarries, both in Kosovo and from the Prilep Quarry in Macedonia) and continues to increase production. Notably, Fox has access to over 300 million cubic metres (over 1bn tons) of premium quality marble.

Marble demand continues to grow with stable pricing, predominantly driven by the construction and real-estate industries, on which Fox is looking to capitalise.

Chairman's statement

I'm pleased to present my report for the year ended 31 December 2017. The Company has made important progress over the year and whilst sales have been lower than expected, the business , particularly after the recent fundraising and repayment of debt, is on a firmer financial footing than it was a year ago. Our factory in Kosovo is now fully operational, we have entered into a number of promising sales agreements, and we are beginning to see momentum building in the demand for our marble.

Our long term goal is to expand our production capacity, and to create a premium marble brand through which Kosovo and the region is established as a major centre of marble production in the world. Throughout 2018 we will focus on developing our quarries and expanding production, increasing production of processed material at our factory, supplying quality stone to our existing customers, widening our customer base and identifying new markets. The Board remains dedicated to ensuring that our systems and controls are fit for purpose as the business grows and that our employees are appropriately looked after by ensuring high standards of training and workplace safety.

Over the course of 2017, Fox Marble focussed on the development of the M3 quarry in Maleshevë, where Illirico Selene and Illirico Bianco are produced. The market for this marble is proving to be very promising and the Company has sold over 1,900 tonnes of this material. 2017 saw a fourfold increase in production at this quarry and a new quarry face has been opened to further expand production. The Company's other operational quarries at Cervenillë, Syriganë, and Prilep will be operated in line with demand. The fundraising in January 2018 has enabled the Company to invest in replacement and additional quarrying equipment which will be key to enabling the Company to increase production over the coming year.

Our marble processing factory in Lipjan, Kosovo, is producing polished marble slabs to a high degree of finish and precision. The factory, which is the first of its kind in the Balkans, provides a clear route to the local tile and slab market as well as significantly reducing the costs of processing our marble. The completion of the factory and the quality of material being produced marks a major milestone, not only for the Company but also for Kosovo's marble industry and we expect to see significant growth in the sale of material processed in house in the year ahead.

Although sales in 2017 were lower than expected, we are beginning to see momentum build as the demand for our marble increases. We have entered into sales agreements with Mahadev Marmo PVT ltd, RK Marble Pvt Ltd, and OM Enterprises in India, and Simsekler Dogaltas Madencilik AS in Turkey for block marble. Additionally we have also entered into distribution agreements in the USA and Middle East for cut and polished slabs and we continue to supply marble for high-end developments in London, elsewhere in the UK and Australia.

The results for the year reflect on-going costs incurred in developing our quarries, quarry operating expenses, overhead expenditure and financing costs. The loss for the year of €3.4 million is higher than in 2016 due to higher financing costs and increased inventory provisions. Costs and cash continue to be managed very tightly. Net cash at 31 December 2017 was €0.5 million and at 30 April 2018 was €0.4 million.

Stone Alliance, 59% owned by Fox Marble, now has exclusive rights for a 40 year period to 40 quarry sites. The initial stages of fund raising for this significant project have commenced and we hope to be able to report further progress in the year ahead.

I would like to thank all of our employees who work incredibly hard, and importantly, have embraced our vision to establish Kosovo as a major supplier of high quality marble worldwide.

I remain confident in the prospects and potential for Fox Marble. Our objectives for 2018 are to achieve notably higher sales and to significantly reduce operating losses. This will be critically dependent on the Company's ability to produce sufficient quantities of material to satisfy existing orders as well as to win new orders.

Andrew Allner

Non-Executive Chairman

10 May 2018

Strategic Report

Sales and marketing

Fox Marble's sales strategy is built around a diverse sales team comprising both staff and partners, with many years' stone industry experience between them, operating from key hubs in the UK, US, Italy, SW Balkans, India and China.

The team has concentrated its efforts on sales to large prestigious projects covering a range of domestic, commercial, educational and religious buildings. We have also focused on high volume/high turnover wholesale customers as well as creating a rapidly expanding wider customer portfolio for both blocks and slabs. Our clients range from designers and architects to block dealers, stone processors and smaller wholesalers.

Following the US $1.8m sale and purchase agreement with Mahadev Marmo PVT ltd ("Mahadev") announced in February 2017, the Company has made further progress in India.

We are making regular block sales to major marble wholesalers, including Mahadev and RK Marble Pvt Ltd, one of the largest marble companies in the world. Materials sold include Illirico Selene, Alexandria White, Breccia Paradisea and Argento Grigio.

In September 2017, Fox Marble signed a sales agreement with OM Enterprises, a leading tile manufacturer based in Kolkata, India, to purchase a minimum of 5,000 tonnes of material over three years which included the payment of a US$500,000 advance. In 2017, 536 tonnes of material was shipped to OM Enterprises, with a further 600 tonnes of material selected in 2018 following resumption of quarry production after the winter shutdown.

In 2017, we entered into a €400,000 sales contract with Simsekler Dogaltas Madencilik A.S, a premier natural stone group in Turkey to supply IlliricoSelene and Alexandrian White marble. We shipped over 1,100 tonnes of material to them during 2017. Simsekler owns 9 marble quarries in Turkey as well as 3 factories and 2 showrooms, and warehouses located in Ankara and Istanbul. We have received further orders in 2018, and anticipate that Simsekler will remain a substantial customer for Fox Marble.

In August 2017, Fox Marble signed a Memorandum of Understanding with Pristine Stone NYC LLC, a natural stone importer and distributor in the USA, to establish a new distribution outlet for Fox Marble products in the United States. Under the three-year agreement, Pristine Stone will act as a marketing, sales and distribution agent for the marble material produced by the Company. The marble supplied to Pristine Stone will be cut and polished into slabs and tiles at our own processing factory in Lipjan, Kosovo, before being shipped to the United States. Pristine Stone's management team has over twenty years' experience in the stone industry including sales, fabrication, and installation.

In December 2017, Fox Marble signed a three-year sales agreement with Mr Shailesh Patil. Subject to achieving a minimum commitment of 3,000 tonnes per annum, the agreement confers upon Mr Patil exclusivity as Fox Marble's distributor for GCC nations, comprising Oman, Qatar, Saudi Arabia, Bahrain, Kuwait and the UAE. The minimum commitment under the agreement equates to approximately €600,000 to €800,000 per annum. As part of the agreement, Mr Patil committed to a £500,000 advance payment to be offset against future orders.

We are continuing to make sales of processed marble slabs to installers and developers, including luxury developments in London.

Factory

A 5,400 square metre double skinned steel factory for the cutting and processing of blocks into polished slabs and tiles has been erected on a 10-hectare site that the Company acquired in Lipjan, close to Pristina airport in Kosovo.

The Company is pleased to confirm that the factory, sited in Lipjan Kosovo, became fully operational in Q4 2017. The gangsaws, resin line, and polishing line are fully installed, commissioned and operational, and are processing the Company's block marble. The factory is the only one in the Balkans region that includes a resin line essential for producing slabs and tiles to internationally accepted standards of finish.

The slabs produced have been assessed by experts in the field and are cut to within a 2mm tolerance on thickness, quality comparable to that produced by industry leading processors in Carrara, Italy with high level finishes.

The factory has already processed over 14,000 square metres of block marble from its quarries in Kosovo and Macedonia, and is polishing this to fulfill current orders, including supplying

Marble Dino SH.pk in Kosovo with processed slabs under the terms of the offtake agreement signed in 2015.

Production at our own factory in Kosovo provides several key benefits to the Company:

- Reduction in the cost of processing, increasing the margins on the sale of processed slabs and tiles. Previously, the Company has relied on processing facilities provided by third parties in Italy and Albania. This involved additional costs for both processing, transport and storage.
- Access to the local Balkans market where we are the only domestic supplier of slabs and tiles.
- Entry into the international tile market helped by the lower cost base that the factory will provide.
- Improvement in quarry yields as we can process more marginal blocks that would not be attractive to our international block customers due to shipping and tariff costs.
- Greater flexibility in responding to our customers' needs as we will no longer have to rely on third party processing.

We have engaged additional specialist sales resources to handle the anticipated increase in the sale of processed marble from Fox Marble.

Quarry Operations

Maleshevë

In July 2013, the Company acquired the rights to the Maleshevë quarry in Kosovo from a local company. The licence to the quarry is for 20 years with an irrevocable option to extend the period by a further 20 years thereafter. The Company incurs a royalty of 20% on net profit generated from the sale of block marble to the previous licence holder of the quarry.

In October 2015, the Company acquired the rights to a further 300-hectare site close to the Company's existing licence resource in Maleshevë from a local company. By November 2015, this quarry had been opened and the first blocks extracted and sent for testing. As the two Maleshevë quarries are adjacent, operational efficiencies can be achieved.

These quarries contain a mixture of Illirico Bianco, Illirico Superiore and the silver-grey marble Illirico Selene. The initial market response to both the Illirico Selene and Illirico Bianco was significant and to address this anticipated demand the Company has invested significant resources and effort since 2016 to accelerate the development of these quarries to produce multiple open high volume benches capable of producing blocks in the quantities to meet demand. The Company quarried 6,526 tonnes during the 2017 year (2016 - 1,255 tonnes) focussing on marble block quality, which has improved as further benches have been opened, and deepening and expanding the existing benches. Due to space constraints on the existing quarry face, we have opened a second quarry face from the other side of the stone mass, which will allow us to increase the rate of block production.

The strategic focus on the development of the Maleshevë quarry in 2016 has proved sound with over 1,900 tonnes of Illirico Selene sold in 2017. We have continued to focus production efforts in Kosovo on the Maleshevë quarry, as demand for our Illirico Selene is currently outpacing our level of production.

The Illirico Superiore has been specified, delivered and installed for both the penthouses and common area of the new, prestigious Lillie Square development in London.

Prilep

The Company entered into an agreement to operate a quarry in Prilep, Macedonia in 2013. The agreement is for a period of 20 years with an irrevocable option to extend the period for a further 20 years thereafter. The Prilep quarry contains a highly desirable white marble. This is one of a small cluster of quarries, in the Stara river valley, overlooked by the Sivec pass.

The Prilep Alpha quarry is controlled by a local partner who has appointed Fox Marble to operate the quarry on its behalf. Fox Marble will receive 42.5% of the gross revenue from the sale of all block marble from this quarry and is responsible for the costs associated with extracting the marble from the quarry. The Company has the rights to an additional quarry nearby, Prilep Omega, which it acquired in 2014.

Following a copyright dispute over the rights to use the name “Sivec” for the Company’s white dolomitic marble quarried in Macedonia, Fox Marble has relaunched its white marble under the trade name Alexandrian White.

Stone from the Pelagonian marble crescent is now extracted by several independent operators, each using its own brand name. Polaris, Sivec, Veprcani White, Sivec Snow White and our own Alexandrian White are current examples. All Pelagonian dolomitic marble is distinguished by its whiteness and homogeneous crystalline and micro-granular structure. Other common characteristics are the high proportion of magnesium oxide (the defining characteristic of dolomitic marble), limited presence of other minerals, an average pressure resistance of 160MPa and porosity below 1%. Once processed, it is highly reflective and is an ideal ‘cool’ marble for use in hot climates. However, it works equally well in cold climates where its compact and uniform internal structure makes it resistant to ice and extreme cold.

Cervenillë

This site was the first of our quarries to be opened in November 2012. It is being exploited across three separate locations (Cervenillë A, B & C) from which red (Rosso Cait), red tinged grey (Flora) light and darker grey (Grigio Argento) marble is being produced in significant quantities. The polished slabs from this quarry have sold well. The most noteworthy sales included those to St George PLC (Berkeley Homes) for the prestigious Thames riverside Chelsea Creek development.

In 2016, the decision was made to focus quarry resources at the nearby Maleshevë quarry in order to accelerate development to address expected demand. Quarry staff and equipment were therefore re allocated from this quarry. The quarry remains open and quarrying can be restarted at all three sites at less than three weeks’ notice.

Syriganë

The quarry at Syriganë is open across four benches. The site contains a variety of the multi-tonal breccia and Calacatta-type marble and produces significant volumes of breccia marble in large compact blocks. Output is marketed as Breccia Paradisea (predominantly grey and pink) and Etrusco Dorato (predominantly gold and grey).

Financing

On 19 January 2018, the Company issued 26,283,331 new Ordinary Shares with a nominal value of £262,833 at a price of 10.5 pence per share to raise £2,759,750. Proceeds from the placing and subscription were used to fund the expansion of production capabilities at Fox Marble’s quarries and factory, to repay existing debt obligations and to provide the Company with additional working capital as demand increases as it continues to develop sales channels.

In addition, the Company discharged £783,000 of its outstanding loans and other liabilities by the issue of a further 7,457,140 new Ordinary Shares to certain Directors and to Brandon Hill

Capital Limited at a price of 10.5 pence per share.

On 30 January 2018, the Company settled outstanding liabilities in relation to the Series 1 Loan Note due to Amati Global Investors Limited and all liabilities in relation to the short term borrowings due to Peers Hardy (UK) Limited.

The combined impact of the repayments made and the discharging of liabilities has reduced the Fox Marble Holdings Plc borrowings from £2,710,000, to £675,000 as at 31 January 2018 thereby improving the strength of the group balance sheet as the Company moves forward.

Results and Dividends

Key Performance Indicators	2017	*2016*
Number of operational quarries	4	4
Quarry production (tonnes)	8,812	4,631
Revenue	€1,203,270	€801,040
Average recorded selling price (blocks per tonne)	€170	€171
Average recorded selling price (slabs per sqm)	€72	€75
EBITDA	(€2,802,440)	(€2,850,915)
Operating loss for the year	(€2,933,443)	(€3,044,915)
Loss for the year	(€3,437,389)	(€2,756,417)
Expenditure on property, plant and equipment (1)	€496,366	€1,307,105

(1) Expenditure on property, plant and equipment in 2016 includes €250,957 of block marble paid in partial consideration for the acquisition of plant and equipment for the factory site.

The Group recorded revenues in the year of €1,203,270 (2016 - €801,040). The Group incurred an operating loss of €2,933,443 for the year ended 31 December 2017 (2016 - €3,044,915). The operating loss reflects the costs incurred to bring the quarries to a stage required for production of more consistent and larger block sizes. Additionally the Group has invested in targeted marketing activity to increase its worldwide presence through attendance at industry fairs and key events.

The Group incurred a loss after tax for the year ended 31 December 2017 of €3,437,389 (2016 - €2,756,417). The increase in loss in the year was driven by a higher finance charge of €503,946 (2016 – gain of €42,492). Further in 2016 a fair value gain on the Series 1 convertible loan notes of €246,006 was recognised, with no equivalent gain recognised in 2017. The higher finance charge in 2017 is driven by a charge arising on the movement in the fair value of the derivative arising on the convertible loan notes of €303,369 (2016 - €44,758), interest expense on borrowings of €300,884 (2016 – €147,545) as a result of higher levels of debt in the Group and a lower foreign exchange gain recognised of €99,846 (2016 €244,900).

Reconciliation EBITDA to loss for the year	Year to 31 December 2017 €	*Year to 31 December 2016* €
Loss for the year	(3,437,389)	(2,756,417)
Plus/(less):		
Net finance (costs)/income	503,946	(42,492)
Fair value adjustment of convertible loan notes	-	(246,006)
Depreciation	99,194	128,689
Amortisation	31,812	65,311
EBI**TDA**	(2,802,437)	(2,850,915)

The Company does not anticipate payment of dividends until its operations become significantly cash generative.

Sustainable development

Fox Marble aims to build and maintain relationships based on trust and mutual benefit with its stakeholders. Preventing and managing social and environmental risks, while seeking opportunities for improvement, are critical to maintaining the Group's competitiveness and capacity to grow.

Risk

Fox Marble recognises that risk is inherent in all of its business activities. Its risks can have a financial, operational or reputational impact. The Company's system of risk identification, supported by established governance controls, ensures that it effectively responds to such risks, whilst acting ethically and with integrity for the benefit of all of our stakeholders.

Once identified, risks are evaluated to establish root causes, financial and non-financial impacts, and likelihood of occurrence. Consideration of risk impact and likelihood is taken into account to create a prioritised risk register and to determine which of the risks should be considered as a principal risk. The effectiveness and adequacy of mitigating controls are assessed. If additional controls are required, these will be identified and responsibilities assigned.

The Company's management is responsible for monitoring the progress of actions to mitigate key risks. The risk management process is continuous; key risks are reported to the Audit Committee and at least once a year to the full Board.

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 timing of expected sales receipts and completion of existing orders;

(c) the sensitivities of forecast sales figures over the next two years;

(d) the timing and magnitude of planned capital expenditure; and

(e) 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 a significant increase of production compared to 2017 at the Prilep

Alpha and Maleshevë quarries to complete existing and anticipated orders. Further the Company is anticipating significant growth in revenue through the fulfillment of existing sale and purchase contracts and offtake agreements as well as from newly generated sales.

There are a number of key risks and uncertainties that could impact the financial performance of the company. These include the fact that levels of production at Maleshevë and Prilep can be impacted by unforeseen delays due to inclement weather or equipment failure; lower than expected quality of material being produced by the quarries; and delays in the realisation of the Company's order book.

As at 30 April 2018 the Company has €0.44 million in cash and €0.76 million in convertible loan notes falling due between 31 August 2019 and 3 January 2020. On 2 June 2017, the Company entered into a facility arrangement of £1,000,000 at an interest rate of 9% per annum arranged by Brandon Hill Capital Limited, which may be drawn down at the Company's request. This facility expires on 30 June 2019, and is undrawn at 10 May 2018.

In the event that the cash receipts from sales are lower than anticipated the Company has identified that it has available to it a number of other contingent actions, in addition to those noted above, 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 Group has adequate resources to enable it to undertake its planned activities for the next twelve months.

Finally, I would like to thank all our staff and our Board colleagues for their unstinting efforts on behalf of Fox Marble.

On behalf of the board

Chris Gilbert

Chief Executive Officer

10 May 2018

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2017

	Note	Year to 31 December 2017 €	Year to 31 December 2016 €
Revenue	5	1,203,270	801,040
Cost of sales		(795,895)	(502,626)
Gross profit		407,375	298,414

Administrative and other operating expenses		(3,340,818)	(3,343,329)
Operating loss	6	(2,933,443)	(3,044,915)
Fair value adjustment of convertible loan notes		-	246,006
Net finance (costs)/income	7	(503,946)	42,492
Loss before taxation		(3,437,389)	(2,756,417)
Taxation	10	-	-
Loss for the year		(3,437,389)	(2,756,417)
Other comprehensive income		-	-
Total comprehensive loss for the year attributable to owners of the parent company		(3,437,389)	(2,756,417)
Loss per share			
Basic loss per share	8	(0.02)	(0.02)
Diluted loss per share	8	(0.02)	(0.02)

Consolidated Statement of Financial Position
As at 31 December 2017

	Note	2017	2016
		€	€
Assets			
Non-current assets			
Intangible assets	9	1,161,989	1,193,801
Property, plant and equipment	10	4,754,087	4,662,570
Trade and other receivables		56,307	-
Total non-current assets		5,972,383	5,856,371
Current assets			
Trade and other receivables		985,647	1,568,007
Inventories		3,319,467	3,231,916
Cash and cash equivalents		542,287	937,512
Total current assets		4,847,401	5,737,435
Total assets		**10,819,784**	**11,593,806**
Current liabilities			

Trade and other payables		1,373,096	890,343
Borrowings	11	1,739,025	1,290,001
Total current liabilities		3,112,121	2,180,344
Non-current liabilities			
Borrowings	11	1,702,453	-
Total non-current liabilities		1,702,453	-
Total liabilities		**4,814,574**	**2,180,344**
Net assets		**6,005,210**	**9,413,462**
Equity			
Share capital	12	2,284,476	2,281,345
Share premium		26,424,202	26,399,156
Accumulated losses	13	(22,823,182)	(19,385,793)
Share based payment reserve		84,171	83,211
Other reserve		35,543	35,543
Total equity		**6,005,210**	**9,413,462**

Consolidated Statement of Cash Flows
For the year ended 31 December 2017

	Note	Year ended 31 December 2017 €	Year ended 31 December 2016 €
Cash flows from operating activities			
Loss before taxation		(3,437,389)	(2,756,417)
Adjustment for:			
Net finance costs/(income)	7	503,946	(42,492)
Fair value adjustment		-	(246,006)
Operating loss for the year		(2,933,443)	(3,044,915)
Adjustment for:			
Amortisation	9	31,812	65,311
Depreciation	10	404,848	241,652
Foreign exchange losses on operating activities		30,921	351,663
Equity settled transactions		960	-
Provision for bad debts		92,368	51,601
Provision for inventory		492,723	236,723
Changes in working capital:			
Decrease in trade and other receivables		503,685	1,146
Barter transaction [1]		-	(250,957)
Increase in inventories		(580,274)	(477,022)
Increase in accruals		120,919	55,745
Increase in trade and other payables		361,834	159,761
Net cash used in operating activities		(1,473,647)	(2,609,292)
Cash flow from investing activities			

Expenditure on property, plant & equipment	10	(496,366)	(1,056,148)
Deposits paid on property, plant & equipment	10	(70,000)	(119,209)
Interest on bank deposits		461	2,674
Net cash used in investing activities		(565,905)	(1,172,683)
Cash flows from financing activities			
Proceeds from issue of shares (net of issue costs)	12	28,177	2,525,330
Proceeds from the issue of long-term debt (net of issue costs)	11	2,061,548	-
Repayment of debt	11	(171,194)	-
Interest paid on loan note instrument	11	(243,283)	(273,960)
Net cash inflow from financing activities		1,675,248	2,251,370
Net decrease in cash and cash equivalents		**(364,304)**	**(1,530,605)**
Cash and cash equivalents at beginning of year		937,512	2,819,780
Exchange losses on cash and cash equivalents		(30,921)	(351,663)
Cash and cash equivalents at end of year		**542,287**	**937,512**

Consolidated Statement of Changes in Equity
For the year ended 31 December 2017

	Share Capital	Share Premium	Share based payment reserve	Other Reserve	Accumulated losses	Total equity
Note	12				13	
	€	€	€	€	€	€
Balance at 1 January 2016	2,008,809	24,146,362	83,211	35,543	(16,629,376)	9,644,549
Loss and total comprehensive loss for the year	-	-	-	-	(2,756,417)	(2,756,417)
Transactions with owners						
Share capital issued	272,536	2,252,794	-	-	-	2,525,330
Balance at 31 December 2016 and at 1 January 2017	2,281,345	26,399,156	83,211	35,543	(19,385,793)	9,413,462
Loss and total comprehensive loss for the year	-	-	-	-	(3,437,389)	(3,437,389)
Transactions with owners						
Share options charge	-	-	960	-	-	960
Share capital issued	3,131	25,046	-	-	-	28,177
Balance at 31 December 2017	2,284,476	26,424,202	84,171	35,543	(22,823,182)	6,005,210

Notes to the Consolidated Financial Statements

1. General information

The principal activity of Fox Marble Holdings plc and its subsidiary companies Fox Marble Limited, H&P Sh.p.k, Granit Shala Sh.p.k, Rex Marble Sh.p.k, Stone Alliance LLC and Fox Marble Asia Limited and Fox Marble Kosova Sh.p.k (collectively "Fox Marble Group" or "Group") is the exploitation of quarry reserves in the Republic of Kosovo and Republic of Macedonia.

Fox Marble Holdings 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 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 financial information set out herein does not constitute the Group's statutory financial statements for the year ended 31 December 2017, but is derived from the Group's audited full financial statements. The auditors have reported on the 2017 financial statements and their report was unqualified and did not contain statements under s498(2) or (3) Companies Act 2006. The 2017 Annual Report was approved by the Board of Directors on [ ], and will be mailed to shareholders in May 2018. The financial information in this statement is audited but does not have the status of statutory accounts within the meaning of Section 434 of the Companies Act 2006.

The Group's consolidated financial statements, which form part of the 2017 Annual Report, have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and the requirements of the Companies Act applicable to companies reporting under IFRS. IFRS includes Interpretations issued by the IFRS Interpretations Committee (formerly – IFRIC).

The consolidated financial statements have been prepared under the historical cost convention, apart from financial assets and financial liabilities (including derivative instruments) which are recorded at fair value through the profit and loss. The preparation of consolidated financial statements under IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

3. Critical accounting estimates and areas of judgement

Impairment assessment

The Group assesses at each reporting date whether there are any indicators that its assets and cash generating units (CGUs) may be impaired. Operating and economic assumptions, which could affect the valuation of assets using discounted cash flows, are updated regularly as part of the Group's planning and forecasting processes. Judgement is therefore required to determine whether the updates represent significant changes in the service potential of an asset or CGU, and are therefore indicators of impairment or impairment reversal.

In performing the impairment reviews, the Group assesses the recoverable amount of its operating assets principally with reference to fair value less costs of disposal, assessed using discounted cash flow models. These models are subject to estimation uncertainty and there is judgement in determining the assumptions that are considered to be reasonable and consistent with those that would be applied by market participants as outlined below.

Going concern

The Group assesses at each reporting date whether it is a going concern for the foreseeable future. In making this assessment management considers:

(a) the current working capital position and operational requirements;

(b) the timing of expected sales receipts and completion of existing orders;

(c) the sensitivities of forecast sales figures over the next two years;

(d) the timing and magnitude of planned capital expenditure; and

(e) 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.

Management considers in detail the going concern assessment, including the underlying assumptions, risks and mitigating actions to support the assessment. The assessment is subject to estimation uncertainty and there is judgement in determining underlying assumptions.

Quarry reserves

Engineering estimates of the Group's quarry reserves are inherently imprecise and represent only approximate amounts because of the significant judgments involved in developing such information. There are authoritative guidelines regarding the engineering criteria that have to be met before estimated quarry reserves can be designated as ''proved'' and ''probable''. Proved and probable quarry reserve estimates are updated at regular intervals taking into account recent production and technical information about each quarry. In addition, as prices and cost levels change from year to year, the value of proved and probable quarry reserves also changes. This change is considered a change in estimate for accounting purposes and is reflected on a prospective basis in depreciation and amortisation rates calculated on units of production ("UOP") basis.

Changes in the estimate of quarry reserves are also taken into account in impairment assessments of non-current assets.

Treatment of convertible loan note

On 31 August 2012, the Company issued a €1,295,278 (£1,060,000) fixed rate convertible unsecured loan note 2017 under the terms of the agreement signed on 24 August 2012 with Amati Global Investors Limited ("Series 1 Loan Note").

The convertible loan notes have been accounted for as a liability held at amortised cost. At the date of issue, the fair value of the liability component was estimated using the prevailing market interest rate for similar non-convertible debt.

The conversion option results in the Company repaying a GBP denominated liability in return for issuing a fixed number of shares and as such has been classified as a derivative liability. The liability is held at fair value and any changes in fair value over the period are recognised in profit or loss.

The Company has fair valued the identified embedded derivatives included within the contract using a Black Scholes methodology, which has resulted in the recording of a liability of €303,368 at 31 December 2017 (2016 - €70,531). The main assumptions used in the valuation of the derivative conversion option as at 31 December 2017 were: underlying share price of £0.1175 (31 December 2016: £0.075), EUR/GBP spot rate of 1.13 (31 December 2016: 1.17), historic volatility of 51% (31 December 2016: 53%) and risk free rate of 0.5% (31 December 2016: 0.6%)

Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

4. 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 timing of expected sales receipts and completion of existing orders;

(c) the sensitivities of forecast sales figures over the next two years;

(d) the timing and magnitude of planned capital expenditure; and

(e) the level of indebtedness of the company and timing of when such liabilities may fall due, and accordingly the working capital position over the period to 31 December 2020.

In the event that the cash receipts from sales are lower than anticipated the Company has identified that it has available to it a number of other contingent actions, in addition to those noted above, 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 Group has adequate resources to enable it to undertake its planned activities for the next twelve months.

5. Segmental information

The chief operating decision maker is the Board of Directors. The Board of directors reviews management accounts prepared for the Group as a whole when assessing performance.

All of the operations of Fox Marble Holdings plc are located in the Republic of Kosovo and Republic of Macedonia. All sales of the Group are as a result of the extraction and processing of marble. It is the opinion of the directors that the operations of the Company represent one segment, and are treated as such when evaluating its performance.

All intangible assets held by the Group relate to intangible assets acquired in relation to mining rights and licences in Macedonia and exploration and evaluation expenditure incurred in Kosovo. Of the non-current assets held by the Group of €5,972,383 (2016 – €5,856,371), €4,750,757 (2016 - €4,662,570) relates to Property, Plant and Machinery acquired for the exploitation of assets in Kosovo and Macedonia and €1,161,989 (2016 – €1,193,801) relates to mining rights and licences and capitalised costs of exploration and licencing.

The Group incurs certain costs in the United Kingdom in relation to head office expenses. In the year under review included in the operating costs for the year of €3,340,818 (2016 - €3,343,329) were costs incurred in the United Kingdom of €1,411,130 (2016 – €1,437,627). Interest expense of the Group of €503,946 (2016 income of €42,492) is incurred in the United Kingdom.

The Group has a branch operation situated in Carrara, Italy.

All revenue, which represents turnover, arises solely within Kosovo and relates to external parties.

	Year ended 31 December 2017 €	Year ended 31 December 2016 €
Revenue by territory		
Europe	653,937	742,404
India	495,282	3,140
United States of America	31,621	-
China	22,430	-
Other	-	55,496
Total revenue	**1,203,270**	**801,040**

6. Expenses by nature

	Year ended 31 December 2017 €	Year ended 31 December 2016 €
Operating loss is stated after charging/(crediting):		
Cost of materials sold	795,895	502,626
Stock provision	492,723	236,723
Fees payable to the Company's auditors	108,110	92,057
Legal & professional fees	348,754	349,324
Consultancy fees and commissions	401,939	213,564
Staff costs	748,034	947,072
Operating lease rental	67,158	62,973
Other head office costs	195,648	117,770
Travelling, entertainment & subsistence costs	102,486	84,229
Depreciation	99,194	128,689
Amortisation	31,812	65,311
Quarry operating costs	247,751	313,987
Foreign exchange gain	2,277	351,663
Share based payment charge	960	-
Marketing & PR	92,348	124,001
Testing, storage, sampling and transportation of materials	255,922	168,628

Provision for bad debts	92,368	51,601
Sundry expenses	53,334	35,737
Cost of sales, administrative and other operational expenses	**4,136,713**	**3,845,955**

During the year the group (including its overseas subsidiaries) obtained the following services from the company's auditors and its associates:

	Year ended 31 December 2017 €	Year ended 31 December 2016 €
Fees payable to the Company's auditors and its associates for services to the group		
Audit of UK parent company	30,510	12,200
Audit of consolidated financial statements	56,500	56,317
Audit of overseas subsidiaries	15,450	15,000
Audit of UK subsidiaries	5,650	
Total audit services	**108,110**	**83,517**
Other Services	-	8,540
	108,110	**92,057**

7. Net finance (costs)/income

	2017 €	2016 €
Finance costs		
Interest expense on borrowings	(300,884)	(147,545)
Movement in the fair value of derivative	(303,369)	(44,758)
Other interest expense	-	(12,779)
Finance income		
Net foreign exchange gain on loan note instrument	99,846	244,900
Interest income on bank deposits	461	2,674
	(503,946)	**42,492**

8. Loss per share

	2017 €	2016 €

Loss for the year used for the calculation of basic LPS	(3,437,388)	(2,756,417)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic LPS	181,198,281	171,797,179
Effect of potentially dilutive ordinary shares		
Weighted average number of ordinary shares for the purpose of diluted LPS	181,198,281	171,797,179
Loss per share:		
Basic	(0.02)	(0.02)
Diluted	(0.02)	(0.02)

Basic loss 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.

Diluted loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of the Ordinary Shares which would be in issue if all the options granted other than those which are anti-dilutive, were exercised.

The following potentially dilutive instruments have been excluded from the calculation of weighted average number of ordinary shares for the year ended 31 December 2017 for the purpose of calculating diluted loss per share on the basis that the instruments would be anti-dilutive.

- A grant of 120,000 options granted under the DSOP.
- Shares issuable under unsecured convertible loan notes issued by the Company.
- 175,000 performance warrants granted to Beaufort Securities Limited.

9. Intangible assets

	Mining rights and licences €	Capitalised exploration and evaluation expenditure €	Total €
Cost			
As at 1 January 2016	1,256,376	92,866	1,349,242
As at 31 December 2016 and 1 January 2017	**1,256,376**	**92,866**	**1,349,242**
As at 31 December 2017	**1,256,376**	**92,866**	**1,349,242**
Accumulated amortisation			
As at 1 January 2016	**84,275**	**5,855**	**90,130**
Amortisation charge	62,947	2,364	65,311
As at 31 December 2016 and as at 1 January 2017	**147,222**	**8,219**	**155,441**
Charge for the year	29,455	2,357	31,812
As at 31 December 2017	**176,677**	**10,576**	**187,253**
Net Book Value			
As at 1 January 2016	1,172,101	87,011	1,259,112
As at 31 December 2016	1,109,154	84,647	1,193,801

As at 31 December 2017	**1,079,699**	82,290	1,161,989

Capitalised exploration and evaluation expenditure represents rights to the mining of decorative stone reserves in the Pejë, Syriganë and Rahovec quarries in Kosovo. The Group was granted in 2011 rights of use by the local municipality for twenty years over land in the Syriganë and Rahovec region through acquisition of the issued share capital of Rex Marble SH.P.K and H&P SH.P.K.

On the 16 August 2014 the Company entered into a sub-lease arrangement with New World Holdings (Malta) Limited in relation to the Omega Alexandrian White marble quarry at Prilep in Macedonia. This new quarry site is adjacent to the Company's existing operations in Prilep. The consideration for the sub-lease was €1,256,376 (£1,000,000) and a subsequent 40% gross revenue royalty obligation. The sub-lease has an initial term of 20 years, which is extendable by the Company for a further twenty years. The sub-lease grants the Company the exclusive right to quarry, process, remove and sell marble from the quarry. The Company will pay for and provide all the equipment and staff required to operate this quarry. The quarry is not yet operational.

Intangible assets relating to quarries not yet in operation are treated as exploration and evaluation assets and assessed for impairment in accordance with IFRS 6 Exploration and evaluation of mineral resources. The Group has assessed intangible assets for indicators of impairment and concluded there are no indicators of impairment arising in the current year.

10. Property, plant and equipment

	Construction in Progress	Quarry Plant & Machinery	Factory Plant & Machinery	Land	Office Equipment and Leasehold improvements	Total
	€	€	€	€	€	€
Cost						
As at 1 January 2016	1,772,312	2,456,212		160,000	27,983	4,416,507
Additions	1,014,463	290,524		-	2,118	1,307,105
As at 31 December 2016 and as at 1 January 2017	**2,786,775**	**2,746,736**		**160,000**	**30,101**	**5,723,612**
Additions	253,815	242,164		-	387	496,366
Transfers	(3,040,590)	-	3,040,590	-	-	-
As at 31 December 2017	**-**	**2,988,900**	**3,040,590**	**160,000**	**30,488**	**6,219,978**
Accumulated depreciation						
As at 1 January 2016	-	801,517		-	17,873	819,390
Depreciation charge	-	236,682		-	4,970	241,652
As at 31 December 2016 and as at 1 January 2017	**-**	**1,038,199**		**-**	**22,843**	**1,061,042**

Depreciation charge	-	355,585	44,949	-	4,315	404,848
As at 31 December 2017	**-**	**1,393,784**	**44,949**	**-**	**27,158**	**1,465,891**
Net Book Value						
As at 1 January 2016	1,772,312	1,654,695		160,000	10,110	3,597,117
As at 31 December 2016	2,786,775	1,708,537		160,000	7,258	4,662,570
As at 31 December 2017	**-**	**1,595,116**	**2,995,641**	**160,000**	**3,330**	**4,754,087**

The Company has assessed property, plant and equipment for indicators of impairment and concluded there are no indicators of impairment arising in the current year. During the current year the Company completed work on its marble processing factory and has therefore transferred €3,040,590 of assets from construction in progress to Factory Plant & Machinery.

11. Borrowings

	2017 €	2016 €
Current borrowings		
Convertible loan notes held at amortised cost	1,026,120	1,219,471
Other borrowings held at amortised cost	572,794	-
Derivative over own equity at fair value	140,111	70,530
	1,739,025	**1,290,001**
Non-current borrowings		
Convertible loan notes held at amortised cost	670,294	-
Other borrowings held at amortised cost	798,370	-
Derivative over own equity at fair value	233,789	-
	1,702,453	**-**

Series 1 Loan Note

On 31 August 2012 the Company issued a €1,295,278 (£1,060,000) fixed rate convertible unsecured loan note 2017 under the terms of the agreement signed 24 August 2012 with Amati Global Investors Limited ("Series 1 Loan Note").

At any time prior to repayment of the Series 1 Loan Note, a stockholder is able to issue a conversion notice. Under the initial terms, the stockholder would 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.

Under the initial terms of the loan note interest accrued on the Series 1 Loan Note at 8% per annum from the date of issue due quarterly in arrears, until 31 August 2015. On 1 November

2015, the interest rate was raised by the loan note holder to 25% per annum. On the 7 June 2016 the company renegotiated the terms of the loan note. As a result the interest rate reverted to 8% per annum. Further the conversion price was reduced to 10 pence.

As at 31 December 2017 the Series 1 Loan Note held at amortised cost had a balance of €1,026,120 (2016 - €1,219,471). The Stockholders' option to convert the loan has been treated as an embedded derivative and measured at fair value. As at 31 December 2017 the derivative had a value of €140,111 (2016 - €70,531). The fair value has been assessed using a Black Scholes methodology.

On 30 January 2018, the facility and any outstanding accrued interest of the Series 1 Loan Note was repaid in full.

Series 3 Loan Note

On 28 June 2017, the Company issued a convertible loan note with a value of £440,000 ("Series 3 Loan Note") to a non related party. This new Series 3 Loan Note has an interest rate of 8% per annum, in line with the Series 1 Loan Note issued to Amati Global Investors Limited. The Loan Note is due for conversion or repayment on 31 August 2019 with a conversion price set at 10p.

As at 31 December 2017, the Series 3 Loan Note held at amortised cost had a balance of €495,616. The Stockholders' option to convert the loan has been treated as an embedded derivative and measured at fair value. As at 31 December 2017 the derivative had a value of €171,891. The fair value has been assessed using a Black Scholes methodology.

Series 4 Loan Note

On 28 December 2017, the Company issued a convertible loan note with a value of £160,000 ("Series 4 Loan Note") to a non related party. This new Series 4 Loan Note has an interest rate of 8% per annum, in line with the Series 1 Loan Note issued to Amati Global Investors Limited. The Loan Note is due for conversion or repayment on 31 August 2019 with a conversion price set at 10.5p.

As at 31 December 2017 the Series 4 Loan Note held at amortised cost had a balance of €174,678. The Stockholders' option to convert the loan has been treated as an embedded derivative and measured at fair value. As at 31 December 2017 the derivative had a value of €61,897. The fair value has been assessed using a Black Scholes methodology.

Other Borrowings

On 10 February 2017, the Company entered into a short term finance arrangement with Peers Hardy (UK) Limited for £500,000 repayable on the 10 August 2017 at an interest rate of 15%. The term of the facility may be increased at the Company's request to 31 October 2018. As at 31 December 2017 the loan note held at amortised cost had a balance of €572,794. The facility was fully repaid on the 30 January 2018.

On 2 June 2017 the Company entered into a £1,000,000 facility arrangement with Brandon Hill Capital Limited, which may be drawn down at the Company's request. As at 31 December 2017 £200,000 had been drawn down under this facility.

As at 31 December 2017 the loan note held at amortised cost had a balance of €233,213. Brandon Hill Capital Limited agreed to convert their outstanding loan into new Ordinary Shares at 10.5p per share as part of the Placing announced by the Company on 3 January 2018. On 22 January 1,904,761 Ordinary Shares were issued in full settlement of the outstanding liability. The facility remains in place till 30 June 2019.

On 7 December 2017 the Company announced that it had received an unsecured loan of £500,000 from Roy Harrison OBE, a non-executive director of the Company. As at 31 December 2017 the loan note held at amortised cost had a balance of €565,158. Roy Harrison Limited agreed to convert his outstanding loan into new Ordinary Shares at 10.5 pence per share as part of the Placing announced by the Company on 3 January 2018. On 22 January 2018 4,761,904 Ordinary Shares were issued in full settlement of the outstanding liability.

The directors consider that the carrying amount of borrowings approximates their fair value at 31 December 2017.

12. Share capital

	2017 Number	2016 Number	2017 €	2016 €
Issued, called up and fully paid				
Ordinary shares of £0.01 each				
At 1 January	181,067,074	159,848,266	**2,281,345**	**2,008,809**
Issued in the year	277,777	21,218,578	**3,131**	**272,536**
At 31 December	181,344,851	181,067,024	**2,284,476**	**2,281,345**

The Company has one class of ordinary share capital.

a. On a resolution at a general meeting, every member (whether present in person, by proxy or authorised representative) has one vote in respect of each ordinary share held by him.
b. All ordinary shares rank equally in the right to participate in any approved dividend distribution applicable to this class of share.
c. Except as otherwise provided below, all dividends must be
    i. Declared and paid according to the amounts paid up on the shares on which the dividend is paid; and
    ii. Apportioned and paid proportionately to the amounts paid up on the shares during any portion of the period in respect of which the dividend is paid.
d. If any share is issued in terms of providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.
e. In the event of any winding up all shares will rank equally in relation to distribution of capital.
f. All shares are non-redeemable.

On 12 July 2017, Fox Marble issued 277,777 new ordinary shares of 1p each ("Ordinary Shares") in the Company to Beaufort Securities Limited at a deemed price of 9p per share, being the closing bid price on 11 July 2017, in lieu of cash payment for annual broking fees.

The Company has not recognised any transaction costs in relation to the issue of share capital within share premium in the year to 31 December 2017 (2016 - €201,805).

On 19 January 2018, following the passing of all authorities at a General Meeting held on that day the Company issued 14,692,852 ordinary shares at 10.5p per share. On 29 January 2018 the Company issued 19,047,619 ordinary shares to Kesari Tours PVT Limited at a price of 10.5p per share. Further details are included in note 29.

13. Accumulated losses

	Year ended 31 December 2017 €	Year ended 31 December 2016 €
At 1 January	(19,385,793)	(16,629,376)
Loss for the year	(3,437,389)	(2,756,417)
At 31 December	**(22,823,182)**	**(19,385,793)**

Accumulated losses for the Group and Company include a charge of £6,035,228 incurred in the year ended 31 December 2012.

Between 25 August 2011 and 29 September 2011 Fox Marble Limited issued €1,508,807 (£1,195,000) of unsecured convertible loan notes due 2016 ("Pre IPO loan note"). In the event of admission of the Company and its parent to AIM these loan notes were to convert to a variable number of ordinary shares of the Company to provide a conversion value of 5:1. On the 24 August 2012, following the acquisition of Fox Marble Limited by Fox Marble Holdings plc the loan notes were novated from Fox Marble Limited to Fox Marble Holdings plc.

Following the admission of the Company to AIM on the 31 August 2012 the 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 being recognised in the statement of comprehensive income.

14. Events after the reporting period

On 3 January 2018, the Company announced its intention to issue 7,235,712 new Ordinary Shares at a price of 10.5 pence per share by means of a placing through Brandon Hill Capital Limited to raise £759,750 before expenses and to issue a further 19,047,619 new Ordinary Shares at the Issue Price by means of a Subscription to raise £2 million before expenses. The subscriber under the Subscription Agreement is Kesari Tours PVT Limited.

In addition, the Company announced its intention to discharge £783,000 of the Company's outstanding loans and other liabilities by the issue of a further 7,457,140 new Ordinary Shares to certain Directors and to Brandon Hill Capital Limited at 10.5 pence for share.

Proceeds from the placing and subscription have been used to fund the expansion of production capabilities at Fox Marble's quarries and factory, repay existing debt obligations and provide the Company with additional working capital as demand increases as it continues to develop sales channels.

On 3 January 2018, the Company announced that it has signed a three-year sales agreement with Mr Shailesh Patil. Subject to achieving a minimum commitment of 3,000 tonnes per annum, the agreement confers upon Mr Patil exclusivity as Fox Marble's distributor for GCC nations, comprising Oman, Qatar, Saudi Arabia, Bahrain, Kuwait and the UAE. The minimum commitment under the agreement equates to approximately €600,000 to €800,000 per annum. As part of the agreement, Mr Patil has committed to a £500,000 advance payment to be offset against future orders.

On 19 January 2018, following the passing of all authorities at a General Meeting held on that day the Company issued 14,692,852 ordinary shares at 10.5p per share. On 29 January the Company issued 19,047,619 ordinary shares to Kesari Tours PVT Limited at a price of 10.5p per share.

On 31 January 2018 the Company settled outstanding liabilities in relation to the Series 1 Loan Note due Amati Global Investors Limited. On 31 January 2018 the Company settled outstanding liabilities in relation to the short term borrowings du Peers Hardy (UK) Limited.

On 2 March 2018 the Company was notified that Beaufort Securities Limited was being placed into insolvency and the Financial Conduct Authority has imposed requirements on BSL and BACSL to cease all regulatory activity. As a result Beaufort Securities Limited ceased being joint broker to the Company.

15. Information

Copies of the Annual Report and Financial Statements will be posted to shareholders. Further copies will be available from Fox Marble Holding plc's registered office at 15 Kings Terrace, London, NW1 OJP or on the Company's website at www.foxmarble.net.