

*This announcement contains inside information*

**NATURE GROUP PLC**  
**("Nature Group" or the "Group" or the "Company")**

**Strategic Partner for US and sale of 50% interest in US Business**

Nature Group PLC (AIM:NGR), the provider of port reception facilities and waste treatment solutions for the oil, marine and process industries, is pleased to announce that its wholly owned subsidiary, NG Lender LLC, has entered into an agreement to sell a 50 per cent interest in its the Group's US subsidiary, Nature Environmental & Marine Services LLP ("**NEMS**"), to Ramky Enviro North America, LLC, a member of the Ramky Group ("**Ramky**") (the "**Divestment**").

***About NEMS***

NEMS is located in Corpus Christi, Texas, and operates Nature Group's maritime waste treatment facilities along the Texas Gulf Coast, collecting from seagoing vessels, Oil & Gas on-and offshore, shipyards and terminals from Port Arthur to Brownsville. During the financial year ended 31 December 2016, NEMS generated revenues in that period of £3.004 million and reported a loss before tax of £0.132 million.

Nature Group acquired a 100 per cent interest in NEMS in two separate transactions in 2014 and 2016 for an aggregate consideration of US\$2.7 million. Since that time, the Group has made significant efficiency investments to improve the overall operation in road transport and cost saving waste treatment equipment to avoid the use of third party facilities. In addition, NEMS commenced operations in the port of Houston in line with the business strategy for the US region.

***About Ramky***

Ramky is a large Indian Environmental Management Company with approximately 4,500 employees and is the market leader in India for hazardous waste management services. Nature has been working with Ramky, which has substantial international interests, since 2015 in a joint venture to establish a Port Reception Facility in the port of Sohar, Oman. Ramky has expressed a firm interest in working alongside Nature Group to develop port reception facilities in Indian ports.

***The Divestment, loan and Ongoing Strategy***

The initial cash consideration for the Divestment is US\$1.6 million, of which up to US\$0.45 million may have to be paid back by the Group or further interests in NEMS transferred by the Group to Ramky (at the Group's election), if certain financial performance targets are not achieved by NEMS in 2018 and 2019.

In connection with the transaction, both Ramky and Nature Group have agreed to strengthen the working capital position of NEMS through the provision of loans of US\$0.2 million and \$0.8 million respectively. These loans are repayable by NEMS on the fifth anniversary of the Divestment, with interest payable annually at a rate of 5 per cent.

In addition, Ramky International (Singapore) Pte Ltd, part of the Ramky Group has made available to Nature Group a loan of US\$0.2 million (the "**Loan**"). The Loan is repayable by 14 October 2018 and no interest is payable if the Loan is repaid prior to 14 February 2018. Otherwise, interest is payable at an annual rate of 5 per cent. for the full period for which the Loan is outstanding. The Loan is guaranteed

against Nature Group's 50 per cent. share of Oman Maritime Waste Treatment SAOC (Corporation), the Company's joint venture in the Port of Sohar, Oman.

The proceeds of the Divestment and the Loan will be utilised for the Company's immediate working capital requirements and, importantly, will significantly benefit Nature Group's current cash position which, as previously announced, has been adversely impacted by a number of factors, most notably the continued performance of its Oil & Gas division in the current challenging but improving oil price environment. Furthermore, the net proceeds will allow the Board to implement a number of initiatives identified as part of a detailed strategic review over recent months and to implement a turnaround plan to achieve a significant reduction in overhead costs and improve the performance of the company both in terms of profitability and operational efficiency.

In addition, with the combination of Ramky's knowledge and experience in managing large projects in hazardous waste and bio-medical waste and Nature's experience in the field of port maritime waste, the Board of Nature Group believes that the Divestment and the ongoing relationship with Ramky represent a significant opportunity to expand Nature Group's operations in the US and internationally.

### **Repayment of Loan to Director**

On 5 October 2017, Nature Group announced that Andreas Drenthen, CEO of Nature Group, had entered into a Loan Agreement with Nature International Slop Disposal BV, a wholly owned subsidiary of the Company (the "**Director Loan**"). The Company confirms that on receipt of the cash consideration for the Divestment, the Director Loan has been repaid in full and there are no outstanding obligations on either party.

Berend van Straten, Chairman of Nature Group, commented:

*"We are pleased to announce a strategic alliance with a world class waste management and infrastructure group. We have a strong working relationship with the Ramky team, and we look forward to pursuing the further opportunities that our combined expertise can create. The creation of shareholder value and immediate injection of cash is welcome to fulfil our current financial obligations and to continue to restructure our organisation and business. We are confident that the actions the board is taking will allow us to face the future with optimism."*

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