

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

**Cancellation of Trading on AIM**  
**and**  
**Unaudited Interim Results for the 6 months to 30 June 2018**

Nature Group PLC (AIM:NGR), the provider of port reception facilities and waste treatment solutions for the oil, marine and process industries, provides an update on its current position and announces its unaudited interim results for the 6 months to 30 June 2018.

Notwithstanding an improved performance by its business in Rotterdam ("NISD") and progress being made in negotiations about the future financing, structure and strategic direction of the Company, the Board has not yet managed to finalise any deal securing the future of the Company. Accordingly, following the suspension of trading in the Company's shares on AIM on 27 March 2018, the ordinary shares in the Company will be cancelled from trading on AIM at 7.00 a.m. on 28 September 2018, being six months from when trading in the Company's shares was suspended.

The Board is fully committed and will work tirelessly toward securing the future of the Company and will explore all opportunities in realising value for shareholders. Discussions with counterparties will be continued following the cancellation of trading.

The Company will correspond with the shareholders with further information in due course.

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Nature Group is traded on the AIM market, (ticker: NGR). [www.ngrp.com](http://www.ngrp.com)

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The Company's unaudited interim results for the six months ended 30 June 2018 are set out below.

**Financial Highlights**

- Revenues for the period of £5.3 million (H1 2017: £ 5.4 million)
- Underlying pre-tax profit of Continuing Operations for the period of £0.1 million (H1 2017: loss £1.8 million)
- Improved financial performance seen in NISD, though the O&G division remains loss making without signs of an imminent better business climate, and the Company's operations in Houston ('NEMS') are also still loss making, however improving compared to the same period last year.

- Loss from Discontinued Operations for the period of £0.7 million (H1 2017: profit £2.1 million, mainly due to the book profit on the sale of NPRF Gibraltar).
- Underlying earnings per share for the period of 0.1 pence (H1 2017: -2.26 pence)
- Net indebtedness at 30 June 2018 was £1.2 million (H1 2017: £1.0 million cash and cash equivalents).
- Since mid-2017, the Board has significantly reduced the overhead cost of the Group and, more recently, has been actively progressing negotiations about its future financing, structure and strategic direction.
- A short-term loan of £0.4 million was secured from an existing shareholder, such amount to be repaid on or before 31 January 2019 or, if sooner, immediately on the release of proceeds held in escrow (£ 0.7 million) following the sale of the Company's Gibraltar operations in 2017.
- Trading of the Company's shares on AIM was suspended at the Company's request on 27 March 2018 and will be cancelled at 7.00 a.m. on 28 September 2018.

### **Chairman's Statement**

During the first six months of 2018, the Directors of Nature Group have been engaged in extensive discussions with a number of parties about its future financing, structure and strategic direction.

The Board has focused on identifying potential interested parties for the total or individual operational components of the Nature Group with a high priority focus on the Oil & Gas division. Despite the receipt of various indications of interest, this has not led to specific and concrete offers deemed to be of sufficient interest for staff, creditors, shareholders and other stakeholders.

With the extremely tight operational cash situation during the whole year, where, in essence, the Maritime operations in Rotterdam have been generating the cash to meet the operational financial obligations of the O&G division, the divestment discussions and other business challenges, the situation became so uncertain that the Board requested the suspension of trading of the Company's shares on AIM at the end of March 2018. This uncertainty has not yet decreased, and with the suspension of trading now reaching a period of six months, the Company's listing on AIM will now be cancelled. I would like to thank our CEO, Andreas Drenthen, for his tireless efforts in trying to secure the future of the Group, alongside managing its continuing operations.

Despite all uncertainties, the Board believes it has been successful in reducing the complexity in the Group by closing some smaller entities, initiating further cost reductions, maintaining tight daily cash management and improving the results of the various operating companies. However, trading in the first six months of 2018 has been challenging, as was the same period in 2017.

### **Oil and Gas division**

The O&G division has continued to struggle and has consequently continued to drain the Group's financial resources. Required services under existing contracts were temporarily demobilized or delayed, and new contracts failed to materialize. Despite intense negotiations with various interest parties for the assets of the O&G division, we have so far failed to reach an agreement on terms and conditions acceptable to the Board. Since the strategic rationale for terminating this division has not changed, the Board has decided to actively close the O&G division in Norway and the UK. A reorganization provision of £ 0.4 million has been included. We expect to actively close the operation in November 2018 at the latest, unless a realistic value offer has been concluded by then.

### Maritime Division

The operation in the Rotterdam harbour has been continuing to show good operational progress since mid-2017. With CEO Andreas Drenthen's knowledge of, and contacts in, the Rotterdam harbour, the Group has been successful in growing the Rotterdam business in turnover as well as in EBITDA. For the time being, the cash generating capacity of NISD has been the operational lifeline of the Group in the first half of 2018.

### NEMS

The Group's operations in Houston, USA ('NEMS'), improved its operational performance, however remains loss-making for the first half of 2018. Since the development of NEMS is severely hampered by the lack of investing capacity by the Nature Group, we are in active discussion with our joint venture partner in NEMS on the strategic options.

### **CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For the half year to 30 June 2018**

	<i>Unaudited 30 June 2018</i>	<i>Unaudited 30 June 2017</i>	<i>Audited year to 2017</i>
	£	£	£
<b>Continuing operations</b>			
Revenue	5,248,959	5,362,780	10,127,196
Cost of sales	(3,965,448)	(3,503,578)	(7,283,070)
<b>Operating profit/(loss)</b>	<b>1,283,511</b>	<b>1,859,202</b>	<b>2,844,126</b>
Other expenses	-	-	-
Share based payments	-	-	66,382
Administrative costs	(749,992)	(3,026,092)	(3,925,274)
Depreciation and goodwill amortisation	(174,868)	(493,279)	(512,362)
Finance costs	(31,854)	(110,664)	(109,090)
Share of net profit of associates and joint ventures accounted for using the equity method	(98,460)		(263,197)
<b>Profit/(Loss) before taxation</b>	<b>228,336</b>	<b>(1,770,833)</b>	<b>(1,899,415)</b>
Income tax gain/(expense)	(143,690)	(20,221)	(164,037)
<b>Profit/(Loss) for the year and total comprehensive income for the year from continuing operations</b>	<b>84,646</b>	<b>(1,791,054)</b>	<b>(2,063,452)</b>
<b>Discontinued operations</b>			
Profit/(Loss) for the year and total comprehensive income for the year from discontinued operations	(654,333)	2,077,620	(1,289,722)
<b>Profit/(Loss) for the year and total comprehensive income for the year</b>	<b>(569,687)</b>	<b>286,567</b>	<b>(3,353,174)</b>

<b>Attributable to:</b>			
Owners of the parent			
Profit/(Loss) for the year from continuing operations	84,646	(1,791,054)	(2,063,452)
Profit/(Loss) for the year from discontinued operations	(654,333)	2,077,620	(1,231,170)
<b>Profit/(Loss) for the year attributable to owners of the parent</b>	<b>(569,687)</b>	<b>286,566</b>	<b>(3,294,622)</b>
<b>Non-controlling interest:</b>			
Profit/(Loss) for the year from continuing operations	-	-	-
Profit/(Loss) for the year from discontinued operations	-	61,056	(58,552)
<b>Profit/(Loss) for the period attributable to owners of the non-controlling interest</b>	<b>-</b>	<b>61,056</b>	<b>(58,552)</b>
<b>Profit/(Loss) for the year</b>	<b>(569,687)</b>	<b>347,622</b>	<b>(3,353,174)</b>
<b>Other comprehensive income</b>			
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):			
Exchange differences on translation of foreign operations	-	576,895	217,539
<b>Total comprehensive income for the year, net of tax</b>	<b>(569,687)</b>	<b>924,517</b>	<b>(3,135,635)</b>
Attributable to:			
Equity holders of the parent	(569,687)	863,461	(3,077,083)
Non-controlling interest	-	61,056	(58,552)
	<b>(569,687)</b>	<b>924,517</b>	<b>(3,135,635)</b>
<b>Earnings per share (pence):</b>			
From continuing operations:			
Basic	0.107	(2.259)	(2.603)
From discontinued operations:			
Basic	(0.825)	2.698	(1.553)
<b>Profit/(Loss) after tax, before share based payments</b>	<b>(569,687)</b>	<b>286,566</b>	<b>(3,361,004)</b>
Excluding Share based payments	0.107	(2.259)	(2.603)

**CONSOLIDATED BALANCE SHEET**  
As at 30 June 2018

<i>Unaudited</i>	<i>Unaudited</i>	<i>Audited</i>
<i>30 June 2018</i>	<i>30 June 2017</i>	<i>31 December 2017</i>

	£	£	£
<b>Assets</b>			
<b>Non-current assets</b>			
Plant, vessels and equipment	4,162,037	8,150,475	4,262,394
Goodwill	-	1,174,448	-
Other intangible assets	12,393	19,846	17,113
Investment in associated company	855,148	308,446	940,136
Deferred tax assets	-	494,029	-
Long Term Receivables	1,300,423		1,287,488
<b>Total non-current assets</b>	<b>6,330,001</b>	<b>10,147,243</b>	<b>6,507,131</b>
<b>Current assets</b>			
Insurance Recoveries on 3rd Party Claims	1,707,519	1,665,682	1,651,572
Corporate taxes	0	7,427	-
Stocks and work in progress	10,621	107,743	10,655
Trade and other receivables	2,695,356	4,741,669	2,205,859
Cash and cash equivalents	9,949	426,722	314,569
<b>Total current assets</b>	<b>4,423,446</b>	<b>6,949,243</b>	<b>4,182,655</b>
Assets classified as held for sale	1,047,464	-	1,411,044
<b>Total Assets</b>	<b>11,800,911</b>	<b>17,096,486</b>	<b>12,100,830</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	(2,162,363)	(6,394,535)	(1,386,159)
Bank loans and overdrafts	(881,224)	(1,466,993)	(777,617)
Corporate taxes	(23,994)	-	(23,975)
Provision for 3rd Party Claims	(1,707,519)	(1,665,682)	(1,651,572)
Liabilities directly associated with assets classified as held for sale	(2,189,897)	-	(2,981,863)
<b>Total current liabilities</b>	<b>(6,964,997)</b>	<b>(9,527,210)</b>	<b>(6,821,186)</b>
<b>Non current liabilities</b>			
Deferred tax liabilities	(382,972)	(409,417)	(361,080)
Provisions	(374,466)	-	(333,556)
Term loans	(1,861,178)	(822,923)	(1,847,274)
	(2,618,617)	(1,232,340)	(2,541,910)
<b>Net assets</b>	<b>2,217,298</b>	<b>6,336,936</b>	<b>2,737,734</b>

<b>Equity</b>			
Called up share capital	158,561	158,561	158,561
Share premium account	21,953,617	21,953,617	21,953,617
Share option reserve	40,665	107,047	40,665
Capital reserve	2,866,130	2,702,399	2,866,130
Foreign currency translation reserve	340,084	311,270	431,566
Profit and loss account	(23,141,759)	(18,804,998)	(22,712,805)
	2,217,298	6,427,897	2,737,734
Amounts recognised directly in equity relating to assets classified as held for sale	-	-	-
<b>Equity attributable to owners of the group</b>	2,217,298	6,427,897	2,737,734
Non-controlling interest	-	(90,961)	0
<b>Total equity attributable to equity shareholders</b>	<b>2,217,298</b>	<b>6,336,936</b>	<b>2,737,734</b>

**CONSOLIDATED CASH FLOW STATEMENT**  
For the half year to 30 June 2018

	<i>Unaudited</i>	<i>Unaudited</i>	<i>Audited</i>
	<i>30 June 2018</i>	<i>30 June 2017</i>	<i>31 December 2017</i>
	£	£	£
<b>Reconciliation of operating profit to net cash flow from operating activities:</b>			
Profit/(Loss) before taxation	(471,227)	306,787	(2,800,715)
<b>Adjustments for:</b>			
Depreciation and amortisation	167,931	493,460	943,843
Changes in working capital:			
Decrease/(Increase) in stock	(5,341)	(28,509)	76,766
Decrease/(Increase) in receivables	(579,733)	(1,365,111)	1,594,600
(Decrease)/Increase in payables	136,181	(542,367)	(2,642,963)
Foreign exchange differences	45,559	(218,763)	387,642
Increase in reserves due to share based payments	-	-	-
Impairment of fixed assets	-	-	1,693,263
Other non-cash movements	-	-	(512,919)
<b>Net cash from operating activities</b>	<b>(706,630)</b>	<b>(1,354,503)</b>	<b>(1,260,483)</b>
<b>Investing activities:</b>			
Result from divestment of asset held for sale	-	1,383,284.00	-
Acquisition of tangible assets	-	-	(374,218)
Disposal of tangible assets	-	(256,421)	2,483,050

Acquisition of intangible assets	-	(2,166)	-
Disposal of intangible assets	-	-	1,121,034
<b>Financing activities:</b>			
Repayments of (bank) borrowings	198,938	(116,817)	(1,931,495)
Proceeds from investments by non-controlling interest	-	-	-
<b>Increase in cash balances</b>	<b>(507,692)</b>	<b>(346,622)</b>	<b>37,888</b>
<b>Analysis of cash and cash equivalents during the period:</b>			
Balance at start of period	(679,476)	(693,649)	(693,649)
Effect of exchange rate differences on cash and cash equivalents	(6,992)		(23,715)
Increase/(Decrease) in cash and cash equivalents	(507,692)	(346,622)	37,888
<b>Balance at end of period</b>	<b>(1,194,160)</b>	<b>(1,040,271)</b>	<b>(679,476)</b>

1. The calculation of earnings per share has been based on the loss for the period and the average 79,280,655 Ordinary Shares and 2.440.000 Options in issue throughout the period.
2. These unaudited results have been prepared on the basis of the accounting policies adopted in the accounts to 31 December 2017
3. The Cash Flow Statement incorporates both continuing operations as discontinued operations but does not provide a split as in the Consolidated Balance Sheet and Consolidated Statement of Comprehensive Income.
4. The interim report to 30 June 2018 was approved by the Directors on 26 September 2018. The report will be available to the public on the Nature Group website via [www.naturegroup.com](http://www.naturegroup.com).