

The information contained within this announcement is deemed by the Company to constitute inside information stipulated under the Market Abuse Regulation (EU) No. 596/2014. Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.

9 April 2018

Nakama Group plc (AIM: NAK)

("Nakama" or the "Group")



Corporate update and director resignation

Nakama Group plc (AIM: NAK) is providing the following update further to its trading announcement released on 27 February 2018.

Following the commencement of the new Chief Executive's strategic review of the operating businesses, it has now become apparent to the board of directors of Nakama (the "Board") that the Group's Australian subsidiaries may have difficulty in meeting a payment due, in April 2018, to the Australian Tax Office (the "ATO"). This payment is part of a payment plan agreed with the ATO in 2017 and is in respect of Goods and Services Tax and a Pay as You Go liabilities due to the ATO of approximately AUS\$700,000 (approximately GBP £383,500). These liabilities arose from the Group's Australian trading operations during the period between July 2016 and September 2017.

The Board are considering ways for the Group to fund the Australian subsidiaries in meeting the schedule of payment to the ATO and the Board are also considering approaching the ATO to reschedule the payments under the payment plan.

The Board has commenced a detail review of the Group's finance function and all necessary steps to strengthen the Group's internal procedures and controls. The Board is being assisted in this review by its largest shareholder, Sheffield Haworth Limited.

Angus Watson, Nakama's Chief Financial Officer has tendered his resignation and will step down from the Board with immediate effect, and has agreed to assist the Group in the short term whilst the Board look to engage a new finance director in the near term. The Board would like to thank Angus for his service to the company.

As announced on 27 February 2018, the Group's business has continued to produce losses in Australia, Singapore and London, negatively impacting the Group's overall financial position. Accordingly, the Board is closely monitoring the Group's working capital requirements.

A further update will be made in due course.

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NOTES TO EDITORS

About Nakama Group plc

Nakama Group plc is a recruitment group of two branded solutions placing people into specialist and management positions;

- Nakama operates in the digital, creative, media, marketing and technology sectors all over the world from offices in the UK, Asia and Australia.
- The Highams brand specialises in the Financial Services sector, specifically Business Change and IT in Insurance and Wealth Management currently in the UK and Europe.

Nakama Group plc was created in October 2011 through the acquisition of Nakama Ltd UK and its subsidiaries in Hong Kong, Sydney and Melbourne by AIM listed Highams Systems Services Group plc.