

PRESS RELEASE

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TECHNOLOGY SERVICES GROUP MAKES FURTHER ACQUISITION TO BOLSTER PRESENCE IN MIDLANDS AND SOUTH



Technology Services Group Ltd (TSG) has acquired the GB based Pegasus and general PC IT infrastructure business of The Xperience Group. With offices in Leicester, Wellingborough, Tamworth and London, the acquisition strengthens TSG's presence across the Midlands and the South of England.

The acquisition is the twenty second for TSG since its inception in October 2003, and represents continued progress in building a UK-wide service network, providing complete IT services to small and medium sized businesses.

This business unit of The Xperience Group employs 50 staff and specialises in Pegasus business software and computer networks, serving a diverse customer base of almost 700 customers across the Midlands and the South of England.

David Stonehouse, TSG's Chief Executive said: 'This is another important acquisition in TSG's expansion strategy. It further strengthens our position as the leading IT service provider to small and medium sized businesses nationwide with the addition of a significant customer base into the group.'

'Apart from Pegasus product expertise, Xperience has strong PC hardware and infrastructure support and installation skills, which will allow us to further accelerate the roll-out of our System Care support service as well as other new offerings across the Midlands and the South.'

Kevin McCallum, Commercial Director of Pegasus Software commented, "Since their formation in 2003, TSG has demonstrated significant ambitions to invest in customer initiatives for Pegasus users, providing a full service across all Pegasus products. Xperience is a well regarded business with a solid reputation for service and delivery, so this acquisition is good news for Xperience customers, who will start to see the significant benefits of new TSG services during the coming months".

This latest acquisition means that TSG is now the UK's largest Pegasus Business Partner and provides services to more than 12,500 small and medium sized businesses nationwide, from Southampton in the south, to Aberdeen in the north. Following the acquisition of Xperience Group's British based Pegasus and IT infrastructure business, TSG intends to continue its expansion plans with further acquisitions across the UK

The acquisition process was overseen on behalf of TSG by Newcastle-based legal firm Ward Hadaway through partner Katherine Hey-Hedde, working with corporate finance organisation UNW and partner Neville Bearpark.