PSG Solutions plc ("PSG" or the "Company")

Offer for PSG

Statement regarding recent share trading and mandatory offer under Rule 9 of the City Code on Takeovers & Mergers (the "City Code").

The Company has been notified that Southwind Limited ("Southwind"), Retro Grand Limited, Seraffina Holdings Limited, Groundlinks Limited and Jonathan Mervis (together the "Buyers"), have increased their interests in the Company and now collectively hold 13,268,942 shares representing approximately 51.9 per cent. of the voting rights in the Company.

Under Rule 9 of the City Code, any person, who acquires an interest (as defined in the City Code) in shares, which taken together with shares in which he is already interested and in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the City Code, is normally required to make a general offer to all the remaining shareholders to acquire their shares.

The Buyers have confirmed to the Company that their most recent purchase of shares was at a price of 17.125 pence each and that this is the highest price paid by the Buyers for the Company's shares in the last 12 months. Southwind has confirmed to the Company that as a result of the acquisition, and as required under Rule 9 of the City Code, it will be making a mandatory offer to all remaining PSG shareholders to acquire their shares at the same price of 17.125 pence per share in cash.

Southwind has advised the Company that it will only be making the offer to other shareholders because it is mandatory to do so under the City Code.

The Board of PSG recommends that shareholders take no action and further announcements will be made as appropriate.

The Company confirms that it has 27,183,240 ordinary shares of 20 pence each in issue. The International Securities Identification Number (ISIN) for the Company's ordinary shares is GB00B0WHXB01.

Southwind has consented to the release of this announcement.

Enquiries:

For further information please visit www.psgsols.com or contact:

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Dealing Disclosure Requirements

Under the provisions of Rule 8.3 of the City Code on Takeovers and Mergers (the 'Code'), if any person is, or becomes, 'interested' (directly or indirectly) in 1% or more of any class of 'relevant securities' of PSG Solutions plc all dealings in any relevant securities of that company (including by means of an option in respect of, or a derivative referenced to, any such 'relevant securities') must be publicly disclosed by no later than 3:30 pm (London time) on the London business day following the date of the relevant transaction. This requirement will continue until the date on which the offer becomes, or is declared, unconditional as to acceptances, lapses or is otherwise withdrawn or on which the 'offer period' otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an 'interest' in 'relevant securities' of PSG Solutions plc, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the Code, all 'dealings' in 'relevant securities' of PSG Solutions plc or by any of its respective 'associates', must be disclosed by no later than 12:00 noon (London time) on the London business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose 'relevant securities' 'dealings' should be disclosed, and the number of such securities in issue, can be found on the Takeover Panel's website at www.thetakeoverpanel.org.uk.

'Interests in securities' arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an 'interest' by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Code, which can also be found on the Panel's website. If you are in any doubt as to whether or not you are required to disclose a 'dealing' under Rule 8, you should consult the Panel.