

1 July 2008

## NEXUS MANAGEMENT PLC

### Acquisition of Nerd Force Inc and update on PD Financial share re-purchase payments.

The Board of Nexus Management Plc ('Nexus' or 'the Company'), the AIM quoted provider of specialist IT Managed Services, announces today the acquisition of the business and assets of Nerd Force Inc ("Nerd Force").

Over the past three years Nerd Force, based in Staten Island New York, has built a distinctive brand by offering its SME and retail customers efficient and cost effective IT support. Following the success of its initial operation, Nerd Force now intends to franchise its brand and business model. Nerd Force's future income will be derived from initial and ongoing fees from the sale of franchises together with a small residual income from the existing operation in Staten Island.

The Directors believe the acquisition will create a low risk and cash generative distribution model for Nexus managed services to new small business clients with on-site support provided by Nerd Force's franchisees. Nerd Force is also expected to benefit from the perpetual marketing agreement between Nexus and PD Financial.

The acquisition is conditional on admission to trading on AIM of the new ordinary shares to be issued to the vendors of Nerd Force. The total consideration of \$500,000 comprises \$60,000 of cash, 10,894,516 of new ordinary Shares to be issued at 0.93p (being the average mid-market price over the last 10 business days) and a \$240,000 loan note carrying 0.5 per cent interest per month which is repayable within 12 months. The consideration shares will be subject to orderly market restrictions preventing them from being sold for a period of 6 months following admission of those shares to trading on AIM.

In addition, share options over 27,235,698 ordinary shares, exercisable at 0.93p per share, will be granted to Mr Ilir Sela, the founder and sole shareholder of Nerd Force. The options will be capable of exercise following satisfaction of certain performance criteria over the next two years. Mr Sela will also be appointed as the managing director of the newly created Nerd Force subsidiary.

Mr Sela commented **'This is an ideal collaboration for Nerd Force: the combination of excellent managed services provided by Nexus and the unrivalled marketing muscle from PD Financial will enable Nerd Force to grow at a considerably faster rate than currently envisaged. I am excited to be part of such ambitious growth plans, not only in the US but in Europe and Asia too – Nexus's worldwide presence will help us achieve that goal ahead of our own schedule.'**

Mr Ron Drori, PD Financial CEO, commented, **“I believe PD Financial’s customers will be very receptive to on-site support from the Nerd Force franchisees for the installation of new computers and other high end electronic items. Our anticipated move into the B2B market should provide the opportunity for this kind of support and I am delighted that Nexus has moved to cover this important area.”**

Roger Richardson, CEO, Nexus Management plc, said: **“The combination of the on-site installation and support delivered by Nerd Force and the managed services offerings from Nexus is a powerful combination. The small business customer end of the market has typically been poorly serviced by managed services vendors and we believe the combination of the Nerd Force franchisee being able to offer enterprise quality managed services will deliver to the customer an exceptional IT support package.”**

#### Update re sale of part interest in PD Financial

Nexus also announces that it has re-negotiated the terms of the PD Financial share re-purchase agreement dated 31 January 2008. The terms have been amended to allow PD Financial to re-start its marketing activities earlier than originally planned. The principal change is to the timing of the payment of \$2.7 million with the majority of this payment now being due and payable by 31 August 2008 after the first marketing wave has been launched by PD Financial.

The new payment schedule will require the outstanding \$4.7 million to be paid as follows:

- \$700,000 payable immediately;
- \$2 million payable by 31 August 2008; and
- \$2 million payable by 30 June 2009.

In the event that PD Financial is unable to pay the \$2 million by 31 August 2008 a charge of \$100,000 per month will be levied. As compensation for agreeing to the delayed payment Nexus will be able to recover all audit fees and charges incurred in conjunction with their ownership of PD Financial, estimated to amount to £70,000.

Roger Richardson, CEO, Nexus Management plc, said: **“The new arrangement with PD Financial will get the much anticipated consumer marketing programme off to a quicker start than was originally planned which is excellent news for our related marketing agreement. We hope to see new product sales generated through this channel by September 2008.”**

Application will be made for 10,894,516 ordinary shares to be admitted to trading on the AIM Market and dealings are expected to commence on 8 July 2008.

Following admission of the new ordinary shares to trading on AIM the Company will have 883,451,008 ordinary voting shares in issue.

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**About Nexus Management plc**

Nexus Management is a growing specialist IT Managed Services Provider. Nexus has two key markets: the UK and the US, where it can offer its customers 24 hour support. Nexus specialises in Remote Server Management, Disaster Recovery, Data Storage, Help-Desk, Desktop Support and Wide Area Network Management and Monitoring - providing Enterprise calibre technical support.

Nexus holds 8.3 percent of the issued share capital of PD Financial, following the sale on 1 February 2008 by Nexus of 16.3 percent of the issued share capital of PD Financial for a cash consideration of \$4.29 per share (against an average cost of acquisition of \$2.1 per share) being \$5 million in aggregate.

Nexus is quoted on AIM, a market of the London Stock Exchange. For further information on the Company, please visit [www.nexusmgmt.com](http://www.nexusmgmt.com)

**About PD Financial Corp.**

PD Financial Corporation, a privately-held information-based direct retailer of brand-name consumer products is "making luxury affordable" by offering consumers financing and low monthly payments through its private label credit card. Headquartered in Los Angeles, PD Financial uses proprietary models and

data mining techniques to target consumers through its catalogs and the web. PD Financial offers leading brand-name consumer electronics, computers, home products, fashion accessories, cosmetics, jewelry, home entertainment and other luxury products.

### **About Nerd Force**

Nerd Force is a provider of onsite and managed computer and technology services supporting small business and residential computer users in the New York Metro area. Founded in 2003 by Mr. Sela, it was managed as an owner operated computer repair shop in Staten Island.