

PhotonStar LED Group Plc

£1.57m raised to support further growth and new lighting products

PhotonStar LED Group plc (AIM: PSL, "PhotonStar" or "the Group"), the British designer and manufacturer of smart LED lighting solutions, has raised approximately £1.57m through a placing with institutional investors to finance the next stage of its growth and specifically to fund a new wireless circadian lighting product range using the Group's ChromaWhite technology.

Highlights

- £1.57m raised
- 13,085,833 new ordinary shares ("the Placing") through a placing by finnCap
- Funds being raised at 12p, a premium to the mid-price on 18 December 2012, the date prior to the announcement of the Placing

Use of proceeds

The proceeds will be used to invest further in the opportunity the Group is seeing in circadian lighting, which simulates the lighting levels of natural daylight, with positive effects on human health and productivity. This uses the Group's ChromaWhite technology launched earlier this year. The range will include retro fit lamps for industry standard lighting systems.

Trading Update

The Group expects revenues for the year to 31 December 2012 to be broadly in line with market forecasts and EBITDA for the year, before share based payments, is anticipated to be close to breakeven.

James Mckenzie, CEO of PhotonStar, commented:

"This additional funding will support our growth and enable us to develop more innovative and exciting products more quickly. The placing exceeded our initial target and is a great endorsement of our technology and the opportunities we are seeing for our smart LED lighting solutions."

"We have already made substantial progress this year with the launch of our ChromaWhite product in industry standard module formats. We look forward to being able to expand this into the growing area of circadian lighting."

Details of the Placing

The Group will raise approximately £1.57 million (gross) pursuant to the Placing through the issue of 13,805,833 new ordinary shares ("the Placing Shares") at the placing price of 12p. The Placing Shares will represent approximately 11.5% of the Company's issued Share Capital immediately following Admission.

Under the Placing Agreement, finnCap has conditionally agreed to place, with institutional investors, the Placing Shares at the Placing Price.

The Placing is conditional on Admission of the Placing Shares to trading on AIM.

Admission and Settlement

Application has been made to the London Stock Exchange for 13,805,833 Ordinary Shares to be admitted to trading on AIM. Admission is expected to take place at 8.00 a.m. on 20 December 2012.

On Admission, the total number of ordinary shares in issue will be 111,843,544. The total number of voting rights will therefore be 111,843,544. The above figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FSA's Disclosures and Transparency Rules.

Enquiries:

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About PhotonStar LED Group PLC

PhotonStar LED Group PLC ("PhotonStar" or the "Group") is a British designer and manufacturer of smart LED lighting solutions. The Group's proprietary technology seamlessly integrates LEDs, sensors and controls to provide intelligent lighting for commercial and architectural applications which benefit from greater CO2 reduction, lower cost of ownership & improved functionality compared to other available light sources. PhotonStar's lighting products have won numerous awards for performance, innovation and reliability, and are unique in the industry for the use of recycled, and recyclable materials, which means they have 90% less embodied CO2 than equivalent products providing the same levels of illumination.

PhotonStar comprises two divisions: LED Lighting Fixtures which works with lighting designers, architects, house builders, facilities management companies and sustainability consultants to provide intelligent, high-end LED lighting solutions for the commercial and architectural market, and LED Light Engines which provides LED lighting solutions for specialist applications such as film & television production lighting, UV curing and medical applications.

PhotonStar is based in Romsey, Hampshire with manufacturing in Wales. The Group was admitted to AIM in December 2010.