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If you have sold or transferred all your Ordinary Shares you should send this document together with the accompanying Form of Proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you have sold or transferred only part of your holding of Ordinary Shares in the Company, you should retain these documents, and consult the person through whom the sale or transfer was effected.

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This document does not constitute a prospectus for the purposes of the Prospectus Rules of the FCA or an admission document for the purpose of the AIM Rules for Companies. The Directors accept responsibility for the information contained in this document and to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The London Stock Exchange Plc has not itself examined or approved the contents of this document. AIM is a market designed primarily for emerging or smaller companies to which a higher degree of investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List and the AIM Rules are less demanding than those of the Official List.

## **PhotonStar LED Group Plc**

*(incorporated in England and Wales with registered number 06133765)*

### **NOTICE OF GENERAL MEETING**

Subdivision of ordinary shares

Amendment to Articles of Association

A notice of a General Meeting of the Company to be held at the Company's offices at Unit 8 Westlink, Belbins Business Park, Romsey SO51 7JF, at 10.00 a.m. on 16 March 2018, is set out at the end of this document. Shareholders are requested to complete and return the enclosed Form of Proxy to Link Asset Services at PXS1, 34 Beckenham Road, Beckenham, BR3 4ZF as soon as possible, but in any event so as to arrive no later than 10.00 a.m. on 14 March 2018, whether or not they propose to be present at the General Meeting.

The Directors accept responsibility for the information contained in this document. To the best of the knowledge and belief of all the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Copies of this document will be available free of charge from the Company's office at Unit 8 Westlink, Belbins Business Park, Romsey SO51 7JF during normal business hours and a copy is available on the website of the Company at [www.photonstarled.com/investorrelations/documents/](http://www.photonstarled.com/investorrelations/documents/)

## DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise.

“Act”	the Companies Act 2006
“Admission”	admission of the Placing Shares to trading on AIM
“AIM”	AIM, a market operated by the London Stock Exchange
“Articles”	the Company’s Articles of Association
“Company”	PhotonStar LED Group Plc, a public limited company incorporated in England and Wales with registered number 06133765
“Deferred ‘A’ Shares”	deferred shares of 0.99 pence each following the Subdivision
“Directors” or “Board”	the existing directors of the Company
“Form of Proxy”	the form of proxy attached to this document
“General Meeting”	the general meeting of the Company to be held at 10.00 a.m. on 16 March 2018 at Unit 8 Westlink, Belbins Business Park, Romsey SO51 7JF
“London Stock Exchange”	London Stock Exchange plc
“Notice”	the notice of General Meeting which forms part of this document

“New Ordinary Shares”	new ordinary shares of 0.01 pence each resulting from the Subdivision
“Ordinary Shares”	existing ordinary shares of 1pence each in the capital of the Company which are to be subject to the Subdivision
“Peterhouse”	Peterhouse Corporate Finance Limited
“Placing”	the Placing to raise £430,000 (before expenses) as announced on 27 February 2018
“Placing Shares”	the 286,666,667 Ordinary Shares issued pursuant to the Placing
“Placing Price”	0.15 pence per Ordinary Share
“Resolutions”	the resolutions set out in the notice convening the General Meeting
“Shareholders”	holders of Ordinary Shares
“Subdivision”	the proposed subdivision of Ordinary Shares into one new ordinary share of 0.01 pence and one deferred share of 0.99 pence

## PHOTONSTAR LED GROUP PLC

Registered Office: Unit 8 Westlink, Belbins Business Park, Romsey SO51 7JF

*Directors:*

Jonathan Freeman (Chairman)  
James McKenzie (Chief Executive Officer)  
Dr Majd Zoorob (Chief Technology Officer)

To Shareholders and, for information only, to Option Holders Notice of General Meeting

27 February 2018

Dear Shareholder,

### **Notice of General Meeting**

I am writing to give you details of the resolutions to be proposed at the General Meeting which is to be held at 10:00 a.m. on 16 March 2018 at Unit 8 Westlink, Belbins Business Park, Romsey SO51 7JF (the "General Meeting"). The resolutions are set out in the notice of General Meeting at the end of this document (the "Notice").

#### **1. Background to and reasons for the General Meeting**

On 27 February 2018, the Company announced that it has conditionally raised gross proceeds of £430,000 via the placing of 286,666,667 new ordinary shares (the "Placing Shares") with new and existing investors and Directors of the Company at a price of 0.15 pence per Placing Share (the "Placing Price") (the "Placing"). The Placing was undertaken by Peterhouse.

The Act (as amended) prohibits the Company from issuing ordinary shares at a price below their nominal value. Accordingly, it will be necessary to carry out a Subdivision to enable the Placing to proceed.

The existing ordinary share capital comprises 225,158,220 Ordinary Shares of 1 pence. Resolution 1 to be proposed at the General Meeting proposes that each of the existing Ordinary Shares of the Company be subdivided into one new ordinary share of 0.01 pence ("New Ordinary Share") and one deferred share of 0.99 ("Deferred 'A' Share"). The New Ordinary Shares will continue to carry the same rights as attached to the existing Ordinary Shares (save for the reduction in nominal value). **The Company does not intend to issue new share certificates to Shareholders following the Share Subdivision.**

The Deferred 'A' Shares will not entitle the holder thereof to receive notice of or attend and vote at any general meeting of the Company or to receive a dividend or other distribution or to participate in any return on capital on a winding up other than the nominal amount paid on such shares following a substantial distribution to holders of ordinary shares in the Company. Subject to the passing of the Resolution, the Company will have the right to purchase all the issued Deferred 'A' Shares from all Shareholders for an aggregate consideration of one penny. **As such, the Deferred 'A' Shares effectively have no economic value. Share certificates will not be issued in respect of the Deferred 'A' Shares. The Company has no current intention to purchase the Deferred 'A' Shares.**

Resolution 1 proposes that the Articles be amended to reflect the rights attaching to the Deferred 'A' Shares. A copy of the amended Articles' will be available for inspection at the General Meeting and will be made available on the Company's website at [www.photonstarled.com/investorrelations/articles\\_of\\_association](http://www.photonstarled.com/investorrelations/articles_of_association). The practical effect of this change, if implemented, will be that each Shareholder will receive the same number of New Ordinary Shares as they hold existing Ordinary Shares, without diminution in rights pertaining to each share held.

The effective time and date of the Share Subdivision of ordinary shares will be 8.00 a.m. on or around 19 March 2018.

Application for admission to trading on AIM of the Placing Shares will be made to AIM and Admission is expected to occur at 8.00 a.m on or around 19 March 2018.

## 2. Director's participation in the Placing the Related Party Transaction

Certain Directors, who are related parties of the Company, have agreed to subscribe for Placing Shares in the Placing at the Placing Price as per the table below (the "Directors Participation"):

Director	Number of Placing Shares subscribed for	Beneficial shareholding following the Placing	Percentage of ordinary shares held following the Placing
James McKenzie	13,333,333	31,508,620*	6.1%
Majd Zoorob	6,666,666	18,905,235	3.6%
Total	19,999,999	50,413,855	9.7%

\*Figures include ordinary shares held by Mrs F McKenzie

In addition, Walker Crips plc ("Walker Crips"), on behalf of its clients, is subscribing for 43,500,000 Placing Shares (the "Walker Crips Subscription"). Following Admission Walker Crips will, on behalf of its clients, have an interest in 79,638,685 New Ordinary Shares, representing 15.6% of the Company's issued share capital as enlarged by the Placing.

Walker Crips is currently a substantial shareholder in the Company and therefore a related party. As such the Walker Crips Subscription and the Directors Participation are considered to be related party transactions pursuant to AIM Rule 13.

Jonathan Freeman, the Company's Chairman, is considered to be an independent director for purposes of AIM Rule 13. As such, the Company's independent director, having consulted with the Company's nominated adviser, considers the Directors Participation and the Walker Crips Subscription to be fair and reasonable insofar as the Company's shareholders are concerned.

## 3. Resolutions

### Resolution 1 – Subdivision of ordinary shares

This is an ordinary resolution to subdivide each of the 225,158,220 issued ordinary shares of 1p each in the capital of the Company into 225,158,220 deferred shares of 0.99p each in the Company (“Deferred ‘A’ Shares”) and 225,158,220 ordinary shares of 0.01p each (“New Ordinary Shares”).

#### **Resolution 2 – Amendment to the Articles**

Resolution 2 will be proposed as a special resolution to enable the Directors to make consequential amendments to the Company’s existing articles of association (“Articles”) to include provision in respect of the rights and restrictions attaching to the Deferred ‘A’ Shares and the subdivision of the existing ordinary shares of 1p each in the Company and is conditional on the passing of Resolution 1 above.

#### **4. Action to be taken by Shareholders**

A Form of Proxy for use at the General Meeting is enclosed. Please complete and sign the Form of Proxy and return it to the Company’s Registrars at the address set out on page 1 above, so as to arrive no later than 48 hours excluding non-business days before the time fixed for the General Meeting (being by 10 a.m. on 14 March 2018). The return of the Form of Proxy will not, however, prevent you from attending the General Meeting and voting in person should you wish to do so.

#### **5. Board Recommendation**

The Board considers that the Resolutions to be proposed at the General Meeting are in the best interests of the Company and its shareholders as a whole and it unanimously recommends that shareholders vote in favour of each of them as the Board intend to do so in respect of their combined holdings of 31,060,604 Ordinary Shares, representing approximately 13.8% of the Company’s existing share capital.

Yours faithfully,  
Jonathan Freeman  
Chairman  
On behalf of the Board of Directors

## NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting (**General Meeting**) of PhotonStar LED Group PLC (**Company**) will be held at Unit 8, Westlink, Belbins Business Park, Cupernham Lane, Romsey, Hants SO51 7JF on 16 March 2018 at 10.00 a.m.

You will be asked to consider and vote on the resolutions below.

### SPECIAL RESOLUTIONS

1. Each of the 225,158,220 existing ordinary shares of 1 pence each in the capital of the Company be subdivided into 225,158,220 ordinary shares of 0.01 pence each and 225,158,220 Non-Voting Deferred A shares of 0.99 pence each in the capital of the Company, such shares having the rights and to be subject to the restrictions set out in the articles of association of the Company as amended pursuant to resolution 2 below.
2. The articles of association of the Company be amended as follows:

by the addition of a new article 4B as follows:

**"4B Rights attaching to the Non-Voting Deferred A Shares**

**4B1 Income**

Holders of Non-Voting Deferred A Shares are not entitled to receive any dividend or other distribution.

**4B2 Capital**

On a return of capital on a winding up, each holder of Non-Voting Deferred A Shares is entitled to receive a sum equal to the nominal capital paid up or credited as paid up thereon but only after the aggregate sum of £30,000,000 has been paid to the holders of shares and in proportion to the number of shares held and the holders of the Non-Voting Deferred A Shares shall not be entitled to any further participation in the assets or profits of the Company.

**4B3 Voting and general meetings**

The holders of the Non-Voting Deferred A Shares have no right to receive notice of any general meeting of the Company nor any right to attend, speak or vote at any such general meeting.

**4B4 Reduction of capital**

Neither the passing by the Company of any special resolution for the cancellation of the Deferred A Shares for no consideration by means of a reduction of capital requiring the confirmation of the Court, nor the obtaining by the Company nor the making by the Court of any order confirming any such reduction of capital, nor the becoming effective of any such order shall constitute a variation, modification or abrogation of the rights attaching to the Deferred A Shares. Accordingly, the 'Deferred A Shares may at any time be cancelled for no consideration by means of a reduction of capital effected in accordance with the Act without sanction on the part of the holders of the Deferred A Shares.

4B5 **Certificates**

No share certificates will be issued in respect of the Non-Voting Deferred A Shares.

4B6 **Transfer**

The Non-Voting Deferred A Shares shall not be capable of transfer."

by the inclusion in Article 2 the following definition:

**"Non-Voting Deferred A Shares** - the shares in the capital of Company with a nominal value of 0.99 pence each, subject to the rights and obligations set out in these Articles."

### **ORDINARY RESOLUTIONS**

3. **THAT**, subject to the passing of the above special resolution the directors be authorised generally and unconditionally, for the purpose of section 551 of the Companies Act 2006 (the **Act**), to exercise all the powers of the Company to allot shares up to a maximum aggregate nominal amount equal to £ 55,333.34 which represents 553,333,334 ordinary shares of 0.01 pence each, to such persons and on such terms as they think proper, provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the anniversary of this resolution save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the Directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 80 of the Companies Act 1985 or section 551 of the Act.

### **SPECIAL RESOLUTIONS**

4. **THAT** subject to the passing of the above ordinary resolution and in accordance with section 570 of the Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by the above ordinary resolution, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall:
- be limited to the allotment of equity securities for cash up to an aggregate nominal amount of £ 55,333.34, which would be 553,333,334 ordinary shares of 0.01 pence each; and
  - expire on the anniversary of this resolution (unless renewed, varied or revoked by the Company prior to or on that date) save that the company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

**BY ORDER OF THE BOARD**

**CFO Solutions Limited**  
*Company Secretary*

**REGISTERED OFFICE**

Unit 8 Westlink Belbins Business Park, Cupernham Lane Romsey Hampshire SO51 7JF  
27 February 2018

**Notes:**

1 The Company specifies that only those members registered on the Company's register of members at 10am on 14 March 2018 shall be entitled to attend and vote at the General Meeting.

2 If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the General Meeting and you should have received a Proxy Form with this notice. You can only appoint a proxy using the procedures set out in these notes and the notes to the Proxy Form.

3 A proxy does not need to be a member of the Company but must attend the General Meeting to represent you. Details of how to appoint the chairman of the General Meeting or another person as your proxy using the Proxy Form are set out in the notes to the Proxy Form. If you wish your proxy to speak on your behalf at the General Meeting you will need to appoint your own choice of proxy (not the chairman) and give your instructions directly to them.

4 You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Company's registrars at the address set out in note 5.

5 The notes to the Proxy Form explain how to direct your proxy how to vote on each resolution or withhold their vote.

5.1 To appoint a proxy using the Proxy Form, the Proxy Form must be:

5.1.1 completed and signed;

5.1.2 sent or delivered to Link Asset Services, PXS1, 34 Beckenham Road, Beckenham BR3 4ZF; and

5.1.3 received by Link Asset Services, at the address provided in paragraph 5.1.2 above no later than 10.00 a.m. on 14<sup>th</sup> March 2018.

5.2 In the case of a member which is a company, the Proxy Form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

5.3 Any power of attorney or any other authority under which the Proxy Form is signed (or a duly certified copy of such power or authority) must be included with the Proxy Form.

6 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).

7 To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut off time will be disregarded.

8 A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises power over the same share.

9 Voting on all resolutions will be conducted by way of a poll rather than on a show of hands.