

31 October 2018

PhotonStar LED Group Plc

Trading Update

PhotonStar LED Group Plc (AIM: PSL, "PhotonStar" or the "Group"), the British designer and manufacturer of smart LED lighting solutions and cloud based building management services announces a further trading update following the announcement of the Group's interim results on 28 September 2018.

It was reported in the interim results that trading continued to be difficult in the Group's traditional LED fixed lighting business. The competitive price pressures on fixed LED lighting have shown no sign of abating throughout October and, as a result, trading conditions for the Group's wholly owned subsidiary PhotonStar LED Limited ("PhotonStar LED" or the "Subsidiary") have continued to be very challenging and anticipated demand for the Subsidiary's circadian lighting products has not materialised.

Management forecasts for the remainder of 2018 and into 2019 for PhotonStar LED suggest that this business will not experience the same level of seasonal growth in Q4 2018 as has historically been the case. In addition there is now significant uncertainty regarding PhotonStar LED's forecast revenues for 2019.

As such, the Board is considering the options available to the Group regarding PhotonStar LED. The options include a distressed sale of the Subsidiary, which may have certain regulatory conditions should a buyer be found, or the appointment of administrators over PhotonStar LED in order to reduce the Group's debt, overheads and operational losses. A further announcement regarding the future of PhotonStar LED will be made as soon as practicable.

PhotonStar's other wholly owned subsidiary PhotonStar Technology Limited ("PhotonStar Technology") remains focused on the Group's v2 halcyon cloudBMS software ("Halcyon V2"), which is characterised by a low cost, retrofittable wireless monitoring and control platform, halcyon PRO2, and the upgraded cloud service platform, cloudBMS. PhotonStar Technology remains in discussions with several potential customers regarding these products but, despite the previously announced trials, is yet to sign a material contract for the roll out of Halcyon V2.

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.

For further information:

PhotonStar LED Group Plc (www.photonstarled.com) +44 (0)2381 230381
James McKenzie - Group Chief Executive

Northland Capital Partners Limited
David Hignell/Gerry Beaney/Jamie Spotswood
(Corporate Finance)
Rob Rees (Corporate Broking)

+44 (0)20 3861 6625

Peterhouse Capital Limited
Duncan Vasey/ Fungai Ngoro

+44 (0)20 7469 0930

About PhotonStar LED Group Plc

PhotonStar LED Group Plc is a leading British designer and manufacturer building monitoring & control solutions. The Group's proprietary technology Halcyon™ is a scalable, secure wireless IoT platform for retrofit into commercial buildings, for energy reduction, asset monitoring & control, and real time environmental, behavioral and energy insights. Halcyon V2 supports legionella reporting, emergency lighting compliance reporting, a powerful analytics and rules engine with notifications of issues by SMS and email.

PhotonStar is based in Romsey, Hampshire.