



("Fusion" or "the Company")

RNS Reach

New Lighting Company – Seren Photonics

Revolutionary new LEDs with the potential to dramatically cut energy requirements for light

Fusion IP (AIM: FIP), the university IP commercialisation company that turns world class research into business, is pleased to announce a new start-up, Seren Photonics, an ultrahigh efficient light-emitting diode (LED) company, which has been formed under its exclusive agreement with the University of Sheffield.

Seren Photonics is founded on the invention of Dr Tao Wang, Reader in the Department of Electronic and Electrical Engineering at the University of Sheffield. Dr Wang is leading a research team working on III-nitride semiconductor based optoelectronic devices. The research team has strong links with Engineering and Physical Sciences Research Council National Centre for III-V Technologies located in Sheffield. This is a world-class research centre for III-V compound semiconductors, with comprehensive facilities for the fabrication of a wide range of semiconductor based optoelectronic devices. Dr Wang's novel processing technique, combines nanoscience and fundamental physics to greatly increase the efficiency at which an LED converts energy into light.

Successful demonstrations of the technology have so far resulted in a doubling of the light output compared to untreated devices, which means that either much brighter lamps can be manufactured or that the power consumption of state-of-the-art lamps can be further reduced to a single watt.

Seren Photonics's revolutionary technology is targeted at the large and fast growing white LED markets such as back lighting for laptop computers and TVs, signs and displays as well as domestic and architectural lighting. This market is currently worth an estimated \$5bn and is set to grow to \$12bn by 2013.

Driven by global warming, the impending energy crisis and environmental regulatory requirements, new technology is needed by the lighting industry to replace the incandescent bulbs that most countries have agreed to scrap by the middle of the decade. Seren Photonics patent pending technology expects to be at the forefront of developments that will meet this need, developing Seren LEDs that will have exceptional performance, efficiency and a significant reduction in the cost of manufacture, enabling ultrahigh efficient LEDs to be the first choice replacement for incandescent bulbs.

Fusion has a 60% holding in Seren Photonics.

Dr Tao Wang, said:

"It is a great honour for me and my research team to collaborate with Fusion IP and realise our ambition to commercialise our technology. Fusion's commercial, managerial and financial support, combined with the support of the University and my department, have been vital for the creation of Seren.

Seren Photonics hopes to unlock the full potential of nitride-based, ultrahigh efficient, white LEDs and complete the illumination revolution, we are currently experiencing."

Dr Carl Griffiths, Managing Director of Seren Photonics said:

“This is an exciting technology and a great example of how the injection of scientific know-how and commercial sector skills can facilitate the conversion of Sheffield’s world class IP pipeline into businesses with real value, both financial and social. Seren Photonics has the potential to revolutionise the illumination markets, be a key contributor to reducing green house gas emissions and realise a considerable return for all of its shareholders. We look forward to supporting the company as it grows and prospers.”

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Fusion IP

Fusion IP plc, previously called Biofusion plc, was established in 2002 to commercialise university-generated intellectual property. Fusion IP has signed long term agreements with two of the UK’s leading research intensive universities, the University of Sheffield and Cardiff University, giving a combined R&D spend attributable to Fusion IP of approximately £185m a year.

Fusion’s first agreement was a ten-year exclusive arrangement with the University of Sheffield giving it the right to commercialise (through both the creation of spin-out companies and licensing) research, owned by the University, initially in the area of medical life sciences. This agreement was expanded in July 2008 to include all non-life science research-generated IP such as energy, engineering and electronics. Fusion has significant shareholdings in a portfolio of Sheffield University spin-out companies including Simcyp, Magnomatics, Diurnal and Phase Focus.

In January 2007, Fusion completed a ten year exclusive agreement with Cardiff University, also giving it the right to commercialise (through the creation of spin-out companies) Cardiff University’s research-generated IP. Fusion has significant shareholdings in a portfolio of Cardiff University spin-out companies including Mesuro, Abcellute, MedaPhor and Q-Chip.

On 2 December 2009 Fusion announced that it had raised approximately £3.2 million through a fund raising exercise and that as a result, IP Group held approximately 19.8% of Fusion. Fusion has also entered into a new Co-Investment Agreement with IP Group, in which IP Group has the right to acquire for cash, 20% of Fusion’s equity in any new portfolio company. As Fusion normally owns 60% of any new portfolio company at start-up, IP Group’s shareholding would normally equate to a 12% stake in the new portfolio company.

Fusion IP also has a Memorandum of Understanding with Finance Wales, the provider of commercial funding to Wales-based SMEs, which outlines a strategy of co-investment in opportunities arising from the Cardiff Agreement.