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EKF Diagnostics Holdings PLC

24 September 2010

EKF DIAGNOSTICS HOLDINGS PLC ("EKF" or the "Company")

APPOINTMENT OF DISTRIBUTOR & CONTRACT GAIN

EKF Diagnostics Holdings plc, a growing business within the in-vitro diagnostic devices market, announces that it has signed a distribution agreement with Diagnostica Peruana SAC ("Diagnostica Peruana") in Peru and that it has received an order worth c. €1m from the Ministry of Health in Peru for its blood haemoglobin test instrument, Hemo-Control.

The Hemo-Control device is designed for use in doctors' offices, blood donor centres and small clinics and works with specially designed cuvettes that perform haemoglobin tests with a calculated haematocrit from a single sample. The device is quick and easy to use and can provide a precise determination of haemoglobin and haematocrit levels from a patient blood sample in under 30 seconds. The device has a number of diagnostic uses but in particular can be used to screen for diabetes as well as aid the diagnosis and treatment of malnutrition in children.

The Hemo-Control device is CE marked, as are all EKF products, and is also FDA approved and has a Clinical Laboratory Improvement Amendment (CLIA) waiver.

As part of the distribution agreement Diagnostica Peruana will deliver, install and maintain the Hemo-Control devices as well as providing instrument training to new users. EKF has worked with Diagnostica Peruana since 2008.

The contract with MINSA (the Health Ministry of Peru) is to purchase over 3,000 Hemo-Control devices over the next three months. A number of devices have already been delivered with the remainder being fulfilled during October and November. These will be delivered with two months worth of cuvettes. A further ongoing supply of cuvettes to MINSA is currently subject to tender but given the special design of the cuvettes required for the device EKF is confident that its tender will be successful during 2011. Any agreement for future cuvette supply is expected to be under a long term contract.

Julian Baines, CEO of EKF commented: "The success of the roll-out of our Hemo-Control system is very much predicated on the razor/razorblade model. Quite simply our strategy is to place our devices in as many doctors' surgeries, clinics and health centres around the world as possible so as to ensure long term, higher margin, recurring revenues from ongoing cuvette sales. This is a strategic contract win for EKF as the placement of such a large quantity of devices creates a foundation for other successful product sales in the Peruvian Point of Care market.

"With the global haemoglobin market estimated to be worth over \$500m annually we are very well placed to increase our share of this, especially through expansion of our sales effort into one of the world's largest markets, the US."

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About EKF Diagnostics Holdings plc - www.ekf-diagnostic.com

EKF Diagnostics Holdings plc is an established, profitable and cash generative business within the diagnostic devices industry. EKF's main facilities are in Barleben, Germany. The Company is a manufacturer and distributor of point of care diagnostic devices and reagents and has sales and distribution channels in over 65 countries (including the key markets of the US, Europe and Russia). EKF products focus on diabetes and anaemia testing, two of the main segments of the point of care market, and are marketed to clinical and research laboratories, doctors' offices and sports medicine testing sites worldwide.

EKF Diagnostics Holdings plc was formed through the reverse takeover of EKF-diagnostic GmbH ("EKF") in July 2010. EKF was acquired by International Brand Licensing plc for a total consideration of €14.32m and following completion the company changed its name to EKF Diagnostics Holdings plc on 7 July 2010.

This information is provided by RNS
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