

**EKF Diagnostics Holdings plc  
("EKF" or "the Company")**

**Senior Executive Incentive Package**

The Board recognises the importance of incentivising and rewarding the performance of its key executives and recently tasked the remuneration committee to recommend to the Board an appropriate long term incentive plan for its senior executives.

The Board, following the recommendation of the remuneration committee and after consulting its advisers, has today made the following awards to each of David Evans (Executive Chairman) and Julian Baines (Chief Executive Officer) under the Company's existing incentive plan which was adopted on 25 November 2009:

- options over 8,545,638 ordinary shares, representing 6 per cent. of the current issued share capital, divided equally between Mr Evans and Mr Baines. These options are exercisable at 15p per share, the price at which the placing to raise £15.06m took place in July 2010. These options are subject to the achievement of 15 per cent. compound annual EBITDA growth for the three years commencing on 1 January 2011. The base EBITDA will be equal to twice the audited EBITDA achieved by EKF Holdings plc for the 6 months ending 31 December 2010; and
- options over a further 8,545,638 ordinary shares, representing 6 per cent. of the current issued share capital, again divided equally between Mr Evans and Mr Baines. These options are exercisable at 15p per share, conditional upon the share price reaching 45p per share, a trebling of the 15p per share price at which the recent placing was undertaken, within the three years commencing 1 January 2011.

All other terms and conditions of these incentivisation arrangements are in conformity with the Company's existing incentive plan.

**Related Party Transaction**

The issue of options is a related party transaction. Under the AIM Rules, when a company enters into a related party transaction the independent directors to the transaction, after consultation with the Company's NOMAD, must consider whether the transaction is fair and reasonable insofar as the shareholders are concerned. The Directors, other than David Evans and Julian Baines, consider (after consultation with Zeus Capital, the Company's NOMAD, who have taken

into account the commercial assessment of the independent directors) that the transaction is fair and reasonable insofar as the shareholders are concerned.

**Comment from the Chairman of the Remuneration committee, Gordon Hall:**

"It is important that David and Julian are rewarded in a way which links their performance with shareholder value creation. I am satisfied that these incentivisation arrangements achieve that objective".

**Enquiries:**

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