

**11 June 2013**

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

**Amendment to EKF's Long-Term Incentive Plan**

EKF Diagnostics Holdings plc (AIM: EKF), the growing in-vitro diagnostics company, announces that it has amended one of the performance conditions for certain awards already made under the existing EKF Long-Term Incentive Plan ("LTIP") to better incentivise key executives. The Board of Directors recognises the importance of incentivising and rewarding the performance of its key executives, and securing greater alignment of shareholders' and management's interests with transparency over performance targets.

The Board, following the recommendation of the Remuneration Committee and after consulting its advisers, has today made the following amendment to the performance conditions attached to the awards made to each of David Evans, Executive Chairman, and Julian Baines, Chief Executive Officer, under the LTIP. The LTIP was adopted on 25 November 2009 and the awards made to Mr Evans and Mr Baines were detailed in an announcement made by the Company on 24 September 2010.

The Board believes that this amendment does not materially re-base the performance parameters of the original awards. In summary, the total number of options remains unchanged and the exercise price remains unchanged. The amendment allows for a defined percentage of the options to vest over a five year period, subject to defined performance conditions. The overall dilution effect of the exercise of these options remains unchanged. A summary of the amendment is provided below:

- Options over 8,545,638 ordinary shares, representing 3.13 per cent. of the current issued share capital, divided equally between Mr Evans and Mr Baines, are now subject to the Company's share price reaching certain levels before 31 December 2016. Approximately one fifth of the options (i.e. options over approximately 1,709,128 shares) will vest if the Company's mid-market closing share price reaches the following levels for a period of 20 consecutive days (on which the London Stock Exchange is open for business) before 31 December 2016: 30p, 37.5p,

45p and 52.5p. Approximately one fifth of the options (i.e. options over approximately 1,709,128 shares) will vest if the Company's mid-market closing share price reaches 60p for a period of 30 consecutive days (on which the London Stock Exchange is open for business) ending on 31 December 2016. These options were originally exercisable conditional upon the share price reaching 45p per share within the three years commencing 1 January 2011.

All other terms and conditions of these incentivisation arrangements remain unchanged and are in conformity with the Company's existing LTIP.

For the avoidance of doubt, the terms relating to a further 8,545,638 ordinary shares, representing 3.13 per cent. of the current issued share capital, divided equally between Mr Evans and Mr Baines which are subject to the achievement of a compound annual EBITDA growth for the three years commencing 1<sup>st</sup> January 2011 remain unchanged.

### **Amendment to a Related Party Transaction**

As these awards under the LTIP were made to executive directors of the Company, they constituted a related party transaction for the purposes of the AIM Rules (as announced on 24 September 2010). Therefore, any amendments to these awards under the LTIP are considered an amendment to a related party transaction.

The non-executive Directors (none of which are affected by the amendment to the LTIP) consider, having consulted with the Company's Nominated Adviser, Canaccord Genuity, that the amendment to the LTIP is fair and reasonable insofar as its Shareholders are concerned.

### **Amendments to the option certificate for Richard Evans, Finance Director**

In addition, the Board, following the recommendation of the Remuneration Committee, has amended the option certificate for Richard Evans, Finance Director, following his grant of 4,260,000 options (representing, if exercised, 1.56 per cent. of the Company's current issued share capital) on 15 June 2011 (prior to his appointment as Finance Director) so that all of the Option Shares are subject to a three year EBITDA test (previously half of the options were subject to a performance condition based on a three year EBITDA test with the remaining half incorrectly subject to a performance condition based on the Company's share price).

All other terms and conditions of these incentivisation arrangements remain unchanged and are in conformity with the Company's existing LTIP.

### **Summary of Amendment to EKF's Long-Term Incentive Plan**

The original awards made to Mr Evans and Mr Baines under the LTIP together

with the amendment to their performance conditions, which are exactly the same for both Mr Evans and Mr Baines, are detailed below:

**Original LTIP Awards (24 Sep 2010)**

Options over 8,545,638 ordinary shares, representing, if exercised, a further 6.00 per cent. of the then issued share capital, again divided equally between Mr Evans and Mr Baines.

These options were exercisable at 15 pence per share, conditional upon the share price reaching 45 pence per share, a trebling of the 15 pence per share price at which the July 2010 placing was undertaken, within the three years commencing 1 January 2011.

**Amended LTIP Performance Conditions**

Options over a further 8,545,638 (unchanged) ordinary shares, representing, if exercised, a further 3.13 per cent. of the current issued share capital, again divided equally between Mr Evans and Mr Baines.

The exercise price of these options remains unchanged at 15 pence.

The performance condition for the first 1,709,128 Award Shares is that the Company's mid-market closing share price attains 30 pence.

The performance condition for the next 1,709,128 Award Shares is that the Company's mid-market closing share price attains 37.5 pence.

The performance condition for the next 1,709,128 Award Shares is that the Company's mid-market closing share price attains 45 pence.

The performance condition for the next 1,709,128 Award Shares is that the Company's mid-market closing share price attains 52.5 pence.

The performance condition for the remaining 1,709,126 Award Shares is that the Company's mid-market closing share price attains 60 pence.

For the share price performance criteria to be met, the Company's share must reach and maintain the aforementioned levels for a period of 20 consecutive days (on which the London Stock Exchange is open for business) at any time during the period commencing on 1 January 2012 and ending on 31 December 2016, save that for the Award Shares subject to the Company's mid-market closing share price attaining 60 pence, this share price must be reached and maintained for a period of 30 consecutive days (on which the London Stock Exchange is open for business) ending on 31 December 2016.

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