

EKF Diagnostics Holdings plc
("EKF", the "Company")

**Cancellation of escrow shares in connection with the acquisition of
Selah Genomics, Inc. ("Selah") and PDMR dealing/transaction in own
shares**

EKF Diagnostics Holdings plc (AIM: EKF), the AIM listed medical diagnostics business, announces an update to its prior announcement on 6 November 2015 in relation to the settlement agreement reached with the majority of the former shareholders of Selah.

Background

On 6 November 2015 the Company announced that following its acquisition of Selah on 20 March 2014 it had entered into an agreement with the majority of the former shareholders of Selah (the "**Majority Shareholders**") under which, amongst other things, the Majority Shareholders released to EKF certain shares in EKF that had been issued as part of the consideration for Selah but held in escrow (the "**Escrow Shares**") (the "**Agreement**"). The Company subsequently announced the sale of Selah on 23 December 2015.

Cancellation

In the announcement on 6 November 2016 EKF announced its intention to sell or cancel 5,630,032 of the shares held in the escrow account. The remainder of the 205,561 shares in the escrow account were to be released to those shareholders in Selah who did not enter into the Agreement. In order to compensate EKF in respect of these shares, the four largest Majority Shareholders also agreed collectively to either sell 205,561 shares in EKF held by them (the "**Compensation Shares**") and transfer the net proceeds of sale to EKF or return them to the Company, free of payment, for cancellation.

The Company will now cancel the 5,630,032 Escrow Shares (the "**Cancellation**"). At the same time, the Company is also in the process of arranging for the Compensation Shares to be transferred to it for cancellation and it is envisaged that this will take place over the next few weeks. Further announcements will be made at the appropriate time.

PDMR dealing/transaction in own shares

As part of the Cancellation and the subsequent cancellation of the Compensation Shares, EKF announces that on 3 October 2017 it acquired 1,000,000 ordinary shares at a price of 24 pence per share (the "**Buyback**") from Harwood Capital LLP ("**Harwood**") as investment manager to Oryx International Growth Fund Limited ("**Oryx**"). Christopher Mills, the Company's

Non-Executive Chairman, is a partner and Chief Investment Officer of Harwood and a director and shareholder in Oryx.

Following completion of the Cancellation and the Buyback Oryx's interest is now in 39,000,000 Ordinary Shares, representing 8.52% of the Company's issued share capital. The interests of North Atlantic Smaller Companies Investment Trust PLC ("**NAIT**"), whose investment adviser is Harwood, remains as previously disclosed in 98,000,000 Ordinary Shares, representing 21.41% of the Company's issued share capital. Mr Mills is also a director and shareholder in NAIT.

Given the previous level of NAIT's and Oryx's interests, the Buyback was carried out so as to ensure that following the Cancellation and the cancellation of the Compensation Shares, the total indirect beneficial interest of Mr Mills remains below 30 per cent. of the reduced share capital of the Company carrying voting rights. Mr Mill's total indirect beneficial interest is therefore now in 137,000,000 Ordinary Shares, representing 29.94% of the Company's current issued share capital.

Total voting rights

Following the Cancellation and the Buyback, the Company has a total of 458,632,749 ordinary shares in issue, of which 1,000,000 ordinary shares are held in treasury pending cancellation. Therefore the issued share capital of the Company carrying voting rights is 457,632,749, which may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

EKF Diagnostics Holdings plc
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Julian Baines, CEO
Richard Evans, FD & COO

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Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them

1 Details of the person discharging managerial responsibilities / person closely associated

- a) Name Harwood Capital LLP, as investment manager to Oryx International Growth Fund Limited ("Oryx")

2 Reason for the notification

- | | | |
|----|---------------------------------|--|
| a) | Position/status | Christopher Mills, the Company's Non-Executive Chairman, is a partner and Chief Investment Officer of Harwood Capital LLP and a director and shareholder in Oryx |
| b) | Initial notification /Amendment | Initial Notification |

3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor

- | | | |
|----|------|------------------------------|
| a) | Name | EKF Diagnostics Holdings plc |
| b) | LEI | 213800DXTF3EAU1AR05 |

4 Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted

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|----|---|--|-----------|
| a) | Description of the financial instrument, type of instrument | Ordinary shares of 1p each ("Ordinary Shares") | |
| | Identification code | ISIN Code: GB0031509804 | |
| b) | Nature of the transaction | Sale of shares | |
| c) | Price(s) and volume(s) | Price(s) | Volume(s) |
| | | 24p | 1,000,000 |
| d) | Aggregated information | n/a | |
| | - Aggregated volume | | |
| | - Price | | |
| e) | Date of the transaction | 3 October 2017 | |
| f) | Place of the transaction | London Stock Exchange | |

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10/03/2017 - 15:44 LSE RNS Directors' Dealings EKF