



ShareSoc

UK Individual Shareholders Society

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Press Release

ShareSoc Welcomes U-Turn on LTIP at Intercede

ShareSoc (the "UK Individual Shareholders Society"), welcomes the announcement today by Intercede Group that the terms of the LTIP devised in August 2011 have been revised. ShareSoc heavily criticised the original terms of that LTIP and subsequently formed a Shareholder Action Group to get it changed.

In a note we issued in March 2012, we criticised the nominal cost of the options awarded under the LTIP, the illogical performance conditions which were based on eps when the company needed to invest heavily to expand its market, and the failure of the company to consult widely with shareholders on the proposals and subsequently engage with them when objections were made. We recently urged shareholders to vote against the directors on the Remuneration Committee at the forthcoming AGM.

However we applaud the changes made which meet most of our objections. The performance condition is now a simple share price target (not always perhaps an ideal approach but better than e.p.s. in this case given the business plan of the company). In addition, if there is an offer for the company, the options effectively are valued based on the share price at the date of the original grant.

But we do not feel able to withdraw our recent voting recommendations because we still question whether the Remuneration Committee were wise in their original decisions and question their independence. In addition we believe this problem has partly arisen due to the presence of an Executive Chairman (Mr Richard Parris who clearly dominates this company). We would like to see a non-executive Chairman installed and a more independent board of directors.

It is good that the company have finally responded to our criticisms, although somewhat belatedly. The fact that the original e.p.s. performance objectives now look difficult to meet might have had some influence.

For further information, please contact:

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There is a lot more information about this company and our criticisms of the LTIP on this page of our web site, including all past notes we have issued to shareholders:
www.sharesoc.org/campaigns2.html

About the UK Individual Shareholders Society (ShareSoc)

ShareSoc represents and supports individual investors who invest in the UK stock markets (and who own as much as 30% of the shares in UK public companies in aggregate). We are a mutual association controlled by our members with "not-for-profit" articles and incorporated as a company limited by guarantee. The organisation is financed by member subscriptions, donations from supporters and by the services it provides to members. Associate Membership of ShareSoc is free and is open to everyone with an interest in stock market investment. More information on ShareSoc can be obtained from our web site at www.sharesoc.org .

Note any members of the press who wish to receive a complimentary copy of our informative monthly newsletter should send a request to info@sharesoc.org . Our newsletters cover not just the affairs of our organisation but contain general financial news and commentary. Examples of our past newsletters are available on our web site. You can also follow ShareSoc on Twitter from @ShareSocUK.