Kromek Group plc
("Kromek" or "the Company")

Contract Win and Update on Trading

Bottle Scanner Imaging Technology

Kromek (AIM: KMK.L), a supplier of patented radiation detection technologies to the medical, security and nuclear markets, is pleased to announce a significant contract win in the security market, providing its advanced bottle scanner technology to a number of airports in Asia. This initial contract is worth US$620,000, and its revenues are expected to be recognised in the current financial year ending 30 April 2015.

Kromek's bottle scanner makes use of multispectral x-ray technology to scan liquid, aerosol and gel containers being taken on to aeroplanes for the presence of dangerous liquids. The order will see Kromek's bottle scanners distributed across multiple airports. This latest contract is a further validation of Kromek's world leading technology in a security market that is expanding rapidly due to increased concerns about global security.

Unlike other bottle scanning technologies, Kromek's multispectral x-ray detection technology is suitable for integration in baggage scanning equipment as well as in the stand alone Bottle Scanner. This technology allows a possible pathway to cater for changing security threats, such as explosives concealed inside small electronic devices and laptops; a function which has already been successfully demonstrated.

Kromek offers unique technology platform solutions and end user products for the screening of nuclear materials, conventional explosive threats, IEDs and liquid explosives. Its work has been supported by the US Department of Homeland Security, UK Home Office and the European Commission. Kromek recently completed an EU funded project where it utilised its multispectral x-ray detectors and advanced algorithms inside a commercial checkpoint baggage screening system. The technology has been tested using ECAC standards for the screening of liquids and demonstrated ultra-low false alarm rates, a critical parameter for operational needs in airports.

Commenting on the contract win, CEO of Kromek Arnab Basu, said:

"Airport security needs to continue to develop and evolve to match increased threats posed by global terrorists. Kromek is proud to be at the leading edge of this market. Our bottle scanning technology has already been deployed in over 25 airports across the EU and Australia, and we are pleased to be now entering the Asian market, where we see considerable scope for growth, in addition to our continued effort in Europe and the rest of the world. The Company continues to innovate in response to the market's needs, and this contract endorses the commercial applications and superiority of our products.

"This initial contract win is in a new geographical market with considerable scope for future growth."

The Company will announce its Preliminary results for the year ended 30 April 2014, on Thursday 28 August 2014 and expects to report results in line with current market expectations.

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About Kromek Group plc

Kromek Group plc is a UK technology company (global HQ in County Durham) and a leading developer of high performance radiation detection products based on cadmium zinc telluride ("CZT"). Using its core CZT technology Kromek designs, develops and produces x-ray and gamma ray imaging and radiation detection products for the medical, security screening and nuclear markets.

The Group's products provide high resolution information on material composition and structure and are used in multiple applications, ranging from the identification of cancerous tissues to hazardous materials, such as explosives, and the analysis of radioactive materials.

Kromek uses multiple technologies in its manufacturing processes, including the established methods of 'liquid phase' detector production, and also 'vapour phase' production methods, which allow the production of high quality, high performance detectors on an industrial scale. Kromek has an intellectual property portfolio of more than 250 pieces of IP.

The Group's business model provides a vertically integrated technology offering to customers, from the growth of CZT crystals to finished products or detectors, including software, electronics and application specific integrated circuits ("ASICs").

The Board believes that the vertical integration offered by Kromek, combined with the benefit of 25 years of research into CZT production and the patents and trade secrets accumulated by the Group, are unparalleled in the market place.

The Group has operations in the UK, Germany and US (California and Pennsylvania), and is selling internationally through a combination of distributors and direct OEM sales.

Currently, the Group has over a hundred full time employees across its global operations.