



Orders flow in for Kromek

Imaging and detection technology

www.kromek.com

Orders are building up for x-ray and gamma-ray imaging and radiation detection technology developer **Kromek** and moving it nearer to break even – but there is still some way to go. One of the key developments has been the confirmation that Kromek is a supplier to the \$8bn-plus US army contract for radiological detection systems. There have been no orders as yet but there could be news later in 2018.

Kromek has three main markets: medical, security and nuclear detection. All three have been winning new work, with medical

KROMEK (KMK)	26.38p
12 MONTH CHANGE %	+17.2
MARKET CAP £m	68.7

making the greatest advances in recent times. Kromek's technology provides higher resolution images than standard medical cameras. The company's SPECT (single photon emission computed technology) cameras are nearing full clinical validation and other imaging systems continue to win orders.

In the six months to October 2017, revenues were 27% ahead at £4.8m, with an unchanged loss of £1.8m. Capitalised R&D increased from

£1.67m to £1.88m. There was still £16.3m in cash and investments.

House broker Cenkos expects full-year revenues to rise from £9m to £12.5m and the underlying loss to reduce from £3.8m to £2.9m. Growth in revenues is expected to further reduce the loss next year and there is even the prospect of a positive operating cash flow. However, continued capitalisation of research and development spending means that there will still be an overall cash outflow. Even so, net cash should still be above £10m so management do not have to worry about the cash position.