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Kromek Group PLC
11 May 2021

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

Business and Trading Update

Kromek (AIM: KMK), a worldwide supplier of detection technology focusing on the medical, security screening and nuclear markets, provides an update on business and trading ahead of announcing its results for the year ended 30 April 2021, in July 2021.

As noted in the Group's interim results announcement, orders and shipments across all of the Group's segments resumed in the final two months of the first half of the year and as such the Board was pleased to enter H2 2020/21 with an extensive commercial pipeline and experiencing increased commercial activity. This momentum continued throughout the second half as the Group delivered on previously awarded contracts and won new orders. As a result, the Group has achieved significant sequential revenue growth in H2 over H1 2020/21 and expects to report revenue and EBITDA for the year ended 30 April 2021 in line with market expectations. The Group continues to maintain tight cost control, improve collections and manage cash flow, and this conscientious management has resulted in the Group's cash position at 30 April 2021 being slightly ahead of market expectations.

Specifically, in the second half of the year, progress was made in all of the Group's business units. In the Medical Imaging segment, Kromek's customers increasingly rolled out their next-generation products, based on the Group's technology, such as the Group's OEM customer that previously awarded a medical imaging contract expected to be worth up to $58.1m. The installation of the customer's medical imaging scanners, which is occurring in multiple countries, saw a ramp up in the second half of the year as planned.

In the Nuclear Security segment, the Group received new orders from government customers for D3S-related technologies. This includes a contract extension from the Group's European-government related company customer, working with a European government, to detect and protect against potential nuclear threats. The Group added a new customer, a US government agency, for its D3S-ID product, received repeat orders from a US government customer for its CZT detectors for nuclear security applications, and received orders

from the European Commission's Directorate-General for Migration and Home Affairs for the Group's D3S Drone radiation detectors. Kromek also received orders in the Security Screening segment, including for CZT modules to be designed into an advanced baggage screening system of a new US-based customer.

Furthermore, the Group remains excited about the potential for its new market segment of Biological Threat Detection. During the second half of the year, the Group commenced piloting its airborne COVID-19 detection solution at an airport and at another public place, which are progressing according to plan and the Board looks forward to providing an update on the next steps in due course.

Consequently, and combined with the successful fundraising completed in the second half of 2020/21, the Group is well-placed to capitalise on the opportunities across its business and the Board continues to look to the future with increased confidence.

The Group will provide further information at the time of its annual results announcement.

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About Kromek Group plc

Kromek Group plc is a technology group (global HQ in County Durham) and a leading developer of high performance radiation detection products based on cadmium zinc telluride ("CZT") and other advanced technologies. Using its core technology platforms, 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.

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

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

Currently, the Group has over 150 full-time employees across its global operations. Further information on Kromek Group is available at www.kromek.com and https://twitter.com/kromekgroup.

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