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Kromek Group Plc
("Kromek" or "the Company" or "the Group")
Admission and First Day of Dealings on AIM

Kromek Group Plc (AIM: KMK), a UK based technology company, developing high performance materials and products for radiation detection, is pleased to announce that its shares will today be admitted to trading on AIM.

The Company has raised £15 million before expenses through the sale of new ordinary shares at a price of 51 pence per share in an oversubscribed fundraising. At admission, the Company will have a total of 107,607,335 ordinary shares in issue.

The proceeds of the fundraising will be used for product development, expansion of the sales and marketing team, investment into the Company's intellectual property portfolio, capital expenditure to support future growth and manufacturing capability, working capital and strengthening the balance sheet, including paying down outstanding loans.

Highlights:

- Kromek designs, develops and produces x-ray imaging and radiation detection products using its core cadmium zinc telluride ("CZT") technology for the medical, security screening and nuclear markets. The Group's CZT based 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 has three different methods of manufacturing CZT – the two established liquid based techniques and a patented vapour phase growth technique. The Directors believe that it is the only vapour based method developed worldwide for production of CZT and Kromek is the world's only multi-site, multi-process CZT developer and supplier.

- 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”).
- Customers include some of the world's most well-known original equipment manufacturers (“OEMs”) and research institutions within the medical, security screening and nuclear markets.
- The Group has recently entered into a mutually exclusive multi-year development contract with one of the top four global OEMs within medical imaging for spectral CT application.
- Kromek Group currently provides a liquid explosive detection system for airport security. The “Identifier”, which is a Type-B certified and ECAC Standard 3 qualified bottle scanner, EU legislation (EU Regulation 246/2013) mandating all European airports to screen liquids, aerosols and gels (“LAGs”) presented at airport security with EC approved equipment, effective from 31 January 2014.
- With over 25 years of research in CZT production, the Group holds more than 180 patents granted or pending across its technology and product portfolio in addition to a significant number of trade secrets which the Directors believe are unparalleled in the market place.

Arnab Basu, CEO, commented: “We are delighted with our oversubscribed fundraising. After many years developing the business and our technology, Kromek is ready to begin harvesting value by seizing the opportunities to sell our technology and products into the medical imaging, security screening and nuclear detection markets.

He added, “With the proceeds of the IPO, we will invest in the company’s IP portfolio and manufacturing capabilities, whilst accelerating our commercial activities in our chosen markets. We will continue to develop relationships with some of the world leading companies in our target sectors. We welcome our new shareholders and I look forward to working with them in order to achieve Kromek’s full potential.”

For further information and to download the Company’s Admission Document please visit www.kromek.com

Kromek Group Plc
 Arnab Basu, CEO
 Derek Bulmer, CFO

Tel: 01740 626060

Panmure Gordon
 As Nominated Adviser and Broker

Tel: 020 7886 2500

Investment Banking

Fred Walsh / Freddy Crossley / Grishma Patel

Corporate Broking

Adam Pollock / Charles Leigh-Pemberton

Tavistock Communications
 John West / Matt Ridsdale / Andrew Dunn

Tel: 020 7920 3150

Notes to Editors:

Kromek was incorporated in April 2003 in order to commercialise technology related to the development and manufacture of CZT and related materials which had been developed over a period of approximately 20 years in the Physics Department of Durham University, UK. In March 2004, the Company was awarded a Department of Trade and Industry SMART funding award for the construction of the first commercial crystal growth facility, and since then the Group has also been awarded the O2 Technology & Innovation Company of the year in 2006, 2007 and 2008; the IET Awards Innovation winner in 2008; the Global Security Challenge Security SME winner in 2009; and Arnab Basu, Group CEO, has been awarded the Ernst & Young UK Young Entrepreneur of the Year Award in 2009.

The Group's strategy towards product development has been to take a project based approach, investing in specific areas where it has recognised a strong business opportunity for the deployment of its technology. Using its core CZT technology Kromek designs, develops and produces x-ray imaging and radiation detection products for the medical, security screening and nuclear markets.

Kromek has a portfolio of at least 70 granted patents and 110 pending applications. 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.

As part of the Group's strategy to provide a vertically integrated technology offering, the Company acquired NOVA in June 2010 and eV Products in February 2013, both well established businesses based in the United States. California-based NOVA specialises in custom research and design, development, manufacturing, testing and marketing of ASICs and electronics for OEM components. Pennsylvania-based eV Products is a leading manufacturer of CZT-based detector technology, with its own IP portfolio as well as detailed know-how and existing customer relationships. eV Products develops and manufactures solid-state room temperature x-ray and gamma-ray detectors based on CZT. eV was acquired by Kromek to complement the Group's IP, design and product development capabilities, strengthen its presence in key markets, and provide a permanent, physical presence in the USA, a strategically important market for the Group's business.

Forward-looking statements

Certain statements contained herein are forward looking statements and are based on current expectations, estimates and projections about the potential returns of the Group and industry and markets in which the Group will operate, the directors' beliefs and assumptions made by the directors. Words such as "expects", "anticipates", "should", "intends", "plans", "believes", "seeks", "estimates", "projects", "pipeline" and variations of such words and similar expressions are intended to identify such forward looking statements and expectations. These statements are not guarantees of future performance or the ability to identify and consummate investments and involve certain risks, uncertainties, outcomes of negotiations and due diligence and assumptions that are difficult to predict, qualify or quantify. Therefore, actual outcomes and results may differ materially from what is expressed in such forward looking statements or expectations. Among the factors that could cause actual results to differ materially are: the general economic climate, competition, interest rate levels, loss of key personnel, the result of legal and commercial due diligence, the availability of financing on acceptable terms and changes in the legal or regulatory environment.

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Any investment decision must be made solely on the basis of the admission document dated 10 October 2013 and any supplement thereto in connection with the admission of the ordinary share capital of Kromek Group Plc to trading on AIM.

The merits or suitability of any securities must be independently determined by the recipient on the basis of its own investigation and evaluation of Kromek Group Plc. Any such determination should involve, among other things, an assessment of the legal, tax, accounting, financial and other related aspects of the securities. Recipients of this announcement are recommended to seek their own independent legal, tax, financial and other advice and should rely solely on their own judgement, review and analysis in evaluating Kromek Group Plc and its securities.

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