For release at 6pm BST **20 June 2023**

Gooch & Housego PLC
("G&H" or the "Company" or the "Group")

G&H Expands its US Life Sciences Capabilities with the Acquisition of GS Optics

Gooch & Housego PLC (AIM: GHH), the specialist manufacturer of optical components & systems, announces that it has acquired the entire issued share capital of GS Optics LLC ("GS Optics") for a total consideration of up to $15.7 million. This earnings accretive acquisition expands the Company's presence in the Life Sciences sector and extends the Group's capabilities into polymer optics.

GS Optics specialises in the custom design and manufacture of precision polymer optics for use in the biomedical, machine vision and analytical instrument markets, as well as military and civilian night-vision and visible-range sighting applications.

Located in Rochester, NY and founded in 1916, GS Optics produces injection moulded spherical, aspherical, cylindrical, and freeform imaging optics and mirrors. In addition, it has well established in-house capabilities to provide custom designed, diamond turned and injection moulded prototypes, thin film anti-reflective and reflective coatings and integrated optical solutions.

This acquisition, which is closely aligned to G&H's new strategy, will increase the Company's commercial footprint in high-growth areas within the large US life sciences market including ophthalmic lenses, surgical imaging and diagnostic instrumentation. GS Optics has established itself as a leader in polymer optics, with a strong presence in the medical diagnostics sector. Combining the capabilities of GS Optics with the global reach of G&H's commercial and engineering teams will accelerate the Group's growth in optical solutions for the Life Sciences market and some specific A&D and industrial applications.

G&H intends to invest in the GS Optics site in order to establish it as the Group's 'centre of excellence' for Life Sciences in North America. Recognising GS Optics' distinguished track record and the Rochester area's reputation for excellence in optical design and manufacturing, G&H has ambitious plans to establish the site as a high-performing design, development and manufacturing centre.

Charlie Peppiatt, Chief Executive Officer of Gooch & Housego, commented:

"I am delighted to welcome GS Optics, a leader in polymer optics for the medical diagnostics sector and other markets, to Gooch & Housego. GS Optics is a high quality business with a strong customer base and differentiated technology. This strategic acquisition will accelerate the Group's growth plans in the North American life sciences market whilst also adding to our A&D and industrial activities. The acquisition is in line with our recently announced new strategy to become an innovative customer focused technology company."

Terms of acquisition

The total consideration payable for GS Optics by G&H is up to $15.7 million. This comprises an initial cash consideration of $11.3 million, funded from existing resources, together with $2.6 million of new G&H ordinary shares. There is also deferred contingent cash consideration

of up to $1.8 million, payable based upon the GS Optics' performance in the year ending 31 December 2023.

In its financial year ended 31 December 2022 the revenue of GS Optics was c.$10 million and adjusted EBITDA was c.$1.5 million. As at the end of May 2023 GS Optics had gross assets of c$5 million.

The acquisition is expected to be marginally earnings enhancing in the first full financial year of G&H's ownership.

The Company has made an application to the London Stock Exchange for the 322,115 new ordinary shares to be admitted to trading on AIM. It is expected that admission will become effective on 26 June 2023.

Following the issue of the 322,115 new ordinary shares, the total number of ordinary shares in issue as at the date of this announcement is 25,374,309 with each share carrying the right to one vote. There are no shares held in Treasury. The total number of voting rights in the Company is, therefore, 25,374,309.

The above figure of 25,374,309 may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company, under the FCA's Disclosure and Transparency Rules.

For further information please contact:

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Notes to editors

1. Gooch & Housego is a photonics technology business headquartered in Ilminster, Somerset, UK with operations in the USA and Europe. A world leader in its field, the company researches, designs, engineers and manufactures advanced photonic systems, components and instrumentation for applications in the Aerospace & Defence, Industrial, Life Sciences and Scientific Research sectors. World leading design, development and manufacturing expertise is offered across a broad range of complementary technologies.

2. All financial information included in this announcement is sourced from unaudited management accounts and excludes any specific items. This announcement contains certain forward-looking statements that are based on management's current expectations or beliefs as well as assumptions about future events. These are subject to risk factors associated with, amongst other things, the economic and business circumstances occurring from time to time in the countries and sectors in which G&H operates. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a wide range of variables which could cause actual results, and G&H's plans and objectives, to differ materially from those currently anticipated or implied in the forward-looking statements. Investors should not place undue reliance on any such statements. Nothing in this announcement should be construed as a profit forecast.