

A better world with Photonics

Gooch & Housego PLC
ANNUAL REPORT 2025





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Highlights

For the year ended 30 September 2025

Revenue (£m)

£150.5m 2024 **£136.0m** (↑10.7%)

Adjusted operating profit (£m)

£14.4m 2024 **£10.5m** (↑37.3%)

Adjusted profit before tax (£m)*

£11.9m 2024 **£8.1m** (↑46.8%)

Adjusted basic earnings per share (pence)*

35.4p 2024 **25.5p** (↑38.8%)

Statutory profit before tax (£m)

£5.3m 2024 **£4.2m** (↑26.6%)

Basic earnings per share (pence)

13.7p 2024 **12.7p** (↑7.9%)

Total dividend per share (pence)

13.2p 2024 **13.2p** (-)

Net bank debt excluding IFRS16 (£m)

£29.9m 2024 **£16.0m** (↑£13.9m)

Net debt (£m)

£43.9m 2024 **£25.8m** (↑£18.1m)

Group leverage

1.3x 2024 **0.9x** (↑0.4)

*Adjusted figures exclude the amortisation of acquired intangible assets, impairment of goodwill and acquired intangible assets, non-underlying items being site closure costs, costs of acquisitions, and restructuring costs, together with the related tax impact. A reconciliation of adjusted figures to reported figures is shown on page 39.





I am delighted with the substantial progress the Group has made in FY2025. Our operational performance has shown sustained improvement and resilience in the face of a complex and uncertain macroeconomic environment, with unprecedented supply chain and tariff challenges.

This is a testament to the positive progress the Group is making with the deployment of our strategy to deliver sustainable growth and to the quality of our workforce. With our growing order book and differentiated photonics expertise aligned to markets with structural growth from megatrends, we remain confident in our ability to deliver further progress.”

Charlie Peppiatt, CEO

Strategy

Strong progress delivering the strategic changes that will support mid-teen returns on sales in the medium-term.

Revenue

Revenue up 10.7% to £150.5m (FY2024: £136.0m) or 5.6% on an organic constant currency basis. Aerospace & Defence up 52.1%; Industrial down 5.3%; Life Sciences flat.

Profit

Adjusted operating profit up 37.3% to £14.4m (FY2024: £10.5m) reflecting an improved adjusted operating margin of 9.6% (FY2024: 7.7%). Statutory profit before tax at £5.3m (FY2024: £4.2m).

Order Book

Order book closed at £142.4m, up 36.2% (FY2024: £104.5m) and with over 80% billable in FY26 complemented by a strong order pipeline, particularly for our A&D business. Order intake was £178.6m.

Debt

Net debt increased to £43.9m (FY2024: £25.8m) following £10.1m spent on acquisitions and £7.5m strategic investment in inventory.

Portfolio

‘Speed to value’ acquisitions of Phoenix Optical in October 2024 and Global Photonics in June 2025, both of which continue to strengthen and support the Group’s transformation journey.

Outlook

Underpinned by our strategy which is making G&H a better, more sustainable business, the Board’s expectations for FY2026 are unchanged and we are confident that the Group will continue to deliver profitable growth in the medium term.

“

I am delighted with the significant progress we are making on delivering our strategy. Despite the macroeconomic challenges, we have been able to report record revenue and an increase of 46.8% in adjusted profit before tax, from £8.1m for FY2024 to £11.9m for FY2025.”

Chairman's Statement

GARY BULLARD

Our People

The Board is committed to supporting inclusive, collaborative and safe ways of working at G&H. I am very pleased to see the progress that is being made to foster a “one team” culture through regular all employee briefing sessions supported by high quality published materials and materials available on the new HR information system that share information with our people about activities in other parts of the Group.

Meeting with our employees throughout the year I am always impressed by their commitment to the business and the skill with which they conduct their day-to-day operations. I would like to thank them all for their contribution. The progress that we have made in the year would not have been possible without their continued hard work and support.

The Board

Having served on the Board since 2019, Chris Jewell stepped down as Chief Financial Officer on 30 September 2025. On behalf of the Board, I would like to express our thanks for his substantial contribution to the company's development over the last six years. He has supported the business through operational and strategic changes, including the last four acquisitions and the divestment of EM4 in Boston.

The Company appointed Martin Hopcroft as Interim CFO and Company Secretary, effective from 28 July 2025 to enable a handover period. Martin, a seasoned finance leader with significant experience supporting listed companies through transition periods, has executive responsibility for the finance function while the Board makes good progress in its search for a permanent Chief Financial Officer.

As a Board we take our governance responsibilities very seriously and I am pleased to see the further progress with our assessment scores since we engaged with two new agencies, CDP and EcoVadis, in addition to MSCI, to provide our stakeholders with independent validation of the processes and controls that we have put in place.

On a more personal note, it is my intention to stand down from the Board in the coming year. The Nomination Committee has already begun the process to identify my successor and they expect an appointment will be made during FY2026.

Dividend

Given the Group's progress on delivering its strategy and the long-term positive outlook for the business, the Board is proposing an unchanged final dividend of 8.3 pence per share for approval at the Company's Annual General Meeting on 27 February 2026, representing a total dividend for the year of 13.2 pence. Payment of the dividend will be made on 6 March 2026, to shareholders on the register as at 30 January 2026.

Outlook

Underpinned by our strategy, which is making G&H a better more sustainable business, the Board's expectations for FY2026 are unchanged and we are confident that the Group will deliver profitable growth in the medium term.

Gary Bullard

Chairman

2 December 2025



“

We are increasingly confident in the prospects of the Company to deliver our strategy.”



Our Strategy

Our strategy is focused on delivering sustainable margin growth and transforming G&H into an **‘innovative customer focused technology company’** delivered responsibly by making a **‘better world with photonics’**.

We seek to ensure that G&H becomes and remains the 'first choice' for all our stakeholders whether that's our employees, our customers, our shareholders, our eco-system partners or the communities in which we operate.

We offer differentiated performance through the four pillars of our strategy.



1. People

Establish High Performance Teams

At G&H our corporate values guide the way our teams do business.

Customer focus, integrity, action, unity and precision are the touchstones that guide us in our day-to-day work helping us to build motivated and engaged teams building a strong and profitable business that sits at the heart of the communities in which we operate.



Priorities

- Embed our Vision, Mission, Values and Behaviours through every step of our employees' work experience.
- Invest in our HR team and new tools to enable them to better support our employees.
- Apply more rigour and structure to our talent reviews and invest in our development and succession planning.
- Review our benefits and incentive plans to ensure they remain market competitive and appropriately motivate and reward our employees for the right behaviours.
- Promote greater diversity amongst our team especially at management levels.
- Drive further improvements in our safety performance targeting zero harm in all of our facilities.

The G&H Values



Customer Focus

We 'go the extra yard' to prioritise our customers both internal and external.



Integrity

We 'do the right thing.' Hard on the issue, fair on the person and kind to the planet.



Action

Be a doer. Understanding 'it is what we do that makes a difference.' Take initiative and show determination.



Unity

We are stronger together. Working together as one team in the spirit of collaboration towards a common purpose.



Precision

Expertise in our work. Commitment to excellence and continuous improvement in everything we do.

Progress

- We implemented a new Group-wide HR Information System that provides our managers with a single source of information on each of our employees. For the first time G&H now has an integrated system that handles all aspects of our employees' journey with the business.
- Improvement across all safety metrics and increased activity with preventive indicators.
- Successful roll out of G&H's employee benefits packages to the newly acquired Phoenix Optical and Global Photonics businesses. Lessons learned assessments from previous integrations were successfully used for these two acquisitions.
- Sustainability Committee, led by our Non-Executive Director Susan Searle, has established a clear action-based programme under the banner "G&H Sustain" that is driving forward the Group's equality, diversity and inclusion agenda.

Future Priorities

- Having gone live with our new Group HR Information System, our managers are using the system for the first time for their FY25 year-end performance appraisals and all FY26 objectives setting for their teams.
- Clear near, medium and long-term plans are being put in place for succession in key roles across the Group and utilising new HRIS system upgrades in training content and deployment.
- We will continue the roll out of our new employee engagement programme focusing on ensuring the voice of the employee is heard through our annual engagement survey, cross Group employee representative teams meeting with the Board twice a year and G&H Giving programme – fund-raising and engagement activities with our local communities.
- Our Sustainability Committee will manage its supporting working groups to help drive the Group's agenda and accelerate our efforts in this area. It will engage with our employees to promote a working environment that minimises the impact on our environment.

2. Self-help

Deliver an exceptional customer experience and superior operational executions



Priorities

- Leverage our Customer Relationship Management tools to improve the effectiveness of our business winning activities.
- Reorganise our commercial teams to clearly separate our product line management activities from our other selling activities.
- Improve customer service performance across the business with reductions in 'query to quote' lead-times for all product lines and divisions.
- Support our product line and business development teams in selling more complex solutions that incorporate more of the Group's components and capabilities.
- Cross selling capabilities and products from newly integrated acquisitions through our global sales team.
- Through strategic engagements with our customers, ensure we are developing joint product and technology roadmaps that inform our R&D priorities.
- Disciplined focus on superior operational execution through productivity, quality, inventory management, delivery and new product introduction improvements along with the agility and wisdom to avoid repeating the manufacturing and supply chain problems of the recent past.
- Proactive outsourcing of carefully selected products earlier in the life cycle where technological sovereignty is not a differentiator.
- Establish and deploy a uniform and disciplined Sales, Inventory, Operations and Planning (SIOP) process across the Group that aligns demand forecasts with inventory and production capabilities to create a single, integrated operating plan for G&H to improve forecast accuracy, production planning, on-time delivery performance and reduce our lead times.

Progress

- Our Salesforce tool is now fully deployed throughout our sales team, including the new acquisitions, and offers them the ability to share information on our customers and our points of contact with them. This also provides our Operations teams with improved forward visibility of demand patterns so that they can better plan capacity.
- We are seeing the benefits of separating our product line management teams from the day to day selling activities undertaken by our sales leads. Our product line managers now have more time to focus on managing the introduction of our next generation products into our customers' programmes, looking into the medium and long term.
- Many of the new business awards in FY2025 are a result of this approach particularly for some of our complex fibre optic modules, thin-film coating solutions and imaging systems where we have secured several notable new programme positions.
- Our commercial teams have worked hard to exploit the commercial synergies available from the acquisition of Phoenix Optical and more recently Global Photonics in FY2025. Phoenix's infrared optical fabrication expertise alongside the thin film coating expertise from Artemis has been an important enabler for more complex optical system content in our offering meaning G&H is exposed to more programme opportunities with a higher value than it had been previously.
- Through structured Kaizen events at several of our larger sites we have been able to significantly reduce the time taken to respond to customers' requests for quotations and improve our order processing.
- Our contract manufacturing partners are now fully qualified for the build of hi-reliability fused fibre couplers for all our customers in this category and are well positioned to ramp production to meet the expected increases in demand in FY2026.
- The proportion of the Group's revenue derived from our subcontract partners increased by £1.1m in FY2025 but remained flat at 8.4% of revenue compared to 8.5% in the prior year. On a like-for-like basis excluding acquisitions this would have been 9.1%.
- Over the period of our strategic plan, we have laid out a plan to increase the proportion of the Group's revenue that is manufactured by our contract manufacturing partners to around 25%, however since the introduction of the new tariff regime by the US administration during 2025 this number is under review. The opportunity for utilising our contract manufacturing partners in Thailand, Czech Republic and India remains significant where sovereignty of manufacture is not a differentiator.
- We have completed the build out of our North American optical systems and medical diagnostic manufacturing space in our GS Optics facility in Rochester.

Future Priorities

- Further develop our Salesforce system to enable us to generate customer quotations directly from within the system. This will help in further reducing the time taken to prepare quotations as well as improving the efficiency of the process.
- Further focused improvement projects at each of our sites where production yields are not currently at target levels. We will identify the root causes for high scrap and rework costs and develop specific action plans to eliminate them.
- After assessing tariff implications, we have a refreshed pipeline of products we plan to transfer to our contract manufacturing partners.
- We will continue the activity around sole source suppliers to de-risk our supply chain by identifying and qualifying alternative suppliers.
- We intend to pilot more advanced production planning tools in one of our sites to trial better production planning as part of our refreshed SIOP process. This tool will integrate with our material procurement systems and is expected to support the further reduction of our inventory levels and reduce the time product currently takes to be completed.
- We will continue to focus on business continuity management across the Group to ensure we remain up to date and capable of responding to the latest threats, including working with our principal supply chain partners to ensure they also have such plans in place.

3. Technology

Create value through our technology



Priorities

- Technology roadmaps that focus our investment on those areas identified as offering the greatest returns.
- A smaller number of development projects but with the same level of overall Group investment thereby allowing an acceleration of time to market.
- On time and on budget delivery of our new product development programmes.
- An increasing proportion of the Group's revenues derived from products introduced in the last three years.
- A greater proportion of our engineer's time spent on new product development activities.
- A greater interaction between our business development and engineering teams to maximise our influence on our customers as well as ensuring our technology roadmaps reflect our customers latest plans.

Progress

- Spend on R&D in FY2025 totalled £7.3m (2024: £7.8m) with revenue from new products of £31.7m (2024: £25.3m) and with 79 new products (2024: 48 new products) released to the market.
- We have progressed the vital few research programmes receiving priority given their potential to deliver material accretion to the Group's profitability. This has been reduced from seven areas of focus down to the six 'vital few' value creation workstreams.
- Acousto-optic: with the support of a newly recruited product lifecycle manager, we are gaining traction in capturing new customers for our latest generation optimised Germanium-based modulators for lasers used in semiconductor fabrication and micro-machining. The slow pace of recovery of this market has meant that demand pull through has been slower than we had hoped but we expect recovery in CY 2025.
- Electro-optic: we took the decision to exit from the Pockels Cells market for aesthetic lasers due to the emergence of low-cost Asian competition in this category. We issued a last time buy notice to all our customers that will be manufactured in Cleveland over the next 18 months.
- Fibre optic components: we have developed new fibre optic combiners which have received a positive assessment from several key customers.
- Fibre optic systems: thanks to additional engineering resources allocated to our developments in this area we continue to be successful in securing new programme positions for complex module assemblies both for subsea data cable and sensing applications.
- Precision optic systems: the acquisition of Artemis with its thin film coating capability and Global Photonics with its lithography, coating and complex optical systems capabilities has provided the Group with key new differentiators that enable us to offer more complex, value added systems to our customers.
- Precision optics: the acquisition of Phoenix Optical with their infrared fabrication capability combined with our coating technology has opened up new business opportunities.

Future Priorities

- Using the advanced thin film coating capabilities of our Artemis business we plan to access further programmes that require optics that are protected from new and emerging battlefield threats. This capability will be provided for the US market where 'made in US' is a requirement from the Global Photonics facility in Tampa.
- We will complete the development of our next generation advanced embedded image periscope. This new technology will form the core of our offering on to our customers' latest armoured vehicle platforms.
- We intend to leverage the polymer optics technology in our GS Optics business to add further content to defence customers where weight and performance are critical differentiators.
- We will complete the certification of new, improved materials to be used in our high reliability couplers thereby capturing market share from our competitors.
- Thanks to our existing work with manufacturers of the most advanced photolithography machines we will continue to leverage the relationship that has been established to seek new positions on both their current and next generation developments.

4. Investment

Apply focused investment in the business



Priorities

- Ensure acquired businesses are successfully integrated into the Group and that the expected commercial and operational synergies are achieved.
- Reduce the Group's investment in its working capital, through efficient operations planning and inventory procurement policies.
- Ensure our investment in new capital equipment is prioritised into the areas of the business that offer the most attractive potential for returns and is aligned to new strategic priorities.
- Regularly review the portfolio to ensure we have a differentiated offering capable of delivering attractive sustainable returns. End-of-life or divest those elements of the portfolio that are not differentiated or non-core.
- Invest in our supply chain partners with our capital equipment and our on-site supply chain staff to help drive superior returns for the Group and improved responsiveness for our customers.

Progress

- The full integration of the newly acquired Phoenix Optical (Oct-24) and Global Photonics (Jun-25) businesses has proceeded to plan. This includes the full integration of both businesses onto the Group ERP system.
- The commercial synergies from the Phoenix Optical acquisition have already delivered in FY2025 whilst there are good emerging opportunities for cross selling and US Defence market expansion of existing G&H capabilities through Global Photonics in Tampa that is expected to deliver growth in FY2026 and beyond.
- Our supply chain team has worked hard and effectively to proactively respond to the significant global disruption from US tariffs and retaliatory measures from China and other countries. This caused significant material restrictions and stoppages in Q3 which were broadly overcome in Q4, however, the uncertain nature of the global supply chain persists requiring continuing and increased vigilance.
- We continue to monitor the market for potential acquisition targets whilst maintaining the discipline to ensure we remain focused on strategic criteria. We have a network of advisors who understand these acquisition criteria who help us in the identification and early-stage assessment of targets.

Future Priorities

- Planned capital investments for FY2026 are focused into those areas of the business that provide the highest potential returns.
- We will focus on the actions required to deliver further value creation from the recent acquisitions especially focused on opportunities in the UK and Europe for Phoenix Optical working with Artemis Optical and G&H Ilminster and in the US for Global Photonics working with Artemis Optical and G&H Keene in New Hampshire. We are also assessing the additional cross selling opportunities for polymer precision optic components and assemblies for the defence market out of our Rochester NY facility.
- We will continue to work with sell-side advisors to ensure we are kept informed of acquisition opportunities that may be a match to our acquisition criteria and deliver speed to value creation for the Group.
- We will ensure that the documented lessons learned from the two acquisitions completed by the Group in the last few years are applied in the integration of any future acquisitions.
- Our product line management teams will continue their assessment of product line returns in the face of the evolving competition landscape to identify product lines that we may need to end-of-life. Where that is the case, we will work with our customers to ensure they are able to make last time buys of product thereby supporting their ongoing requirements.

Our Business Model

WE'RE DIFFERENT

Making a better world with photonics

G&H is a market leading global provider of advanced photonic solutions.

We create sustainable value by bringing our expertise to bear to supply our world leading products and services into attractive growth markets.

The breadth and depth of our technological capabilities to innovate, design and manufacture specialised, reliable and high-performance components and systems differentiates G&H.

We work closely with our customers in long-lasting relationships to provide them with precise, reliable and cost-effective solutions that meet their most demanding needs.

OUR BUSINESS

Attractive Growth Markets

We supply attractive growing end markets with positive long-term dynamics through mega-trends.

Geopolitical tensions are adding momentum to re-shore critical component supply. There is significant new investment being made in new on-shore semiconductor and other laser-based manufacturing facilities.

Developments in 5G and 6G, Artificial Intelligence and autonomous machine monitoring all drive increasing needs to share data globally, fuelling demand for our hi-reliability fibre optic telecoms products used to transmit data between continents.

The need to transmit more and more data around the world is also driving the growth of laser-based space communication. Our fibre optic laser amplifier modules sit at the heart of these systems.

Growing demand for improved healthcare, especially for early-stage diagnostics.

The conflict in Ukraine and other regions has shown the utility of photonic systems to enable precise targeting including in the defence against unmanned systems. Optical filters have been shown to be critical on the modern battlefield. Directed energy systems are emerging as the next precise, low-cost defence systems.

Increasing global demand for clean, wind generated energy drives demand for our fibre optic sensing modules.

Unique Range of Skills and Resources

Our talented engineering teams work in partnership with our customers to design, prototype and produce some of the most complex photonic subassemblies and systems in the world. Our engineers are embedded with research organisations to help push forward the boundaries of photonics.

We offer a complete design, engineering and manufacturing service for our customers. We are experienced in supporting our customers to have their end systems achieve their necessary certifications.

We have invested to create state of the art manufacturing facilities allowing us to offer a range of sovereign capabilities that few of our competitors can match.

We have developed strong partnerships with several highly capable and specialised contract manufacturing partners that provide significant, cost-effective and flexible additional capacity. We intend to build upon this partnership outsourcing more of the Group's products at an earlier stage in their product life cycle where technological sovereignty is not a differentiator or requirement.

We are pioneers in crystal growth techniques and the supply of specialist crystalline materials.

Competitive Advantage

We differentiate ourselves from our competitors thanks to our industry wide reputation for innovation and continuous improvement, as well as a continued focus on developing our culture of delivering an exceptional experience when doing business with G&H.

We have an established capability to work in high product quality and compliance markets such as A&D and Life Sciences as well as on programmes requiring high level security accreditations.

We have highly talented engineers, scientists and technologists, continually developing new IP.

Our manufacturing facilities are well invested and staffed with skilled manufacturing engineering and production staff operating to a consistent set of operating processes.

Our manufacturing know-how has been developed over many years and enhanced through the addition of recent acquisitions.

We have a clear set of corporate values supported by a set of behaviours that we have communicated to our people that ensure they operate as effectively as possible.

We operate an effective and prioritised deployment of our capital.

Creating Value for our Stakeholders

Our customers – using our expertise we work closely with our customers to solve their most technically challenging system requirements. We invested £7.3m in R&D and brought 79 new products to the market in FY2025.

Our suppliers – we deploy our own resources and expertise to help our consolidated group of suppliers to produce as efficiently as possible with consistent and repeatable product quality.

Our employees – we invest in our employees from apprentice level through to our most experienced engineers to ensure they have the skills and capabilities needed to operate in our industry leading operations.

Our communities – we bring high quality employment to the communities in which we operate. We are targeting net zero Scope 1 & 2 emissions by 2035. We achieved a 31.1% reduction in our GHG intensity measure in the year. We support local charities close to our facilities.

Our shareholders – medium term target of mid-teen operating profits. Dividend for the year maintained at 13.2p.

UNDERPINNED BY

Sustainability

We work to create a long-term sustainable business for the benefit of all of our stakeholders, support the communities in which we operate and minimise the Group's impact on the environment. We are working hard to achieve our target of being net zero on Scope 1 and 2 emissions by 2035. We have processes in place to ensure we maintain our high standards of business conduct. Our Board Sustainability Committee is responsible for focusing our work in this area.

See our ESG report on page 40.

Financial Position

Our revenues are generated from markets with different growth dynamics meaning that the Group is naturally protected against individual market cyclicity. We are cash generative and at 30 September 2025 we had \$9.8m of undrawn committed facilities and \$10m of undrawn uncommitted funding facilities to support the further growth of the Group.

See our financial statements from page 104.

Governance

The Board is committed to the highest standards of corporate governance. The Group has adopted the UK Corporate Governance Code (2018). We have received recognition of our efforts in this area in the scoring of our governance by external ratings agencies.

See our Corporate Governance Report on page 80.

Risk Management

We have a formal risk identification and management process in place designed to ensure that risks are properly identified, prioritised, evaluated and mitigated to the extent possible. A formal group wide risk register is maintained and approved by the Board on an annual basis. This includes risks associated with climate change.

See our Risk Management Report on page 70.

Our Markets

Our Purpose

Photonics, the science of controlling the transmission, modulation and amplification of light, is the enabler for many of the latest technology developments that are transforming modern life.

Thanks to significant size, weight and power advantages, the shift from electronics as an enabling technology to photonics is increasing, delivering transformative change in manufacturing, aerospace & defence, communications and medicine.

At G&H we are at the forefront of this revolution. G&H's advanced technology, design experience and manufacturing expertise allows us to provide our customers with highly specialised photonic solutions that meet their needs for precision,

quality and reliability whether for complex components, subsystems, or full system solutions.

Thanks to our innovative designs and close working partnerships with our customers, we provide specialist photonic hardware that enables leading organisations all over the world to deliver tailored, innovative solutions in Industrial, Aerospace & Defence and Life Science markets.

At G&H we are proud to be using our skills and capabilities to make a better world with photonics.

FY25 Regional Revenue

America

£49.7m

Europe

£81.0m

Rest of World

£19.8m



Industrial

G&H is widely recognised as a leader in advanced optics, fibre optics, acousto-optics, and electro-optics, providing precision solutions for critical applications in industries such as industrial lasers, semiconductor manufacturing, subsea networks, and optical sensing.

With deep expertise and cutting-edge engineering, G&H drives innovation across diverse industrial sectors.

G&H's components support the most advanced semiconductor manufacturing equipment, helping to maximise throughput and yield. Our products can operate from the ultraviolet up to the far infrared range allowing UV and CO₂ pulsed lasers to operate efficiently and at high throughput. Our Germanium and UV acousto-optical modulators are to be found in the most modern laser tools, enabling power stabilisation, precise and stable beam positioning, and extremely short pulse duration.

G&H's Acousto-Optic Beam Deflectors (AODs) are critical to modern laser systems, enabling precise beam control for industries like signal processing and photolithography. Custom-designed for client needs, G&H's AODs feature high diffraction efficiency and superior beam quality, vital for semiconductor manufacturing where accuracy is key. These solutions optimise processes like drilling and cutting in microelectronics, ensuring precision down to the micron level.

Beyond AODs, G&H's acousto-optic modulators, Q-switches, and precision optics set benchmarks in performance and power efficiency. These components are critical for advanced semiconductor manufacturing, enhancing throughput and precision across a wide spectrum of operations. Our in-house grown Potassium Dihydrogen Phosphate and Potassium Dideuterium Phosphate (KD*P) crystals used in the world's most powerful laser systems have helped achieve fusion ignition, marking a breakthrough in the generation of clean energy.

With most global telecommunications transmitted through subsea cables, G&H's fibre couplers play a critical role in meeting the world's growing demand to share data. New solutions, such as the high reliability 4x4 coupler, ensure efficient data transfer while reducing component size and will build upon G&H's record of having no in-field failures which now extends for over 20 years.

G&H also leads in LiDAR-based optical sensing technologies, transforming industries from energy to industrial automation with its fibre-coupled solutions. Our products enable proximity sensing along oil and gas pipelines as well as profiling air currents around wind turbines.

G&H's short range infra-red (SWIR) and infrared lens solutions are used in industries like food processing and advanced security. The VAPIR™ medium range infra-red lens series is capable of detecting gas leaks, contributing to the safety and security of oil and gas facilities.



Aerospace & Defence

G&H has been a prominent player in the A&D market for decades, providing innovative solutions that have consistently delivered outstanding results for the end user.

From laser protection to advanced optical systems, our leadership in supporting mission-critical applications with high-performance optical components, modules, and subassemblies has established G&H as a preferred supplier for leading A&D contractors worldwide. Our expertise in optical design and manufacture have helped advance programs and missions in several key application areas.

The evolution of unmanned aerial vehicles (UAVs) and other airborne platforms has transformed image data collection, allowing for extensive data gathering during prolonged flight durations. G&H's precision optical components and advanced lens assemblies are integral to providing optimal fields of view and resolution for short, mid, and long-wave infrared imagers, used in A&D platforms engaged in intelligence, surveillance, and reconnaissance (ISR) missions.

In the area of directed energy weapons, our IR lens assemblies are essential. The speed and precision afforded by photonics technology enable the directed energy systems used for drone and missile defence. With decades of close collaboration with prime defence contractors and avionics manufacturers, G&H



provides the rigorous design and manufacturing expertise necessary for fibre optics, electro-optic modulators, sights and windows, ensuring reliable performance in these advanced systems.

G&H is at the forefront of revolutionising inter-satellite and satellite-to-ground communications, thanks to its space-qualified optical components, lens assemblies, and subsystems that ensure exceptional connectivity and bandwidth for satellite-based laser communications and sensing applications.

Specialising in cutting-edge laser protection solutions tailored for military applications, G&H addresses the unique challenges posed by laser deployment on the battlefield. With the increasing utilisation of lasers for range finding, target designation, and directed energy weapons, the protection of military assets, including armoured fighting vehicles (AFVs) and dismounted soldiers, has become paramount. G&H offers an array of battlefield-proven technologies, such as sighting systems, electro-optical protection measures, and soldier laser protection filters, all designed to shield personnel and equipment from lasers used in an offensive manner.

The two acquisitions completed in the year serve to strengthen G&H's position in the A&D market, particularly in the US with the addition of Global Photonics, previously Meopta US.





Life Sciences

G&H has established itself as a trusted supplier in the life sciences market, delivering advanced optical components that enhance the performance and reliability of life science instruments.

Our contributions span applications such as microscopy, medical diagnostics, biomedical imaging, and laser surgery, where our reputation as a leading provider of advanced optics, fibre optics, acousto-optics, and electro-optics is well recognised globally.

We collaborate closely with laser system original equipment manufacturers (OEMs) and medical equipment manufacturers to optimise patient outcomes across a wide range of surgical applications. These applications include prostate surgery, scar correction, cataract treatment, and the removal of freckles, moles, and tattoos. Additionally, our optics enable skin rejuvenation and teeth whitening procedures. We ensure that surgical lasers deliver the precision and reliability necessary for cardiovascular procedures, thereby enhancing the overall efficacy of medical interventions.

G&H has been instrumental in the development of optical coherence tomography (OCT) since its inception, supporting the world's leading OCT systems manufacturers with high-quality components and sub-systems. Our unique capability to provide everything from fibre-optic components to complete optical systems with embedded controls allows us to meet diverse system design requirements. As a result, OCT instrument makers benefit from higher performing, more cost-effective, and reliable optical engines. The exceptional performance of our fibre components,

characterised by superior bandwidth and spectral flatness, facilitates clearer image resolution and deeper tissue penetration. This leads to enhanced diagnoses, contributing to better patient outcomes.

Polymer medical optics are transforming the life science market by offering significant cost-efficiency and weight reduction benefits. Our commitment to Design for Manufacturability (DFM) ensures that we deliver optimised and cost-effective optical solutions tailored to specialised medical needs. Our dedicated team of experts oversees the entire application lifecycle, making G&H a one-stop partner for assembly services while adhering strictly to the rigorous standards required for medical devices. This collaboration facilitates on-time market introductions while reducing the overall cost of ownership. Polymer optics find a diverse range of applications across medical sectors, from disposable light retractors and surgical tool tracking to ophthalmic lenses, automated visual field testing, portable ultrasound systems, and point-of-care (POC) testing.

Additionally, G&H | ITL provides comprehensive design and manufacturing services for medical devices and laboratory instruments, partnering with clients to create cutting-edge healthcare technologies. This segment of G&H is dedicated to improving instrument efficiency, shortening development timelines, ensuring regulatory compliance, and effectively managing costs for our life sciences customers.

Our Products & Capabilities

Leading Photonics Technology

Building on its long and proud history G&H continues to lead the way in photonics innovation. Our extensive expertise spans the full spectrum of optical systems, subsystems, and components, encompassing everything from cutting-edge research and prototype development to high-volume manufacturing.

Working in close partnership with our customers, we are dedicated to delivering the highest quality photonic devices and optical systems that meet the evolving needs of the market.



G&H has been a leader in the design and manufacturing of acousto-optic (AO) devices for over 35 years.

Many of our acousto-optic products are made using materials grown in-house, such as Tellurium Dioxide. Our range of AO devices features the highest quality crystals and anti-reflective coatings, all housed in a rugged package to ensure exceptional reliability and consistency. Using advanced techniques in orienting, sawing, grinding, and lapping, we build our products to the highest standards.

G&H components play a crucial role in today's most advanced semiconductor manufacturing equipment, maximising both throughput and yield. Our Germanium and UV acousto-optic modulators are essential for modern laser tools, facilitating power stabilisation, precise beam positioning, and extremely short pulse durations.

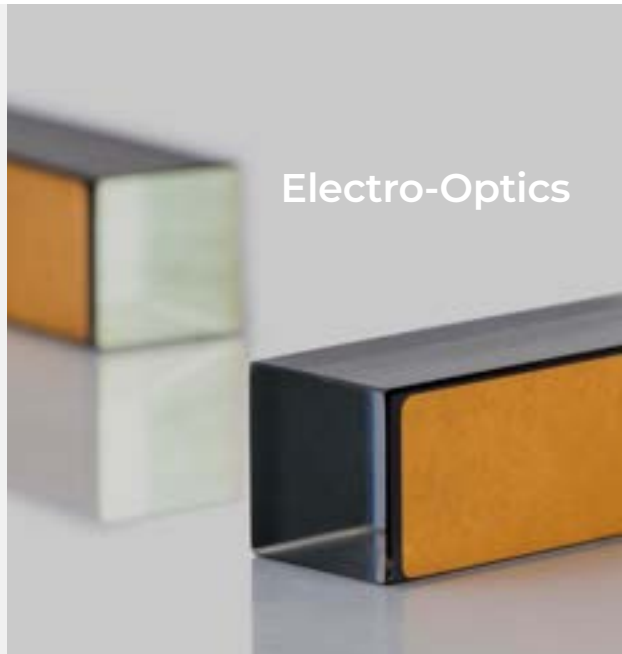
This year, we have expanded our product line to include a UV deflector series, which is ideal for micro-machining, inspection systems, via drilling, and graphic imaging.

G&H's electro-optics capability is built on deep materials expertise and fully integrated crystal manufacturing.

We grow, cut, polish, and coat a range of key electro-optic materials – including Potassium Dihydrogen Phosphate (KD*P, KDP), Barium Borate (BBO), Lithium Niobate (LiNbO₃), Cadmium Sulfide, Cadmium Selenide and Tellurium Dioxide (TeO₂) - providing customers with a secure and high-quality supply chain for critical laser components.

Our crystal growth operations support both large diameter boules and wafers as well as precision-finished electro-optic devices used across medical, industrial, scientific, and defence applications. By maintaining control of every step - from material chemistry to final optical coating - we ensure the uniformity, stability, and performance demanded by high-power and high-reliability laser systems.

We continue to be the primary supplier of large KDP and KD*P crystals for high-fluence laser systems within major inertial confinement fusion programmes, including France's CEA and the U.S. National Ignition Facility.



These systems remain among the most powerful lasers in operation and play a central role in global fusion-energy research.

Today, our electro-optics business is sharply focused on high-value materials, advanced crystal technologies, and differentiated EO platforms that align with long-term growth opportunities across our core end markets.

Our fibre optic components and sub-systems deliver the performance and reliability needed for some of the world's most demanding applications, including advanced semiconductor manufacturing and harsh environments, such as space.

G&H supports customers throughout the entire system development process, leveraging our expertise in end-to-end fibre optic systems. Our products enable terabit data transmission across continents via subsea cables, with more than 95% of today's telecommunications relying upon these extensive networks, including the 2Africa subsea cable, which spans over 45,000 km.

As data providers seek to master the challenge of managing increasing data transmission rates within limited space envelopes and with power efficiency, G&H is helping them meet in this task with two innovative solutions: the high reliability 4x4 coupler and the CO-pack or co-packaged coupler. These new products achieve the same data transfer efficiency while reducing the number and size of components in the same amplifier configuration.

Additionally, our fibre-based products are vital for the safe operation of wind turbines and are central to satellite communication systems which will increasingly replace traditional radio frequency-based space communication systems.

Fibre Optics



Precision Optics



G&H manufactures precision optical components and assemblies that are used in a number of different markets including semiconductor laser manufacturing, A&D, medical systems, and research applications.

We combine our deep knowledge of the optical and mechanical properties of materials with our ability to manage all stages of component manufacturing to deliver products of the highest quality with precise optical finishes.

Our custom lenses and housed subassemblies are used in both transmission and imaging applications. Our ring laser gyro products are employed by every commercial airline worldwide. G&H provided precision optics for NASA's Mars Curiosity mission.

From our facilities in the UK and the US, we offer a comprehensive range of optical coating capabilities, that can enhance our precision optics offerings. We have expanded our capabilities in infra-red and near-infra-red filter coatings, strengthening our range of laser protection filters. Our design engineers are continually researching the performance characteristics of new coating materials and recipes, incorporating their findings into our modelling software to optimise designs for our customers' applications.

Imaging & Sighting Systems



Our Optical Systems product range continues to advance across Infrared lens assemblies, multi-sensor sighting systems, integrated imaging platforms, and direct-view and electro-optic periscopes.

We work closely with system integrators and international customers to deliver high-performance equipment tailored to demanding defence, industrial, and scientific applications.

This year we expanded our portfolio of Infrared lens assemblies, launching new products that enable systems

to see further, for longer, and under harsher environmental conditions. We also broadened our offer of bespoke direct-view periscopes for European and NATO nations, reinforcing our position as a trusted supplier of mission-critical optics.

Development of our multi-sensor sighting systems continued, alongside major programmes such as the Embedded Image Periscope (EIP) upgrade for Challenger 3. The new EIP combines proven glass with digital display technology in a modular architecture adaptable to crew requirements.

We further strengthened our technical breadth with advances in signature-management solutions for magnified optics and an expansion of our thin-film coating facilities. These coating capabilities—spanning the visible to long-wave infrared (VIS to LWIR), enable our optical systems to operate effectively alongside an increasing range of sensors. In addition, we successfully developed a very high-tolerance opto-mechanical assembly for an industrial end-application, demonstrating the wider applicability of our design and manufacturing expertise across non-defence markets.

Our optical systems group also continues to support the development of Laser Directed Energy Weapon technologies, contributing prototype systems to key UK programmes.

G&H is a leading manufacturer of advanced polymer optics, specialising in custom injection moulding to achieve high-volume optics production.

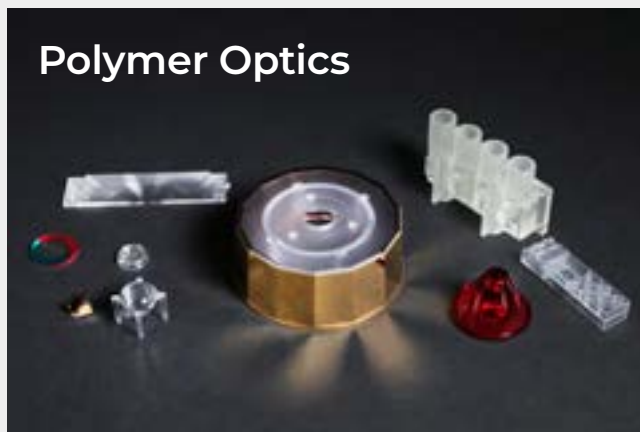
Our product lines address specific challenges in fields such as MedTech instrumentation, including sterilisation compatibility, creep and stress-corrosion resistance, and cost efficiency.

We employ a “design to manufacture” approach, which is essential for the efficient creation of new products. We utilise software, including SolidWorks, Zemax, and MasterCam, to model and optimise designs for healthcare device manufacturing, speeding up the product development phase.

We work closely with our customers to deliver polymer optics that enhance their products competitiveness. Our capabilities encompass custom injection moulding for aspheric lenses, freeform lenses, mirrors, Fresnel optics, and diffractive optics. We also provide in-house design services for diamond-turned and injection-moulded prototypes, thin film optics, and reflective coatings.

Our offerings serve a diverse range of markets, including consumer products, medical applications, LED lighting, and military and civilian night-vision systems. G&H’s mature polymer capabilities enable us to leverage economies of scale, resulting in reduced long-run average costs (LRAC).

Polymer Optics



Our Key Performance Indicators

KPI AND DESCRIPTION

Organic revenue growth (%)

The percentage change in revenue in the current year compared to the prior year, excluding the effects of foreign exchange.



WHY THIS IS IMPORTANT

We are focused on long-term organic revenue growth as a means to create value. This metric reflects both the health of our target markets and our success in gaining an increasing market share with our customers.

PERFORMANCE

2025: 5.6%
 2024: (3.0)%
 2023: 13.6%
 2022: (3.7)%
 2021: 6.4%

2025 PERFORMANCE

Organic revenue was 5.6% higher, excluding foreign exchange and the effect of the Group portfolio changes. We achieved strong growth in our A&D market, although our industrial and life sciences markets were relatively flat.

KPI AND DESCRIPTION

Adjusted operating profit (£'m)

Operating profit from continuing operations adjusted to remove non-underlying items.



WHY THIS IS IMPORTANT

Adjusted operating profit is a key measure of the value generated from our activities.

PERFORMANCE

2025: £14.4m
 2024: £10.5m
 2023: £12.1m
 2022: £8.9m
 2021: £13.3m

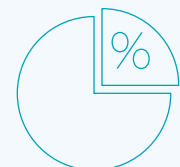
2025 PERFORMANCE

Adjusted operating profit increased by 37.3% reflecting the growth in the business in the year combined with operational efficiencies.

KPI AND DESCRIPTION

Adjusted operating margin (%)

Adjusted operating profit from continuing operations as a percentage of revenue from continuing operations.



WHY THIS IS IMPORTANT

Adjusted operating profit margin measures our ability over time to generate value from our products and capabilities. It is impacted by our actions to both increase revenue and optimise our cost base.

PERFORMANCE

2025: 9.6%
 2024: 7.7%
 2023: 9.0%
 2022: 7.1%
 2021: 10.8%

2025 PERFORMANCE

The adjusted operating margin increased to 9.6% reflecting the higher revenue and the benefits of our strategy being implemented.

KPI AND DESCRIPTION

R&D investment

R&D expenditure as disclosed on the income statement.



WHY THIS IS IMPORTANT

Our R&D investment enables us to introduce new products to the market supporting our objective of increasing revenue and keeping us ahead of our competitors. This measure is directly related to our strategic priority of focused R&D investment.

PERFORMANCE

2025: £7.3m
 2024: £7.8m
 2023: £7.4m
 2022: £9.2m
 2021: £8.1m

2025 PERFORMANCE

We invested £7.3m in R&D activities in FY2025. In the year we released another 79 products to the market and revenues from these products contributed £31.7m of revenue in the year.

KPI AND DESCRIPTION

Adjusted operating cash flow

Cash flow from operating activities adjusted for non-underlying cash flows.



WHY THIS IS IMPORTANT

This KPI measures the cash generated by the Group's trading activities. It measures the cash generated to fund investment in the business either through new assets or to acquire other businesses.

PERFORMANCE

2025: £14.0m
 2024: £16.7m
 2023: £18.2m
 2022: £6.6m
 2021: £21.9m

2025 PERFORMANCE

Operating cash flow of £14.0m was lower than in FY2024 largely due to strategic investment in inventory.

KPI AND DESCRIPTION

Safety performance

Any accident resulting in time off work.



WHY THIS IS IMPORTANT

We are committed to the wellbeing of our employees. This KPI measures our performance in raising the safety standards in our facilities and also underpins our operational performance. One of the accidents in FY2025 was reportable.

PERFORMANCE

2025: 2
 2024: 10
 2023: 7
 2022: 8
 2021: 8

2025 PERFORMANCE

We saw a significant reduction to just 2 accidents resulting in time off work in the year, although one of them was reportable to the UK HSE. Our safety performance remains significantly better than the industry average. Our employees increased "Spot It, Stop It" reports by 75% helping to achieve a safer working environment.

KPI AND DESCRIPTION

Carbon dioxide equivalent (tonnes)

The total amount emitted in tonnes for Scope 1 and Scope 2 (carbon dioxide equivalent), with further details on the calculation method set out in the ESG Report.



WHY THIS IS IMPORTANT

This metric measures our achievement against our objective to reduce our carbon emission over time and reduce the impact we have on the environment. We are focused on making G&H a sustainable business and have a target to be net zero on Scope 1 & 2 emissions by 2035.

PERFORMANCE

2025: 1,871
 2024: 2,532
 2023: 3,135
 2022: 3,941
 2021: 5,414

2025 PERFORMANCE

All of our sites are following specific action plans that will reduce their energy consumption. We achieved a 26.1% reduction in Scope 1 and Scope 2 emissions in the year, reflecting the benefits of the initiatives we are undertaking.



“

I am delighted with the positive progress the Group has made in FY2025. Our operational performance has shown sustained improvement and resilience in the face of a complex and uncertain macroeconomic background, with unprecedented supply chain and tariff challenges. This is a testament to the positive progress the Group is making with the deployment of our strategy and the quality of our workforce.”

Chief Executive Officer's Statement

Group overview

I am pleased with the significant progress the Group continues to make with delivering our transformative strategy. Last year we acquired and have successfully integrated the Phoenix Optical and Global Photonics businesses, both further strengthening our optical systems and thin film coating capabilities.

We have also seen positive progress with our self-help activities with improved operational performance, additional outsourcing and successful new product introductions. These actions help ensure that the Group can offer our customers differentiated products and technologies, generate synergies with other parts of G&H and support the Group's journey to mid-teen returns in the medium term.

The Group delivered strong profit growth and margin expansion despite the significant macroeconomic and geopolitical disruptions. G&H was impacted in the year by supply chain disruption resulting from raw materials and component restrictions due to retaliatory measures from China in response to US tariffs. Despite this there has been encouraging take up of newly developed products generated from a more focused portfolio, which continue to be recognised for their superior performance and reliability. I was particularly pleased by the substantial growth in the Group's order book during the year, reflecting the increasing demand for our photonics and optical systems solutions, especially in Aerospace & Defence.

We have continued to accelerate the transfer of certain product lines to selected outsourced manufacturing partners at the same time as successfully ramping new products in several of our own factories. I have been particularly impressed by the continuing transformation and expansion of our activities in Torquay, Ilminster and St Asaph during the last year. The Torquay site has now completed the transfer of all its hi-reliability fused fibre production to its supply partners and repurposed production for the manufacture of more complex fibre optic modules and, aligned to our strategy, we are securing greater market share of these products. This is an excellent example of the margin accretive changes being implemented across the Group and which will position G&H well to profit from the recovery we expect in our Industrial and Life Sciences markets.

Continued investment

We have continued to be disciplined in supporting the business with the focused investments it needs to grow. We have strengthened our leadership, sales and engineering group during the year with highly capable and experienced new team members. We have fully implemented a new HR information system (HRIS) across the Group allowing managers and the HR function to better support the global workforce in each region.

The Group acquired Phoenix Optical and Global Photonics which were both the culmination of many months of hard work by our team involved in the acquisition process and integrations. It has been great to be able to welcome such talented and experienced employees from both businesses to G&H. Both companies, which are highly regarded suppliers of precision optics and optical systems in their respective regions and end-markets, are highly complementary to the Group and I look forward to seeing them prosper under G&H ownership.

A sustainable business

At G&H we are focused on making our business sustainable and supporting the transition to a net zero carbon economy. With direction and oversight from the G&H Sustainability Committee, our employees are pleased to be playing their part in moving to a more sustainable and healthier world. Our medical diagnostic products support the earlier diagnosis of disease and illness, and our sensing products are an enabler to deliver clean and renewable energy with efficiency. Within our own business we are committed to achieving net zero for our Scope 1 and 2 emissions by 2035 and I am pleased to report that we made further positive progress towards that target in the financial year.

It is important for us to support the communities in which we operate. Our facilities provide high quality employment opportunities in the towns and cities where we are located, and our teams often host visits from local schools and colleges to foster excitement amongst their students to pursue careers in photonic technologies and advanced engineering. G&H employees are also active in supporting charities local to the sites in which they work, often matching with monies from G&H the amounts that have been raised.

G&H delivered a strong performance in the second half of the year underpinned by solid demand for our Life Sciences and A&D products, also reflecting the significant operational improvements that were made across the Group despite continuing challenges from the global macroeconomic environment.

Full year revenue increased by 10.7% to £150.5m (FY2024: £136.0m) or 5.6% on an organic constant currency basis with A&D revenues up 52.1%, Industrial down by 5.3% and Life Sciences broadly flat. Building on a positive first half, the further growth in revenue in the second half and the continued strong order intake reflects multi-year programme wins and the positive structural trends evident in many of our end markets. Albeit with Industrial revenues down slightly due to the recovery of the semiconductor market still not evident and now expected in the second half of FY2026. Whilst there are early signs of some recovery in demand from areas of the semiconductor market, we continue to closely monitor the short-term uncertainty in our industrial markets created by ongoing macroeconomic and geopolitical challenges.

Our teams across the Group have executed exceptionally well in a challenging environment, given the significant supply chain and cost headwinds, to deliver a robust trading performance in the second half of the year in line with expectations that supports improved profit growth in FY2026. I am pleased with the continued foundational progress that has been made across the business through the collective hard work of the workforce which is now being harnessed effectively through a more focused and fully deployed strategy to deliver sustainable margin growth for the Group.

A significant cornerstone of our strategy is for the Group to become a more customer focused business and to deliver an exceptional customer experience when doing business with G&H. I am pleased to see how this is being embraced across the whole Company and the progress that is being made through a more disciplined focus on internal and external customer experience. It was encouraging to see progress in many of our customer metrics and the upgrade of our customer service, sales and product management teams during the year that resulted in increased orders, a growing pipeline of new business opportunities and demonstrated that our customers are recognising the changes we continue to make with this key strategic priority for the Company.

I am proud that G&H's products and technology are playing a part in building a better more sustainable world. Many of our products contribute directly to the reduction of energy consumption and the more efficient use of materials. In our own facilities we are also

making great strides in reducing our impact on the environment. In FY2025 we achieved a 31.1% reduction in our emissions intensity measure as we work towards our goal of being net zero on our Scope 1 and 2 emissions by 2035.

Business Performance

Following the positive performance in the first half of the year, the Group continued to deliver strong trading momentum during the second half of the year with H2 revenue up 10.0% enabled by the focused operational improvements and capability investment made over the last year and careful proactive management of unforeseen supply challenges resulting from tariff disruptions and retaliatory measures. For the full financial year 2025, G&H achieved revenue from continuing operations of £150.5m which was up on the previous year by 10.7% (FY2024: £136.0m), or on an organic, constant currency basis with the full year benefits of Phoenix Optical and Global Photonics excluded, revenues were up 5.6%. Adjusted profit before tax from continuing operations was £11.9m, an increase of 46.8% over last year (FY2024: £8.1m).

Following the transfer of our acousto-optic products from our Ilminster facility to our Asian contract manufacturing partner, we have now qualified and successfully transferred the manufacture of our full hi-reliability fibre coupler business to that same partner. During FY2025 we were able to accelerate the preparations for the transfer of further fibre optics and other products, where technological sovereignty is not a differentiator, building upon a proven model that has now been established with our selected contract manufacturing partners. During 2025 we also qualified an additional contract manufacturing partner in India to support with some of our in-country demand in that region.

We have continued to invest in our technology roadmaps albeit with a greater focus following the strategic review in 2023 and our R&D teams are working closely with many of our customers on the accelerated development of their next generation products. Total investment on product development activities was £7.3 million in FY2025 (FY2024: £7.8m).

During the year, the Group's net capital expenditure was £6.0 million compared with £5.2 million in the previous year aligned to our strategic objectives. Notably spend in the period was focused on the integration of the new acquisitions, GS Optics and Phoenix Optical as well as establishing additional capability and capacity for our fibre optic business in Torquay. With our contract manufacturing partner carefully selected capital investment is also planned for our optical systems and precision optics business to address bottlenecks and meet increased Defence customer demand alongside the operational efficiency activities underway at these sites.

The Group retained high levels of inventory during FY2025 that are still above pre-pandemic levels, however, this reflects the additional inventory from acquisitions and the decision to increase inventory of some materials such as germanium in response to the uncertainties in the availability of these materials as a result of export restrictions imposed by the Chinese government.



We also closed the year with an increase in past due backlog created by supply chain constraints that negatively impacted inventory levels. Inventory closed the year at a high-water mark, but as supply chains normalise and with greater focus on inventory management disciplines being implemented across the Group, we expect to see a reduction during FY2026.

Excluding lease liabilities, net debt at 30 September 2025 was £29.9m (30 September 2024: £16.0m) up £13.9m from the prior year end reflecting the two acquisitions and the increased inventory holdings. Our leverage as measured for our banking covenant stands at 1.3x (2024: 0.9x), which along with available committed and uncommitted bank facilities of \$19.8m places G&H in a strong position to pursue our strategic goals.

During FY2025 the Group's order book continued to grow and at 30 September 2025 was £142.4m (31 March 2025: £121.5m; 30 September 2024: £104.5m). On an organic constant currency basis the order book grew by 15.3%. Over 80% of the order book is for delivery in FY2026, which underpins increased trading in the new financial year including the full year impact of recent acquisitions, partially offset by an increase in overheads.

Our order book grew in each of our three end markets with modest year on year increases in Life Sciences and an encouraging recovery in orders for our Industrial markets. However, the most significant increase came from our A&D customers where we saw strong growth, especially in the second half of the financial year thanks to increased demand from both our commercial and defence customers assisted by the enhanced value proposition we are able to offer into this buoyant end market. Our teams in the UK and US are focused on converting a healthy pipeline of new A&D prospects and there has been further extension of the order book following the year end.

Strategy

G&H is a business with outstanding products, enormous technical capability and highly talented people and as a result of the disciplined rigour with which our strategy for sustainable margin growth is being implemented we are starting to see the foundational benefits from greater focus on operational execution, customer experience, employee engagement and better prioritisation of our R&D technology and investment.

This strategy continues to refocus the whole business on delivering sustainable margin growth and transforming G&H to become an 'innovative customer focused technology company' delivered responsibly by making a 'better world with photonics'. We are making good progress to ensure that G&H becomes and remains the 'first choice' for all our stakeholders including our employees, our customers, our shareholders, our eco-system partners or the communities where we operate. We are offering a more differentiated performance through the four pillars of our strategy centred around, firstly, our people by establishing dynamic high-performance teams and a purpose-led culture; secondly, through self-help activities to deliver exceptional customer service and superior operational execution; thirdly, through value creation from our technology and photonics expertise; and, finally, by focused investment, both organic and inorganic, to accelerate accretive growth.

Acquisitions and Portfolio

The Group's strategy has identified a path to mid-teen returns over the medium term that includes benefits from our 'portfolio' activities achieved through addressing non-performers in combination with pursuing 'speed to value' acquisitions. Following the successful integration of the two synergistic acquisitions of GS Optics and Artemis Optical in the summer of 2023, we have made further good progress with two additional strategic acquisitions, Phoenix Optical at the end of October 2024 followed by Global Photonics, formerly Meopta US, announced in May 2025.

The integration of both Phoenix Optical and Global Photonics into G&H is proceeding to plan. The exploitation of operational and commercial synergies between Phoenix and the rest of the Group is already well underway with the main focus on germanium fabrication for our defence customers, and a number of newly combined optical substrate and coating offerings are now available to customers. Global Photonics brings expertise in cleanroom lithography, photolithographic reticle fabrication, ion beam etching and advanced thin film coatings that is hugely complementary to G&H's existing manufacturing capabilities. This, along with the significant available space at the new Tampa facility, helps scale the Group's offering into North America to meet the growing demand from US defence prime contractors, particularly for laser protection filtering, periscopes and complex optical systems.

Both transactions represent 'speed to value' acquisitions for G&H focused on addressing the growing opportunities in the Aerospace & Defence sector and have been well received by customers with a number of exciting new potential orders being pursued.

Aligned to our strategy to review our portfolio to address non-performing or non-core parts of the Group, we took the proactive decision to exit the manufacture of Pockels Cells for medical lasers that are supplied from our facility in Cleveland, Ohio. The introduction of lower cost Asian manufactured products in this product segment means that over time these specific products supplied from G&H's Cleveland factory would not remain sufficiently differentiated to generate the level of returns needed to support the Group's journey to mid-teen returns. Following our announcement at the beginning of 2025 we have seen a positive response to the 'last time buy' notice for our Pockels Cells going into medical lasers, which will be delivered over the coming financial year, at which point our Cleveland facility will transition to further develop its capacity for the growth of crystals used both within our Group and by external customers for optical applications.

Our Markets

Industrial

G&H's principal industrial markets are industrial lasers, telecommunications, sensing and semiconductor manufacturing. Industrial lasers are used in a diverse range of precision material processing applications ranging from microelectronics and semiconductors to automotive manufacturing.

Industrial revenues in FY2025 at £64.3m declined by 5.3% from the prior year (FY2024: £67.9m) due to the continued subdued semiconductor market and protracted destocking in our Industrial

markets. Despite these challenges in the year, volumes of our fibre optic modules and assemblies used in both next generation advanced lithography systems and subsea data networks remained robust with growth in the second half as new programmes ramped up to volume production and demand picked up for our long-standing hi-reliability fibre couplers and module solutions. The increased output of these more complex fibre optic assemblies has been enabled by the full transfer to our contract manufacturing partner of the build of our hi-reliability fibre couplers mainly for submarine applications. The successful execution of this part of our plan has meant that production space and skilled operators in Torquay have been transitioned to this new higher value more complex work.

Revenue from our industrial laser customers was weaker than the prior year remaining broadly flat through FY2025 and whilst some early signs of a pick-up in demand were evident towards the end of the year, we continue to watch developments closely and work with our key partners in this space to assess changes to demand visibility. Any sustained recovery from our broader industrial laser and semiconductor markets is now not expected until the second half of 2026.

Aerospace & Defence

A&D revenue in FY2025 continued to grow to £52.4m up 52.1% (FY2024: £34.5m) and on an organic constant currency basis grew by 27.2% compared with the prior year. The significant volume growth in Aerospace & Defence was underpinned by improved productive capacity at several of our sites, a more focused go-to-market strategy from the business development teams in all regions and the introduction of a number of new projects moving into volume production. This was complemented by the commercial synergy benefits from our A&D focused acquisitions of Artemis Optical and Phoenix Optical starting to be realised



especially around advance laser protection and germanium processing capabilities that we can now offer alongside our superior optical systems products. Our imaging and sighting systems business for armoured vehicles and UAVs continues to progress well with a number of multi-year new programme wins during FY2025 where the conflict in Ukraine is fuelling increased demand and greater urgency of supply. This was particularly evident from the second half revenue growth from deliveries of precision optics and advanced sighting systems into both air and land military platform programmes. In the commercial aerospace market demand for our ring laser gyro components remains particularly strong and the Group continued to benefit from productivity improvements and the additional capacity we have added to meet this increased demand. The integration of both Phoenix and Global Photonics into G&H is proceeding to plan. Both businesses are an excellent strategic and operational fit for the Group. In particular, Global Photonics, acquired in May 2025, brings strong relationships with U.S. defence primes and complementary manufacturing capabilities to our growing Optical Systems division in North America. Both acquisitions are accelerators to G&H becoming a partner of choice for high-precision optical systems and photonics in the UK, US and Europe.

Life Sciences

The Life Sciences business performed well overall with FY2025 revenues at £33.7m broadly flat on prior year (FY2024: £33.6m) on a constant currency basis. In H2 output of our Pockels Cells for medical lasers was negatively impacted by a number of supply challenges resulting from US tariff measures and retaliatory measures from China which frustratingly constrained our ability to ramp production as originally planned. However, we saw continued growth in demand for our medical diagnostic products. Two good examples of this were, firstly a cancer care product initially designed by our customer and then productionised by our engineering team and secondly an advanced organ transplant and care device manufactured by G&H for our customer, both of which migrated through US FDA regulatory approvals and ramped production during the year to meet increased end user demand. We expect to see further growth from these and other product platforms in FY2026 and beyond.

Our Life Sciences R&D team remained engaged in supporting customers with the design and regulatory accreditations of their next generation instruments which are expected to convert to production revenue for the Group in the coming years. We also received the first purchase orders for initial design and production orders for our North American Life Sciences Centre of Excellence in Rochester NY which was established during 2024 and has already received ISO13485 certification for the manufacture of medical devices. We expect this facility to be a complementary part of our growth strategy for our Life Sciences business in the future.

Research and Development (R&D)

G&H continues to work closely within the global photonics ecosystem and with a range of tier one key partners to develop their next generation products. During FY2025 we introduced 79 new products (FY2024: 48) and delivered £31.7 million of revenue (FY2024: £25.3 million) from new products. Following our decision to end of life our Pockels Cells for medical lasers during 2025, we have reduced the vital few areas of R&D focus from seven down to six.

These six R&D workstreams are proactively prioritised by our global R&D efforts and investment:

1. Expansion of AO technologies into semiconductor market and EUV eco-system.
2. Advanced fibre optics technology and systems supporting submarine networks.
3. Imaging and sighting systems, especially focused on the A&D market, for periscopes, sights and other optical sub-systems.
4. Precision optics added value and advanced coatings and laser protection filtering capabilities.
5. Moving up the value chain in fibre-optics with a focus on sensing, modules, LiDAR.
6. Medical diagnostics and bio-photonics IVD solutions with strategic focus on expanding our offering into the US Life Sciences market.

During FY2025 technology roadmaps and R&D activities have focused around these six 'vital few' areas for the Group to drive 'value creation'. Progress is positive in all of these defined areas of focus. There has been investment to strengthen acoustic-optic engineering and product line teams with the addition of technical and product development capability. In the Fibre optics business, we continued to see strong progress with the customer-led development of next generation systems for semi fab, submarine network and medical diagnostics with several new programs successfully awarded during 2025 in line with our plans. The precision optics and optical systems technology teams have been enhanced by the advanced coatings and germanium fabrication engineering teams that joined the Group with the acquisitions of Artemis and Phoenix. We are also starting to see the positive results from the disciplined refocus of our highly talented optical systems engineering team in St Asaph, North Wales with successful new program engagement with both existing and new customers. The successful launch and formal opening of our US Centre of Excellence in Rochester NY during FY2025 is promising for the future. These R&D projects are expected to contribute more than £50m of incremental margin accretive revenue over the plan period.

Corporate Responsibility and Sustainability

The Board is accountable to its shareholders and is committed to the highest standards of corporate governance. To this end the Group has adopted the UK Corporate Governance Code (2018). In order to ensure the Group is meeting the most up to date standards, regular reviews of policy are held by the relevant committees of the Board of Directors. During the year the Board undertook a self-assessment to identify opportunities for improvement and incorporate a greater focus on ESG. Susan Searle, Non-Executive Director, with her wealth of experience in many of the markets in which we operate and particularly sustainability matters, has successfully Chaired the Sustainability Committee and this relatively new Committee is already providing greater clarity and alignment to our activities in this area.

G&H is committed to creating a safe, engaging, diverse and inclusive place to work for the Group's employees and all stakeholders. We continue to establish a culture that proactively works towards reducing harm and promotes equality, diversity and inclusion across the company. The Group remains focused on providing equal employment opportunities for all and aims to improve diversity at all levels of the organisation.

Our recruitment partners have been instructed to ensure that they include a diverse range of candidates in all shortlist applications, and we are actively engaged with encouraging International Women in Engineering.

G&H is committed to conducting our business in an environmentally responsible and sustainable manner. We are investing in order to generate our electricity in a sustainable manner and to reduce our overall energy usage. Each of our sites has an energy reduction plan that it is working to. In the year we reduced our Scope 1 and 2 carbon emissions by 26.1%, and on a LFL basis excluding acquisitions this was 38.4%, another major step forward in achieving our target of being net zero on this measure by 2035. It was particularly encouraging to see our facility in Torquay remain the first Scope 1 and 2 net zero site across the Group, continuing to lead the way for others to follow in the future.

We were also proud to see a further two sites, Plymouth and Rochester (FY2025) join Ashford and Keene (FY2024), Ilminster and Torquay (FY2023) and Fremont sites with certification to the environmental ISO14001 standard. This now means that 64% of the Group's global footprint is covered by this environmental accreditation and 74% of our employees including new acquisitions. This was a core commitment when we launched our new strategy in June 2023, and we are making good progress to achieve the deployed road map to roll this same initiative out across all our manufacturing sites by 2027. The Executive Directors and senior leadership team all have specific environmental management and carbon reduction goals in their remuneration schemes.

Outlook

During FY2025 the Group made further positive progress in establishing strong foundations to deliver our strategic priorities and enhance market share with our customers, many of whom are demonstrating a growing confidence in G&H. Despite the challenges the Group faced during the year from the macroeconomic environment and the changing geopolitical landscape that disrupted supply chains, reduced demand in our industrial market and subdued medical device demand, encouragingly, the medium-term underlying demand drivers remain positive for our industrial products, and customer activity increased towards the end of the financial year. G&H is well positioned to benefit from recovering demand levels in these markets when they turn as expected. In the second half underpinned by a strong fourth quarter performance, we delivered the expected top line growth for the Group demonstrating the improvements in operational execution from both our own factories and those of our contract manufacturing partners. A solid order book, which reflects a significant number of new customer wins, incremental business opportunities with existing customers and continuing market share gains is also a positive signal that our strategy is gaining traction.

Our teams across the Group have performed exceptionally well in a year characterised by further significant and unpredictable change, ongoing supply chain issues, tariffs and continued cost inflation. I would like to extend my thanks to all our employees for their hard work and highlight the positive way the whole organisation has embraced the transformational changes underway across the Company.

G&H is well-aligned with the prevailing global mega trends, many underpinned by the next frontier of photonics, which is driving demand from high-growth markets. The current unprecedented surge of demand in the A&D markets is expected to last for several years with increased investments in the UK, across Europe and North America and G&H is positioned particularly well with our existing capabilities and through the addition of enhancing technologies through recent acquisitions that are being successfully integrated into the Group.

G&H continues to make progress on delivering the self-help, technology and portfolio activities that underpin our strategic plan. We saw a sustained improvement in on time delivery performance in FY2025 despite the supply chain challenges and customer feedback is now trending in a positive direction. The Group is now better positioned to benefit from the anticipated recovery in our end markets over the coming years thanks to the disciplined implementation of our strategy. This has been further underlined by the recent successful acquisition and integration of Global Photonics providing the facilities, talent and processing capabilities to credibly scale our business in the US where 'Made in America' is a critical differentiator.

Despite this positive overall outlook for the Group, we remain cautious about supply chain uncertainties, commercial headwinds and changing end market dynamics in the near term. The labour market for talent in both the UK and US remains competitive leading to some supply side challenges that continue to frustrate the recruitment of certain required talent, especially in engineering and technical positions. Global supply chain constraints continue, compounded by an inflationary environment for wages, raw materials and energy that all require diligent attention and agility. Whilst price increases and the majority of tariff on-costs have been passed onto customers in FY2025 addressing most of these cost increases, cost inflation continues to impact the business and the ability to fully offset all cost base inflation through pricing actions is becoming more difficult in certain areas.

While mindful of the persistent macroeconomic and geopolitical uncertainties that exist, G&H remains well positioned for growth with a robust pipeline across all our end markets. The business will invest to ensure G&H can capitalise on the accelerating deployment of photonics technologies into continuously expanding areas of the Industrial, Life Sciences, A&D markets underpinning the future growth potential of the Group.

The Board's expectations for FY2026 are unchanged, including an H2 weighting and with Germanium again a key variable.

With our growing order book, strengthening market positions and differentiated photonics expertise aligned to structural growth drivers from megatrends, I am increasingly confident in the prospects of the company to deliver our strategy in the medium term. G&H is on a path to becoming a more resilient and agile higher margin business over the coming years for all our stakeholders, enabling us to realise our clear vision of 'A Better World with Photonics'.

Charlie Peppiatt
Chief Executive Officer
 2 December 2025



“

I am incredibly proud of the achievements of the many talented people across G&H working together to deliver our new plan for the business. It is a real privilege to work with such a capable, committed and hard-working team.”

Financial Review





Further progress on delivering the strategy despite challenging market conditions.”

Martin Hopcroft
Interim Chief Financial Officer

**Organic Constant Currency
Revenue Growth**

5.6%

**Total
Revenue**

£150.5m

**Adjusted
Operating Profit**

£14.4m

Revenue

Group full year revenue increased by 10.7% to £150.5m (2024: £136.0m), reflecting a balance between organic and acquisitive growth, with continuing momentum and seasonality in activity through the year.

Revenue increased by 11.4% to £70.9m (2024 H1: £63.6m) in the first half of the year, and by 10.0% to £79.6m (2024 H2: £72.4m) in the second half of the year, with a split of 47%/53% between the first and second half.

Revenue by industry

Year ended 30 September	2025		2024	
	£'000	%	£'000	%
Industrial	64,344	42.8%	67,947	50.0%
A&D	52,409	34.8%	34,459	25.3%
Life Sciences	33,732	22.4%	33,584	24.7%
Revenue	150,485	100.0%	135,990	100.0%

Industrial was lower, as uncertainty is restraining investment in the semiconductor market, but remains the most dominant and profitable segment. There has been strong growth in A&D, reflecting the increasingly geopolitical environment. Life Sciences has been flat, as activity is subject to external regulatory milestones. The new tariff regime took effect during the year, and we have been seeking to pass on incremental costs to customers to protect margins.

Revenue by geography

Year ended 30 September	2025		2024	
	£'000	%	£'000	%
North America	49,713	32.5%	46,601	34.3%
United Kingdom	48,882	33.0%	36,849	27.1%
Continental Europe	32,060	21.3%	27,202	20.0%
Asia Pacific and Other	19,830	13.2%	25,338	18.6%
Revenue	150,485	100.0%	135,990	100.0%

Our markets in North America and the United Kingdom are thriving and reflect the geopolitical and macroeconomic landscape, which is expected to continue.

Profit

Gross profit increased by 12.0% to £46.7m (2024: £41.6m), with gross profit to sales increasing to 31.0% (2024: 30.6%), reflecting higher revenues, changes in mix and other benefits.

Research and development expenses decreased to £7.3m (2024: £7.8m), being 4.8% of revenue (2024: 5.8%), with continuing expenditure to develop engineering solutions for customers.

Adjusted operating profit increased by 37.3% to £14.4m (2024: £10.5m), being 9.6% of revenue (2024: 7.7%), reflecting higher revenue on restrained costs, overheads and bonuses together with operational improvements.

Net adjusted finance charges were £2.5m (2024: £2.4m), reflecting slightly reduced interest rates on increased debt.

Adjusted profit before tax increased by 46.8% to £11.9m (2024: £8.1m), being 7.9% of revenue (2024: 6.0%), reflecting higher operating profits on unchanged finance charges.

Non-underlying items before taxation of £6.6m (2024: £3.9m) include £2.5m (2024: £2.0m) of amortisation of acquired intangible assets and £0.3m (2024: £0.2m) of net acquisition costs as the business acquired Phoenix Optical Technologies Limited and Global Photonics in the year, as well as £3.2m (2024: £1.5m) of restructuring and site closure costs including the necessary decision to end-of-life the majority of the Pockels cells products, and £0.2m (2024: £nil) of potential litigation costs from localised employment issues.

Profit before tax increased to £5.3m (2024: £4.2m), and adjusted basic earnings per share from continuing operations increased to 35.4p per share (2024: 25.5p per share).

Dividends

In determining the level of dividend, the directors consider the future earnings and investment requirements, as well as risks



Reconciliation of adjusted performance measures

Year ended 30 September	Operating profit		Net finance charges		Profit before tax		Taxation		Earnings per share		Operating Cash flow	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 pence	2024 pence	2025 £'000	2024 £'000
Adjusted	14,418	10,502	(2,514)	(2,395)	11,904	8,107	(2,726)	(1,537)	35.4p	25.5p	13,995	16,704
Amortisation of acquired intangible assets	(2,500)	(2,002)	-	-	(2,500)	(2,002)	531	462	(7.6p)	(5.9p)	-	-
Restructuring and site closure costs	(3,247)	(1,460)	-	-	(3,247)	(1,460)	286	59	(11.3p)	(5.5p)	(1,833)	(2,323)
Acquisition costs	(337)	(228)	(293)	(209)	(630)	(437)	118	85	(2.0p)	(1.4p)	(995)	(134)
Litigation costs	(200)	-	-	-	(200)	-	-	-	(0.8p)	-	-	-
Reported	8,134	6,812	(2,807)	(2,604)	5,327	4,208	(1,791)	(931)	13.7p	12.7p	11,167	14,247

and uncertainties. Furthermore, the ability to pay a dividend is dependent on the distributable reserves available in the parent Company, which operates as a holding company that derives its net income from the dividends of its subsidiary companies.

The Board is proposing an unchanged final dividend of 8.3p per share (2024: 8.3p per share), giving a total of 13.2p per share (2024: 13.2p per share) for the year when combined with the 4.9p per share (2024: 4.9p per share) paid as an interim dividend in July 2025. The total value of the proposed final dividend is £2.3m (2024: £2.1m).

The Board is continuing to review its dividend policy to assess whether some element of the dividend should be reinvested in the business to generate higher returns for shareholders. The final dividend is unchanged in view of the planned increase in capital expenditure to deliver on the growing order book.

Cash flow

Cash generated from operating activities declined to £11.2m (2024: £14.2m), reflecting an increase in working capital of £8.5m (2024: £3.6m) from peak seasonal trading and a conscious decision to increase the inventory of some materials such as germanium in response to uncertainties in the availability of materials, particularly those subject to export restrictions.

Investment in property, plant and equipment increased to £4.6m (2024: £3.5m), reflecting higher activity including investment in heavy water for crystal growth, while investment in intangible assets was maintained at £1.7m (2024: £1.7m), with transition of the new acquisitions to the integrated management and reporting systems.

Deferred, contingent consideration was payable by the Group on its purchase of the GS Optics and Artemis Optical businesses. The GS Optics business did not achieve the levels required for an earnout payment to be made, and no further amounts are now due in respect of that acquisition. For the purchase of the Artemis Optical business, the first deferred consideration for the year ended 31 July 2024 resulted in a payment of £343k, and the second and final deferred consideration for the year ended 31 July 2025 resulted in a payment of £989k in October 2025.

Dividend payments to shareholders totalled £3.5m in the year (2024: £3.4m).

Funding and Liquidity

The Group's credit facility comprises a \$60m revolving credit facility (RCF) with a further \$10m uncommitted accordion facility, which mature in April 2030.

At 30 September 2025, the Group had drawn \$50.2m (30 September 2024: \$30.4m), leaving undrawn committed facilities of \$9.8m (30 September 2024: \$19.6m).

At 30 September 2025, the Group had net bank debt excluding IFRS16 of £29.9m (30 September 2024: £16.0m), and net debt including IFRS16 of £43.9m (30 September 2024: £25.8m).

The Group's main financial covenants in its bank facilities require that net bank debt excluding IFRS 16 lease liabilities must be a maximum of 2.5 times adjusted EBITDA, and adjusted EBITDA must be a minimum of 4.5 times interest charges excluding interest on pension schemes. At 30 September 2025, net bank debt to adjusted EBITDA was 1.3 times (30 September 2024: 0.9 times), and interest cover was 8.9 times (30 September 2024: 5.9 times). The Group continues to operate well within its banking covenants and facilities.

Financial Risk Management

The main financial risks relate to funding, liquidity, interest rate fluctuations and currency exposures. The Group has used financial instruments to manage financial risks arising from underlying business activities.

Foreign Currency

There is exposure to translational and transactional currency risk, which are partially mitigated through matching the currency of sales and purchases. The remaining net risk may be covered through forward hedge contracts to reduce volatility that might affect the Group's cash balance and income statement.

The average and closing rates of the foreign currencies that have the most impact on the translation of the Group's Income Statement and Balance Sheet are as follows:

	Average rate		Closing rate	
	2025	2024	2025	2024
USD/GBP	1.31	1.27	1.34	1.34
Euro/GBP	1.18	1.17	1.15	1.20

The Group's net results are not significantly affected by movements in the USD/GBP exchange rates.

Martin Hopcroft
Interim Chief Financial Officer

2 December 2025

ESG Report

Social

Engaging with our people

Developing our people

Ensuring the wellbeing of our people

Promoting equality and diversity

Supporting our communities

Environment

Reducing energy consumption

Sourcing from cleaner, more sustainable sources

Governance

Corporate governance framework

Business integrity

Managing our supply chain

At G&H we are working hard to reduce our impact on the environment and supporting steps to limit climate change. We made further good progress in the year in reducing our carbon emissions in support of our objective to have zero net Scope 1 and 2 emissions by 2035.

Many of the products that we design and manufacture are supporting the more efficient use of energy and the transition away from carbon-based fuels to clean, renewable energy.

We recognise that our workforce is the most important asset that our Group possesses. We are focused on investing in the development of our employees at all levels within the organisation.

Our apprenticeship schemes offer young people in the communities in which we operate routes in to rewarding, skilled roles in an advanced and complex manufacturing environment. We ensure we operate a safe working environment and were pleased to see a further improvement in our metrics in this area in the year.

We understand the importance of maintaining the highest standards of corporate governance. We ensure we operate in an ethical and sustainable way in all parts of our operations.

The Group's Sustainability Committee is now embedded as an important forum for managing and accelerating the Group's sustainability actions. We also require our suppliers to apply high levels of governance and operate in an ethical manner, and we support them in that process through our regular visits to their facilities.

We are determined to maintain our high standards of business conduct as we know our reputation is key in ensuring our long-term success.

Our business activities and the ways in which we operate to support the **UN's Sustainable Development Goals** are shown below:



3
Good health and well being

Our products help to diagnose and treat illness and disease at their earliest stages.

We are committed to providing a safe and healthy working environment for our employees, including their mental health.



5
Gender equality

We are committed to equal opportunities within our business. We offer flexible working arrangements wherever possible to help retain more women in our business.



7
Affordable and clean energy

Our products support the clean and efficient generation of energy from renewable sources.

We have invested to generate our own energy from solar sources and we are progressively buying more and more of our remaining energy needs from renewable sources.



9
Industry, innovation and infrastructure

Our products enable our customers to operate more effectively and use resources more efficiently.

We employ scientists, engineers and talented production operators constantly innovating in their fields of expertise.



12
Responsible production and consumption

We apply high standards of corporate governance and expect our suppliers to do the same.

We are reducing our impact on the environment.



13
Climate action

We have set a target to be Net Zero for Scope 1 and 2 emissions by 2035, and are making good progress against that.

Our products support the generation of energy from clean, renewable sources.



Our employees

The safety and wellbeing of our employees is of utmost importance to us. We celebrate zero harm achievement and we were pleased to achieve a further reduction in our time lost to accidents in 2025.

Social

Establishing the right culture and values amongst our teams is critical in allowing the Group to deliver upon its strategy. The G&H Values and Behaviours guide how we work with each other and with our customers and suppliers. When we recruit and when we assess our employees' performance we do so by references to the Values and Behaviours we have shared with them.

The safety and wellbeing of our employees is of utmost importance to us. We celebrate zero harm achievement and we were pleased to achieve further reduction in our time lost to accidents in 2025.

Employee engagement

We strive to ensure our employees feel connected to and engaged with the over-arching vision of the Group which is "A Better World with Photonics". We continued our G&H Employee Engagement programme during the year, which is a comprehensive employee connection model that focuses on the "employee life" components of the employment experience.

During the year we have held monthly all-hands site meetings at which the site leadership, and members of the Executive Leadership Team when available, present our 'One G&H' slide pack which helps to give our team members visibility of developments in other parts of the G&H Group.

We invested in a new HR Information System which went live at the beginning of October 2024 and has been the subject of ongoing development since. This system now provides a "one stop shop" for both employees and their managers for employee performance assessments, learning and development plans as well as remuneration details and available employment benefits.

The Board and senior managers within the Group keep connected with the views of employees through regular interactions with our employee consultation groups, comprised of management and elected employee representatives.

There are now two formal occasions a year when the Board meet with those employee representatives. In between those formal meetings our Non-Executive Director, Jim Haynes, nominated as the Board member with overall responsibility for employee engagement, meets with employee representatives.

The G&H Values



Customer Focus

Delivering excellence to our customers both internal and external.



Integrity

We do the right thing. Hard on the issue, fair on the person and kind to the planet.



Action

Understanding that 'it is what we do that makes a difference'. Demonstrating self-motivation, initiative and determination to achieve this.



Unity

Working together across teams and sites, in the spirit of collaboration towards a common purpose.



Precision

In our engineering and our commitment to excellence and continuous improvement.

We seek to develop the skills and capabilities of all our employees.



Reward & Recognition

During the year we have continued to refine our reward and benefits packages to ensure we are market competitive and that they are appropriately rewarding performance in support of our corporate strategy.

We believe that all employees should be able to participate in performance related pay schemes that reward them for both the financial performance of their site and the Group but also their personal contribution to the business during the year.

Developing our People

We seek to develop the skills and capabilities of our employees, and to give our high potential employees the ability to take on new responsibilities and develop their careers.

Within the Group's new HR Information System there is a performance management and appraisal tool which provides opportunity for individuals to discuss training needs and career planning with their manager. Our managers are trained to set SMART objectives and to complete effective staff appraisals. The Group also operates a talent management and succession planning process managed through our online appraisal system and from which the Executive Management Team formulate action plans, and review progress. The Board reviews this process annually and closely follows the development of our high potential employees.

We are able to make available online training content using our new HR systems. This will replace similar but less effective tools we have had in the past to deliver training on how to establish high performing teams and to be aware of the needs of our internal customers as well as areas such as cyber security, export legislation awareness and Global Data Protection Regulations.

During FY25, we introduced our Gold programme which a number of high potential staff have been invited to join. This multi-year programme is intended to provide a development programme for our highest performing junior staff, and in particular give them access to parts of the business outside their normal department. Each of the participants has been assigned a mentor from the senior leadership team.

Safety

The health, safety and well-being of our employees across the Group is of paramount importance, and we work hard to ensure all our people are safe, whether they are working from home, working in our premises or working with our customers. We have a zero-harm vision for health & safety.

Safety performance is a Group KPI and we are pleased to report a 50% reduction in days lost to accidents in FY2025 compared with the prior year. We manage the Group's activities in this area through regular monthly site and quarterly functional reviews. "Near miss" reporting which enables us to deal with potential problems before they result in accidents is a cornerstone of our efforts to improve in this area and we were pleased that there was a 75% increase in the number of individual "Spot it, Stop it" reports made by employees in FY2025 compared with the prior year. We back up local site reporting activities with annual health & safety audits from Group safety managers not normally located at the site. The closure of actions resulting from these audits is managed by the global quality function.

We benchmark our health and safety data with other firms in our industry sectors and continue to demonstrate best in class performance levels. The number of incidents which resulted in lost work time decreased from 10 in FY2024 to 2 in FY2025 and the number of hours lost was 64 hours compared to 127 hours in the previous year. Safety performance is quantified as the number of occupational accidents resulting in any time off work. One injury in the UK was reportable to the UK Health & Safety Executive. The TRIR (Total Recordable Injury Rate) per 200,000 hours worked was 0.62 compared to 1.06 in FY2024.

Health and Wellbeing

We support our employees' health and wellbeing, including their mental health. In the US we contribute to our employees' health insurance accounts where they have opted to join one of the G&H schemes and in the UK we operate a health cash plan for our employees which provides financial reimbursement for costs associated with everyday healthcare and well-being solutions. We also make available to our employees external employee assistance programmes (EAPs) through which employees can access third party advice on good practice health and well-being.

Our sites have trained in-house mental health first aiders and in the UK we have continued our active partnering with the mental health charity MIND. We give our managers regular training to help them recognise and help with emerging mental health issues amongst their teams.

Where it is possible given the nature of their role we offer flexible working arrangements allowing our team members hybrid home/office working patterns allowing them to choose how they do their jobs in a way that works best for them. Within that flexible structure we do however believe in the importance of employees continuing to have regular on-site attendance in order to enable effective team-working and develop working relationships.

We value long term employment with the Group and have operated a long-service recognition scheme across the Group for several years. This is in addition to our employee recognition scheme which rewards employees for significant contribution to the business.

The average length of service across the Group is 8.6 years (2024: 8.5 years).

The loss of key personnel is identified by the Board as a risk within its ongoing Business Risk Assessment process. Voluntary labour turnover was 10.3% across the Group in FY2025 (2024: 8.2%).

Promoting Equality and Diversity

The Board is committed to providing equal employment opportunities for all employees and applicants for employment.

Diversity of age, gender and ethnicity is embraced at G&H. We seek to recruit, hire, develop and retain the best talent from the communities in which we operate. Our employees have diverse backgrounds, skills, and ideas that collectively contribute to our success. In the US our sites have put in place Affirmative Action Programs (AAP) which are designed to attract, retain and develop a diverse pool of talent. In the UK our early year career Apprenticeships and in the US our Internship programmes have been successful in attracting new talent into the Group. We use our enhanced family-friendly employment practices, including flexible working to make G&H an attractive employer to a broader range of people.



The Board and Executive management team monitor the representation of women and ethnic minorities at different levels and across different functions within our “talent pools”. Our recruitment partners are instructed to include female candidates in all shortlist submissions. Over time this will improve the representation of women at all levels, notably in leadership positions. At the end of FY2025 26% of the Group’s Directors and Senior Leadership team were female compared with 25% at the same time last year. Including the Interim Chief Financial Officer, female representation on the Board is unchanged year on year at 33%.

Supporting our Communities

We support the communities in which we operate. Through our G&H Giving programme we encourage employees to participate in volunteer activities and community service projects. To support this, employees are allowed to take time off work for volunteering. We also support charitable organisations through donations and fundraising events, and we partner with local schools. Each of our site general managers has been allocated money to donate to local charities preferably in the form of a “match” for amounts raised by our employees. As a result, we know we are supporting those causes that are important to our employees.

The Group supports and develops students and apprentices, especially in the field of engineering and technology. We frequently host students from our local schools to foster their interest in a career in photonics and to hopefully generate the Group’s future role applicants.

The Group has long-standing relationships with several universities in the UK, including Herriot Watt Edinburgh, Strathclyde, Glasgow, Exeter and University College London with whom we work on collaborative projects as well as providing support to academic research projects.



Environment

G&H is proud that many of our products are supporting the cleaner, more efficient generation and use of energy across a range of applications. We are also working to ensure the environmental impact of our own sites and manufacturing activities are reduced as much as possible.

Our investments in solar panels, battery and voltage optimisation systems along with our policy of purchasing electricity only from renewable sources when our existing energy contracts are renewed are all lowering our greenhouse gas emissions. We have developed a plan with the objective of delivering annual reductions in the energy used by the Group and therefore its carbon equivalent emissions and are pleased to report that we remain on track to achieve net zero Scope 1 & 2 emissions by 2035.

During FY2025 we achieved a reduction of 31.1% in our carbon intensity measure as defined on page 48. Our programmes to transition our US sites to purchase all their electricity needs from clean, renewable sources is gaining momentum following our UK sites. This activity contributed significantly to this improvement.

We continue to maintain links with other companies within our sector and seek to learn from them regarding initiatives to reduce energy consumption. We also engage with consultants as part of the ESOS – Energy Saving Opportunity Scheme and use the structure of ISO 50001 – Energy Management Systems – as best practice guidance to help us identify where the greatest reductions in energy use can be achieved.

Building upon last year's ISO14001 – Environmental Management - accreditation at our Ashford in Kent and Keene in New Hampshire sites, in FY2025 we attained the same accreditation for our Plymouth in Devon and Rochester in New York sites. Keeping this momentum going, we have identified two further target sites, Moorpark in California and Tampa in Florida, for accreditation in FY2026.

Our Health, Safety & Environmental function has developed a standardised approach to Environmental Management Systems, which has enabled the deployment to new sites to be accomplished more quickly than originally planned and that same model will be applied to any future acquisitions made by G&H. Building on the recording of waste types and water consumption, we have extended our measurement of the Group's environmental impact to include the applicable Scope 3 categories for our business.

Environmental and Sustainability Governance

Oversight and governance of our environmental strategy and performance is managed through our Sustainability Committee, chaired by our Non-Executive Director Susan Searle.

The Board's Sustainability Committee supported by its Sub Committee which is staffed with representatives from across the Group has provided further momentum and awareness within our business of not only environmental matters but also our broader sustainability agenda. The internal framework continues to encompass all these factors under the banner of the 'G&H Sustain' initiative.

We are also extending our work in the area of environmental sustainability into our supply chain. For a number of years G&H has partnered with Assent Compliance to proactively engage with our supply chain. Building on last year where we incorporated the Supply Chain ESG Module as a means of extending our ESG awareness throughout our value chain and CA prop 65, this year we have initiated PFAS (Perfluoroalkyl or Polyfluoroalkyl Substances), EU Pops (Persistent Organic Pollutants) and EMRT (Extended Minerals Reporting Template).

This now brings our complete list of active supply chain sustainability modules to a total of 11:

- Registration, Evaluation, Authorisation and Restriction of Chemicals – Substance of Very High Concern
- EU Restriction of Hazardous Substances
- EU Waste Framework Directive
- EU Persistent Organic Pollutants
- CA Prop 65
- Perfluoroalkyl or Polyfluoroalkyl Substances
- Toxic Substances Control Act Restrictions
- Uyghur Forced Labour Prevention Act
- Conflict Minerals Reporting Template
- Extended Minerals Reporting Template
- Supply Chain ESG Module

Environmental Disclosures

G&H continue to engage with external disclosure bodies with regards to both Environmental with CDP and the wider Sustainability remit with EcoVadis. EcoVadis is a global platform that assesses and rates companies' sustainability performance across various environmental, social, and governance (ESG) criteria. It provides detailed evaluations based on a company's practices in areas such as ethical behaviour, labour standards, environmental impact, and supply chain management. G&H uses EcoVadis ratings to benchmark our ESG performance, improve our sustainability strategies, and demonstrate our commitment to responsible business practices to investors, clients, and other stakeholders.

We progressed from a 'Committed' level to 'Bronze' during FY2025 with EcoVadis, which represents a 15% increase and places G&H within the top 35% of disclosing companies.

CDP (formerly known as the Carbon Disclosure Project) is a global non-profit organisation that helps companies, cities and governments measure and manage their environmental impacts. Through annual disclosures, CDP collects data on key environmental areas, such as climate change, water security, and deforestation, allowing organisations to report on their sustainability efforts and risks. By participating in CDP, G&H gains valuable insights into our environmental performance, identifies areas for improvement, and enhance transparency, ultimately aligning with stakeholder expectations and global sustainability goals.

G&H retained a CDP score C and worked on improvement action throughout FY2025 so is hopeful of receiving an improved score in December of 2025. During FY2025 G&H also maintained its MSCI rating of A status.

Independent Verification

During FY2025 G&H underwent an independent verification audit by Carbonology of its Scope 1 & 2 GHG Emissions to ISO 14064. This validated our internal data capture and reporting with a limited assurance statement.



Investing to reduce our emissions

We have and continue to invest in our sites to help them reduce their emissions:

- Our Torquay facility has a 297 kWp solar PV system installed which provides ~20% of the site’s electricity needs along with a Voltage Optimisation System. Having switched gas heating to electrical alternatives the site has become the first within the G&H Group to be net neutral for Scope 1 & 2 GHG emissions.
- Our Ilminster facility has a 302 kWp solar PV system which provides ~7% of the site’s electricity needs.
- Our Ashford facility benefits from two phases of Solar PV, Phase 1 – 150kWp, Phase 2 – 35kWp which now also incorporates 9 battery storage units that provides ~52% of the site’s electricity needs.
- Our Plymouth facility has a Voltage Optimisation System and is exploring a carpark based solar PV system.
- Renewable energy sourcing agreements introduced in Plymouth, Devon and Cleveland, Ohio saving a total of 2,023 tCO2e.
- ESOS Phase 4 - Energy Savings Opportunity Scheme – demonstrated compliance with verification by Bureau Veritas.

As a result of these investments, we will have the capacity to generate approximately 800 kWp of electricity from solar sources. Collectively these have generated around 3,250 MWh’s of electricity since their installation.

We conduct annual energy audits at each of our sites. These audits identify areas for improvement and track existing initiatives through which the site will not only reduce its energy usage over time but also reduce its impact on the environment in the near term. These include:

- LED lighting where not already installed.
- Assessments of alternative forms of heating.
- Exploring heat recovery from manufacturing equipment.
- Installing battery systems to harness excess Solar PV and further improve site efficiencies.
- The double glazing of windows where not already installed.
- Upgrade of equipment with improved energy efficiency.

The results of these energy reduction actions are reported monthly to our Executive Committee and Board. Additionally, they are reviewed by the Executive Committee quarterly and supported where required with financial investment.

Water usage

Water usage reporting was introduced last year. The reporting method has been improved as a result of identifying a reporting error. This error resulted in FY2024 water usage being understated; 23,594 Cubic Metres should have been 29,743 Cubic Metres (*).

WATER CONSUMPTION	CURRENT REPORTING YEAR (FY 2025)	COMPARISON REPORTING YEAR (FY 2024)
Cubic Metres	26,719	29,743 (*)

In FY2025 our consumption reduced by 3,024 Cubic Metres or approx 10%.

Waste

In FY2025 we introduced reporting of the following Waste-Streams:

WASTE CATEGORY (TONNES)	CURRENT REPORTING YEAR (FY 2025)
Total Non-Hazardous	159
Landfill	37
Diverted from Landfill	122

The Waste diverted from landfill represented approximately 77% of the total Non-Hazardous Waste generated.

Energy use and Scope 1 & 2 Emissions

We are targeting to be Net Zero for Scope 1 & 2 emissions by 2035. We are pleased that in FY2025 we made a further significant reduction in our emissions. During FY2025 we also established key Scope 3 emissions reporting – Category 3 - Fuel and energy related activities (not included in Scope 1 or Scope 2) and Category 5 - Waste generated in operations. These have been calculated using an average-data method. We have also used the EcoVadis Carbon Estimator to establish our baseline for all remaining relevant Upstream & Downstream Scope 3 emissions.

The primary drivers of our Scope 1 & 2 emissions reduction in the year were:

- The full year effect of the transfer of our Cleveland, Ohio site to 100% renewable electricity
- The commencement of our Plymouth site purchasing renewable electricity
- A reduction in energy consumption as a result of site improvement activities

- Improved submetering installed in Fremont, California
- Compressed air consumption optimisation by utilising leak detection
- LED lighting improvements
- Servicing of HVAC including filter replacement
- Employee engagement with energy awareness

We have selected as our primary intensity measure carbon dioxide emissions per £1m of revenue for our global scope 1 and Scope 2 GHG emissions (expressed in tonnes of carbon dioxide equivalent).

We are using an operational control boundary for direct GHG emissions. For scope 1 emissions we include our total owned and leased vehicles' direct emissions impact. By far the largest element of our energy usage is our US Scope 2 purchased electricity. Our reported data is collected from a combination of utility invoices and metered sources.

	CURRENT REPORTING YEAR FY2025			COMPARISON REPORTING YEAR FY2024		
	United Kingdom	Rest of World	Total	United Kingdom	Rest of World	Total
Emissions from activities which the Group own or control including combustion of fuel and operation of facilities (Scope 1)/tCO ₂ e	220	330	550	163	304	467
Emissions from electricity, heat, steam and cooling purchase for own use (Scope 2)/tCO ₂ e (Market based)	107	1,214	1,321	352	1,712	2,064
Emissions from electricity, heat, steam and cooling purchase for own use (Scope 2)/tCO ₂ e (Location based)	1,412	3,153	4,565	1,333	3,627	4,960
Total gross Scope 1 and Scope 2 (Market based) emissions/tCO ₂ e	327	1,544	1,871	515	2,016	2,531
Total gross Scope 1 and Scope 2 (Location based) emissions/tCO ₂ e	1,632	3,483	5,115	1,497	3,931	5,428
Energy consumption used to calculate above emissions:/MWh	8,202	12,922	21,124	7,210	13,551	20,761
Tonnes of carbon dioxide equivalent per £1 million of revenue	3.9	23.5	12.4	7.2	29.5	18.0

Scope 1 direct GHG emissions

SCOPE

Includes emissions from activities owned or controlled by G&H that release emissions into the atmosphere. Examples include emissions from combustion in owned or controlled boilers, and vehicles.

REPORTED

Report includes:

- Emissions from combustion of gas and fuel for transport purposes.

Scope 2 energy indirect emissions

Includes emissions from G&H's own consumption of purchased electricity, steam, heat and cooling. These are a consequence of the Group's activities but are from sources not owned/controlled.

Report includes:

- Emissions from purchased electricity.

Energy Use Notes

Note 1

Constant currency not applied to tCO₂e/£1m revenue.

Note 2

Data includes Phoenix & Global Photonics acquisitions.

Note 3

Energy consumption increased by 1.8% (20,761 MWh's to 21,125 MWh's). However, excluding Phoenix & Global Photonics acquisitions consumption reduced by 4.4% (20,761 MWh's to 19,855 MWh's).

Note 4

Intensity Measure used external revenue £150.5m (UK - £48.9m US - £49.7m).

Note 5

GHG Emissions - Scope 1 & 2 now independently verified by Carbonology.

Note 6

Inclusion of Market & Location based categorisation of Scope 2 emissions.

Our emissions data is calculated centrally from data collected locally.

In reporting our carbon dioxide emissions, we have followed the UK Government's Environmental Reporting Guidelines. We have also followed the Greenhouse Gas (GHG) Reporting Protocol and the Streamlined Energy and Carbon Reporting (SECR) guidelines. 2024 Conversion factors have been used for October 2024 to May 2025 inclusively, and 2025 Conversion factors used for June 2025 to September 2025 inclusively.

In the US eGrid 2022 Conversion factors have been used for October 2024 to January 2025 inclusively, and eGrid 2023 Conversion factors used for February 2025 to September 2025 inclusively.

↓26.1%

Group GHG emissions reduced by 26.1% to 1,871 tCO₂e compared to 2,532 tCO₂e in FY2024.

↓38.4%

Group GHG emissions without Phoenix and Global Photonics reduced by 38.4% to 1,560 tCO₂e.

↓31.1%

GHG emission intensity measure reduced by 31.1% to 12.4 tCO₂e / £1m of revenue compared to 18.0 tCO₂e in FY2024.

↓32.2%

The reduction in the intensity measure was 32.2% when measured on a constant currency basis to base year FY2020.

↓74.3%

On a constant currency basis, the Group has achieved a reduction in its GHG intensity measure of 74.3% compared to FY2020, its baseline measurement year.

↑69%

Group energy purchased from renewable REC/REGO sources increased to 69% of all purchased energy for FY2025.

661 MWhs

The Group generated 661 MWhs of electricity from its own installed solar panels. Our Ashford site continued to generate around half of its total electricity needs from its own solar panels and Torquay 20% and Ilminster 7%.

Energy use and Scope 3 Emissions

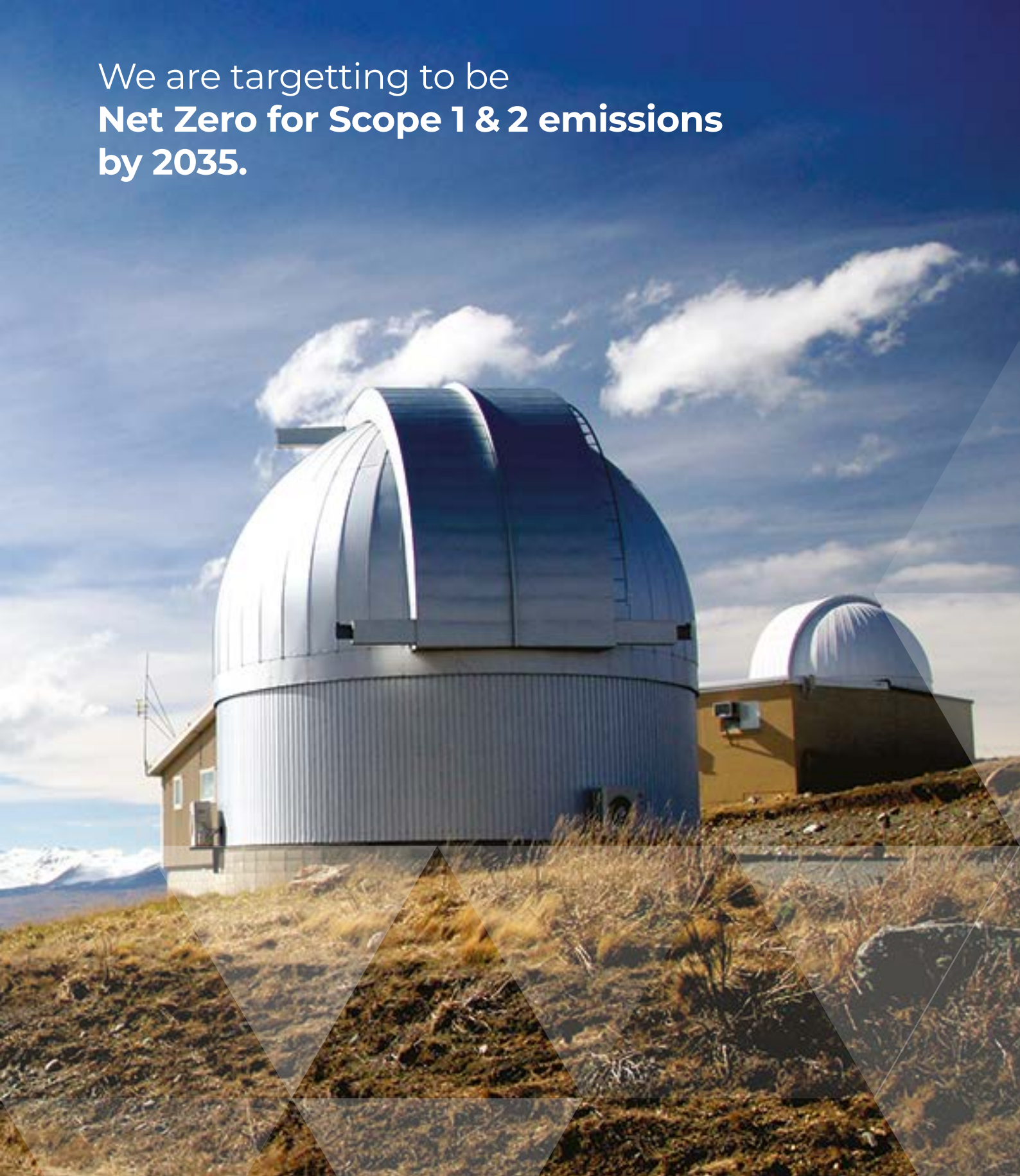
Scope 3 emissions

Scope 3 includes indirect emissions resulting from our business activities, these were calculated using EcoVadis' Carbon estimator tool which is aligned with Greenhouse Gas Protocol. Our Scope 3 emissions and the methodology used are detailed right:

Total gross Scope 3 GHG emissions	31,435.77 tCO ₂ e
Total gross Scope 3 Upstream GHG emissions	23,901.04 tCO ₂ e
Total gross Scope 3 Downstream GHG emissions	7,534.73 tCO ₂ e

UPSTREAM SCOPE 3 CATEGORIES BREAKDOWN (tCO ₂ e)		
SCOPE 3 CATEGORY	GHG EMISSIONS tCO ₂ e	METHODOLOGY
1. Purchased goods and services	20,290.63	Spend-based
2. Capital goods	1,612.07	Spend-based
3. Fuel and energy related activities (not included in Scope 1 or Scope 2)	424.02	Average-data
4. Upstream transportation and distribution	514.81	Spend-based
5. Waste generated in operations	19.68	Average-data
6. Business travelling	213.50	Spend-based
7. Employee commuting	826.33	Average-data
DOWNSTREAM SCOPE 3 CATEGORIES BREAKDOWN (tCO ₂ e)		
SCOPE 3 CATEGORY	GHG EMISSIONS tCO ₂ e	METHODOLOGY
9. Downstream transportation	2,334.03	EcoVadis Carbon Estimator
10. Processing of sold products	5,200.71	EcoVadis Carbon Estimator

We are targetting to be
Net Zero for Scope 1 & 2 emissions
by 2035.



Non-financial and sustainability information statement

Governance

As a global manufacturer of high technology optical products, we understand that climate change presents both risks and opportunities to our business and key markets, and are committed to identifying, assessing and responding effectively to these. Following our initial qualitative assessment of climate-related risks and opportunities in 2023, in 2025 we continued to use this analysis for taking into account the impact of these risks and opportunities under various climate scenarios and time horizons as part of our internal risk assessment process.

The Board notes the requirement for mandatory climate-related disclosures within the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022, which this report addresses.

Board oversight of climate-related risks and opportunities

At Gooch & Housego, the Board of Directors has ultimate oversight and responsibility for our sustainability strategy, targets, disclosures and reporting. This includes overall accountability and responsibility for climate-related issues such as risks and opportunities, monitoring the company's progress in achieving its climate related targets, and assessing climate-related performance objectives for Executives. The Board reviews climate and environmental risks and opportunities as part of its periodic Group Risk Review meetings and receives monthly updates via board presentations and board packs from the Head of Compliance and Quality, covering a range of environmental and other key sustainability topics. This includes climate-related matters such as emissions, and progress against the business's Scope 1 and 2 net zero target. In addition, in-depth reviews are undertaken at least bi-annually.

The Board is supported by the Board-level Sustainability Committee and its Subcommittee. The Sustainability Committee meets twice per year and is chaired by Non-Executive Director Susan Searle, who brings broad expertise in ESG matters to drive progress on the Group's activities in this area, as demonstrated through her other non-executive roles including as Chair of Greenback Recycling Technologies. The committee oversees actions to minimise the impact of the Group's operations on the environment and planet, as well as ensuring the Group's strategy is aligned with its environmental and social responsibilities. The committee is accountable for ensuring progress against G&H's KPIs and targets, such as implementation of ISO 14001 certification, in line with stakeholders' expectations.

Management of climate-related risk and maintenance of systems and processes to manage those risks is the responsibility of the Board of Directors, with the Audit Committee supporting them in this role. The Audit Committee has responsibility for reviewing the effectiveness of the risk management framework that incorporates climate-related risk and opportunities. The Remuneration Committee supports the Board by assessing Executives' performance against their short-term incentive plan objectives.

The Board's activities during the financial year included the approval of the Group's updated climate risk assessment as described in this section, in addition to approving the Group's registration to participate in the EcoVadis Assessment, and site-based activities such as the development of additional battery storage at Ashford. The Board continues to regularly monitor the Group's progress in reducing its emissions intensity through the transition to purchased renewable electricity. In November 2025, the Remuneration Committee assessed the Executive Committee's performance against Short Term Incentive Plan objectives including a 10% reduction of the Group's carbon intensity.

Management’s role in assessing and managing climate-related risks and opportunities

At management level, the Executive Team are kept informed on sustainability and environmental issues and the company’s progress against its initiatives via a monthly report from the Head of Compliance and Quality.

The Executive Team play key roles in the Group’s climate-risk management process with the CEO ultimately being responsible for the overall integration of climate related considerations in our Group strategy, climate reporting and compliance with disclosure requirements, and as a member of both the Sustainability Committee and Subcommittee is also responsible for overseeing the implementation of environmental and energy efficiency projects at our sites.

A cross-functional Sustainability Subcommittee is in place to propose, and then support the implementation of, the Group’s

sustainability strategy at a regional/site level, with regional EHS managers among its members. Meetings take place on a quarterly basis and allow EHS managers along with project leads to provide sustainability updates at a site level. Susan Searle, a Non-Executive Director, attends this meeting on a bi-annual basis, which helps the flow of information across all levels of the business. The Subcommittee reports into the group level Sustainability Committee on a bi-annual basis.

At the divisional level, EHS managers organise quarterly meetings related to sustainability with employees, and have separate meetings to discuss environmental touch points as part of our group-wide ISO 14001.

Our climate-related governance structure is summarised in the figure below:



Risk Management

Our process for identifying, assessing and managing climate-related risks

Identification of climate-related risks is fully integrated into Gooch & Housego's risk management processes and considered as part of the overall Group risk management process. Risks are managed through quarterly functional reviews, and progress against our agreed roadmaps is reviewed in meetings of our Sustainability Committee.

Climate-related risks are assessed in the same manner as other Group risks, so that their relative significance is comparable. Our climate risk assessment takes into account all existing and emerging risks and opportunities. We considered risks and opportunities in relation to all our global operations, and the Group's largest sole source suppliers in addition to the Group's contract manufacturing partners. While all categories were assessed, not all risk categories were applicable or material to the business. A summary of the risks and opportunities identified in this assessment can be found later in this report.

Climate risk is identified both through bottom-up and top-down processes. Physical risks are rolled up from business unit level, and through surveys of functional owners within the business, conducted annually with oversight by the Interim Chief Financial Officer. In addition, a top-down assessment is conducted of strategic and market risks. Our findings were discussed with site representatives at each material site to improve awareness and understand the current mitigations facilities have for such hazards.

Climate-related transition risks were determined by senior management and took into account inputs provided by the sustainability consultants from 2023 and current status from our sustainability team and functional leads. The process also identified risk mitigation actions, and our management team will continue to monitor progress against these actions through monthly reports and the use of internal dashboards.

In order to assess the relative magnitude of climate-related risks, the Group has adopted the following scale. The magnitude of opportunities is assessed using the inverse of risks' financial impact.

LIKELIHOOD	IMPACT
LOW <ul style="list-style-type: none"> Highly unlikely to occur No supporting legislation in any relevant market 	<ul style="list-style-type: none"> No regulatory impact Very low or low financial impact (<£0.3m profit) with limited impact on business operations or key customers Minor adverse comment in local media
MEDIUM <ul style="list-style-type: none"> Unlikely to occur Legislation likely to be in place in some markets 	<ul style="list-style-type: none"> Moderate regulatory or legal obligation Moderate impact on relationships with customers with medium impact on the financial health of the business (£0.3-£1.0m profit impact) Unfavourable coverage in national media Disruption to services
HIGH <ul style="list-style-type: none"> More likely than not to occur Legislative instrument in place or highly likely to be across most markets 	<ul style="list-style-type: none"> High potential for disclosure to market, resulting in significant penalties and high likelihood for a fall in share price Loss of key customers as well as very significant contracts Widespread critical coverage in national/international media Closure or suspension of business operations High or very high (>£1m profit) financial impact High staff turnover or departure of key personnel

Climate risk is identified through
bottom-up and top-down processes.



Strategy

Impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning

Based on our analysis and quantification of climate-related risks, in aggregate we assess the Group's risk exposure to be moderate. The magnitude of climate-related opportunities is currently assessed to be mostly low, although development of products that may facilitate the low-carbon economy are judged to be a medium opportunity. Given the long-time frames over which climate-related risks and opportunities may manifest there is a high level of uncertainty in our longer-term impact calculations for both risks and opportunities.

Overall, we consider that the Group's existing business strategy and ambitious decarbonisation agenda (net zero Scope 1 and 2 emissions by 2035), provide financial and strategic robustness to climate change. All risks have well-established mitigations that substantially reduce the net risk to the business. In particular the Group's transition to net zero is incorporated into 'business as usual' in regard to operational and capital expenditure. There are no effects of climate-related matters reflected in judgements and estimates applied in the financial statements. We will continue to develop our analysis as new data becomes available, both internally and externally, and will continue to monitor our climate exposures and initiatives through our overall risk management framework.

Our approach to scenario analysis

In 2024 the Group undertook a thorough analysis of the physical and transition risks affecting the Group with the assistance of a third-party sustainability consultancy. This involved the use of public climate scenarios to provide comparisons across potential climate outcomes.

Physical risk scenarios

Four climate scenarios were used to analyse climate-related physical risks. These are the default scenarios in the Munich Re location analysis software we use, modelled by the Intergovernmental Panel on Climate Change (IPCC).

The physical climate-related assessment covered the Group's own operations and 29 selected supplier facilities, in addition to the Group's contract manufacturer sites. Supplier facilities were prioritised by focusing on sole suppliers above a financial materiality threshold. This year, downstream physical risks were not analysed given the significant diversification of the Group's customers was considered to be a strong mitigation against any downstream climate risk exposure.



Transition risk and opportunity scenarios

Gooch & Housego additionally used two scenarios for analysis of transition risks and opportunities, with a horizon of 2050. These scenarios, derived from the International Energy Agency (IEA) are more descriptive and therefore especially useful for modelling more positive climate forecasts.

- Net Zero 2050 (NZE): an ambitious scenario which sets out a narrow but achievable pathway for the global energy sector to achieve net zero CO2 emissions by 2050. This meets the TCFD/CFD requirement of using a “below 2°C” scenario and is included as it informs the decarbonisation pathways used by the Science Based Targets initiative (SBTi), which validates corporate net zero targets and ambition.
- Stated Policies Scenario (STEPS): a scenario which represents the roll forward of already announced policy measures. This scenario outlines a combination of physical and transitions risk impacts as temperatures rise by around 2.5°C by 2100 from pre-industrial levels, with a 50% probability. This scenario is included as it represents a base case pathway with a trajectory implied by today’s policy settings.

Where appropriate scenarios were supplemented by additional sources that are specific to each risk. We note that scenario analysis involves a range of assumptions and limitations, applicable to both physical and transitional risks, including:

1. Scenarios often only provide high level global and regional forecasts.

2. Not all risks are easily subject to scenario analysis.

3. Scenario analysis requires analysis of specific factors and modelling them with fixed assumptions.

4. It is assumed that Gooch & Housego will have the same carbon footprint and the same business activities in the future as are in place today.

5. Impacts are considered in the context of the current financial performance and prices.

6. Impacts are assumed to occur without the company responding with any mitigation actions, which would reduce the impact of risks.

7. Impacts are modelled to occur in a linear fashion, when in practice dramatic climate-related impacts may occur suddenly after tipping points are breached.

8. The analysis considered each risk and scenario in isolation, when in practice climate-related risks may occur in parallel as part of a wider set of potential global impacts.

9. Carbon pricing was informed by the Global Energy Outlook 2023 report from the International Energy Agency (IEA).

10. There will be opportunities in future years to increase the sophistication of modelling as new data is made available both internally and externally to support a meaningful quantitative assessment.

Time horizons

Climate-related risks and opportunities were identified and assessed over the following time horizons:

TIME HORIZON	RATIONALE
SHORT 0-5 YEARS	In-line with specific business plan forecasting
MEDIUM 5-12 YEARS	Encompassing the Group’s ambition for net zero by 2035 (Scopes 1 & 2)
LONG +12 YEARS	Long enough to encompass long-term industry and policy trends, such as UK net zero by 2050 and for climate-related risks to manifest

Key Risks

Climate-related physical risks

Gooch & Housego currently has eleven manufacturing sites across the UK and USA, with sales offices in France, Germany and Japan. Based on last year's collaboration with an external consultant we continued to apply the same rationale towards the risk of natural hazards affecting our key sole suppliers and contract manufacturing partners.

Our natural hazards assessment indicated that three of our sites in the USA are currently assessed to be at a high to high-medium exposure to fire, weather stress, or storm/hurricane, and that an additional facility is predicted to be at a very high risk of river flooding in future time horizons. However, no such natural hazards have previously impacted these facilities, and all have robust mitigations as summarised in the table (right).

RISK	TCFD CATEGORY	AREA
1. Damage/disruption to own operations due to fire, weather stress and wildfires	Physical	Own operations
2. Damage/disruption to own operations due to storms/hurricanes	Physical	Own operations
3. Damage/disruption to own operations due to flood events	Physical	Own operations
4. Disruption to supply chain due to climate-related natural hazards	Physical	Upstream

Climate-related transition risks

This year our internal risk management process considered our transition risk assessment by reviewing a wide range of climate risk exposures and considering the impact of climate scenarios. Risks that were explored and ultimately dismissed as insignificant included the risk of operational exposure to carbon pricing mechanisms in the UK, and potential exposure to shortages of supply in critical metals and compounds given their high demand for other uses in the energy transition. Following quantification of their financial impact both risks were ultimately deemed insignificant, given the low non-renewable energy usage of our UK facilities and continued decarbonisation trajectory and secondly given the relatively low volumes of key compounds/metals that are purchased by the Group on an annual basis.

Our key climate-related transition risks are summarised in the table (right), affecting our global operations:

RISK	TCFD CATEGORY	AREA
5. Carbon pricing mechanisms	Regulation	Upstream
6. Technology risk	Market	Own operations
7. Reputational risk	Market	Own operations

POTENTIAL FINANCIAL IMPACT	TIME HORIZON	LIKELIHOOD	MAGNITUDE OF IMPACT	SCENARIO WITH LARGEST POTENTIAL IMPACT	MITIGATING ACTIONS
<ul style="list-style-type: none"> • Lost production/revenues • Cost of asset damages • Increased insurance costs associated with higher exposure • Revenue losses from downtime 	Short	Medium	High	RCP 8.5/SSP5	<ul style="list-style-type: none"> • Fire prevention methods including clearing of vegetation and fire-proofing facilities • Insurance for asset/property damage and business interruption • Business Continuity Plans updated for all facilities
<ul style="list-style-type: none"> • Lost production/revenues • Cost of asset damages • Increased insurance costs associated with higher exposure • Revenue losses from downtime 	Short	Medium	High	RCP 8.5/SSP5	<ul style="list-style-type: none"> • Local facility construction to withstand storm forces • Insurance for asset/property damage and business interruption • Business Continuity Plans updated for all facilities
<ul style="list-style-type: none"> • Lost production/revenues • Cost of asset damages • Increased insurance costs associated with higher exposure • Revenue losses from downtime 	Medium-Long	Medium	High	RCP 8.5/SSP5	<ul style="list-style-type: none"> • Ability to transfer work to other facilities • Insurance for asset/property damage and business interruption • Local infrastructure including storm drains and manmade flood channels • Business Continuity Plans updated for all facilities
<ul style="list-style-type: none"> • Lost production/revenues • Higher costs of purchased goods 	Short-Medium	High	High	RCP 8.5/SSP5	<ul style="list-style-type: none"> • Dual sourcing strategies • Redundancy in critical materials/components • Insurance in the event of downtime at a contract manufacturing partner

POTENTIAL FINANCIAL IMPACT	TIME HORIZON	LIKELIHOOD	MAGNITUDE OF IMPACT	SCENARIO WITH LARGEST POTENTIAL IMPACT	MITIGATING ACTIONS
<ul style="list-style-type: none"> • Price of carbon related to GHG emissions associated with upstream value chain increases costs (manufacturing of raw materials and shipping) where suppliers pass on the added costs to their customers 	Medium-Long	High	Medium	NZE	<ul style="list-style-type: none"> • Scope 3, upstream emissions now being measured to improve visibility of key suppliers • Subsequently we may engage with key suppliers to encourage decarbonisation of upstream value chain • Emissions-related criteria may in future be selected as an aspect of supplier selection criteria • Potentially explore incorporation of low carbon materials and improvements to material efficiencies to reduce spend on materials with high emissions
<ul style="list-style-type: none"> • Increased capital expenditure due to potential replacements and/or upgrades of machinery with high emissions intensity, as part of group's decarbonisation strategy 	Medium-Long	High	Medium	NZE	<ul style="list-style-type: none"> • Clear roadmap of required upgrades by 2035 should allow for most upgrades to fall under BAU expenditure
<ul style="list-style-type: none"> • Increased cost of capital and/or loss of revenue in the event of being perceived as a laggard on sustainability issues and not meeting stakeholders' ESG reporting requirements, or delivery of targets and the net zero roadmap 	Short-Medium	Medium	Medium	NZE	<ul style="list-style-type: none"> • Improved sustainability governance at G&H, including recent establishment of a board-level Sustainability Committee and Subcommittee • Proactive reporting to rating agencies/frameworks including CDP and EcoVadis • Continued rollout of ISO14001, currently covering 72% of the workforce

Key Opportunities

RISK	TCFD CATEGORY	AREA	POTENTIAL FINANCIAL IMPACT	TIME HORIZON
1. Products aiding the transition to a low carbon economy	Product & Services Markets	Own operations Downstream	<ul style="list-style-type: none"> Higher revenues, profitability from products catering to low carbon economy, such as for EV technologies, advanced batteries, and renewable energy 	Medium-Long
2. Improvements to resource efficiency	Resource Efficiency	Own operations	<ul style="list-style-type: none"> Cost reductions from reduced resource consumption and improved efficiency 	Medium
3. Energy sourcing	Energy Source	Own operations	<ul style="list-style-type: none"> Decreased exposure to carbon pricing through installation of renewables and purchase or renewable energy contracts Reduced energy costs 	Medium-Long
4. Reputational opportunity	Reputation	Own operations Downstream	<ul style="list-style-type: none"> Increased access to capital and increased revenues from customers with sustainability criteria 	Short-Medium

Metrics & Targets

Gooch & Housego currently reports Scope 1 and Scope 2 emissions in accordance with UK SECR regulation and calculated using the Greenhouse Gas (GHG) Reporting Protocol. From FY25 G&H can now report its Scope 3 emissions. Categories that were used to conduct the initial assessment of Scope 3 emissions included Category 1 (Purchased goods and services), 2 (Capital goods), 3 (Fuel and energy-related activities not included in Scope 1&2), 4 (Upstream Transportation & Distribution), 5 (Waste), 6 (Business travelling), 7 (Employee commuting), 9 (Downstream Transportation & Distribution) and 10 (Processing of sold products).

In addition to its absolute Scope 1 and 2 emissions, the Group has disclosed its operational emissions (Scope 1 & 2) per £m of revenue since FY2020, with significant annual improvement year-on-year.

G&H's key target is to achieve net zero Scope 1 and 2 emissions by 2035 from a 2020 baseline, which we are currently on track to achieve, with interim targets to reduce emissions 10% by FY25 and a further 10% by FY26 and FY27. The FY25 target has been met, following a 74.3% reduction from 2020. The Group will explore the option of setting Science Based Targets, following an assessment of Scope 3 emissions in due course. The executive directors in the business have short and long-term incentives which include measures related to the Group's ESG agenda such as the progress of sites' ISO14001 accreditation, and reductions in the Group's carbon intensity. These performance objectives are assessed by the Remuneration Committee. In the future we will look to introduce additional targets and performance measures.

The Group tracks exposure and mitigations to each respective climate-risk and opportunity through the following metrics:

LIKELIHOOD	MAGNITUDE OF IMPACT	SCENARIO WITH LARGEST POTENTIAL IMPACT	MITIGATING ACTIONS
High	Medium	NZE	<ul style="list-style-type: none"> Strategic investment in products that improve customers' energy efficiency Focus of R&D investment on advanced fibre technology to optimise footprint, bandwidth density and reliability of fibre optic components in subsea networks
High	Low	NZE	<ul style="list-style-type: none"> Employee engagement on reducing energy consumption Installation of LED lighting Installation of insulation to improve energy efficiency Replacement/upgrading of machinery to more efficient models Improvements to recyclability and reuse of product packaging by customers
Medium	Low	NZE	<ul style="list-style-type: none"> Various energy efficiency initiatives Use of REGO-certified or equivalent certifications at 83% of UK facilities and 50% of US facilities. 50% UK facilities with PV Solar installations Capital investment strategy especially focused on the transition from natural gas to alternative solutions, such as hydrogen
Medium	Low	NZE	<ul style="list-style-type: none"> Improved sustainability governance and internal controls to ensure timely and accurate reporting

RISK	METRIC TO TRACK
1. Damage/disruption to own operations due to fire, weather stress and wildfires	• Days of facility downtime due to wildfire incidents
2. Damage/disruption to own operations due to flood events	• Days of facility downtime due to flood events
3. Disruption to supply chain due to climate-related natural hazards	<ul style="list-style-type: none"> Price of purchased goods Inventory levels and buffer stocks
4. Carbon pricing mechanisms (upstream)	<ul style="list-style-type: none"> Scope 3 emissions IEA carbon pricing forecasts
5. Technology risk	• Investment in new technologies
6. Reputational risk	<ul style="list-style-type: none"> ESG Rating Agency scores Scope 1-3 emissions

OPPORTUNITY	METRIC TO TRACK
1. Products aiding the transition to a low carbon economy	<ul style="list-style-type: none"> Product carbon footprint (planned for FY26) GHG intensity measure – emissions per £m of revenue % of revenue resulting from low carbon end applications
2. Improvements to resource efficiency	• Waste, water, energy consumption, energy efficiency/ FTE or £m
3. Energy sourcing	• Group energy use, % renewable electricity, Scope 2 emissions
4. Reputational opportunity	<ul style="list-style-type: none"> External ESG ratings Scope 1-3 emissions

Governance

Corporate Governance

At G&H we strive to maintain the highest standards of Corporate Governance. We conduct our business activities honestly and with integrity. For more information on the Group Corporate Governance Framework see page 80.

We have put in place a G&H Code of Conduct and supported it with a suite of policies. The policies are published on our website at www.gandh.com/environmental-social-and-governance.

These policies are operated across all of our sites. We provide training to ensure employees understand and implement our policies. We also monitor our suppliers' compliance through a programme of audits.

Code of Conduct

The G&H Code of Conduct covers:

- a) operating our business in an ethical manner
- b) the provision of a safe and healthy work place
- c) business conduct that demonstrates respect for co-workers, suppliers, customers and partners
- d) the Group's commitment to the principles of equality and diversity and compliance with all relevant equality and anti-discrimination legislation
- e) excellence in management practice through the ongoing development of business aligned human resource systems and initiatives, structured training and development programs for employees through which they can enhance the skills, knowledge and capability necessary for further growth within the organisation.

Group Health & Safety statement: Managing health and safety is a top priority and is a central element of managing the total risks faced by our business.

Equal opportunity statement: The Group is committed to providing equal opportunities for all employees and applicants for employment.

Anti-Corruption and bribery: G&H takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever it operates.

Fraud policy: The Group has in place systems designed to mitigate the risk of fraud.

Modern Slavery: G&H is committed to preventing slavery and human trafficking in its corporate activities, and to ensuring that its supply chains are free from slavery and human trafficking.

Environmental: G&H aims to reduce the environmental impacts of its activities and to help its customers, suppliers and partners to do the same.

Supplier Code of Conduct: Which sets out the minimum level of behaviours and practices we expect to see applied by our suppliers regardless of where they operate.

Conflict Minerals: We believe in the ethical sourcing of materials used in the manufacturing processes within G&H. G&H will not purchase any materials which originate from any areas of war or conflict.

Ethics

Human Rights

99% of the Group's employees are based within the major advanced economies of the UK, USA, France and Japan, which have strong legislation governing human rights. The Group complies fully with applicable legislation in these areas, and the other countries in which it operates, to ensure the rights of every person (whether employees, suppliers, clients or stakeholders) are respected. We put in place employment policies and practices which support and promote diversity and equal opportunities to make sure all employees are treated with dignity and respect, and all staff are provided with a safe, secure and healthy environment in which to work, regardless of where in the world they are located.

Supply Chain

It is important to us that our suppliers operate to the same high standards that we set ourselves. We support them in this by establishing clear contractual commitments and back that up through on-site audits. Our supplier contracts cover areas such as Modern Slavery, Safe Working Practices and Anti-Bribery / Corruption to ensure the supplier adheres to our policies. We undertake annual risk assessments of our suppliers and the outcome of that process determines not only the decision as to whether to work with a supplier but also those suppliers that are selected for an on-site audit visit to ensure they are in compliance with our policies. We have a team of G&H employees permanently based in our large contract manufacturing partners facility.

Whistleblowing

We have a whistleblowing policy which encourages open and honest communication where incidents of non-compliance are seen in our business. Whistleblowing issues are reported directly to management, and any significant issues, should they arise, are reported to the Audit Committee and the Board. In each instance, cases are investigated in detail and appropriate action taken.

Compliance with Regulations and Standards

We do not tolerate practices which contravene industry best practices. Regulatory demands upon us vary around the world; however, we have established a core compliance team to ensure the Group fully adheres to legislative and regulatory requirements whilst adapting to local needs as a minimum. We support this with online training tools through which we make sure our employees know what is expected of them.



S172 Statement

Our stakeholders are key to the long-term sustainability of our business. The importance of open and meaningful engagement with all our stakeholders is fully embraced by our Board members and is encouraged through all levels of the Group.

The Board has identified its key stakeholders and has considered how it engages with these groups so as to maintain a clear and current understanding of their views.

Some of those engagements are undertaken directly by the Board and some by the Group's senior managers and reported back to the Board. Throughout the year the Board assesses how its decisions and the Group's activities impact our various stakeholders.

As a Board we have a duty to promote the success of G&H for the benefit of our members whilst having regard to the interests of our people, the success of our relationships with suppliers and customers and the impact of our operations on the environment and communities in which we operate. Stakeholder considerations are included in all Board discussions and decisions. Presentation and other materials provided to the Board help it understand the benefits and risks associated with its proposed activities. If a chosen course of action adversely affects one group of stakeholders for the collective benefit of others then we always try to ensure they are treated fairly.

The Board is focused upon the long-term consequences of its decisions as well as more immediate operational matters. For example, our approach to partnering with customers on their next generation product developments allows us to build long term and mutually beneficial relationships which will last for many years. Our technology road maps will deliver benefits potentially for many years meaning that we are investing now for the future benefit of the Group.

The Board's oversight of the Group's risk management process through which the senior leadership team provide updates of the Group's risk environment together with associated action plans to mitigate those risks, is another example of how the long-term sustainability of the Group is managed by the Board.

The Board understands the importance of maintaining high standards of corporate governance and avoiding reputational issues that may follow if the Group does not. Consequently, we strive to follow best corporate governance practices and have a governance framework in place that allows us to make reasoned and informed decisions. Further information on how the Board and its Committees operate can be found in the Corporate Governance Report.

The Group has in place specific policies to ensure all Group employees operate in an honest and ethical way. Details of these can be found in the ESG Report.

We have set out below details of our engagement with stakeholders. This constitutes our Section 172(1) Statement. Further information on how these duties have been applied can be found throughout the Annual Report.

Customers

Our customers rely upon us for innovative, advanced solutions for their photonic needs. We invested £7.3m in research and development in FY2025 in products and solutions that seek to address their current and emerging needs. We understand that our customers depend upon us to supply our products on time and to the required quality.

How we engage

G&H has a track record of working with our customers on their next generation development needs, often many years prior to entering into volume production. The Board is regularly updated on the work of our engineering teams on their technology roadmaps to ensure we are progressing to plan and those plans address the needs of our identified launch customers.

During the year, we again used a third-party organisation to undertake a survey of our customers. The survey covered all sites in the Group and customers were given the option of providing their feedback anonymously if they wished to.

Outcomes

We saw a pleasing increase in the response rate year on year, although we did see a decline in our net promoter score. The survey results showed that G&H continued to perform well in the areas of product quality and technical support, but delivery performance continued to be an area of concern with customers wanting to see shorter

lead times and better on time delivery performance. In response to the feedback received, our divisional teams have drawn up response plans which were presented to the Board in November 2025. We are confident that the initiatives set out therein will lead to an increase in our net promoter score in 2026.

Priorities for FY2026

We will continue to work on further reducing our overdue backlog and the time taken to respond to our customers' requests for proposals. We will conduct another customer survey to measure our progress on these objectives through the eyes of our customers as well as gathering further feedback from them on other aspects of our performance.

The Board reviews progress on the key projects within our technology roadmaps on a regular basis. The aim of this continues to be to ensure our resources are deployed in the most efficient manner on the projects with the highest potential returns. We expect this to help accelerate our time to market for our next generation products. Our R&D spend in FY2025 totalled £7.3m and we brought 79 new products to market.

Employees

Our people play a crucial role in helping us pursue our strategic goals. We work to provide them with safe working conditions, attractive terms of employment and the ability to develop their careers in a fair and engaging workplace.

How we engage

We have a number of channels through which we engage with our employees. There are regular all hands meetings whereby local site management engage with and receive feedback from site employees. We have continued to deliver our 'One G&H' slide pack which is available for our site general managers to use at these meetings. This further helps to give our team members visibility of developments in other parts of the G&H Group. These are supplemented by regular, more detailed feedback sessions with employee representative groups.

When members of the Group executive visit sites they will typically either join the site's all hands meeting or schedule a separate session through which they can receive feedback from employees.

Jim Haynes is our Non-Executive Director with responsibility for employee engagement. Our efforts on employee engagement continue to develop, and we are very pleased with the progress during FY25.

Our new annual employee survey successfully launched in early FY25, with strong participation rates, and clear feedback. Results of the survey were fed back to staff on all sites, and improvement plans were generated at site and global levels.

The survey feedback was consistent to that previously received by Jim Haynes during site level discussions.

Our global employee council is now firmly established with representation from all sites. The council provides a mechanism for cross fertilisation of ideas between sites, and a focus for survey improvement plans. During FY25, Jim met with the global council twice. Additionally, the chair of the council gave a readout to the Board at our March 2025 Board meeting, a significant milestone for the company, and our employee engagement efforts.

Jim (along with other board members) remains committed to joining site level employee meetings as opportunity allows. The target for FY2026, is to meet at least once with all sites. We will also work to further strengthen the overall engagement structure; annual survey, site level council meetings, global council meetings, site communication and strategy rollout sessions.

We have continued to develop our HR Information System which went live at the beginning of October 2024. This system provides a "one stop shop" for both employees and their managers for employee performance assessments, learning and development plans as well as remuneration details and available employment benefits.

Outcomes

We achieved a further reduction in lost time accidents in the year and are working to eliminate these completely. We continue to run "Spot it, Stop it" campaigns in the business to increase awareness on the importance of near miss reporting as a way or preventing accidents from happening. We have seen a significant increase in near miss reporting as a result of this, which enables us to take corrective action where necessary before any incident occurs.

We continue to run our mental health first aider programmes and held a number of awareness workshops during the year intended to help managers recognise early warning signs of mental health issues amongst their teams.

Our CEO, Charlie Peppiatt regularly visits to meet the teams and present an update on progress on our Strategy.

Priorities for FY2026

We will ensure there is regular feedback to our teams on the progress of the Group against its strategic plan. We will also work hard to promote diversity and inclusion across the Group. We have an objective to

increase female representation amongst our management teams. More details of our engagement with our employees and the results of those engagements are set out in the ESG Report.

Shareholders

We maintain strong relationships with shareholders.

We want to ensure they understand our strategy, progress and performance and that we understand how they view our business. Our shareholders rely upon us to create value over time.

We have consistently increased our dividend over the years.

In FY2025 we paid £3.5m in dividends to our shareholders.

How we engage

We engage with our shareholders through Investor Roadshows led by the Chief Executive Officer and Chief Financial Officer.

During the year we hosted a number of shareholder visits across our UK sites to enable them to gain a deeper understanding of our capabilities and strategy.

The Group's brokers provide independent feedback to the Board on shareholder opinions and their views on our meetings with investors. Regular trading updates are provided as well as the Annual Report.

We understand the focus many of our shareholders place on the area of Executive Director remuneration. Susan Searle, the chairman of our Remuneration Committee, consulted with our principal shareholders on the recent changes to Executive Director remuneration as set out in the Remuneration Committee Report.

Outcomes

Our shareholders have been briefed on progress on the Group's strategic objectives.

Priorities for FY2026

We will continue to offer extensive investor engagement focused primarily around our Roadshows in June and December each year.

This will include specific updates on our progress towards the achievement of our strategic priorities.

Suppliers

The supply of goods and services to our operations is critical to our overall success. Our suppliers expect from us fair contracting, on time payments and accurate forecasting of our future requirements. We continue to review the performance of our suppliers on a monthly basis and work with them to implement improvement programmes.

How we engage

Our Supply Chain Management team are responsible for the engagement with our suppliers. We have put in place supply contracts which include the minimum standards which we expect our suppliers to operate to. During FY2025 we continued to build on the relationship with our main contract manufacturing partner as we worked with them to increase their output.

We have a team of employees permanently based at our principal contract manufacturing partner's facility in Asia to ensure we keep them informed of our latest forecast demand profiles as well as working with them to explore ways in which we can jointly improve their operations and reduce the

cost of manufacture. Our two business systems are connected with suitable security controls in place, allowing our two organisations to communicate in a very timely manner.

For our other suppliers we have a team of supplier quality engineers who undertake site visits to our suppliers to audit their compliance with the standards we expect of them. The selection of suppliers to audit in any period is based upon a risk assessment tool which considers both the materiality of the supplier to G&H's operations as well as the control environment in place at the supplier's facility.

Outcomes

We established relationships with new suppliers during the year to help de-risk our production programmes' sensitivity to shortfalls in electronic component supply.

In FY2025 we used Assents' Supply Chain ESG Module as a means of extending awareness of ESG matters throughout our supply chain.

We made progress in the year in transferring further product lines to our contract manufacturing partners. Including additional hi-reliability fused fibre couplers and further increasing its output. Additional products transferred include key components in our Life Sciences business.

Priorities for FY2026

During FY2026 we intend to start monitoring our suppliers' impact on the environment by reviewing which elements of the Group's Scope 3 emissions arising from our supply chain we are able to measure and reduce. We intend to work with Carbon Disclosure Project (CDP) to help us with this activity using their questionnaires and processes to help our suppliers provide the information we are seeking. Once we have completed these initial assessments we will then work with our suppliers with higher carbon footprints to see how these may be reduced.

As part of our strategic plan we made it clear that we intend to increase the proportion of the Group's revenue that is derived from products that have been subcontracted to our contract manufacturing partners from less than 10% to around 25% by the end of the plan period. Progress against this objective was made in FY2025 and in the coming year we will identify further products that we believe are suitable to be outsourced.

Communities

We strive to engage with the communities in which we operate in a responsible manner. We aim to make a positive contribution to our communities through the employment we provide, the suppliers we work with and the taxes we pay. Our site general managers each have funding allocated to them to support local charities. We ask them to focus on those charities that their site employees care about and so they frequently spend these funds in the form of a match for amounts raised by our employees themselves. Our Sustainability Committee reviews our charitable giving on an annual basis.

How we engage

We invest in job creation. We attend job fairs close to our sites to encourage school and college leavers to join G&H. We also have established relationships with universities and fund PhD studies in the field of photonics.

Our facilities offer high quality employment across a range of functional areas. We are pleased to offer apprenticeships to employees at the beginning of their careers. We have supported the charity MIND through fund raising activities.

Outcomes

Due to the growth in demand for the Group's products we were able to add new roles during FY2025 at most of our facilities. We held a number of apprentice days where local school leavers were able to visit our facilities and see the work we do.

Our growing business meant we were able to increase the volumes of products and services we bought from our suppliers many of whom continue to be local to our facilities.

Priorities for FY2026

We will continue to support our employees in contributing to local causes close to their hearts.

We will also engage positively with our local communities about any changes to our operations.

Where to find out more

Employees – ESG Report

Investors – Corporate Governance Report

Environment – ESG Report

Society – ESG Report

Long-Term Success – Strategic Reports

Principal Risks and Uncertainties

The Group has a process for the identification and management of risk as part of the governance structure implemented by the Board. Management of risk and maintenance of systems and processes to manage those risks is the responsibility of the Board of Directors. In managing and mitigating risk, a comprehensive and robust system of controls and risk management processes has been implemented. The Board's role in the risk management process comprises:

- Promoting a culture of integrity throughout the business;
- Making risk management a core part of the business;
- Setting the appetite for risk;
- Identifying the key risks and ensuring they are effectively communicated and managed; and
- Establishing overall policies for risk management and control.

The Group maintains a risk register, a summary of which is approved annually by the Board. The Group's functional heads and leadership team all have input into the risk identification process. The register clearly identifies who in the organisation has responsibility for the day-to-day management of the identified risks, and has a timeline for any required mitigating actions. The risks are ranked according to their likelihood of affecting the business and the estimated financial impact they may have.

The risks identified can be categorised into four key areas: strategic risk, operational risk, commercial risk and financial risk.

The assessment of key risks during the year has not identified any new significant risks. However, a number of the risks identified in the FY2024 Annual Report have increased in severity during the year. The Board is satisfied that the mitigating actions taken in response to the identified risks are appropriate and will keep this under review. The Board is conscious of the importance to our stakeholders of our ESG agenda and the potential impact of climate change on the operations of the Company. In response to this risk the Board's Sustainability Committee is intended to ensure that the Company's strategy and operations are conducted in a sustainable manner and consistent with our corporate values.

The Audit Committee has responsibility for reviewing the effectiveness of the risk management framework and internal controls and ensures that the Group complies with relevant regulations and laws. Although the Group does not have an internal audit function, the function of internal control is discharged by the Group Finance team. Its responsibility is to monitor compliance and conduct or, where appropriate, commission specific reviews. The Audit Committee has reviewed the work undertaken by Group Finance to review compliance with the Company's financial control framework during the year.

The following represent the significant risks and uncertainties identified in the Group's risk register.

Geopolitical risk

RISK

There is an ongoing risk that political instability results in disruption and increased protectionism in the form of higher trade tariffs in some of our geographic markets. This could impact the Group’s sales into these markets. There is a further risk that our incoming supplies from these markets could be blocked by government action.

MITIGATION

We regularly review order flow from our various geographic markets and target new markets to mitigate the risk from politically unstable regions.

The geographic spread of our customers limits the impact of any one market on the results of the Group as a whole.

The Group’s in house production activities are all now located in either the UK or the US.

The Group is developing its low-cost region supply chain to allow supply of finished product directly from the region thereby reducing the impact of tariffs.

Our supply chain team actively seek new, alternative sources of supply to reduce our dependence upon suppliers in unstable regions. During FY2025, the supply chain team have also been focused on the fast-changing tariff landscape in order that we may act on a timely basis to minimise the effect of relevant tariffs on the group’s profitability, in particular by passing them onto customers wherever possible.

CHANGE FROM FY2024



Security of materials supply

RISK

Shortages in certain commodities such as rare elements and components used in electronic components could have an effect on our ability to manufacture products.

We utilise a number of sole source suppliers in the business, and certain of our suppliers are based in higher risk regions. An interruption in supply could have an adverse effect on our manufacturing operations.

Export restrictions such as those being imposed by China on certain key raw materials could affect our ability to produce.

MITIGATION

Our supply chain team continually review existing supply arrangements to identify and mitigate risk.

They regularly monitor the availability of key components and seek to put in place long term agreements with critical suppliers to ensure continuity of supply. Buffer stocks are held where necessary, although these would not be sufficient in the event of a protracted delay in supply.

Our engineering teams work to identify and qualify alternative sources of supply to mitigate risk where this is possible.

Our supplier audit programme is designed to identify supply chain risk, and we work with our suppliers to mitigate those risks identified.

CHANGE FROM FY2024



Order intake and global economic trends

RISK

There is a risk of destocking and slower than expected economic growth impacting demand for some of our products, particularly in the Industrial market.

MITIGATION

Orderbook coverage is regularly reviewed in detail and regular reviews are held identifying new business opportunities.

We regularly meet with our customers to receive updates on their view of growth trends within their end markets.

We use this information in scheduled meetings between our site operations teams and our business development staff to scale our operations accordingly.

CHANGE FROM FY2024



Competition

RISK

There is an ongoing risk of loss of market share or price erosion due to the activities of competitors in our marketplaces. This could lead to a reduction in revenue and/or profitability.

MITIGATION

There has not been a significant change to the competitive landscape during the year, but this remains a key area of focus for the G&H management team.

Maintenance of our product quality and on-time delivery performance remain top priorities and we have continued to reduce our past due backlog in the year.

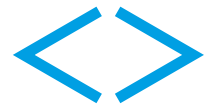
We also seek to stay ahead of our competition by bringing new, technologically superior products to the market. This will help us to counteract the emergence of lower cost competitors in the market.

Our sustained investment in R&D enabled us to launch 79 new products during FY2025.

The Group's continuous improvement plan targets increased efficiency and lower waste, ultimately aimed at margin improvement. This, combined with our manufacturing footprint and outsourcing strategy, is enabling more agile manufacturing, thereby helping to sustain our cost competitiveness in the market.

Our business development teams maintain a strong presence in the marketplace and attend key trade shows which enables them to monitor competitor activity and respond accordingly.

CHANGE FROM FY2024



Information and cyber security

RISK

There is a risk of loss of digital intellectual property/data or our ability to operate systems due to internal failure or external attack.

MITIGATION

Clear ownership of cyber risk and IT controls.

Data is appropriately stored and backed up with IT system recovery plans in place. These plans are regularly tested.

Employee training programmes and regular communication have been put in place to warn employees of the risk of cyber-crime.

CHANGE FROM FY2024



Inflation

RISK

Inflation in our core markets could have an effect on the Group's cost base through increased staff costs, material costs and overheads, including power costs.

MITIGATION

Our sales team works to pass on input price increases to customers by increasing sales prices.

Our global supply chain team is closely monitoring purchase price variances to identify price increases from suppliers. The team is focused on achieving savings.

CHANGE FROM FY2024



Sustainability, climate change and the environment

RISK

There is a risk we do not deliver on our commitments to enable a sustainable future, leading to reputational damage.

Our operations may be impacted by the effects of climate change.

MITIGATION


Our ESG agenda is closely monitored by the Board via regular Sustainability Committee meetings.

In FY24, we engaged CEN Advisory to help us identify the climate change related risks that may impact upon our operations and how best to mitigate them.


CHANGE FROM FY2024




Sustainability, climate change and the environment (continued)

RISK	MITIGATION (continued)	CHANGE FROM FY2024
	<p>Our annual report updates our stakeholders on progress towards delivering against our stated targets.</p> <p>Net zero Scope 1 and 2 commitment published.</p> <p>Engagement with our stakeholders to obtain feedback on their concerns in this area, and on their views on our progress.</p>	

Staff recruitment and retention

RISK	MITIGATION	CHANGE FROM FY2024
<p>The Group recognises the importance of retaining and developing its workforce in order to achieve its strategic objectives.</p> <p>Whilst this remains a key risk, we have not seen any significant change in the level of risk this year.</p>	<p>Our people are at the heart of our business. We have put in place development and reward schemes to encourage individuals to play a long-term role in the future development of the Group.</p> <p>We have thorough on-boarding processes for new employees to help new starters to settle into their roles.</p> <p>Our HR teams review local market conditions on an ongoing basis and take appropriate action where necessary.</p> <p>Succession planning is reviewed by the senior management team on a regular basis.</p> <p>Our new HR Information System provides a one stop shop for the identification of employee succession and training needs.</p> <p>During FY25, we introduced our Gold programme which a number of high potential staff have been invited to join. This multi-year programme is intended to provide a development programme for our highest performing junior staff, and in particular give them access to parts of the business outside their normal department. Each of the participants has been assigned a mentor from the senior leadership team.</p>	

M&A strategy

RISK	MITIGATION	CHANGE FROM FY2024
<p>M&A remains a key part of our growth strategy and we have an in-house team who identify and review opportunities in this regard with assistance from an external consultant where required. There is a risk that we may not be able to identify the right acquisition targets to enable the Group's growth strategy.</p> <p>There is also risk attached to the performance and integration of acquisitions made by the Group.</p>	<p>Dedicated teams are established to manage the integration of acquired businesses. These teams meet on a regular basis to review progress against agreed integration milestones. Our business development and R&D teams work closely with the acquired businesses to drive commercial synergies and create value.</p> <p>Regular meetings continue to be held internally to review new acquisition opportunities which present themselves and those which are identified by our in-house team.</p> <p>Acquisition targets are subject to full legal, financial, operational and commercial due diligence prior to acquisition.</p> <p>The integration of Phoenix and Global Photonics has progressed well so far, and we have ensured that lessons learned from previous integrations have been factored into the plans.</p>	

The strategic report has been approved by the Board of Directors and signed on its behalf by:

Charlie Peppiatt
Chief Executive Officer
 2 December 2025

Governance



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Board of Directors

The right blend of **skills** and **experience**

Executive Directors



Charlie Peppiatt

Chief Executive Officer

Appointed
14 September 2022

Chief Executive Officer

Charlie joined Gooch & Housego PLC in September 2022 from TT Electronics PLC where he was Executive Vice-President since 2018 when TT acquired Stadium Group Plc.

Charlie was CEO at Stadium, an AIM listed company, from 2013 until its acquisition by TT. Previously he was Vice President of Global Operations for Laird PLC, a FTSE 250 electronics company. Charlie has held senior roles globally in hi-tech businesses supplying into the medical, telecoms, Industrial and A&D sectors.

Non-Executive Directors



Gary Bullard

Non-Executive Chairman

Appointed
21 February 2018

Non-Executive Director

Gary previously held senior management positions, including sales and marketing roles, at IBM and BT Group PLC and was a Non-Executive Director of Chloride Group PLC, Rotork PLC and Spirent Communications PLC. Gary most recently held the position of President of Logica UK until October 2012 and was a member of the Executive Committee of Logica PLC.

Gary is Non-Executive Chair of AFC Energy PLC and Oxford Metrics PLC.

Gary is Chair of the Nomination Committee and a member of the Remuneration and Sustainability Committees of the G&H Board.



Louise Evans

Appointed
11 May 2020

Non-Executive Director

Louise has wide financial leadership experience, having held Group Finance Director roles at Braemar Shipping Services PLC and Williams Grand Prix Holdings PLC. She has also held senior positions at RPS Group PLC and Reynard Motorsport. She qualified as a Chartered Accountant whilst working with Ernst & Young. Louise is a Non-Executive Director and Audit Committee chair of AB Dynamics PLC and the International Foundation for Aids to Navigation, and is also an independent director and Audit and Risk Committee Chair of World Rugby.

Louise holds a bachelor's degree in Management Science from the University of Wales and is a Fellow of the Institute of Chartered Accountants in England and Wales. Louise is the Senior Independent Director and is Chair of the Audit Committee and a member of the Remuneration, Nomination and Sustainability Committees of the G&H board.



Jim Haynes

Appointed
12 February 2021

Non-Executive Director

Jim has over 35 years' experience in the Optoelectronics industry, where he has held senior management positions in operations, engineering and business. Jim has worked for Nortel Networks, Agility Communications and Oclaro PLC, where he was COO. He was also a Non-Executive Director at Andor PLC, and until February 2023 was an advisor at Silicon Photonics start up, Rockley Photonics.

Jim holds a bachelor's degree in Material Science from the University of Wales. Jim is a member of the Audit, Remuneration, Nomination and Sustainability Committees of the G&H board.

Jim is also the Non-Executive Director with responsibility for the Board's engagement with the workforce.



Susan Searle

Appointed
3 April 2023

Non-Executive Director

Susan was a founder of Touchstone Innovations plc, and formerly its CEO. She has served on a variety of public and private company boards in engineering, healthcare and advanced materials, and held a variety of commercial and business development roles with Shell Chemicals, the Bank of Nova Scotia, Montech (Australia), and Signet Group plc. Previously Susan was a Non-Executive Director and Chair of the Remuneration Committee of Qinetiq Group plc, the Senior Independent Director and Remuneration Committee Chair of Horizon Discovery Group plc and Chair of two investment businesses; Mercia Asset Management plc and Schroder UK Public Private Trust plc.

Susan is Chair of Greenback Recycling Technologies Limited, Senior Independent Director of Bibby Line Group and Advanced Medical Solutions plc and a Non-Executive Director of Eco2veritas Certification Limited. Susan holds an MA in Chemistry from Oxford University. Susan is Chair of the Sustainability and Remuneration Committees and a member of the Audit and Nominations Committees of the G&H board.

Executive Management Team

The right blend of **skills** and **experience**



Charlie Peppiatt

Chief Executive Officer

Appointed 2022

Charlie Peppiatt assumed the position of Chief Executive Officer at Gooch & Housego Plc in September 2022, steering the company with a wealth of leadership experience.

Before his tenure at G&H, Charlie held the role of Executive Vice President at TT Electronics Plc from 2018, a position he assumed following TT's acquisition of Stadium Group Plc. His leadership as CEO at Stadium, an AIM listed company, spanned from 2013 until its acquisition by TT. Charlie's career trajectory also includes a significant stint as the Vice President of Global Operations for Laird Plc, a prominent FTSE 250 electronics company.

With an international perspective and senior roles in cutting-edge industries serving the medical, telecoms, industrial, and A&D sectors, Charlie brings a profound and diverse experience to his pivotal leadership role at G&H.



Martin Hopcroft

Interim Chief Financial Officer

Appointed 2025

Martin Hopcroft joined Gooch & Housego Plc as Interim Chief Financial Officer in July 2025. With over forty years of international experience in multi-site operations across multiple industries, in listed companies and private equity investments, he provides financial, operational and strategic management to complex businesses in transition.

He holds a Bachelor of Science (Economics) in Mathematical Economics and Econometrics from The London School of Economics and Political Science, and he is a Member of The Institute of Chartered Accountants in England and Wales.



Stratos Kehayas, PhD

President, Photonics

Appointed
2013

Dr. Efstratios (Stratos) Kehayas serves as the President of our Photonics Division, leading the global product management, R&D and strategic marketing of G&H group.

Dr. Kehayas holds a Ph.D. from the National Technical University of Athens and a Master's degree in photonics from Imperial College London. As the co-founder and Managing Director of Constelex Technology Enablers, a startup acquired by G&H in 2013, he has significantly contributed to the development of novel fibre-optic systems for satellite laser communications and harsh environment fibre sensing.

Stratos' skills include entrepreneurial leadership, cross-functional team leadership, new product development, and strategic product marketing, making him a driving force in G&H's technological innovation.



Bryan Bothwell

Executive
Vice President, Life
Sciences

Appointed
2024

Bryan is the Executive Vice President, Life Sciences. He has a wealth of life sciences leadership experience, having most recently led a business unit focused on developing medical point-of-care diagnostics solutions and medical devices using sensor technology.

Bryan holds Master's degrees in Business and Electrical Engineering from Babson's FW Olin Graduate School of Business and Oregon Health and Sciences Universities respectively. He holds undergraduate degrees in Biology and Biochemistry.

His background is in business development, strategic planning, and commercialisation across the medical device, biotech, semiconductor and other high-tech industries.



Melinda Chudleigh

Chief People
Officer

Appointed
2023

Melinda Chudleigh serves as the Chief People Officer at G&H, bringing 25 years of invaluable expertise in human resources and organisational development.

Her distinguished background includes senior talent leadership roles at Mentor Graphics Corp, Novell Inc, Qorvo, TT Electronics, and Xytech Systems.

Melinda is recognised for spearheading initiatives that enhance employee engagement and talent development. Her unwavering commitment to creating inclusive and supportive work environments aligns seamlessly with G&H's values, making her a key player in shaping and implementing the company's talent strategy.



Jamie Pindard

EVP Optical
Systems

Appointed
2025

Jamie Pindard is Executive Vice President, Optical Systems, with over 12 years' experience with G&H and G&H Artemis. In his previous role as Vice President of Sales & Business Development for Optical Systems, Jamie played a pivotal role in building and leading a high-performing global team across sales, business development, customer service, and product management. His leadership has been instrumental in strengthening customer relationships and driving strategic growth across the division.

Corporate Governance

Introduction

The Board is accountable to shareholders and is committed to the highest standards of corporate governance. To this end, the Group has adopted the UK Corporate Governance Code (2018). The Code is available to download at www.frc.org.uk.

The Board of Gooch & Housego PLC reviewed its corporate governance procedures at its September 2025 meeting. Following the actions taken in previous years to ensure full compliance with the Code, no further actions were required this year and the Board consider the Group to have fully complied with the Code during the year ended 30 September 2025.

How we Govern the Group

The Board leads the Group's governance framework. It is responsible for setting the strategic targets for the Group, monitoring progress made, approving proposed actions and for ensuring that the appropriate internal controls are in place and that they are operating effectively.

The Board is assisted by four principal committees (Audit, Nomination, Remuneration and Sustainability) each of which is responsible for dealing with matters within its own terms of reference, which are available on the Group's web site.

The Board

The Board currently comprises one Executive Director and four Non-Executive Directors. The directors holding office during the period of this report and their biographies are detailed from pages 76-77 and are also available on our website: www.gandh.com.

The Chief Executive Officer has a rolling service contract subject to 12 months' notice. The Chairman and Non-Executive Directors do not have contracts of service. The terms of appointment of the Directors are available for inspection during business hours at the registered office of Gooch & Housego PLC and are also available at the AGM.

All the Non-Executive Directors are considered by the Board to be independent of management and free of any relationships which could materially interfere with the exercise of their independent judgement.

The Nomination Committee is responsible for approving appointments to the Board. The Board understands and recognises the benefits that diversity can bring, and our recruitment partners are briefed on our requirements in this regard.

Roles and Responsibilities

There is a documented clear division of responsibilities between the Chairman and the Chief Executive Officer to ensure that there is a balance of power and authority between leadership of the Board and executive leadership.

All Directors are entitled to seek independent, professional advice at the Group's expense in order to discharge their responsibilities as Directors. Gooch & Housego PLC maintains appropriate directors' and officers' insurance cover.

External Roles for Directors

The Board reviews the Directors' external commitments on an annual basis to ensure they are sufficiently available to enable them to discharge their responsibilities, particularly if there were exceptional circumstances that might require additional time at short notice. The Board is cognisant that the Chairman, Gary Bullard currently has three non-executive roles, all of which are as Chairman (including G&H). He has assessed his time commitments and confirmed to the Board that they do not hinder his ability to discharge his responsibilities as Chairman of G&H. Gary attended all of the scheduled Gooch & Housego PLC board meetings during the year and has no other external commitments other than his Board roles. Gary Bullard will stand down as Chairman in the year ending 30 September 2026, and a search for his successor is underway.

Board Activities

Day to day responsibility for the running of the Group is delegated to executive management. However, there are a number of matters where, because of their importance to the Group, it is not considered appropriate to do this. The Board therefore has a documented schedule of matters reserved for its decision. This schedule is available on the Group's website.

There are typically eight routine board meetings a year, with additional meetings held as necessary to consider specific matters.

Meetings between the Non-Executive Directors, without the Executive Directors present are scheduled in the Board's annual programme. These meetings are encouraged by the Chairman and provide the Non-Executive Directors with a forum in which to share experiences and to discuss wider business topics, fostering debate in Board and committee meetings and strengthening working relationships.

The Board has established a procedure for Directors, if deemed necessary, to take independent professional advice at the Group's expense in the furtherance of their duties. The Chairman ensures that the Board is kept properly informed and is consulted on all matters reserved to it. Board papers and other information are distributed in a timely manner to allow Directors to be properly briefed in advance of meetings.

In accordance with best practice, the Chairman addresses the developmental needs of the Board as a whole, with a view to further developing its effectiveness as a team and ensures that each Director refreshes and updates his or her individual skills, knowledge and expertise.

A formal, comprehensive and tailored induction is given to all Non-Executive Directors following their appointment, including access to external training courses, visits to key locations within the Group and meetings with members of the senior management team.

Louise Evans is the Senior Independent Director. Her role includes providing a sounding board for the Chairman and acting as an intermediary for the Non-Executive Directors, where necessary. The Board believes that Louise has the appropriate experience, knowledge and independence to continue this role.

The Board is responsible for setting the Group's strategy. The board calendar includes two strategy sessions per year. At these sessions, members of the leadership team present updates on

strategic progress to the board in advance of wider discussions which form the basis of our ongoing strategy. Further details of our strategy can be found in the Strategic Report.

Board meeting attendance is presented in the following table:

Executive Directors	
Charlie Peppiatt	8/8
Chris Jewell (retired 30 September 2025)	6/8
Non-Executive Directors	
Gary Bullard	8/8
Louise Evans	8/8
Jim Haynes	8/8
Susan Searle	8/8

Maintaining a Dialogue with Shareholders

The Chairman ensures that the Board maintains an appropriate dialogue with shareholders. During FY2025, the Chairman met with a number of major shareholders independently of the Executive Directors.

The Chief Executive Officer and the Chief Financial Officer regularly meet with institutional investors to discuss strategic issues and to make presentations on the Group's results.

In addition to the full and half year results, the Group publishes Regulatory News Service announcements through the London Stock Exchange.

The Group's website contains an archive of information on the Group's history, leadership, governance, financial results, dividend history and up to date share price information.

Although the Non-Executive Directors are not formally required to meet the shareholders of the Group, their attendance at the Annual General Meeting and at presentations of the interim and annual results is encouraged.

Engagement with the Workforce

Jim Haynes is our Non-Executive Director with responsibility for engagement with the workforce. During FY2025, Jim met with the Global Employee Council twice and further details of his activities in this role are provided in the s172 Statement.

We have an established global employee representative group from across our site teams. This group will be responsible for the cross fertilisation of ideas between sites and will meet formally with the Board of Directors twice a year to provide consolidated feedback.

As we enter FY2026, we will launch our new annual employee survey, to get even broader feedback from employees.

The Board reviews the organisation's culture to ensure it is aligned with the Group's strategy. The Group's Mission, Vision, Values and Behaviours have been rolled out across the Group and further strengthen the Group's culture in support of its strategic aim. Further information on our work in this regard is given in the ESG Report.

Other ways in which we ensure appropriate engagement with our workforce are set out in the Strategic Report. These activities enable the Board to gauge the Group's culture and to make changes where necessary to ensure it is aligned with our strategy.

Board Effectiveness

The Chairman is responsible, with assistance from the Nomination Committee, for ensuring that the Company has an effective Board with a suitable range of skills, expertise and experience. During FY2025, Lorna Parker was engaged to undertake an external independent review of the Board and the Chairman. Lorna met with all of the Directors, Brian Phillipson (a former Non-Executive Director, who retired on 30 September 2024), the Company Secretary, a representative of the Company's Nominated Advisor and certain members of the Executive Management Team as part of this exercise. Lorna also attended the November 2024 Board and Committee meetings as an observer and reviewed Board and Committee papers for the 12-month period prior to the review. Lorna prepared a detailed report summarising her findings and attended the February 2025 meeting to share her thoughts and facilitate a Board discussion thereon.

The areas for improvement identified from the review are in many cases now being rolled forward as Board actions and the Board has agreed to revisit the findings in FY26 to review progress thereon. The Board found the exercise to be a valuable one and will review the possibility of repeating the exercise in three years' time.

The Board focuses on formulation of strategy, management of effective business controls and review of business performance. The Board is specifically responsible for the approval of annual and interim results and interim management statements, acquisitions and disposals, major capital expenditure, borrowings, director and company secretary appointments and removals, any material litigation, strategic forecasting and major development projects.

A framework of delegated authorities is in place that details the structure of delegation below Board level and includes matters reserved for the Board.

Board Committees

The Board has established a number of committees to assist in the discharge of its duties. The formal terms of reference for the principal committees can be found on the Group's website.

The Board has four formally constituted committees, the Audit committee, the Remuneration committee, the Nomination committee and the Sustainability Committee. A report on the activities of each of the other committees follows later in this report.

Accountability

The Directors acknowledge that they are responsible for the Group's system of internal financial control. The system can provide only reasonable, and not absolute, assurance against material misstatements and losses.

G&H adopts a formal risk identification and management process designed to ensure that risks are properly identified, prioritised, evaluated and mitigated to the extent possible. A formal group wide risk register is maintained and approved by the Board on an annual basis. This year, the output of the risk register was reviewed at the September 2025 meeting.

There are defined lines of responsibility and delegation of authorities. There are also internal financial controls in existence which are centrally maintained and documented and provide reasonable assurance of the maintenance of proper accounting records and the reliability of financial information used within the business.

The Audit Committee is responsible for reviewing the effectiveness of the Group's financial reporting, internal control policies and procedures for the identification, assessment and reporting of risk. It is also responsible for advising the Board on whether the Committee believes the Annual Report taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

The Group does not have an internal audit department. Each year, finance staff independent of the site being visited, perform detailed testing of compliance with the Group's comprehensive control framework. The results of this work were summarised and presented to the Audit Committee in September 2025. This showed significant progress during the year. The sites acquired in the year ended 30 September 2025 will be subject to the first round of testing under this programme in the year ending 30 September 2026.

Annual budgets and strategic plans are prepared for each business unit. Financial and operational reports enable the Board to compare performance against budget and to take action where appropriate.

Remuneration

The Remuneration Committee is responsible for setting remuneration packages of the Executive Directors which are designed to promote the long-term success of the Group and take account of current corporate governance practice. The committee ensures that performance related components of Executive Director remuneration are transparent, stretching and rigorously applied. The committee also monitors the level and structure of remuneration for other senior management.

No director is involved in deciding his or her own remuneration.



Directors' Report

The Directors present their report together with the audited consolidated financial statements for the year ended 30 September 2025. The Directors who held office during the year and up to the date of this report are shown on pages 76 to 77. Additionally, Chris Jewell was an executive director until his retirement on 30 September 2025.

A review of the development and performance of the Group during the year and its future prospects is set out in the Financial Highlights and in the Financial Review. An outline of the business's principal activities, strategy and the Group's progress in the year towards these strategies is given in the Strategic Report. An analysis of the segmental information by market sector is given in the Operations Review. Details of our corporate governance policies and procedures are outlined in the Corporate Governance Statement.

Key Financial Performance Indicators (KPIs)

The Group uses a selection of KPIs to monitor and review the performance of the business. These are detailed from page 26.

Dividends

During the year ended 30 September 2025 a final dividend of 8.3p per share was paid for the previous financial year. An interim dividend of 4.9p was paid for the half year ended 31 March 2025 (2024: 4.9p).

For the year ended 30 September 2025, the Directors have proposed a final dividend of 8.3p per share (2024: 8.3p).

Substantial Shareholdings

As at 15 November 2025, the following shareholders had notified the Company that they held an interest in 3% or more of its issued ordinary share capital:

Shareholder	Number	% holding
Odyssean Capital LLP	3,500,000	12.87
Octopus Investments Limited	3,471,753	12.76
Schroders	1,820,836	6.69
Fidelity Worldwide Investment	1,685,114	6.20
Gan Atid USA LLC	1,271,801	4.68
JM Finn & Co	1,065,809	3.92
Canaccord Genuity Group Inc	926,687	3.41
Royal London Mutual Assurance Society	898,462	3.30

Save for these interests, the Directors have not been notified that any person is directly or indirectly interested in 3% or more of the issued ordinary share capital of the Company.

Treasury Policies

The Group's treasury policies are designed to manage financial risk to the Group that arises from operating in a number of foreign currencies and to maximise interest income on cash deposits, whilst maintaining the security of these deposits. As an international group of companies, the main exposure is in respect of foreign currency risk on the trading transactions undertaken by group companies and on the translation of the net assets of overseas subsidiaries. This exposure is principally to the US dollar.

Monthly cash management reporting is in place to facilitate management of this currency risk. The operations of group treasury take place at head office.

All balances not immediately required for group operations are placed on short-term deposit with leading international highly rated financial institutions.

At a transactional level, the Group seeks to offset its exposure to foreign exchange movements by contracting with significant supply partners in US Dollars and undertakes regular financial reviews to assess whether it would be appropriate for the Group to enter into currency hedging contracts to mitigate the currency risk. During the year, the Group also entered into contracts to sell US Dollars at specific rates in the future. Further details are given in Note 29 to the financial statements.

The Group's bank borrowings are denominated in US Dollars, which acts as a partial hedge of a net investment against its US Dollar denominated companies within the Group.

Further information on financial risk is given in Note 29 to the financial statements.

Research and Development

The Group has a continuing commitment to a high level of research and development and invested £7.3m in R&D in the year ended 30 September 2025 (2024: £7.8m). This commitment is to actively develop new technologies and capabilities that will become a key part of the Group's future product portfolio and revenue.

Statement of Employment of Disabled Persons

The Group is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. Full and fair consideration is given to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Employees who become disabled during their working life will be retained in employment wherever possible and will be provided help with any necessary rehabilitation and retraining. The Group is prepared to modify procedures or equipment, wherever this is practicable, so that full use can be made of an individual's abilities.

Directors' Indemnities

The Directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Group also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group and Company financial statements in accordance with UK-adopted international accounting standards.

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

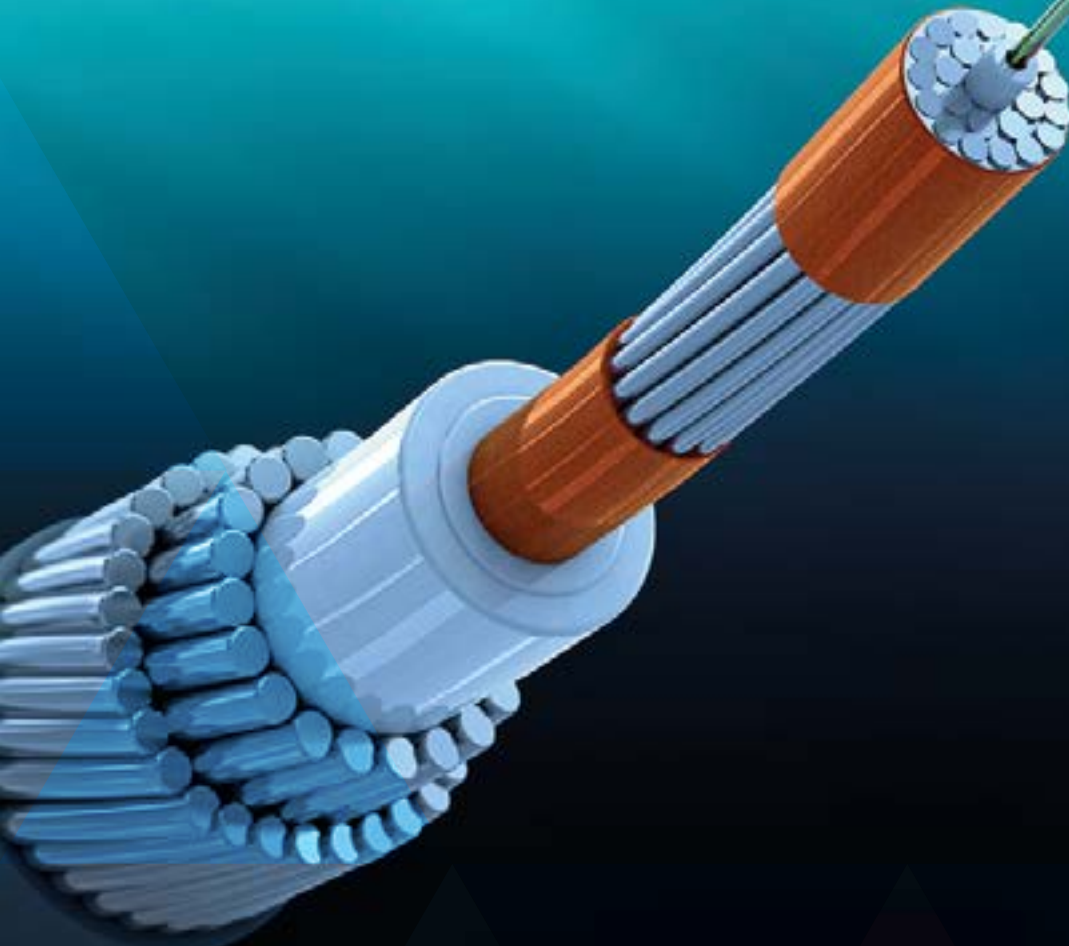
The directors are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

“

The Group is committed to employment policies, which follow best practice, based on equal opportunities for all employees.”



Directors' Confirmations

The directors consider that the annual report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group and Company's position and performance, business model and strategy.

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the group and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group and parent company's auditors are aware of that information.

Stakeholder Engagement

The ways in which we have engaged with our stakeholders in the year are set out in our s172 Statement and our ESG Report. Our streamlined energy and carbon reporting can be found in our ESG Report from page 40.

Going Concern

The Directors have reviewed the current financial forecasts for FY2026. They have assessed the future funding requirements of the Group and compared them with available borrowing facilities. They have also reviewed forecast performance against our banking covenants. Details of the financial and liquidity positions of the Group are given on page 39.

At 30 September 2025, the Group has a strong balance sheet with net current assets of £57.6m. The Group's cash and undrawn committed and uncommitted facilities totalled £21.9m.

The Directors have reviewed severe but plausible downside scenarios that estimate the potential impact of the principal risks that the Group faces (see pages 70 to 73 of this report) on the financial forecasts. These include the impact of a possible recession and the resultant reduced demand in certain of the Group's markets, most notably commercial aerospace and the industrial laser market driven by softness in consumer end market demand. They also included the effect of erosion of sales prices due to competition, the impact of delays to our production ramp up, the impact of inflation on input costs which cannot be passed on to customers, the potential impact of a cyber-attack and a reduction in forecast revenue to illustrate the potential effect of a loss of key personnel or inability to hire for a key role. The model also considered the loss of revenue and profit associated with a closure of one of our sites due to a legal non-compliance issue. Mitigating actions including cost and capital expenditure savings, and an extension of our payment terms with suppliers (in FY2026 only) have been factored into this analysis.

This assessment covered not only the 12 months to December 2026 but also for the period to September 2028 in order to support the Viability Statement given below.

We have compared the downside risk adjusted cash projections and covenant performance against the Group's available cash and

borrowing facilities and have been able to conclude that the Group would continue to be able to operate even if a number of the risks occurred simultaneously.

As a result of the assessments undertaken the Directors are satisfied that the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Viability Statement

The directors have also assessed the viability and long-term prospects of the Group for the period to September 2028 taking into account the Group's current position and the potential impact of the principal risk and uncertainties set out on pages 70 to 73 of this report.

Business planning processes within G&H require the preparation of detailed financial plans as part of an annual review and update of the Group's three-year strategic plan, a process in which all functions are involved. The Group's strategy is developed, and capital investment decisions are made, based on cash flow forecasts over a three year horizon.

The Group's strategy is key to understanding its prospects. Further details of the strategy can be found in the Strategic Report. By focussing on diversification in to attractive adjacent markets with our sub assembly and systems capabilities, thereby reducing the Group's dependency upon the Industrial laser market and by creating differentiated products and capabilities through our R&D investment we are making the Group sustainable for the long term. The Group's geographical and sector diversification helps to reduce the impact of many of the risks that the Group faces. Furthermore, the Group's revenue is not overly concentrated with any particular customers or markets.

We have determined that the period to September 2028 represents an appropriate period over which to provide the viability statement as this aligns with the business cycle and order intake trends of the Group.

As described above we have stress tested the Group's financial projections for the period covered by the viability statement, testing it for the severe but plausible risks that the business faces. This assessment confirmed that the Group would continue to be able to operate even if a number of the risks occurred simultaneously.

Based upon these assessments the Directors confirm that at the time of approving the financial statements, there is a reasonable expectation that the Group will have adequate resources to continue in operation over the period to September 2028.

Approved and signed on behalf of the Board of Directors by:

Charlie Peppiatt
Director
2 December 2025

Sustainability Committee Report

The Sustainability Committee was established in September 2023. It comprises all members of the Board together with Andy Back, the Group's Global Head of Quality and Compliance.

A subcommittee of the Sustainability Committee is chaired by Andy Back and comprises the Chief Executive Officer, the Interim Chief Financial Officer and representatives from various functions within the business in both the UK and the US. The subcommittee meets at least four times a year, and the full committee meets at least twice a year.

Role of the Committee

- The key objectives of the Committee are to ensure that the Company's strategy and operations are carried out in accordance with our sustainability commitment, focusing on care for the environment, people and the communities where we operate whilst maintaining the economic stability of the company. The Committee will align this work with appropriate frameworks including the London Stock Exchange Guidance for Environmental, Social and Governance reporting and will ensure the Company uses independent internationally recognised global disclosure systems for all our stakeholders to score and help manage G&H environmental impacts.

- During the year, the Committee agreed a number of workstreams to focus on across various functional areas. Further details of these workstreams is given in our Sustainability Report.

Areas of Focus for the Sustainability Committee During FY2025

- GHG Emissions (Scope 1, 2 & 3) and energy consumption, together with updates on key improvement activities including use of solar power, voltage optimisation, LED lighting and our transition to renewable energy providers group wide.
- Net Zero plans, independent verification of GHG Emissions and improvements regarding global disclosure platforms.
- Progress against the Group's ISO14001 roadmap.

- Other sustainability projects such as waste management, recycling and use of sustainable packaging materials.
- Employee safety including numbers of work-related injuries, lost working hours and recordable incidents.
- Employee numbers, employee turnover, diversity and employee engagement.
- The extent of the Group's charitable giving, volunteering and education support.
- Customer satisfaction, on-time delivery and product performance.
- Leadership and governance including board diversity, ethics and anti-corruption training, trade compliance and risk management.
- Approval of the ESG disclosures in the Annual Report.

Membership and Attendance at Meetings Held in FY2025

Non-Executive Directors

Susan Searle	2/2
Gary Bullard	2/2
Louise Evans	2/2
Jim Haynes	2/2

Executive Directors

Charlie Peppiatt	2/2
Chris Jewell (retired 30 September 2025)	2/2

Approved by

Susan Searle
Chair of the Sustainability Committee
2 December 2025

Audit Committee Report

Membership

The Audit Committee is chaired by Louise Evans, a Chartered Accountant with significant recent experience in senior finance roles, and who the Board are therefore satisfied has recent and relevant experience. The Committee comprises Louise Evans, Jim Haynes and Susan Searle and is considered to have had an appropriate balance between those individuals with finance or accounting training and those from a general business background.

How the Committee Operates

The Committee met three times during the year as part of its standard schedule to consider matters planned around the Group's financial calendar. Attendance at those meetings is summarised below:

Non-Executive Directors

Louise Evans	3/3
Susan Searle	3/3
Jim Haynes	3/3

At the invitation of the Committee, representatives of the external auditors, PricewaterhouseCoopers LLP, attended meetings together with the Chairman, Chief Executive Officer, Chief Financial Officer, and the Company Secretary. The Committee also seeks to meet regularly with the external auditors without the Executive Directors in attendance. During the year, the Committee met twice with representatives from PricewaterhouseCoopers LLP without others being present.

Responsibilities

The roles and responsibilities of the Committee are set out in its terms of reference, which are available on the Group's website and from the Company Secretary on request. The terms of reference are reviewed annually by the Committee.

The principal responsibilities of the Committee are:

- Reviewing the effectiveness of the Group's financial reporting, internal control policies and procedures for the identification, assessment and reporting of risk;
- Reviewing the results of internal controls testing and verification;
- Advising the Board on whether the Committee believes the Annual Report taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy;
- Considering and making recommendations to the Board as to the appointment, reappointment or removal of the external auditors and the approval of their remuneration and terms of engagement;
- Assessing the external auditors' independence and objectivity and the effectiveness of the audit process;
- Reviewing the policy on the engagement of the external auditors to supply non-audit services.

Financial Reporting

During the year, the Audit Committee reviewed the appropriateness of the Group's interim and full year financial statements, including the consideration of significant financial reporting judgements made by management taking into account reports from management and the external auditors. The main areas of focus considered by the Committee during the year were as follows:

AREA OF FOCUS

Going concern and viability

The Committee reviewed management's going concern assessment and viability statements.

CONCLUSION

The Committee reviewed management's funding forecasts and the stress testing that had been performed on them, based upon the Group's principal risks and uncertainties. The Committee concluded that it was appropriate that the financial statements were prepared on a going concern basis and that a viability statement confirming that there is a reasonable expectation that the Group will have adequate resources to continue in operation over the period to September 2028 could be included in the Annual Report.

AREA OF FOCUS

Goodwill impairment reviews

Management perform annual impairment reviews of the carrying value of goodwill. These impairment reviews are based on future projected cash flows and are therefore inherently judgmental. The Audit Committee reviewed the key judgements underpinning the impairment reviews performed.

CONCLUSION

The Committee has reviewed the value in use calculations prepared by management for the UK, US and ITL CGUs. The Committee noted the discount rates being used and confirmed they were within the range considered appropriate by our auditors. The Committee has reviewed the sensitivity disclosures in note 18 and concluded that they are appropriate.

Based on the work performed, the Committee is satisfied that no impairment has arisen.

AREA OF FOCUS

Accounting for the acquisitions of Phoenix Optical and Global Photonics

CONCLUSION

The Committee has reviewed the judgements taken in the accounting for the acquisitions of Phoenix Optical and Global Photonics in the year, particularly in relation to the valuation of acquired intangible assets, and is satisfied that the approach taken is reasonable.

AREA OF FOCUS

Inventories

The Committee reviewed management's estimates in relation to inventory valuation and obsolescence.

CONCLUSION

The Committee reviewed the level of inventory at the year end, which has increased significantly in the year.

The Committee was satisfied that the provisions made adequately reflected the risk of impairment.

AREA OF FOCUS

Non-underlying items

The Committee considered the appropriateness of the measure of adjusted profits, quality of earnings, and the classification and transparency of items separately disclosed as non-underlying items.

CONCLUSION

The Committee was satisfied that the presentation of adjusted profit before tax provides a reasonable view of the underlying performance of the Group and that there was transparent and consistent disclosure of items shown separately as non-underlying items.

This was based on a review of the items added back in arriving at underlying profit.

The Committee was satisfied the FRC's guidance discouraging companies from excluding charges and credits associated with the pandemic from alternative performance measures had been followed.

AREA OF FOCUS

Segmental reporting

The Committee considered the changes made to the Group's segmental reporting in the year.

CONCLUSION

The Committee has reviewed the requirements of IFRS8 and is satisfied that the factors used to identify the business as one reportable segment are appropriate.

AREA OF FOCUS

Fair, balanced, understandable and comprehensive reporting

CONCLUSION

The Committee has reviewed the Annual Report and is comfortable that it provides a fair, balanced and understandable review of the year ended 30 September 2025.

As part of this review, the Committee has considered the alternative performance measures presented, and the degree of prominence given thereto in relation to statutory measures. The Committee has also considered the ESG disclosures and other reports to ensure that a fair review has been given.

Financial Systems and Controls

The Committee reviewed the results of the internal controls testing conducted by the finance team during the year. This work showed that progress has again been made on the Group's internal controls and the Group framework is being rolled out to the recently acquired businesses. The Committee noted the areas requiring improvement identified by the testing and were satisfied that an appropriate plan is in place to do so.

During the year, the Committee reviewed and approved the latest delegation of authority framework in order to ensure appropriate controls are in place for the approval of certain matters and actions relating to expenditure, contractual exposure and other potential liabilities to the Group.

The Committee also reviewed the outputs of the latest risk review and is satisfied that appropriate mitigating actions have been taken.

External Auditors

Under its terms of reference, the Committee is responsible for assessing the scope, fee, objectivity and effectiveness of external audits and for making a recommendation to the Board regarding the appointment, reappointment or removal of the auditors on an annual basis.

The Group's auditors, PwC, do not provide non-audit services to the business, and this combined with PwC's other independence safeguards give the committee assurance that their independence and effectiveness is not affected.

Approved by

Louise Evans
Chair of the Audit Committee
2 December 2025



Nomination Committee Report

The Nomination Committee, which consists of the Chairman, all Non-Executive Directors and the Chief Executive Officer, is responsible for the composition of the Board, and other senior management matters.

Role of the Committee

- Reviews the composition of the Board and its committees.
- Considers succession planning for Directors and other senior executives and in doing this considers diversity, experience, knowledge and skills.
- Identifies and recommends for Board approval suitable candidates to be appointed to the Board.
- Considers the gender balance of those in senior management and their direct reports.
- Succession planning for other members of the Board.
- Diversity in the senior management team. Further details in this regard can be found in our Corporate Governance Report.

Membership and Attendance at Meetings Held in FY2025

Non-Executive Directors

Gary Bullard	1/1
Susan Searle	1/1
Louise Evans	1/1
Jim Haynes	1/1

Executive Directors

Charlie Peppiatt	1/1
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Areas of Focus for the Nomination Committee during FY2025

- In connection with the retirement of the Chief Financial Officer on 30 September 2025, the Committee identified and appointed an Interim Chief Financial Officer who joined the Group in July 2025 enabling a hand over period with the incumbent.
- The Committee have commenced a search for a permanent Chief Financial Officer and have appointed Korn Ferry as partners to assist in this process.
- The Board is cognisant of the UK Corporate Governance Code's guidelines on Non-Executive Director tenure. Gary Bullard was appointed to the Board in February 2018 and his nine-year permitted term will end in February 2027. Louise Evans has therefore held a number of subcommittee meetings of the Nomination Committee during the year to commence the process of finding a successor to Gary Bullard as Chairman. This search, which will be conducted with the assistance of an external agency, is expected to conclude in FY2026 in order to allow an orderly transition before Gary Bullard steps down as Chairman.

Approved by

Gary Bullard

Chairman of the Nomination Committee

2 December 2025



Remuneration Committee Report

Annual Statement

Dear Shareholder

Detailed below is the Remuneration Committee Report for FY2025 which is divided into three sections, being:

- **This Annual Statement**, which summarises the work of the Committee, remuneration outcomes in FY2025 and how the Remuneration Policy will be operated for FY2026;
- **The Remuneration Policy**, which summarises the Company's Remuneration Policy; and
- **The Annual Report on Remuneration**, which discloses how the Remuneration Policy was implemented in FY2025.

Consistent with good practice, the Remuneration Committee intends to seek shareholder support for this Directors' Remuneration Committee Report and Policy via an advisory vote at the 2026 AGM. The Committee will keep market practice under review in respect of whether to provide separate advisory votes on both the Directors' Remuneration Committee Report and Policy (this is not considered proportional at the current time).

Operation of the Remuneration Committee

It is an objective of the Group to attract and retain high calibre Directors and employees and reward them in a way which encourages the creation of value for shareholders while also fully meeting the expectations of shareholders and governance standards. The Chief People Officer ("CPO") attends the Committee meetings and works together with the Committee Chair and Company Secretary to develop the meeting agendas. The CEO and CPO submit proposals to the Committee as appropriate but do not take part in any decisions made. The Committee has three scheduled meetings each year to deal with ordinary business.

In addition to these, the Committee meets on an ad hoc basis when necessary to deal with additional matters.

Membership and Meeting Attendance in FY2025

Non-Executive Directors

Susan Searle (Chair)	4/4
Gary Bullard	4/4
Louise Evans	4/4
Jim Haynes	4/4

Advisors to the Committee

FIT Remuneration Consultants LLP ("FIT") advised the Remuneration Committee on certain matters during the year. FIT is a member and signatory of the Remuneration Consultants Group and voluntarily operates under the Code of Conduct in relation to executive remuneration consulting in the UK, details of which can be found at www.remunerationconsultantsgroup.com. FIT provides no other services to the Company and the Committee is satisfied that FIT have no conflicts of interest with G&H or its Directors.

Main activities during the year

- Reviewed the FY2024 Remuneration Committee Report prior to its approval by the Board.
- Reviewed performance against the FY2025 annual bonus plan targets and resulting awards and agreed the metrics and targets for the FY2026 bonus plan.
- Reviewed and approved awards and targets for the FY2025 LTIP.
- Reviewed total reward for employees across the organisation.
- Reviewed our Gender Pay Gap reporting.
- Reviewed the level of diversity across the organisation.
- Monitored progress towards vesting of annual LTIP awards in order to determine their effectiveness in terms of retention.
- Considered leaver/joiner remuneration arrangements.
- Reviewed the Chief Executive Officer's remuneration package against relevant market data.
- Reviewed the structure of long-term incentive provision.

Performance and Reward for FY2025

As set out in the Annual Report on Remuneration, a partial payout against the profit targets and good progress made in respect of the Executive Directors' personal objectives in respect of executing the Company's agreed strategy resulted in bonuses awarded to the CEO and CFO of 27.5% and 22.5% of salary respectively. No LTIP awards vested in FY2025.

Implementing the Remuneration Policy for FY2026

The Committee reviewed the Directors' Remuneration Policy during the year ended 30 September 2025 and consulted major shareholders and the main shareholder representative bodies on a number of changes to the Chief Executive's package (noting that we are currently in the process of searching for a new CFO). Following the shareholder consultation exercise, the conclusions reached by the Committee in respect of the implementation of the Remuneration Policy for the CEO in FY26 are set out below.

Package Quantum

Base Salary: Charlie Peppiatt was appointed to the Board as CEO in September 2022. His base salary at appointment of £385k p.a. reflected that this was his first CEO role and subsequent workforce increases of 3% from 1 January 2024 and 1.7% from 1 January 2025 have taken his salary to £403k p.a.

Recognising that Charlie is now an established CEO, the Committee wishes to ensure he is appropriately motivated and, noting that Charlie has been approached a number of times over the last 12 months, retained for the next part of the strategic journey. As such, the Committee initiated an independent review of appropriate comparators and has determined that the most appropriate comparator is the FTSE SmallCap index. The Company is governed to this standard, has compared previously to the market cap and is sufficiently complex and global.

Following the review and considering shareholder feedback in this regard, the Committee agreed to increase Charlie's salary from £403k to £480k, which is just below the FTSE SmallCap median salary of £500k.

While best practice would be to phase this increase over two or three years, the Committee agreed to make the increase effective from 1 October 2025 to recognise Charlie's performance and growing experience in the role and the Committee's desire to ensure he is appropriately retained.

Pension: Pension provision will continue to be provided at 6% of salary (workforce aligned).

Annual Bonus: Annual bonus will continue to be capped at 100% of salary (below the FTSE SmallCap median of 125% of salary) and will operate on a consistent basis to FY2025. Performance metrics will be based on cash targets (20%), EPS (35%), profit (25%) and personal objectives linked to the four pillars of the Group's strategy (20%). The performance criteria of the financial elements will continue to operate such that pay out will commence at achievement of 90% of the target increasing pro-rata to the maximum entitlement being achieved at 110% of target.

Long Term Incentive Awards: Following the shareholder consultation exercise noted above, the Committee intends to increase the CEO's long term incentive potential from 120% to 150% of salary commencing with the award due to be made in January 2026. This aligns with the median of the FTSE SmallCap.

Total Remuneration: Given that no change is being made to 100% of salary maximum annual bonus provision (which, as noted above, is considered to be below market), the Committee notes that the CEO's remuneration package will have a greater skew towards long-term incentives, and therefore a greater alignment to shareholders.



Package Structure

Adoption of Hybrid Approach to Long-Term Incentives

Reflecting the Committee's desire to increase retention and more closely align to US practise given the Company's significant US operations both in terms of manufacturing and sales (and noting three out of five of our current senior management are US-based), the Committee intends to introduce a hybrid structure based on a combination of LTIPs and Restricted Share Awards ("RSAs") going forward, with flexibility on the relative weighting on each.

Accordingly, the CEO's next long term incentive award will be based on a 100% of salary LTIP plus a 25% of salary Restricted Share Award ("RSA") thereby converting 50% of salary LTIP potential into RSAs using the standard 2:1 conversion ratio.

LTIP awards will continue to vest after three years, subject to achievement of: (i) sliding scale three-year Total Shareholder Return targets between median to upper quartile targets measured against the constituents of the AIM100 (50% of awards); (ii) sliding scale EPS targets of between 5% p.a. and 15% p.a. (in line with the Board's objective of doubling the size of the Group over a period of 5 years) (40% of awards); and (iii) ESG targets (10% of awards).

Once vesting, a post vesting holding period will operate for both LTIPs and RSAs for Executive Directors (50% for 1 year and 50% for 2 years).

In addition to continued service, for RSAs to vest, the Remuneration Committee must be satisfied that the underlying performance of the Company and delivery against its strategy and plans are sufficient to justify the levels of vesting, having regard to such factors as the Committee considers to be appropriate (e.g. revenue, earnings and share price performance and the shareholder experience more generally (including the risk of windfall gains).

Shareholding guidelines: No changes have been made to our shareholding guideline policy which is considered to be well aligned to AIM best practice and which are detailed in the Remuneration Policy section of this report.

Remuneration and Retention of the Wider Workforce

At the October 2025 Committee meeting, the Committee reviewed the salary levels of the senior management team. It also reviewed the proposed level of awards to be made to the senior management team under the LTIP scheme. A key aim of this review continues to be ensuring there is an appropriate alignment between the

remuneration of Directors and that of the senior management team. The Committee is satisfied that this is the case.

The Committee is confident that its combination of salary, bonus and annual long-term incentive schemes provides a good mix of incentives and rewards in both the short, medium and long terms. Furthermore, we believe our remuneration framework is effective in driving behaviours that are consistent with our Group values and strategy and is fully in line with external governance requirements and expectations. The Committee believes that the remuneration of the Executive Directors is appropriate based on its review of industry reports on remuneration and input received from FIT during the year.

The company's employee engagement programme gives staff the opportunity to feedback to the Remuneration Committee via Jim Haynes and/or the wider engagement framework on matters related to staff and Executive Directors' remuneration. There was no significant feedback on Executive Director remuneration during the year.

The Committee is also satisfied that the existing policy provides clarity, simplicity, predictability, proportionality and avoids reputational risk and therefore the Committee's view is that the factors outlined in Provision 40 of the UK Corporate Governance Code have been adhered to.

The Committee values all feedback from shareholders and hopes to receive your support at the forthcoming AGM.

Remuneration Policy

The table below summarises our policy for FY2026:

ELEMENT OF REMUNERATION

Base Salary

PURPOSE AND LINK TO STRATEGY

Takes into account experience and personal contribution to the Group's strategy.

Attracts and retains executives of the quality required to deliver the Group's strategy.

OPPORTUNITY

Base salary increases are applied in line with the outcome of the annual review.

FY2026 POLICY AND APPROACH

- Reviewed annually with changes effective from 1 January if applicable.
- Consideration given to individual and Group performance.
- General pay increases across the wider workforce are also taken into consideration.
- Where the Group considers it appropriate and necessary, larger increases may be awarded in exceptional circumstances.
- Following shareholder consultation, the Remuneration Committee approved an increase to the CEO's salary from £403k to £480k with effect from 1 October 2025.

ELEMENT OF REMUNERATION

Annual Bonus

PURPOSE AND LINK TO STRATEGY

Incentivise achievement of short-term financial targets that the Committee considers to be critical drivers of business growth.

OPPORTUNITY

Maximum of 100% of base salary.

FY2026 POLICY AND APPROACH

- Awarded annually.
- The FY2026 bonus will be based on the following performance measures: cash (20%), EPS (35%), profit (25%) and personal objectives linked to the four pillars of the Group's revised strategy (20%).
- The financial elements will start to pay out from 90% of target increasing pro-rata to a maximum at 110% of target.

ELEMENT OF REMUNERATION

Pension

PURPOSE AND LINK TO STRATEGY

Provide employees with market competitive pension scheme.

OPPORTUNITY

Workforce aligned.

FY2026 POLICY AND APPROACH

- Defined contribution personal pension plan.
- Executive Directors are entitled to employer pension scheme contributions of 6% of salary, which is consistent with the wider UK workforce.
- The Committee keeps the benefit policy and benefit levels under regular review.

ELEMENT OF REMUNERATION

Long Term Incentive Plan (LTIP)

PURPOSE AND LINK TO STRATEGY

Incentivise executive performance over the longer term.

Performance measures linked to the long-term strategy of the business and the creation of shareholder value over the longer term.

OPPORTUNITY

150% of base salary.

Awards may be structured as LTIPs or Restricted Share Awards (“RSAs”).

LTIPs will be converted to RSAs using the standard 2:1 conversion ratio.

Maximum LTIP award of 300% of base salary where an exceptional case may arise (e.g. on recruitment).

FY2026 POLICY AND APPROACH

- FY2026 LTIP awards will vest subject to achievement of sliding scale three-year Total Shareholder Return targets measured against the constituents of the AIM100 targets (50% of awards), EPS targets (40% of awards) and ESG targets (10% of awards).
- 2026 RSAs will vest based on continued service only, albeit awards will be underpinned to ensure that the Committee is satisfied with the underlying performance of the Company at vesting.
- A two-year post vesting holding period will operate on both LTIP and RSAs.

ELEMENT OF REMUNERATION

Shareholding Guidelines

PURPOSE AND LINK TO STRATEGY

To promote share ownership for Executive Directors.

OPPORTUNITY

In-employment:

CEO: 200% of salary.

CFO: 100% of salary.

Post cessation: 100% of salary for one year post cessation.

FY2026 POLICY AND APPROACH

- In-employment: The CEO and CFO are required to hold 200% and 100% of salary respectively in G&H shares to be built up through shares vesting under the LTIP over time.
- Post cessation: Executive Directors are required to hold shares with a value of 100% of salary for one year post cessation (excluding shares already held on appointment or those purchased by Directors).

Directors' Remuneration (Audited)

2025	Basic pay £'000	Performance related bonus £'000	Benefits in kind £'000	Pension contribution £'000	Sub-total 2025 £'000	Total fixed remuneration £'000	Total variable remuneration £'000
Executive							
C Peppiatt	403	110	24	21	558	448	110
C Jewell*	297	67	11	17	392	325	67
Non-executive							
G Bullard	92	-	-	-	92	92	-
L Evans	51	-	-	-	51	51	-
J Haynes	51	-	-	-	51	51	-
S Searle	51	-	-	-	51	51	-
	945	177	35	38	1,195	1,018	177
2024	Basic pay £'000	Performance related bonus £'000	Benefits in kind £'000	Pension contribution £'000	Sub-total 2024 £'000	Total fixed remuneration £'000	Total variable remuneration £'000
Executive							
C Peppiatt	414	59	22	-	495	436	59
C Jewell	298	44	11	10	363	319	44
Non-executive							
G Bullard	96	-	-	-	96	96	-
B Phillipson **	54	-	-	-	54	54	-
L Evans	50	-	-	-	50	50	-
J Haynes	50	-	-	-	50	50	-
S Searle	50	-	-	-	50	50	-
	1,012	103	33	10	1,158	1,055	103

The above disclosure has been audited.

- Base salaries for the CEO and CFO were set at £403k and £299k from 1 January 2025. The CEO's salary from 1 October 2025 was increased to £480k.

* Retired 30 September 2025

** Retired 30 September 2024

Board change

As announced on 21 July 2025, Chris Jewell stepped down from his role as CFO and left the Board and the Company on 30 September 2025. He received £187,000 in respect of the remainder of his notice period, compensation for loss of office and accrued holiday pay. Chris was deemed to be a good leaver with respect to the LTIP scheme so will be eligible to receive shares which may vest on awards he held at 30 September 2025 on a time prorated basis at the usual vesting dates.

Remuneration

Executive Directors are paid a base salary together with annual bonus payments based on the achievement of Group profitability, cash and personal, operational and ESG related targets. In addition, Executive Directors participate in a long-term incentive scheme and receive benefits in kind, including medical expenses and insurance.

Non-Executive Directors are paid a fee to attend board meetings and to serve as members of the Board as well as the Audit, Nomination and Remuneration committees. Further payments may be made in respect of additional services provided at the request of the Group. No such further payments were made in FY2025 or FY2024. The Board, excluding the Non-Executive Directors, approved an increase to the Non-Executive Directors' fees of 2.5% with effect from 1 January 2026. In addition, Non-Executive Director fees for chairing committees and for other specific functional roles of £4,000 per annum per role have been introduced with effect from 1 January 2026. The Board is satisfied that these changes are aligned to market practice for companies of similar size and complexity to G&H and appropriately reflect each individual's time commitment.

Benefits

Executive Directors receive private health insurance, life assurance and long-term disability insurance.

2025 Annual Bonus

Bonuses in 2025 were based 35% on EPS, 20% on operating cash flow, 25% on adjusted profit before tax in the first half of FY2025 and 20% on personal strategic objectives. Details of the performance achieved against the EPS, half year profit and cash flow targets are shown in the table below:

Financial targets	Threshold target	Maximum target	% payable at max	Performance outcome	% bonus awarded
FY25 EPS target (adjusted diluted)	36.0p	40.0p	35%	34.6p	0%
FY25 Adjusted operating cash flow target	£21.0m	£25.6m	20%	£14.0m	0%
Adjusted profit before tax for the six month period ended 31 March 2025	£4.6m	£5.5m	25%	£5.1m	12.5%

Neither the full-year EPS nor the cashflow targets were met so no bonus was payable in respect of these. The profit target for the half year was partially met so the Committee approved bonuses of 12.5% of salary for the Executive Directors in that regard.

Personal strategic objectives, which accounted for 20% of the bonus opportunity, were set at the start of the year. These were subject to review and approval by the Remuneration Committee. They are focused on a range of activities which are key to enabling our strategic objectives.

Details of the objectives set are summarised in the table below:

Charlie Peppiatt, CEO

- Establish dynamic high-performance teams and a purpose-led culture to ensure G&H is a safe, engaging, diverse and inclusive place to work.
- To contribute to the delivery of the Group's ESG agenda for FY25.
- Drive the strategy to deliver exceptional G&H customer experience to ensure sustainable margin growth through the cycle.
- Oversee the implementation of the strategy to deliver superior operational execution and value creation through technology focus to deliver sustainable margin growth.
- Successful execution of strategic projects, acquisitions and portfolio actions to deliver margin growth aligned to strategic plan.

Chris Jewell, CFO

- To contribute to the delivery of the Group's ESG agenda for FY25.
- To continue to lead the improvement of the Group's financial control environment, including making a number of changes to key personnel.
- To support the delivery of portfolio change in line with the Group's strategy.

The view of the Remuneration Committee is that excellent progress was made against the objectives set. Following due discussion at the October 2025 Remuneration Committee meeting, the Committee approved achievement levels of 15% out of the maximum 20% of the bonus for the CEO Charlie Peppiatt and 10% for Chris Jewell.

Pension

The rate of Group pension contributions for executive directors is 6%. The policy is in line with the UK Corporate Governance Code 2018 which recommends that contribution rates for executive directors, or payments in lieu thereof, should be aligned with those available to the workforce.

The number of Directors who are currently accruing benefits under a pension scheme is nil (2024: 1). Charlie Peppiatt has sacrificed all of his entitlement to Group pension contributions of 6% of basic salary in exchange for a corresponding cash payment, net of the additional employer national insurance contributions thereon.

Directors' Contracts

The Chief Executive Officer has a rolling service contract, subject to twelve months' notice. The Chairman and Non-Executive Directors do not have contracts of service.

Malus and Clawback

Both the Long-Term Incentive Plan and Annual Bonus scheme have malus and clawback clauses. These clauses permit the Remuneration Committee to reduce or cancel amounts due under these schemes at any time prior to payment or up to three years after payment if specific circumstances apply. These circumstances include the Director being dismissed for gross misconduct, the results of the Group being materially misstated, an error being identified in the performance conditions for the payments, or if the Remuneration Committee believe there to be circumstances giving rise to a reputational risk arising for the Group. The long-term incentive plan also includes malus and clawback clauses related to corporate failure and / or insolvency. The Committee does also have a degree of discretion to apply malus and clawback to situations not specifically defined if considered appropriate.

Long Term Incentive Plan (Audited)

There were no vesting or exercises under the Long-Term Incentive Plan by the Directors in either the year ended 30 September 2024 or 30 September 2025.

Director Shareholdings (Audited)

The Directors' beneficial interests in the issued ordinary share capital of the Company were as follows:

	Number of shares at 30 September 2025	% of salary As at 30 September 2025	Number of shares at 30 September 2024	% of salary As at 30 September 2024
Executive Directors				
Charlie Peppiatt	7,000	10%	7,000	7%
Chris Jewell*	5,715	11%	5,715	8%
Non-Executive Directors				
Gary Bullard	59,205	N/A	59,205	N/A
Louise Evans	473	N/A	473	N/A
Jim Haynes	2,500	N/A	2,500	N/A
Susan Searle	2,700	N/A	2,700	N/A
Brian Phillipson**	N/A	N/A	3,460	N/A

* Chris Jewell stepped down from the Board on 30 September 2025.

** Brian Phillipson retired on 30 September 2024.

Shareholding Guidelines

Executive Directors are required to maintain a qualifying interest in the ordinary shares of the Company. The Chief Executive Officer and the Chief Financial Officer (when appointed) are required to hold 200% and 100% of salary respectively in G&H shares, a holding which is expected to be built up through shares vesting under the LTIP over time. The Directors are not permitted to sell shares vesting under the LTIP unless the specified shareholding has been achieved, other than sale of shares to satisfy tax obligations.

Executive Directors are required to hold shares with a value of 100% of salary for a period of one year post cessation of employment at G&H. This requirement does not apply to shares already held by Executive Directors on appointment or those purchased by Directors.

The Gooch & Housego Long Term Incentive Plan

The Gooch & Housego LTIP was adopted by the Board on 19 September 2023 and will run for a period of 10 years. Under the plan, awards will be made annually to Directors and key employees based on a percentage of salary or management grade. Subject to the satisfaction of the required TSR, EPS and ESG performance criteria, these grants vest three years after the grant date. The exercise price of all awards is nil.

	Date of grant	At 01.10.2024	Number of ordinary shares under option			At 30.09.2025	Expiry Date
			Awarded in year	Exercised in year	Lapsed		
Executive							
C Peppiatt	09.01.2023	175,090	-	-	-	175,090	09.01.2026
C Peppiatt	10.01.2024	82,615	-	-	-	82,615	10.01.2027
C Peppiatt	07.01.2025	-	94,337	-	-	94,337	07.01.2028
C Jewell	13.01.2022	24,360	-	-	(24,360)	-	13.01.2025
C Jewell	09.01.2023	70,698	-	-	-	70,698	09.01.2026
C Jewell	10.01.2024	61,156	-	-	-	61,156	10.01.2027
C Jewell	07.01.2025	-	69,834	-	-	69,834	07.01.2028

The Gooch & Housego Long Term Incentive Plans specify that the Company will operate within the standard dilution limit of 10% of the Company's issued share capital over a 10 year period, and the Company will continue to do so.

During the year ended 30 September 2025, £1,025,000 (2024: £715,000) was charged to the income statement in respect of the IFRS 2 share-based payments charge on all share option schemes and a charge of £62,000 (2024: charge: £165,000) in respect of employer's national insurance contributions, based on a year-end share price of £5.70 (2024: £4.02).

Approved by

Susan Searle
Chair of the Remuneration Committee
 2 December 2025



Financial Statements

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Independent Auditors' Report

To the members of
Gooch & Housego PLC

Report on the audit of the financial statements

Opinion

In our opinion, Gooch & Housego PLC's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 30 September 2025 and of the group's profit, and the group's and company's cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Group and Company Balance Sheets as at 30 September 2025; the Group Income Statement, the Group Statement of Comprehensive Income, the Group and Company Statements of Changes in Equity, the Group and Company Cash Flow Statements and the notes to the Group and Company Cash Flow Statements for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approach

Overview

Audit scope

- The UK audit team performed full scope audit procedures in respect of one operating unit based in the USA (Gooch & Housego (Palo Alto) LLC) and three operating units in the UK (Integrated Technologies Limited, Gooch & Housego (Torquay) Limited and Gooch & Housego (UK) Limited).
- Additional procedures were also performed at a Group level in respect of centralised processes and functions, including the audit of consolidation journals. Audit procedures were performed by the UK audit team over certain other balances and transactions within the Company, Gooch & Housego PLC, Gooch & Housego (Ohio) LLC, Gooch & Housego (California) LLC, Phoenix Optical Technologies Limited and G&H US Holdings Ltd, along with analytical procedures on the remaining reporting units deemed consequential to our audit.
- Taken together, these reporting units (post consolidation entries) represent in excess of 75% of the Group's revenue.

Key audit matters

- Recoverability of the Group goodwill (group).
- Recoverability of the Company's investments in subsidiaries (parent).
- Identification and valuation of intangible assets on business combinations (group).

Materiality

- Overall group materiality: £1,506,000 (2024: £1,359,000) based on 1% of total revenue.
- Overall company materiality: £654,000 (2024: £676,500) based on 1% of total assets.
- Performance materiality: £1,129,500 (2024: £1,019,000) (group) and £490,500 (2024: £507,250) (company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The identification and valuation of intangible assets on business combinations is a new key audit matter this year. Otherwise, the key audit matters below are consistent with last year.

Recoverability of the Group goodwill (Group)

KEY AUDIT MATTER

As at 30 September 2025, the Group Balance Sheet includes intangible assets including a significant amount of goodwill. The estimated recoverable amount of the goodwill is subjective due to the inherent uncertainty involved in forecasting and discounting future cash flows in value in use calculations. The impairment review therefore requires judgement in respect of significant estimates including future growth rates and discount rates.

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

We obtained management's assessment of the recoverable amount of each cash generating unit, including cash flow forecasts supporting management's calculation of value in use and assessed the appropriateness of key assumptions. We considered the methodology used by management in performing the assessments.

- We obtained evidence in respect of the key assumptions used to derive the forecasts in order to challenge the key judgements and estimates;
- We agreed the impairment model to the Board approved 3-year strategic plan and tested the mathematical accuracy of the model;
- We compared revenue forecasts against current order books and recent trading. We further assessed whether the forecast revenues and EBITDA margins were reasonable by comparing them to historical trends and by considering the accuracy of management's historic forecasting;
- We considered plausible downside sensitivities to assess if there was headroom under different scenarios;
- We used our in-house valuation experts to consider the appropriateness of the discount rate and long-term growth rate used. Based upon our audit work, we concluded that the goodwill is not impaired and that the disclosures in the Financial Statements are appropriate.

Recoverability of the Company's investments in subsidiaries (Parent)

KEY AUDIT MATTER

As at 30 September 2025, the Company Balance Sheet includes investments in subsidiaries which are significant. In accordance with the requirements of IFRS (IAS36 – Impairment of Assets), at the end of each reporting period management are required to assess whether there is any indication that the Company's investments in subsidiaries may be impaired. Management concluded that there were no impairment triggers.

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

In order to support management's conclusion that there are no impairment triggers we considered the market capitalisation of the Company. We also assessed the relevant subsidiaries' cash flow forecasts as included within the cash generating units of the Goodwill impairment assessment (Group). As a result of our procedures we concluded that the carrying value of the investment balance is not impaired.

Identification and valuation of intangible assets on business combinations (Group)

KEY AUDIT MATTER

On 30 October 2024, Gooch & Housego PLC acquired the UK-based company Phoenix Optical ("Phoenix") with cash and deferred contingent cash consideration. On 14 May 2025, Gooch & Housego PLC acquired the US-based Global Photonics ("Tampa") with a mixture of cash and share consideration. IFRS 3 requires a purchase price allocation and the estimated fair values ascribed to the intangible assets acquired are judgemental. Other assets and liabilities are generally less judgemental and not considered part of our significant risk assessment. We focused on the accounting for these transactions because they are material to the financial statements and due to the degree of judgement in the identification and valuation of the assets recognised.

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

Our work over the accounting for new acquisitions included: Agreeing cash consideration to supporting documentation and testing the fair value of any non-cash or contingent consideration to verify it has been calculated and accounted for appropriately; Performing procedures over fair value adjustments to the assets and liabilities acquired and, based on our understanding of the acquired businesses, assessing whether all assets and liabilities have been appropriately identified and classified. Considering any required alignment of accounting policies. Engaging our in-house valuation experts to assess and challenge the appropriateness of the methodology used to value intangible assets (comprising customer relationships, order books and brands) and the reasonableness of certain, key assumptions used in determining the amounts recorded; and, Reperforming the calculation of the goodwill arising. Based on work performed over the acquisition accounting, we have not identified any indicators of material management bias or error in the accounting for business combinations.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The Group has six main operating units located in the United States of America (USA) and the United Kingdom (UK), each of which contribute more than 5% of Group revenues. The central finance and accounting team is located in the UK and is responsible for the financial reporting of Gooch & Housego PLC (the "Company"). Gooch & Housego (Palo Alto) LLC, Gooch & Housego (Torquay) Limited, Gooch & Housego (UK) Limited and Integrated Technologies Limited are considered to be significant components of the Group due to their risk and/or size. Full-scope audits of each of these four entities' financial information have been carried out.

Additional procedures were also performed at a Group level in respect of centralised processes and functions, including the audit of consolidation journals. Specified procedures were performed

by the UK audit team over certain other balances and transactions within the Company, Gooch & Housego PLC, Gooch & Housego (Ohio) LLC, Gooch & Housego (California) LLC, Phoenix Optical Technologies Limited and G&H US Holdings Ltd, along with analytical procedures on all of the remaining reporting units. Our audit addressed components making up in excess of 75% of the Group's revenues with the audit of all components being performed by the Group engagement team.

For the purposes of the Company audit this consists of one reporting unit which was subject to a full scope audit in accordance with our Company materiality.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the Group's financial statements and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the Group's and Company's financial statements. We also reviewed management's consideration of the impact of climate events occurring on the Group's ability to continue as a going concern.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality

FINANCIAL STATEMENTS – GROUP

£1,506,000 (2024: £1,359,000).

FINANCIAL STATEMENTS – COMPANY

£654,000 (2024: £676,500).

How we determined it

FINANCIAL STATEMENTS – GROUP

1% of total revenue

FINANCIAL STATEMENTS – COMPANY

1% of total assets

Rationale for benchmark applied

FINANCIAL STATEMENTS – GROUP

Overall materiality in the current year has been based on 1% of the Group's revenue. This is in line with the prior year and is considered the most appropriate benchmark given management's focus on the growth of this metric, whilst profit before tax is low relative to the scale of the Group.

FINANCIAL STATEMENTS – COMPANY

We determined our materiality based on total assets, which is more applicable than a performance-related measure as the Company is primarily an investment holding Company for the Group and does not have any revenues as a result.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was £200,000 - £1,200,000.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £1,129,500 (2024: £1,019,000) for the group financial statements and £490,500 (2024: £507,250) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of

misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above £75,300 (group audit) (2024: £67,950) and £32,700 (company audit) (2024: £33,800) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- Evaluation of management's going concern assessment and related disclosure in the financial statements.
- Evaluation of the Group's forecast financial performance, liquidity and covenant compliance over the going concern period.
- Evaluation of stress testing performed by management in their downside scenario and consideration of whether the stresses applied are appropriate for assessing going concern.
- Validation of the terms of the current banking facilities.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 September 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Corporate governance statement

ISAs (UK) require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code, which the Listing Rules of the Financial Conduct Authority specify for review by the auditor. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement, included within the Corporate Governance section of the Annual Report is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;

- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the group's and company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group and company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the audit committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to employment laws, international trade regulations and national security legislation in relevant jurisdictions, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as AIM listing regulations, financial reporting regulations, taxation legislation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting unusual journal entries or manipulation of accounting estimates which could be subject to management bias, with a view to increasing revenue and profits. Audit procedures performed by the engagement team included:

- Confirmation and enquiry of management and those charged with governance over instances of fraud and compliance with laws and regulations, including consideration of actual or potential litigation and claims;
- Reviewing board and sub-committee meeting minutes for evidence of breaches of regulations;
- Evaluation of management's controls designed to prevent and detect irregularities, in particular the whistleblowing policy and employee code of conduct;
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Identifying and testing journal entries, in particular journal entries posted with unexpected account combinations;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Colin Bates (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Bristol

2 December 2025

Group Income Statement

For the year ended 30 September 2025

Continuing operations	Note	30 September 2025			30 September 2024		
		Underlying	Non-underlying (Note 13)	Total	Underlying	Non-underlying (Note 13)	Total
Revenue	6	150,485	-	150,485	135,990	-	135,990
Cost of revenue		(103,821)	-	(103,821)	(94,341)	-	(94,341)
Gross profit		46,664	-	46,664	41,649	-	41,649
Research and development expense		(7,296)	-	(7,296)	(7,828)	-	(7,828)
Sales and marketing expenses		(8,870)	-	(8,870)	(8,474)	-	(8,474)
Administration expenses		(17,626)	(6,284)	(23,910)	(15,674)	(3,690)	(19,364)
Other income	8	1,546	-	1,546	829	-	829
Operating profit		14,418	(6,284)	8,134	10,502	(3,690)	6,812
Finance income	11	14	-	14	40	-	40
Finance costs	11	(2,528)	(293)	(2,821)	(2,435)	(209)	(2,644)
Profit before income tax expense		11,904	(6,577)	5,327	8,107	(3,899)	4,208
Income tax expense	12	(2,726)	935	(1,791)	(1,537)	606	(931)
Profit from continuing operations		9,178	(5,642)	3,536	6,570	(3,293)	3,277
Loss after tax from discontinued operations		-	-	-	-	(9,654)	(9,654)
Profit / (loss) for the year		9,178	(5,642)	3,536	6,570	(12,947)	(6,377)
Earnings / (loss) per share							
From continuing operations							
Basic earnings per share	15	35.4p	(21.7p)	13.7p	25.5p	(12.8p)	12.7p
Diluted earnings per share	15	34.6p	(21.3p)	13.3p	25.1p	(12.6p)	12.5p
From continuing and discontinued operations							
Basic earnings / (losses) per share	15	35.4p	(21.7p)	13.7p	25.5p	(50.2p)	(24.7p)
Diluted earnings / (losses) per share	15	34.6p	(21.3p)	13.3p	25.1p	(49.8p)	(24.7p)

Group Statement of Comprehensive Income

For the year ended 30 September 2025

	Note	2025 £'000	2024 £'000
Profit/(loss) for the year		3,536	(6,377)
Other comprehensive income/(expense) – items that may be reclassified subsequently to profit or loss			
Gains on cash flow hedges	28	8	126
Exchange differences on translation of foreign operations	28	137	(4,844)
Exchange differences on translation of discontinued operations	28	-	132
Other comprehensive income / (expense) for the year net of tax		145	(4,586)
Total comprehensive income / (expense) for the year attributable to the shareholders of Gooch & Housego PLC		3,681	(10,963)
Arising from:			
Continuing operations		3,681	(1,441)
Discontinued operations		-	(9,522)
Total comprehensive income/(expense) for the year attributable to the shareholders of Gooch & Housego PLC		3,681	(10,963)

Group Balance Sheet

As at 30 September 2025

	Note	2025 £'000	2024 £'000
Non-current assets			
Property, plant and equipment	16	36,518	37,915
Right of use assets	17	12,956	9,180
Intangible assets	18	66,561	51,051
		116,035	98,146
Current assets			
Inventories	19	40,794	30,631
Trade and other receivables	20	42,068	30,908
Current asset investments	21	761	-
Cash and cash equivalents	22	7,198	6,622
		90,821	68,161
Current liabilities			
Trade and other payables	23	(28,542)	(18,075)
Borrowings	24	-	(10)
Lease liabilities	24	(2,234)	(1,289)
Income tax liabilities		(2,420)	(2,005)
		(33,196)	(21,379)
Net current assets		57,625	46,782
Non-current liabilities			
Borrowings	24	(37,066)	(22,563)
Lease liabilities	24	(11,755)	(8,570)
Provisions for other liabilities and charges	25	(2,031)	(1,429)
Deferred consideration	33	(959)	-
Deferred income tax liabilities	26	(4,412)	(3,978)
		(56,223)	(36,540)
Net assets		117,437	108,388
Shareholders' equity			
Called up share capital	27	5,423	5,159
Share premium account	28	16,051	16,051
Merger reserve	28	19,109	11,561
Cumulative translation reserve	28	5,238	5,101
Hedging reserve	28	149	141
Retained earnings	28	71,467	70,375
Total equity		117,437	108,388

The financial statements for Gooch & Housego PLC, registered number 00526832, on pages 114 to 151 were approved by the Board of Directors on 2 December 2025 and signed on its behalf by:

Charlie Peppiatt
Director

Group Statement of Changes in Equity

For the year ended 30 September 2025

	Note	Called up share capital	Share premium account	Merger reserve	Retained earnings	Hedging reserve	Cumulative translation reserve	Total equity
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 October 2023		5,159	16,051	11,561	79,415	15	9,813	122,014
Loss for the financial year		-	-	-	(6,377)	-	-	(6,377)
Other comprehensive income / (expense) for the year		-	-	-	-	126	(4,712)	(4,586)
Total comprehensive (expense) / income for the year		-	-	-	(6,377)	126	(4,712)	(10,963)
Dividends	14	-	-	-	(3,378)	-	-	(3,378)
Share-based payments	29	-	-	-	715	-	-	715
Total contributions by and distributions to owners of the parent recognised directly in equity		-	-	-	(2,663)	-	-	(2,663)
At 30 September 2024		5,159	16,051	11,561	70,375	141	5,101	108,388
At 1 October 2024		5,159	16,051	11,561	70,375	141	5,101	108,388
Profit for the financial year		-	-	-	3,536	-	-	3,536
Other comprehensive income for the year		-	-	-	-	8	137	145
Total comprehensive income for the year		-	-	-	3,536	8	137	3,681
Issue of share capital	27	264	-	7,548	-	-	-	7,812
Dividends	14	-	-	-	(3,469)	-	-	(3,469)
Share-based payments	29	-	-	-	1,025	-	-	1,025
Total contributions by and distributions to owners of the parent recognised directly in equity		264	-	7,548	(2,444)	-	-	5,368
At 30 September 2025		5,423	16,051	19,109	71,467	149	5,238	117,437

Group Cash Flow Statement

For the year ended 30 September 2025

	Note	2025 £'000	2024 £'000
Cash flows from operating activities			
Cash generated from operations		11,167	14,247
Income tax paid		(1,811)	(62)
Net cash generated from operating activities		9,356	14,185
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired	33	(10,060)	(351)
Disposal of subsidiaries, net of cash disposed		-	1,665
Purchase of property, plant and equipment		(4,565)	(3,526)
Sale of property, plant and equipment		340	-
Purchase of intangible assets		(1,744)	(1,716)
Interest received		14	40
Net cash used in investing activities		(16,015)	(3,888)
Cash flows from financing activities			
Drawdown of borrowings		20,662	4,731
Repayment of borrowings		(5,474)	(8,046)
Principal elements of lease payments		(1,875)	(1,715)
Interest paid		(2,528)	(2,487)
Dividends paid to ordinary shareholders		(3,469)	(3,378)
Net cash generated from / (used in) financing activities		7,316	(10,895)
Net increase / (decrease) in cash		657	(598)
Cash at beginning of the year		6,622	7,294
Exchange losses on cash		(81)	(74)
Cash at the end of the year		7,198	6,622

Notes to the Group Cash Flow Statement

For the year ended 30 September 2025

Reconciliation of cash generated from operations

	2025	2024
	£'000	£'000
Profit before income tax from continuing operations	5,327	4,208
Loss before income tax from discontinued operations	-	(9,876)
Adjustments for:		
- Amortisation of acquired intangible assets	2,500	2,002
- Amortisation of other intangible assets	1,451	1,755
- Loss on disposal of subsidiary	-	8,910
- Loss on disposal of property, plant and equipment	133	128
- Depreciation	8,220	7,732
- Share based payment charge	1,025	715
- Release of deferred consideration creditor	(658)	-
- Non cash consideration received from customer contracts	(761)	-
- Amounts claimed under the RDEC	(391)	(392)
- Finance income	(14)	(40)
- Finance costs	2,821	2,696
Total	14,326	23,506
Changes in working capital		
- (Increase) / decrease in inventories	(7,616)	257
- (Increase) / decrease in trade and other receivables	(8,963)	863
- Increase / (decrease) in trade and other payables	8,093	(4,711)
Total	(8,486)	(3,591)
Cash generated from operating activities	11,167	14,247

Reconciliation of net cash inflow / (outflow) to movements in net debt

	2025	2024
	£'000	£'000
Increase / (decrease) in cash in the year	657	(598)
Drawdown of borrowings	(20,662)	(4,731)
Repayment of borrowings and leases	7,958	10,243
Changes in net debt resulting from cash flows	(12,047)	4,914
New leases	(2,241)	(3,116)
Translation differences	609	2,913
Non cash movements	(456)	(664)
Leases (acquired) / disposed of with subsidiary	(3,912)	1,853
Movement in net debt in the year	(18,047)	5,900
Net debt at 1 October	(25,810)	(31,710)
Net debt at 30 September	(43,857)	(25,810)

Notes to the Group

Cash Flow Statement Continued

For the year ended 30 September 2025

Analysis of net debt

	At 1 Oct 2024	Cash flow	New leases	Exchange movement	Arising on acquisition	Non-cash movement	At 30 Sep 2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cash at bank and in hand	6,622	657	-	(81)	-	-	7,198
Debt due within 1 year	(10)	10	-	-	-	-	-
Debt due after 1 year	(22,563)	(15,198)	-	537	-	158	(37,066)
Leases	(9,859)	2,484	(2,241)	153	(3,912)	(614)	(13,989)
Net debt	(25,810)	(12,047)	(2,241)	609	(3,912)	(456)	(43,857)

	At 1 Oct 2023	Cash flow	New leases	Exchange movement	Disposal of subsidiary	Non-cash movement	At 30 Sep 2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cash at bank and in hand	7,294	(157)	-	(74)	(441)	-	6,622
Debt due within 1 year	(10)	8,046	-	-	-	(8,046)	(10)
Debt due after 1 year	(28,157)	(4,731)	-	2,373	-	7,952	(22,563)
Leases	(10,837)	2,197	(3,116)	614	1,853	(570)	(9,859)
Net debt	(31,710)	5,355	(3,116)	2,913	1,412	(664)	(25,810)

The non-cash movements in the above tables include debt arrangement fees and movements between amounts due within one year and after one year due to the lapse of time.

Notes to the Group Financial Statements

For the year ended 30 September 2025

1. General information

Gooch & Housego PLC (the Company) is a public limited company limited by shares incorporated and domiciled in the United Kingdom. The Company is listed on the Alternative Investment Market (AIM) of the London Stock Exchange. The address of the registered office of the Company is given on page 170.

The consolidated financial statements of the Group for the year ended 30 September 2025 comprise the Company, Gooch & Housego PLC, and its subsidiaries (together referred to as the Group). A listing of the Company's subsidiaries is set out on page 160.

The Group is a manufacturer of specialist optoelectronic components, materials and systems and specialist instrumentation and life sciences devices. The Group has manufacturing facilities in the United Kingdom and the United States.

2. Basis of preparation

These financial statements have been prepared under the historical cost convention as modified by financial assets and financial liabilities at fair value and in accordance with UK adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

Going concern

The financial statements have been prepared on a going concern basis.

The Directors have reviewed the budget for FY2026 and the strategic plan for FY2027. They have assessed the future funding requirements and covenant performance of the Group and compared them with available borrowing facilities.

At 30 September 2025 the Group has a strong balance sheet with net current assets of £57.6m. The Group's cash and undrawn available committed facilities totalled £14.5m.

The Directors have reviewed severe but plausible downside scenarios that estimate the potential impact of the principal risks that the Group faces (see pages 70 to 73 of this report) on the financial forecasts. These include the impact of a possible recession and the resultant reduced demand in certain of the Group's markets, most notably commercial aerospace and the industrial laser market driven by softness in consumer end market demand. They also included the effect of erosion of sales prices due to competition, the impact of delays to our production ramp up, the impact of inflation on input costs which cannot be passed on to customers, the potential impact of a cyber-attack and a reduction in forecast revenue to illustrate the potential effect of a

loss of key personnel or inability to hire for a key role. The model also considered the loss of revenue and profit associated with a closure of one of our sites due to a legal non-compliance issue. Mitigating actions including cost and capital expenditure savings, and an extension of our payment terms with suppliers (in FY2026 only) have been factored into this analysis.

This assessment covered not only the coming 12 month period but also for the period to September 2027 in order to support the Viability Statement given on page 87.

We have compared the downside risk adjusted cash and banking covenant projections against the Group's available cash and borrowing facilities and have been able to conclude that the Group would continue to be able to operate even if a number of the risks occurred simultaneously.

The Directors have also considered the potential impact of climate change on going concern and have concluded that there is not expected to be any material impact on the business during the going concern period.

As a result of the assessments undertaken the Directors are satisfied that the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. For this reason they continue to adopt the going concern basis in preparing the financial statements.

3. Application of IFRS

Adoption of new standards

The following amended standards and interpretations were effective for the financial year ended 30 September 2025, however, they have not had a material impact on our consolidated financial statements:

- Classification of Liabilities as Current or Non-current liabilities with covenants – Amendments to IAS1
- Lease Liability in Sale and Leaseback – Amendments to IFRS16
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS7

Certain amendments to accounting standards have been published that are not mandatory for 30 September 2025 reporting periods and have not been early adopted by the Group. These amendments are not expected to have a material impact on the Group in the current or future reporting periods.

4. Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all of the years presented, unless otherwise stated.

Consolidation

Subsidiaries are entities that are directly or indirectly controlled by the Group. Control exists where the Group has the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued, the fair value of contingent or deferred consideration and liabilities incurred or assumed at the date of exchange. Costs directly attributable to the business combination are charged to the income statement. The excess of the costs of a business combination over the fair value of the identifiable net assets acquired is recorded as goodwill. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement. Should the fair value of contingent or deferred consideration vary from the actual value on settlement date, the difference is recognised directly in the income statement.

Where deferred consideration is payable in cash, the amount is discounted to present value at the date of acquisition, using the Group's weighted average cost of capital. The financing charge which arises on the discounted consideration between the acquisition date and the date of payment is included within finance costs and treated as a non-underlying item.

Transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Subsidiary audit exemptions

Gooch & Housego (UK) Limited (05890426), Gooch & Housego (Torquay) Limited (04381203), Spanoptic Limited (SC192283), Kent Periscopes Limited (05417618), G&H US Holdings Limited (06382710), G&H Property Holdings Limited (04649035), Integrated Technologies Limited (01300238), Integrated Technologies (Holdings) Limited (02635933), VITL Limited (08473871), ORF Limited (01873862), Artemis Optical Limited (00514290), Artemis Optical (Holdings) Limited (06552780), Phoenix Optical Technologies Limited (05180538), Phoenix Optical Holdings Limited (10899284), Orion Photonics Limited (07585825) and Fawkes Newco Limited (15925741) are exempt from the requirement to file audited financial statements by virtue of Section 479A of the Companies Act 2006. As part of this process, the Company has provided statutory guarantees to these subsidiaries.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who oversees the allocation of resources and the assessment of operating segment performance. The chief operating decision maker in determining a business or operating segment is the Executive Team.

Foreign currency translation

a. Functional and presentation currency

The consolidated financial statements are presented in Pounds Sterling, which is the Group's presentation currency. Items included in the financial statements of each of the Group's subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency').

b. Transactions and balances

Foreign currency transactions are translated into an entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at balance sheet exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

c. Subsidiaries

The results and financial position of subsidiaries that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income and as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

No depreciation is charged on freehold land or capital work in progress. Certain plant used in the manufacturing process which is constructed from precious metals is not depreciated.

Depreciation on other assets is calculated to allocate their cost over their estimated useful lives, as follows:

• Freehold building	2-3%	Straight-line
• Leasehold property	over term of lease	Straight-line
• Plant and machinery	6-20%	Straight-line
• Fixtures, fittings and computers	6-33%	Straight-line
• Motor vehicles	25%	Reducing balance

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Where an asset's carrying amount is greater than its estimated recoverable amount, the asset's carrying amount is written down immediately to its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or an asset's value in use.

Intangible assets

a. Goodwill

Goodwill represents the excess of the cost of a business combination over the fair value of the net identifiable assets of the acquired business. Goodwill arising from business combinations is included in 'intangible assets'.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. The impairment testing requires an estimation of the 'value in use' of the cash-generating unit (the CGU) to which goodwill is allocated using appropriately discounted cash flow projections. Any impairment is recognised immediately as an expense to the income statement and is not subsequently reversed.

For the purpose of impairment testing a CGU is defined as either a business segment or an operating entity, as appropriate. Further information is given in note 18.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

b. Capitalised R&D, patents and licenses

Internally incurred costs associated with the filing and perfection of patents and trademarks are capitalised and carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over their useful economic lives of 5 – 10 years or across the anticipated number of

products that will be shipped and are charged to Research and Development in the income statement.

Patents, trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method to allocate the cost over their useful economic lives of 5 – 10 years.

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised as an expense as incurred.

Development costs incurred after the point at which the commercial and technical feasibility of the product have been proven, and the decision to complete the development has been taken and resources made available, are capitalised. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads.

Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses. Development costs are amortised using the straight line method over their estimated useful lives, which is typically 5 years, and are charged to Research and Development in the income statement.

c. Computer software

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

Costs that are directly associated with the development of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are capitalised and recognised as intangible assets. Costs include the software development employee costs and an appropriate portion of relevant overheads.

Acquired computer software and licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Capitalised software costs are amortised using the straight line method over their estimated useful lives of up to 5 years and charged to Administration in the income statement.

d. Acquired customer relationships, orderbooks and brands

Other acquired intangible assets are stated at fair value less accumulated amortisation and impairment losses.

The useful life of each of these assets is assessed based on the differing natures of each of the intangible assets acquired. Amortisation is charged on a straight-line basis over the estimated useful life of the assets acquired and charged to administration in the Income Statement.

• Customer relationships	up to 10 years
• Brand names	up to 10 years
• Order books	up to 2 years

Government grants

Government grants are accounted for on an accruals basis. Grants are credited to the income statement over the life of the project. Where grants are used to fund the acquisition of property, plant and equipment, the grant is initially credited to deferred income then credited to the income statement over the estimated economic life of the asset.

Impairment of non-financial assets

The Group assesses at each balance sheet date whether an asset may be impaired. If any such indicator exists, the Group tests for impairment by estimating the recoverable amount which is the higher of the value in use and the fair value less costs to sell. If the recoverable amount is less than the carrying value of the asset, the asset is impaired and the carrying value is reduced to its recoverable amount. In addition to this, assets with indefinite lives are tested for impairment annually. Non-financial assets other than goodwill which have suffered an impairment are reviewed for possible reversal of the impairment at each balance sheet date.

Inventories

Inventories are stated at the lower of weighted average cost and net realisable value. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment for expected credit losses.

The group applies the IFRS9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 24 months prior to the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Current asset investments

Current asset investments comprising shares in listed companies are held at fair value reflecting restrictions on the sale of the shares where appropriate. Changes in the carrying value are recognised in other comprehensive income.

Cash and cash equivalents

Cash and cash equivalents for the purpose of the cash flow statement includes cash in hand and deposits held on call with banks with original maturities of three months or less.

Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowing costs which are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

Borrowing costs are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Derivatives and hedging activities

The Group transacts derivative financial instruments to manage the underlying exposure to foreign exchange risk. The Group does not transact derivative financial instruments for trading purposes.

Financial instruments are initially recognised at fair value on the date that a contract is entered into and are subsequently remeasured at their fair value. The Group documents the relationship between the hedging instrument and the hedged item and, on a periodic basis, assesses whether the hedge is effective.

The hedges entered into during FY2025 have been assessed as effective and therefore the Group has applied hedge accounting. Accordingly, movements in the fair value of the hedges have been recorded in reserves.

Current and deferred income tax

Income tax on the profit or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year using rates enacted at the balance sheet date, and any adjustments to tax payable in respect of prior years.

Amounts claimed under the Research and Development Expenditure Credit scheme have been recognised within other income.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for, if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is recognised in the income statement except to the extent that it relates to items recognised directly in other comprehensive income and equity, in which case it is recognised in other comprehensive income and equity.

In the UK and US, the Group is entitled to a tax deduction for amounts treated as compensation on exercise of certain employee share options under each jurisdiction's tax rules. As explained under "Share options" below, a compensation expense is recorded in the Group's income statement over the period from the grant date to the vesting date of the relevant options. As there is a temporary difference between the accounting and tax bases, a deferred income tax asset is recorded. The deferred income tax asset arising is calculated by comparing the estimated amount of tax deduction to be obtained in the future (based on the Group's share price at the balance sheet date) with the cumulative amount of the compensation recorded in the income statement. If the amount of estimated future tax deduction exceeds the cumulative amount of the remuneration expense at the statutory rate, the excess is recorded directly in equity.

Employee benefits

a. Pension obligations

The Group operates money purchase pension schemes for UK employees and Section 401(k) plans for US employees. For employees in Continental Europe and Asia, we engage local payroll agencies to ensure local regulations are complied with. The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense in the income statement when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

b. Profit share and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Group's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

c. Share options

The Group operates a number of share option schemes which are all accounted for as equity-settled schemes. In accordance with IFRS 2 the fair value of the employee services received in exchange for the grant of the options is recognised as an expense in the income statement. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest.

Employer's National Insurance in the United Kingdom and equivalent taxes in other jurisdictions are payable on the exercise of certain share options. In accordance with IFRS 2, this is treated as a cash-settled transaction. A provision is made, calculated using the fair value of the Group's shares at the balance sheet date, pro-rated over the vesting period of the options.

At each balance sheet date, for awards with non-market vesting conditions, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity. The fair value of the options under the Gooch & Housego Long Term Incentive Plan and the Gooch & Housego Employee Stock Purchase Plan are determined by using the Monte Carlo option pricing model. The fair value of options under the Gooch & Housego Save As You Earn Scheme are determined by using the Black-Scholes option pricing model.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

The Group monitors and assesses its warranty provision requirement on a continuing basis. The provision for other liabilities and charges provides for the anticipated cost of repair and rectification of products under warranty, based on historical repair and replacement costs. In addition the Directors will also assess expected changes in future costs based on current information.

Non underlying items

Transactions are classified as non-underlying where they relate to an event that falls outside the ordinary activities of the business and where individually or in aggregate they have a material impact on the financial statements. These may include, but are not restricted to: restructuring and site closure costs, costs related to acquisitions and disposals, adjustments to the fair value of acquisition related items such as contingent consideration, acquired intangible asset amortisation or impairment and other items due to their significance, size or nature, and the related taxation.

Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate. The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of the lease term and useful life of the underlying asset.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers

those payments occurs and are included in the line "Other operating expenses" in the Income Statement.

For short-term leases (leases with a term of 12 months or less) and leases of low-value assets, the Group has opted to recognise a lease expense on a straight-line basis as permitted by IFRS 16. This expense is presented within operating expenses in the Income Statement.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient.

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Revenue recognition

The majority of the Group's revenue is derived from the sale of components and subsystems to customers. Revenue is recognised at the transaction price that is expected to flow to the Group and recognised at a point in time when the Group has transferred control to the customer in line with the incoterms agreed with the customer.

Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

Revenue is recognised to depict the transfer of control over promised goods or services to customers in an amount that reflects the amount of consideration specified in a contract with a customer, to which the Group expects to be entitled in exchange for those goods or services. Revenue represents sales, net of discounts, and excluding value added tax and other sales related taxes. Performance obligations are unbundled in each contractual arrangement if they are distinct from one another. The contract price is allocated to the distinct performance obligations based on the relative standalone selling prices of the goods or services. The way in which the Group satisfies its performance obligations varies by business and may be on shipment, delivery, as services are rendered or on completion of services depending on the nature of the product/service and terms of the contract which govern how control passes to the customer. Where the contract price is allocated to distinct performance obligations, revenue is recognised at a point in time or, in cases where there is a single performance obligation in relation to several products and services, these are treated as long term contracts, and revenue is recognised using the cost-based input method.

A contract asset is recognised when the Group's right to consideration is conditional on something other than the passage of time, for example the completion of future performance obligations under the terms of the contract with the customer. In some instances, the Group receives payments from customers based on a billing schedule, as established in the contract, which may not match the pattern of performance under the contract. In this instance, a contract asset or contract liability is recognised

depending on the phasing of payment in relation to the performance.

Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

Dividend distribution

Dividend distributions to the Company's shareholders are recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

Earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the owners of the Company, excluding any costs of servicing equity other than ordinary shares;
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted earnings per share adjusted the figures used in the determination of basic earnings per share to consider:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding, assuming the conversion of all dilutive potential ordinary shares.

5. Critical accounting estimates and judgments

The preparation of financial statements in accordance with International Financial Reporting Standards (IFRS) requires the Directors to make critical accounting estimates and judgments that affect the amounts reported in the financial statements and accompanying notes. These estimates and judgments are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will on occasions fail to equal actual results.

The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Critical accounting estimates

Carrying value of goodwill

The Group tests goodwill for impairment at least annually. This requires an estimation of the value in use of the cash generating units (the CGUs) to which goodwill is allocated. The value in use calculations are based on forecast cash flows of the CGU discounted at the appropriate weighted average cost of capital. These calculations have a number of significant variables including forecast revenue and margins, working capital movements and maintenance capital expenditure levels. The calculations are also sensitive to the discount rate used.

Further details are given in note 18.

Inventory provision

The Group continually monitors and assesses the provision for old and slow moving inventory. Factors considered by the Directors include the expected future usage and the potential obsolescence and deterioration of the Inventory.

The provision for inventory obsolescence amounts to 18.9% of the gross inventory value (2024: 19.3%). The Directors are satisfied that this provision is appropriate. An increase in the provision amounting to 2% of the gross inventory value would increase the provision by £1.0m.

Further detail is given in note 19.

Accounting for acquisitions

An assessment of the fair value of the purchase consideration and net assets acquired has been undertaken in respect of the acquisitions of Phoenix Optical and Global Photonics. Determining the fair value of the consideration involves an estimate of the deferred consideration payable, which is dependent on post-acquisition performance, and therefore inherently uncertain. Intangible assets relating to customer relationships, order books and brands have been recognised where appropriate based on estimates of the future cash flows to be derived from those assets.

Further detail is given in note 33.

Critical accounting judgments

Non-underlying items

Transactions are classified as non-underlying where in the opinion of the Directors they relate to an event that falls outside the ordinary activities of the business and where individually or in aggregate they have a material impact on the financial statements. Details of our accounting policy in respect of non-underlying items are given on page 125.

Further details of the non-underlying items identified by management are given in note 13.

6. Segmental analysis

Cognisant of the requirements of IFRS8 Operating Segments, during the year the Board reviewed the Group's segmental reporting to ensure it is appropriately aligned to the latest way in which its results are reported internally and used by the CODM which is considered to be the Executive Team. The Board concluded that because of the Group's matrix structure, there is significant overlap in responsibility across the market sectors and therefore business performance is monitored for the business as a whole as one segment.

The Board agreed to continue to report revenue by market sector to ensure sufficient information is provided to the user of the financial statements.

Analysis of revenue by type and market:

	Industrial	Life Sciences	A&D	Total
	£'000	£'000	£'000	£'000
For year ended 30 September 2025				
Revenue from long term contracts	3,214	253	1,972	5,439
Revenue from products recognised at point of sale	61,130	33,479	50,437	145,046
Total revenue	64,344	33,732	52,409	150,485
	Industrial	Life Sciences	A&D	Total
	£'000	£'000	£'000	£'000
For year ended 30 September 2024				
Revenue from long term contracts	1,718	154	1,963	3,835
Revenue from products recognised at point of sale	66,229	33,430	32,496	132,155
Total revenue	67,947	33,584	34,459	135,990

Analysis of revenue from continuing operations by destination:

	2025	2024
	£'000	£'000
North America	49,713	46,601
United Kingdom	48,882	36,849
Continental Europe	32,060	27,202
Asia Pacific and Other	19,830	25,338
Total revenue	150,485	135,990

6. Segmental analysis (continued)

Contract assets are disclosed in note 20 and contract liabilities are disclosed in note 23. All of the contract liability balance at the beginning of the year was recognised as revenue in the current year. There is no loss allowance held against contract assets (2024: nil).

The timing of receipts related to revenue from long term contracts can vary to that recognised at point of sale. Long term contracts tend to have a payment due on inception of the contract followed by a series of milestone payments whereas point of sale revenue is usually settled on 30 to 60 day terms.

The information used by management and provided to the Board (the Chief Operating Decision Maker) in respect of the group balance sheet is set out by location. This is why the Analysis of net assets below is provided by location.

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially satisfied) as at 30 September 2025 and 30 September 2024 were as follows:

	2025	2024
	£'000	£'000
Within one year	3,014	1,863
More than one year	4,427	6,460
	7,441	8,323

Analysis of net assets by location:

	2025	2025	2025	2024	2024	2024
	Assets	Liabilities	Net Assets	Assets	Liabilities	Net Assets
	£'000	£'000	£'000	£'000	£'000	£'000
United Kingdom	97,007	(64,760)	32,247	79,846	(35,743)	44,103
USA	109,682	(24,640)	85,042	86,276	(22,013)	64,263
Continental Europe	81	(6)	75	83	(148)	(65)
Asia Pacific	86	(13)	73	102	(15)	87
	206,856	(89,419)	117,437	166,307	(57,919)	108,388

For the year to 30 September 2025 non-current asset additions were £3.4m (2024: £3.0m) for the UK and for the USA £4.7m (2024: £7.0m). There were no additions to non-current assets in respect of Europe (2024: £nil) or the Asia Pacific region (2024: £nil). The value of non-current assets in the USA was £64.4m (2024: £64.3m) and in the United Kingdom £51.6m (2024: £44.1m). There were no non-current assets in Europe or the Asia-Pacific region.

7. Expenses by nature

	Note	2025	2024
		£'000	£'000
Raw materials and consumables		50,753	50,190
Employee costs	9	68,856	59,299
Other operating charges		10,757	13,892
Depreciation on property, plant and equipment		6,056	6,203
Depreciation on right of use assets		2,164	1,529
Amortisation of acquired intangible assets		2,500	2,001
Amortisation of other intangible assets		1,451	1,756
Loss on disposal of subsidiary	34	-	9,236
Net (gains) / losses on foreign exchange		(186)	68
		142,351	144,174

8. Other income

	2025	2024
	£'000	£'000
Grants receivable	324	288
Amounts claimed under the RDEC	391	392
Other income	831	149
	1,546	829

Other income relates to sales of certain materials used in production which need to be reprocessed periodically.

9. Employee benefit expense

	2025	2024
	£'000	£'000
Wages and salaries	54,790	46,938
Social security costs	5,631	4,549
Share based payment charge	1,025	715
Medical and other insurance	4,229	4,204
Other pension costs	3,181	2,893
	68,856	59,299

The monthly average number of employees during the year was:

	2025	2024
	Number	Number
Manufacturing	704	675
Sales, finance and administration	271	236
	975	911

Key management compensation

	2025	2024
	£'000	£'000
Salaries and other short-term benefits	5,437	3,812
Compensation for loss of office	187	-
Share based payments	1,025	715
Other pension costs	301	186
	6,950	4,713

Key management comprise the Executive Team and the management layer reporting directly to the Executive Team.

Directors' remuneration, including the highest paid Director, has been included on page 100 of the Remuneration Committee Report.

10. Auditors' remuneration

PricewaterhouseCoopers LLP's remuneration comprised:

	2025	2024
	£'000	£'000
Fees payable to the Group's auditors for the audit of:		
- the parent company	98	95
- the consolidated financial statements	311	277
	409	372

11. Finance income and costs

	2025	2024
	£'000	£'000
Finance income comprises:		
- Bank interest	14	40
	14	40
Finance costs comprise:		
- Bank interest	(1,914)	(1,978)
- Lease interest	(614)	(509)
- Unwind of discount on deferred consideration	(293)	(209)
	(2,821)	(2,696)

12. Income tax expense

Analysis of tax charge/(credit) in the year

	2025	2024
	£'000	£'000
Current taxation		
UK Corporation tax	2,819	1,963
Overseas tax	(467)	(212)
Adjustments in respect of prior years	257	107
Total current tax	2,609	1,858
Deferred tax		
Origination and reversal of temporary differences	(161)	(321)
Adjustments in respect of prior years	(657)	(606)
Total deferred tax	(818)	(927)
Income tax expense per income statement	1,791	931
Income tax on discontinuing operations	-	(222)

The taxation expense for the year is higher (2024: lower) than the standard rate of corporation tax in the UK. An explanation of the differences is detailed below:

	2025	2024
	£'000	£'000
Profit before income tax expense	5,327	4,208
Profit/(loss) at the standard rate of tax of 25.0% for the year (2024: 25.0%)	1,332	1,052
Permanent differences	691	15
Adjustments in respect of foreign tax rates	184	70
Losses not recognised	-	566
Other timing differences	(16)	(273)
Adjustments in respect of prior years	(400)	(499)
Total tax expense	1,791	931

There was no income tax relating to items included in other comprehensive income / (expense) (2024: nil).

Factors affecting the future tax charge

Overseas tax losses of £15.4m (2024: £18.8m) and UK tax losses of £2.7m (2024: £2.7m) are available against future profits of the Group. A deferred tax asset of £0.8m (2024: £2.1m) has been recognised in respect of these losses. The utilisation of the remainder of the available losses is not sufficiently certain to recognise a deferred tax asset thereon.

13. Non-underlying items

	2025	2024
	£'000	£'000
Included within administration expenses		
Amortisation of acquired intangible assets	2,500	2,002
Acquisitions costs	995	228
Release of deferred contingent consideration	(658)	-
Restructuring costs	3,169	911
Site closure costs	78	549
Local employment litigation	200	-
	6,284	3,690
Included within finance costs		
Unwind of discount on deferred consideration	293	209
	293	209
Included within taxation		
Tax effect of the non-underlying items above	(935)	(606)
	(935)	(606)

Further detail in respect of the amortisation of acquired intangible assets is given in the accounting policies and note 18.

Acquisition costs of £1.0m (2024: £0.2m) include costs incurred in relation to the acquisitions of Phoenix Optical Technologies Limited and Global Photonics in the year ended 30 September 2025. The costs incurred in the year ended 30 September 2024 related to the acquisitions of GS Optics and Artemis in the year ended 30 September 2023.

The release of deferred contingent consideration of £0.7m related to the earn out on the acquisition of Artemis. The final payment was made in early October 2025, which led to a release of the creditor reflecting the actual performance of the acquired business in the earn out period.

Restructuring costs of £3.2m (2024: £0.9m) were associated with the restructuring of the Group's operating model, in particular the changes necessitated by the decision to end-of-life the majority of our Pockels Cells products. They also include CFO succession costs and the cost of effecting a reduction in the size of the workforce.

Site closure costs of £0.1m (2024: £0.5m) related to the wind down of the Group's small facility in Shanghai which is now complete.

Provision for litigation relates to our estimate of the potential costs arising from local employment litigation matters. The Group has insurance in place for these claims and the provision recorded relates to the deductible amounts which might become payable by the Group.

Details of the loss on the disposal of EM4 LLC during the year ended 30 September 2024 are given in note 34.

14. Dividends

	2025	2024
	£'000	£'000
Final 2024 dividend: 8.3p per share (Final 2023 dividend paid in 2024: 8.2p)	2,140	2,114
2025 Interim dividend of 4.9p per share (2024: 4.9p per share)	1,329	1,264
	3,469	3,378

The Directors have proposed a final dividend of 8.3p per share making the total dividend paid and proposed in respect of the 2025 financial year 13.2p. (2024: 13.2p per share). The total value of the proposed final dividend is £2,258,000 (2024: £2,140,000).

15. Earnings per share

The calculation of earnings per 20p Ordinary Share is based on the profit for the year using as a divisor the weighted average number of Ordinary Shares in issue during the year. The weighted average number of shares for the year ended 30 September 2025 and 2024 is given below:

	2025	2024
Number of shares used for basic earnings per share	25,897,092	25,786,397
Number of dilutive shares – impact of share options granted	608,376	394,682
Number of shares used for dilutive earnings per share	26,505,468	26,181,079

A reconciliation of the earnings used in the earnings per share calculation is set out below:

	2025		2024	
	£'000	pence per share	£'000	pence per share
Basic earnings per share from continuing operations	3,536	13.7p	3,277	12.7p
Amortisation of acquired intangible assets (net of tax)	1,969	7.6p	1,540	5.9p
Acquisition costs (net of tax)	951	3.7p	195	0.8p
Site closure costs (net of tax)	78	0.3p	658	2.6p
Restructuring costs (net of tax)	2,882	11.0p	743	2.9p
Unwind of discount on deferred consideration (net of tax)	220	0.8p	157	0.6p
Release of deferred consideration creditor	(658)	(2.5p)	-	-
Provision for litigation	200	0.8p	-	-
Total adjustments net of income tax credit	5,642	21.7p	3,293	12.8p
Adjusted basic earnings per share	9,178	35.4p	6,570	25.5p
Basic diluted earnings per share	3,536	13.3p	3,277	12.5p
Adjusted diluted earnings per share	9,178	34.6p	6,570	25.1p
Basic and diluted loss per share from discontinuing operations	-	-	(9,654)	(37.4p)

Basic and diluted earnings per share before amortisation and other adjustments has been shown because, in the opinion of the Directors, it provides a useful measure of the trading performance of the Group.

16. Property, plant and equipment

	Capital work in progress £'000	Freehold land and buildings £'000	Leasehold property £'000	Plant and machinery £'000	Fixtures, fittings and computers £'000	Motor vehicles £'000	Total £'000
Cost or valuation							
At 1 October 2023	3,302	8,411	21,781	48,552	5,709	96	87,851
Additions	2,057	-	302	1,319	454	-	4,132
Disposals	-	-	(12)	(353)	(1,647)	(11)	(2,023)
Disposal of subsidiary	(132)	-	(674)	(2,598)	(297)	-	(3,701)
Reclassification	(2,607)	(22)	163	3,558	172	-	1,264
Exchange rate differences	(229)	(10)	(1,558)	(2,134)	(148)	(5)	(4,084)
At 30 September 2024	2,391	8,379	20,002	48,344	4,243	80	83,439
Additions	731	-	587	2,525	435	-	4,278
Disposals	-	-	-	(407)	(185)	(1)	(593)
Acquisition of subsidiaries	-	-	-	867	60	20	947
Reclassification	(1,302)	-	50	1,090	71	-	(91)
Exchange rate differences	1	-	(92)	(110)	(14)	-	(215)
At 30 September 2025	1,821	8,379	20,547	52,309	4,610	99	87,765
Accumulated depreciation							
At 1 October 2023	-	2,416	9,693	29,702	4,147	75	46,033
Charge for the year	-	216	1,313	4,011	652	11	6,203
Disposals	-	-	(11)	(351)	(1,581)	(2)	(1,945)
Disposal of subsidiary	-	-	(350)	(1,836)	(167)	-	(2,353)
Reclassification	-	(3)	15	(139)	43	(2)	(86)
Exchange rate differences	-	(8)	(744)	(1,318)	(256)	(2)	(2,328)
At 30 September 2024	-	2,621	9,916	30,069	2,838	80	45,524
Charge for the year	-	216	1,330	3,966	535	9	6,056
Disposals	-	-	-	(21)	(117)	-	(138)
Exchange rate differences	-	-	(67)	(118)	(10)	-	(195)
At 30 September 2025	-	2,837	11,179	33,896	3,246	89	51,247
Net book value							
At 30 September 2023	3,302	5,995	12,088	18,850	1,562	21	41,818
At 30 September 2024	2,391	5,758	10,086	18,275	1,405	-	37,915
At 30 September 2025	1,821	5,542	9,368	18,413	1,364	10	36,518

No interest was capitalised in the year (2024: £Nil).

17. Right of use assets

	Fixtures and fittings £'000	Motor vehicles £'000	Land and buildings £'000	Plant and machinery £'000	Total £'000
Cost					
At 1 October 2023	107	58	14,470	764	15,399
Additions	-	-	3,078	-	3,078
Disposal of subsidiary	-	-	(3,329)	-	(3,329)
Exchange rate differences	(3)	-	(1,080)	(7)	(1,090)
At 30 September 2024	104	58	13,139	757	14,058
Additions	-	-	2,173	-	2,173
Acquisitions	-	13	3,498	336	3,847
Disposals	(24)	-	(1,852)	-	(1,876)
Exchange rate differences	-	-	(79)	-	(79)
At 30 September 2025	80	71	16,879	1,093	18,123
Accumulated depreciation					
At 1 October 2023	32	46	5,292	97	5,467
Charge for the year	5	4	1,447	73	1,529
Disposal of subsidiary	-	-	(1,741)	-	(1,741)
Exchange rate differences	(2)	-	(367)	(8)	(377)
At 30 September 2024	35	50	4,631	162	4,878
Charge for the year	2	8	1,978	176	2,164
Disposals	(15)	-	(1,843)	-	(1,858)
Exchange rate differences	-	-	(17)	-	(17)
At 30 September 2025	22	58	4,749	338	5,167
Net book value					
At 30 September 2023	75	12	9,178	667	9,932
At 30 September 2024	69	8	8,508	595	9,180
At 30 September 2025	58	13	12,130	755	12,956

18. Intangible assets

	Goodwill £'000	Acquired customer relationships and order books £'000	Acquired brands £'000	Capitalised R&D, patents and licences £'000	Computer software £'000	Total £'000
Cost						
At 1 October 2023	67,907	22,242	5,724	6,476	5,539	107,888
Additions	-	-	-	1,015	391	1,406
Adjustments	90	-	-	-	-	90
Disposals	(2,635)	(2,573)	(613)	(49)	(128)	(5,998)
Reclassifications	-	-	-	303	17	320
Exchange rate differences	(3,321)	(996)	(188)	(12)	(25)	(4,542)
At 30 September 2024	62,041	18,673	4,923	7,733	5,794	99,164
Additions	-	-	-	1,177	567	1,744
Arising on acquisition	1,120	16,064	531	-	-	17,715
Reclassifications	-	-	-	91	-	91
Exchange rate differences	(161)	(35)	(8)	(7)	(1)	(212)
At 30 September 2025	63,000	34,702	5,446	8,994	6,360	118,502
Accumulated amortisation and impairment						
At 1 October 2023	22,852	14,355	3,142	4,403	3,407	48,159
Charge for the year	-	1,637	364	922	834	3,757
Disposals	-	(1,597)	(327)	(49)	(126)	(2,099)
Exchange rate differences	(808)	(777)	(82)	(9)	(28)	(1,704)
At 30 September 2024	22,044	13,618	3,097	5,267	4,087	48,113
Charge for the year	-	2,074	426	770	681	3,951
Exchange rate differences	(40)	(55)	(16)	(6)	(6)	(123)
At 30 September 2025	22,004	15,637	3,507	6,031	4,762	51,941
Net book value						
At 30 September 2023	45,055	7,887	2,582	2,073	2,132	59,729
At 30 September 2024	39,997	5,055	1,826	2,466	1,707	51,051
At 30 September 2025	40,996	19,065	1,939	2,963	1,598	66,561

18. Intangible assets (continued)

Goodwill is allocated to the operating regions as follows: US £25.1m and UK £5.7m. The goodwill relating to the ITL business, which has sites in Ashford, UK and Rochester, US is £10.2m. The CGUs reflect our operating model, being regionally based. The goodwill arising on the acquisitions of Phoenix Optical and Global Photonics has been allocated to the UK and US CGUs respectively.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. The impairment testing requires an estimation of the recoverable amount of the CGU, being the higher of the cash-generating unit's fair value less costs of disposal and its value in use. The value in use calculations use cash flow projections based on the latest budget and three year strategic plan projections approved by the Board. The near term strategic plan is supported by detailed customer and product analysis. In the medium term forecast sales growth rates are based on past experience adjusted for the strategic direction and near-term investment priorities within each CGU. The key assumptions include growth rates in the key markets and customer demand for product lines validated by reference to third party market growth projections. Cash flow forecasts are determined based on historic experience of operating margins, adjusted for the impact of changes in product mix and delivered cost-saving initiatives. The projections do not include the benefits of any future planned restructuring or product outsourcing activity.

The following key assumptions were made:

Cash Generating Unit	Average annual growth in revenue from FY2025 to FY2028	Average annual growth in revenue from FY2028 to FY2030	Growth into perpetuity	Average operating margin to FY2028	Pre Tax Discount Rate
UK	20.2%	3.0%	2.0%	15.5%	13.6%
US	11.6%	3.0%	2.0%	12.1%	13.1%
ITL	9.9%	3.0%	2.0%	17.8%	13.6%

The headroom on the value in use calculations is summarised for each of the cash generating units below:

Cash Generating Unit	Headroom
UK	£120.0m
US	£13.0m
ITL	£37.9m

Management have performed various sensitivities on the value in use calculations which underpin the goodwill valuations. These include increases to the discount rates and reductions to the planned growth rates, the effects of which are summarised below:

Cash Generating Unit	Effect on value in use of an increase of 1% in the discount rate	Effect of a 5% reduction in revenue growth per annum from FY2025 to FY2028	Effect of a 5% reduction in revenue growth per annum from FY2028 to FY2030	Effect of a 5% reduction in operating margin from FY2026 – FY2028
UK	(£19.6m)	(£2.5m)	(£23.0m)	(£9.6m)
US	(£12.3m)	(£3.0m)	(£21.5m)	(£9.2m)
ITL	(£6.8m)	(£0.5m)	(£6.5m)	(£2.2m)

19. Inventories

	2025	2024
	£'000	£'000
Raw materials	17,163	11,645
Work in progress	18,676	15,946
Finished goods	4,955	3,040
	40,794	30,631

The cost of inventories recognised as an expense and included in cost of revenue amounted to £50.8m (2024: £50.2m).

The movement in the inventories provision is as follows:

	2025	2024
	£'000	£'000
At 1 October	7,338	9,488
Acquired / (disposed)	651	(890)
Increase / (decrease) in provision	1,518	(930)
Exchange rate movement	(27)	(330)
At 30 September	9,480	7,338

The Group's banking facilities are secured on certain of its assets including inventory.

20. Trade and other receivables

	2025	2024
	£'000	£'000
Trade receivables	35,602	27,500
Other receivables	1,692	860
Contract assets	2,828	1,009
Prepayments	1,946	1,539
	42,068	30,908

The carrying amount of the Group's trade and other receivables is denominated in the following currencies:

	2025	2024
	£'000	£'000
Pound Sterling	12,773	10,730
US Dollar	26,100	18,321
Euro	3,185	1,848
Other	10	9
	42,068	30,908

The ageing of trade receivables and contract assets by due date is as follows:

	2025	2024
	£'000	£'000
Current	26,680	21,219
1 to 3 months	10,490	5,581
Over 3 months	2,067	2,350
	39,237	29,150
Less provision for impairment	(807)	(640)
Net trade receivables and contract assets	38,430	28,510

The movement on the provision for impairment of trade receivables and contract assets is as follows:

	2025	2024
	£'000	£'000
At 1 October	640	502
Disposed of with subsidiary	-	(32)
Increase in provision	169	189
Exchange rate movement	(2)	(19)
At 30 September	807	640

The provision for expected credit loss amounts to 0.5% of current balances, 3.5% of balances in the 1 – 3 month category, and 15% of balances greater than 3 months old.

21. Current asset investments

	2025	2024
	£'000	£'000
Current asset investments	761	-

The current asset investment comprises 49,371,970 shares in Prolight Diagnostics AB (Prolight), a technology company listed in Sweden. These shares were received as consideration for development work provided to Prolight in the year. There was a twelve month lock in period from receipt when the shares could not be sold and the carrying value represents a discount to the market price reflecting that.

22. Cash and cash equivalents

	2025	2024
	£'000	£'000
Cash at bank and on hand	7,198	6,622

23. Trade and other payables

	2025	2024
	£'000	£'000
Trade payables	5,027	5,577
Contract liabilities	5,006	853
Other taxation and social security	1,992	1,299
Accruals	14,050	8,633
Deferred contingent consideration	2,317	1,563
Deferred consideration	150	150
	28,542	18,075

24. Borrowings and lease liabilities

	2025	2024
	£'000	£'000
Current:		
Bank borrowings	-	10
Leases	2,234	1,289
	2,234	1,299
Non-current:		
Bank borrowings	37,066	22,563
Leases	11,755	8,570
	48,821	31,133
Total borrowings and lease liabilities	51,055	32,432

The carrying values of the bank borrowings and leases are not materially different from their fair values and are included as part of the fair value disclosure for all financial instruments in note 30.

G&H's primary lending bank is NatWest Bank. The Group's facilities were amended and extended on 1 April 2025 and they now comprise a committed \$60m (£44.6m) dollar revolving credit facility (2024: \$50m) and an uncommitted \$10m (£7.4m) flexible acquisition facility (2024: \$20m). At 30 September 2025, the balance drawn on the revolving credit facility was \$50.2m (£37.3m) (2024: \$30.4m (£22.7m)) and on the flexible acquisition facility nil (2024: nil).

The revolving credit facility is committed until 31 March 2030 and attracts an interest rate of between 1.45% (at leverage of less than or equal to 1:1) and 1.95% (at leverage of more than 2:1) above the US Dollar SOFR rate specified by the bank dependent upon the Group's leverage ratio, payable on rollover dates.

The Group's banking facilities are secured on certain of its assets including land and buildings, property plant and equipment and inventory.

24. Borrowings and lease liabilities (continued)

Maturity profile of bank borrowings

	2025	2024
	£'000	£'000
Within one year	-	10
Between one and five years	36,536	26,670
	36,536	26,680

Maturity profile of lease liabilities

	2025	2024
	£'000	£'000
Within one year	2,926	1,929
Between two and five years	10,635	7,674
After five years	3,225	2,129
	16,786	11,732

Details of lease interest charges and right of use assets are given in notes 11 and 17 respectively.

The total cash outflow in respect of leases in the year ended 30 September 2025 was £2.5m (2024: £2.2m).

25. Provisions for other liabilities and charges

The movements in the Group provision for other liabilities and charges during the year are as follows:

	2025	2024
	£'000	£'000
At 1 October	1,429	1,582
Acquisitions	489	-
Utilised during year	(110)	(167)
Increase in year	230	36
Exchange movements	(7)	(22)
At 30 September	2,031	1,429

The Group provision for other liabilities and charges includes amounts provided for the anticipated cost of repair and rectification of products under warranty, based on known exposures and historical occurrences. The Group offers warranty periods ranging up to 10 years on some of its products.

From time to time the company engages in litigation related to employment matters. Where appropriate, provisions are made to cover any liability arising from this litigation.

26. Deferred tax assets and liabilities

The movements in the Group's deferred tax assets and liabilities during the year are as follows:

	2025 £'000	2024 £'000
At 1 October	(3,978)	(5,223)
Credited to the income statement	818	927
On (acquisitions) / disposals	(1,209)	226
Exchange movements	(43)	92
Net liability at 30 September	(4,412)	(3,978)

The current portion of the deferred tax liability is £1.7m (2024: £1.4m).

The deferred tax provided for in the financial statements is disclosed under the following balance sheet headings and can be analysed as follows:

	2025 £'000	2024 £'000
Deferred income tax assets		
Intangible assets	18	340
IFRS16 Leases	312	219
Provisions	2,242	2,044
Losses	839	2,079
Other timing differences	921	-
	4,332	4,682
Deferred income tax liabilities		
Property, plant and equipment	(5,331)	(5,209)
Intangible assets	(3,413)	(2,904)
Other timing differences	-	(547)
	(8,744)	(8,660)
Deferred tax balance at 30 September	(4,412)	(3,978)

The movement on the deferred tax balances by category is shown below:

	Intangible assets £'000	IFRS16 leases £'000	Provisions £'000	Losses £'000	Property, plant and equipment £'000	Intangible assets £'000	Other timing differences £'000	Total £'000
At 1 October 2023	100	319	1,759	2,281	(6,338)	(2,837)	(507)	(5,223)
Credited / (charged) to income statement	54	(73)	413	-	797	(143)	(121)	927
On disposals	193	-	-	-	-	-	33	226
Exchange movements	(7)	(27)	(128)	(202)	332	76	48	92
At 30 September 2024	340	219	2,044	2,079	(5,209)	(2,904)	(547)	(3,978)
(Charged) / credited to income statement	(322)	81	214	(1,232)	56	357	1,664	818
On acquisitions	-	16	-	-	(194)	(868)	(163)	(1,209)
Exchange movements	-	(4)	(16)	(8)	16	2	(33)	(43)
At 30 September 2025	18	312	2,242	839	(5,331)	(3,413)	921	(4,412)

Overseas tax losses of £15.4m (2024: £18.8m) and UK tax losses of £2.7m (2024: £2.7m) are available to offset against future profits of the Group. The Group has not recognised a deferred income tax asset of £3.0m (2024: £5.4m) in respect of these losses due to uncertainty as to whether they will be utilised within the foreseeable future.

No deferred tax has been provided in relation to unremitted earnings from overseas subsidiaries on the basis that no incremental tax charge is currently anticipated to arise upon remittance of these earnings to the UK.

27. Called up share capital

	2025 Number	2024 Number	2025 £'000	2024 £'000
Issued and fully paid ordinary shares of 20p each				
At 1 October	25,786,397	25,786,397	5,159	5,159
Shares issued and fully paid	1,328,636	-	264	-
At 30 September	27,115,033	25,786,397	5,423	5,159

1,328,636 shares were issued on 18 June 2025 as part consideration for the acquisition of Global Photonics. No shares were allotted under share option schemes during the year ended 30 September 2025 (2024: nil).

The company does not have a limited amount of authorised capital.

28. Reserves

	Share premium account £'000	Merger reserve £'000	Cumulative translation reserve £'000	Hedging reserve £'000	Retained earnings £'000
At 1 October 2023	16,051	11,561	9,813	15	79,415
Loss for the financial year	-	-	-	-	(6,377)
Dividends paid	-	-	-	-	(3,378)
Fair value of share options	-	-	-	-	715
Currency hedge fair value	-	-	-	126	-
Currency translation differences	-	-	(4,712)	-	-
At 30 September 2024	16,051	11,561	5,101	141	70,375
At 1 October 2024	16,051	11,561	5,101	141	70,375
Issue of share capital	-	7,548	-	-	-
Profit for the financial year	-	-	-	-	3,536
Dividends paid	-	-	-	-	(3,469)
Fair value of share options	-	-	-	-	1,025
Currency hedge fair value	-	-	-	8	-
Currency translation differences	-	-	137	-	-
At 30 September 2025	16,051	19,109	5,238	149	71,467

29. Share options

The Group operates the Gooch & Housego Long Term Incentive Plan (the LTIP), the Gooch & Housego Save As You Earn Scheme, the Gooch & Housego ESPP scheme and the Gooch & Housego PLC Restricted Stock Units Plan.

A reconciliation of total share option movements across these schemes is shown below:

	2025		2024	
	Number	Weighted average exercise price (£)	Number	Weighted average exercise price (£)
Outstanding at 1 October	746,725	0.01	668,062	0.33
Awarded	379,339	-	290,179	-
Forfeitures	(183,295)	(0.01)	(211,516)	(1.01)
Outstanding at 30 September	942,769	-	746,725	0.01
Exercisable at 30 September	-	-	-	-

The weighted average remaining contractual life of the options outstanding at 30 September 2025 was 2.3 years (2024: 2.5 years).

The total charge for the year relating to share options was £1,025,000 (2024: £715,000), all of which related to equity-settled share based payment transactions.

29. Share options (continued)

The Gooch & Housego 2013 Long Term Incentive Plan

The Gooch & Housego Long Term Incentive Plan was approved by the Board on 19 September 2023. Under the plan, awards will be made annually to key employees based on a percentage of salary. Subject to the satisfaction of the required Total Shareholder Return, Earnings Per Share and ESG performance criteria, these grants will vest upon publication of the results of the Group three years after the grant date.

The Long Term Incentive Plan Awards were valued using the Monte Carlo option pricing model for the TSR element of the award. The expected volatility used in the model was based on the historical volatility of the Company's share price over the three years prior to the grant date.

The details of awards extant as at 30 September 2025 are summarised below:

	Grant date		
	7 Jan 2025	10 Jan 2024	9 Jan 2023
No. of options granted	379,339	290,179	409,782
Expected volatility	42%	38%	44%
Risk free rate	4.47%	3.85%	2.00%
Option term	3 years	3 years	3 years
Fair value (£)	1,383,026	1,361,943	1,537,338
Exercise price	Nil	Nil	Nil
Expected dividend yield	2.7%	2.2%	2.1%
Share price at grant date	488p	596p	530p

A reconciliation of LTIP option movements is shown below:

	2025		2024	
	Number	Weighted average exercise price (£)	Number	Weighted average exercise price (£)
Outstanding at 1 October	746,259	-	623,650	-
Awarded	379,339	-	290,179	-
Forfeitures	(182,829)	-	(167,570)	-
Outstanding at 30 September	942,769	-	746,259	-
Exercisable at 30 September	-	-	-	-

The weighted average fair value of options granted in the year was 366.0p per option (2024: 469.0p per option).

The weighted average remaining contractual life of LTIP options outstanding at 30 September 2025 was 2.3 years (2024: 2.5 years).

The total share-based payments charge for the year ended 30 September 2025 relating to the LTIP scheme was £1,025,000 (2024: £869,000).

29. Share options (continued)**The Gooch & Housego PLC Save As You Earn Scheme**

The Gooch & Housego PLC Save As You Earn Scheme was established in February 2021.

There were no extant awards under the scheme as at 30 September 2025 (2024: 465).

	2025		2024	
	Number	Weighted average exercise price (£)	Number	Weighted average exercise price (£)
Outstanding at 1 October	465	11.59	18,862	11.59
Forfeitures	(465)	11.59	(18,397)	11.59
Outstanding at 30 September	-	N/A	465	11.59
Exercisable at 30 September	-	N/A	465	11.59

There were no options granted under the Save As You Earn Scheme in the year ended 30 September 2025 or 30 September 2024.

Share options outstanding at the end of the year expire one year after their respective vesting dates and have the following exercise prices:

	Exercise price per share option	Number of share options	
		2025	2024
G&H PLC Save As You Earn Scheme	£11.59	-	465

The weighted average remaining contractual life of the SAYE options outstanding at 30 September 2024 was 0.5 years.

The total share-based payments charge for the year ended 30 September 2025 relating to the SAYE scheme was nil (2024: credit £10,000).

30. Financial instruments

The Group's financial instruments comprise bank borrowings, cash at bank, leases and various items such as current asset investments, trade receivables and trade payables that directly arise from its operations. The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk and foreign currency risk.

Operations are financed through a mixture of retained profits, cash reserves, bank borrowings and leases. Other than leases the Board's policy is to use variable rate borrowings whenever possible.

The currency profile for the Group's financial assets and liabilities are set out below.

	Financial assets		Financial liabilities	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Pound Sterling	4,033	2,413	2,041	894
US Dollars	2,728	3,887	49,014	31,537
Euro	509	371	-	-
Other	838	92	-	-
	8,108	6,763	51,055	32,431

The financial assets listed in the above table are subject to floating rates of interest, except current asset investments which do not attract interest. The interest rates on the financial liabilities are provided in Note 24. The financial assets include cash at bank, short term investments and derivative financial instruments but exclude short-term receivables, prepayments and other receivables. The financial liabilities include bank borrowings, lease liabilities and derivative financial instruments. Other short-term payables are excluded from this disclosure.

Cash and bank borrowings are stated at amortised cost. Current asset investments are valued at level 1 fair value with movements in the fair value recognised in other comprehensive income. Derivative financial instruments, being currency contracts, are valued at level 2 fair values based on the present value of future cash flows based on the forward exchange rates at the balance sheet date. Lease liabilities are held at fair value based on discounted cash flows using a current borrowing rate. There were no transfers between levels of fair value hierarchy during the year.

30. Financial instruments (continued)

Capital risk management

Management considers capital as equity, as shown in the Group balance sheet, excluding net debt.

The Group's objectives when managing capital are to safeguard the Group's ability

- to continue as a going concern;
- to provide returns for shareholders and benefits for other stakeholders; and
- to maintain an optimal capital structure to reduce the cost of capital.

The Board is satisfied that these objectives have been met during the year. Actions taken during the year to achieve these objectives are outlined in the Chief Executive Officer's Review.

In order to maintain or adjust the capital structure, the Group may

- adjust the amount of dividends paid to shareholders;
- return capital to shareholders;
- issue new shares;
- sell assets to reduce debt; and
- vary the level of debt financing.

While the Group's debt to equity ratio is consistently monitored, changes in the Group's need for capital and the selection of the source and funding of capital are assessed against a number of criteria which may have a direct effect on the Group debt to equity ratio.

The Group's capital needs include, but are not solely limited to, its

- investment in non-current assets;
- investment in working capital; and
- acquisition of businesses, technologies and other intangible assets.

The criteria against which the Group's capital needs are assessed include, but are not limited to,

- availability of and cost of debt financing;
- ability to raise equity financing at an acceptable share price; and
- ratio of debt to equity.

Financial risks

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and cash flow interest rate risk), credit risk and liquidity risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Where considered appropriate, the Group will use derivative financial instruments to hedge risk exposures. During the year ended 30 September 2025, the Group has entered into contracts to sell US Dollars and buy UK Sterling at fixed rates at specific dates in the future. At 30 September 2025, the Group had contracts to sell \$2.0m in the period to 30 September 2026. The fair value of these contracts, an asset of £149,000, has been included within receivables on the balance sheet (2024: contracts to sell \$4.0m in the period to 30 September 2025 with a fair value of £141,000).

i. Market risk

a. Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar.

Foreign exchange risk arises from

- future commercial transactions;
- recognised assets and liabilities; and
- net investments in foreign operations.

During the year the Group has entered into contracts to hedge foreign exchange risk as disclosed above.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.

Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

As a significant amount of the Group's profit is earned by its US subsidiaries, the Group's profit is sensitive to movements in the US Dollar exchange rate. If the average US Dollar exchange rate for the year had been consistent with the closing exchange rate at 30 September 2024, with all other variables constant, post tax profits for the year would have been £12,000 lower (2024: £40,000 higher) as a result of the translation in US Dollars.

Equity is more sensitive to movement in the US Dollar exchange rate as a significant amount of the Group's net assets are held in the Group's US subsidiaries. If the US Dollar weakened by 10% against Pound Sterling with all other variables held constant, the net assets of the Group would be £2,794,000 lower (2024: £3,944,000 lower). If the US Dollar strengthened by 10% against Pound Sterling with all other variables held constant, the net assets of the Group would be £3,410,000 higher (2024: £4,335,000 higher).

b. Cash flow interest rate risk

The Group has cash balances of £7.2m, a proportion of which are held in interest bearing current accounts. The Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from its revolving credit facility. A 1% increase in the cost of the Group's bank borrowings would have resulted in an annualised increase in interest expense of £280,000 (2024: £263,000).

Borrowings issued at variable interest rates expose the Group to cash flow interest rate risk. During 2024 and 2025, the Group's borrowings at variable interest rates were denominated in Pound Sterling and US Dollars as detailed in note 24.

ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It arises principally from the Group's trade receivables.

a. Trade and other receivables

The management of credit risk exposure is the responsibility of each business unit which has credit policies in place to mitigate the risk. The credit policies seek to verify a customer's credit worthiness prior to trading and maintain the level of trading within agreed credit limits. Changes to credit limits require authorisation in accordance with internal control policies.

The Group is exposed to concentration of credit risk. The Group's top ten customers in 2025 accounted for 36% of the Group's revenue (2024: 25%). No individual customer made up more than 8% of revenue in either the current or prior year.

The Group's trade receivables are analysed in note 20.

b. Cash

Cash is held in current and deposit accounts with financial institutions which have credit ratings of A- or greater.

iii. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group aims to achieve a balance between certainty of funding and a flexible, cost effective borrowing structure.

The Group's facilities comprise a committed revolving credit facility of \$60m (£44.6m) of which \$50.2m (£37.3m) is drawn and an uncommitted flexible acquisition facility of \$10m (£7.4m) which is undrawn. Both are available until 31 March 2030. These are analysed in note 24.

The Group aims to ensure that there are sufficient funds or credit lines available to supplement cash flows generated from trading to meet known obligations in the next 12 months.

31. Commitments

	2025	2024
	£'000	£'000
Capital commitments – authorised and contracted but not provided for	564	383

All capital commitments relate to property, plant and equipment.

32. Related party transactions

No contracts or arrangements have been entered into during the year, nor existed at the end of the year, in which a director or key manager had an interest.

Details of key management compensation are given in note 9.

33. Business combinations

Phoenix Optical Technologies Limited

On 30 October 2024, Gooch & Housego PLC acquired the entire issued share capital of Phoenix Optical Technologies Limited (“Phoenix”), a precision-optics company. This acquisition extended G&H’s precision optics capabilities in its A&D markets.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	£'000
Purchase consideration	
Cash paid	2,874
Contingent consideration	2,244
Deferred consideration	150
Discount on contingent consideration	(652)
Total purchase consideration	4,616

Acquisition costs of £302,000 are included within administration expenses in the income statement.

The provisional fair value of the assets and liabilities recognised as a result of the acquisition were as follows:

	Fair value £'000
Cash	158
Trade and other receivables	1,439
Inventories	825
Plant and equipment	820
Right of use assets	1,567
Current tax liabilities	(1)
Lease liabilities	(1,632)
Intangible assets – customer relationships	2,942
Intangible assets – brand	531
Trade and other payables	(1,573)
Deferred tax liabilities	(1,209)
Add: goodwill	749
Net assets acquired	4,616

The goodwill is attributable to the workforce and the future profitability of the acquired business. It will not be deductible for tax purposes.

In the event that certain pre-determined EBITDA targets are achieved by Phoenix in the three 12 month periods ended 30 June 2025, 2026 and 2027, additional consideration of up to £3.35m is payable in cash on or around 31 October 2025, 2026 and 2027 respectively. No deferred consideration was payable in respect of the period ended 30 June 2025.

The fair value of the remaining contingent consideration of £2,244,000 was estimated by calculating the present value of the future expected cash flows. The estimates are based on a discount rate of 14.3%.

The acquired business contributed revenues of £7.2m and a profit before tax of £0.1m to the Group for the period from acquisition to 30 September 2025.

If the acquisition had occurred on 1 October 2024, consolidated pro-forma revenue and profit after tax for the year ended 30 September 2025 would have been £151.1m and £3.6m respectively.

	2025 £'000
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	2,874
Less cash acquired	(158)
Net outflow of cash – investing activities	2,716

Global Photonics Inc.

On 14 May 2025, Gooch & Housego PLC entered in to an agreement to acquire U.S. based Global Photonics for a total consideration of £15.5m. The acquisition completed on 18 June 2025.

This acquisition significantly extended G&H's presence in the U.S. Aerospace & Defence market and marks an important step towards replicating the success of the Group's optical systems hub in the UK by establishing a full optical systems engineering and manufacturing capability in the United States. Global Photonics, which is based near Tampa, Florida, supplies optical systems for military land applications, including periscopes and fire-control systems, as well as instrumentation for air platforms and other advanced precision optics. Its expertise in cleanroom lithography, photolithographic reticle fabrication, ion beam etching and advanced thin film coatings will complement G&H's existing manufacturing capabilities and enhance the Group's offering into the North American market.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	£'000
Purchase consideration	
Initial cash paid	7,143
Ordinary shares issued	7,812
Deferred share consideration	497
Total purchase consideration	15,452

The fair value of the 1,413,113 shares issued as part of the consideration paid for Global Photonics was based on the published share price on 18 June 2025 of £5.88 per share.

Acquisition costs of £458,000 are included within administration expenses in the income statement.

The assets and liabilities recognised as a result of the acquisition are as follows:

	Provisional value
	£'000
Trade and other receivables	1,145
Inventories	1,574
Right of use assets	2,280
Plant and equipment	127
Cash	74
Intangible assets – customer relationships	12,587
Intangible assets – order book	535
Trade and other payables	(961)
Lease liabilities	(2,280)
Add: goodwill	371
Net assets acquired	15,452

The goodwill is attributable to the workforce and the future profitability of the acquired business. It will not be deductible for tax purposes.

The acquired business contributed revenues of £2,184,000 and net profit of £189,000 to the Group for the period from acquisition to 30 September 2025.

If the acquisition had occurred on 1 October 2024, consolidated pro-forma revenue and profit after tax for the year ended 30 September 2025 would have been £156.1m and £4.7m respectively.

	2025 £'000
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	7,143
Less cash acquired	(74)
Net outflow of cash – investing activities	7,069

34. Disposal of EM4 LLC

On 18 March 2024, Gooch & Housego PLC disposed of the entire share capital of its subsidiary EM4 LLC to EMFOUR Acquisition Co. LLC, a subsidiary of a Luminar Technologies Inc. for total net consideration of £1.7m.

The total consideration payable of up to \$12.0m comprised an initial cash consideration of \$5.25m (£4.2m) and deferred contingent consideration of up to \$6.75m (£5.1m). The deferred contingent consideration was based on the performance of the EM4 business in the period ending 30 September 2025, and due to the performance of the business in that period, no contingent consideration was receivable from EMFOUR Acquisition Co. LLC.

The performance of the Boston business was shown as a discontinued operation in the income statement for the year ended 30 September 2024.

Details of the disposal consideration and the net assets disposed of are as follows:

	£'000
Disposal consideration	
Cash paid	4,154
Transaction fees	(674)
Working capital and debt adjustment	(714)
Cash disposed of	(441)
Employee liabilities settled direct from proceeds	(660)
Net disposal proceeds	1,665

Management have assessed the fair value of the deferred consideration to be nil. Other disposal costs include certain staff costs and professional fees.

The details of the assets disposed of were as follows:

	Book value £'000
Right of use assets	1,588
Plant and equipment	1,348
Inventories	3,445
Trade and other receivables	2,537
Intangible assets – customer relationships	1,262
Trade and other payables	(402)
Lease liabilities	(1,853)
Add: goodwill	2,635
Net assets disposed of	10,560
Disposal costs	(341)
Loss on disposal	9,236

The income statement of the discontinued operation for the period from 1 October 2023 to 18 March 2024 was as follows:

	Year ended 30 September 2024 £'000
Revenue	4,343
Cost of revenue	(3,644)
Gross profit	699
Operating expenses	(1,287)
Operating loss	(588)
Interest payable	(52)
Loss before tax	(640)
Taxation	222
Loss after tax	(418)

34. Disposal of EM4 LLC (continued)

The cash flows attributable to the discontinued operation in the same period were as follows:

	Year ended 30 September 2024 £'000
Net cash generated from operating activities	50
Cash used in investing activities	(194)
Cash used in financing activities	(198)
Decrease in cash	(342)

35. Post balance sheet events

On 8 October 2025, the Company issued 84,477 new ordinary shares of 20p each as final consideration payment in relation to the acquisition of Global Photonics which completed on 18 June 2025.

In November 2025, the Group established the Gooch & Housego Employee Benefit Trust, which will be used to enable future vesting of nil cost long term incentives.

Company Balance Sheet

As at 30 September 2025

Company number 00526832

	Note	2025 £'000	2024 £'000
Non-current assets			
Investments	5	47,035	42,062
Property, plant and equipment	6a	105	157
Investment properties	6b	3,014	3,093
Intangible assets	7	408	313
Deferred income tax assets	9	525	374
		51,087	45,999
Current assets			
Other receivables	8	29,393	20,658
Cash and cash equivalents		1,999	795
		31,392	21,453
Current liabilities			
Trade and other payables	10	(8,298)	(7,732)
Net current assets		23,094	13,721
Non-current liabilities			
Deferred consideration		(959)	-
Net assets		73,222	59,720
Shareholders' equity			
Called up share capital	11	5,423	5,159
Share premium account		16,051	16,051
Merger reserve		16,438	8,890
Hedging reserve		149	141
Retained earnings			
At 1 October		29,479	31,221
Profit for the year		8,126	921
Other changes in retained earnings		(2,444)	(2,663)
		35,161	29,479
Total equity		73,222	59,720

The financial statements on pages 152 to 167, were approved by the Board of Directors on 2 December 2025 and signed on its behalf by:

Charlie Peppiatt
Director

Company Statement of Changes in Equity

For the year ended 30 September 2025

Company number 00526832

	Note	Called up share capital £'000	Share premium account £'000	Merger reserve £'000	Hedging reserve £'000	Retained earnings £'000	Total equity £'000
At 1 October 2023		5,159	16,051	8,890	15	31,221	61,336
Profit for the financial year		-	-	-	-	921	921
Total comprehensive income for the year		-	-	-	-	921	921
Dividends	4	-	-	-	-	(3,378)	(3,378)
Share based payments		-	-	-	-	715	715
Gain on cash flow hedge		-	-	-	126	-	126
Total contributions by and distributions to owners of the parent recognised directly in equity		-	-	-	126	(2,663)	(2,537)
At 30 September 2024		5,159	16,051	8,890	141	29,479	59,720
At 1 October 2024		5,159	16,051	8,890	141	29,479	59,720
Profit for the financial year		-	-	-	-	8,126	8,126
Total comprehensive income for the year		-	-	-	-	8,126	8,126
Issue of share capital		264	-	7,548	-	-	7,812
Dividends	4	-	-	-	-	(3,469)	(3,469)
Share based payments		-	-	-	-	1,025	1,025
Gain on cash flow hedge		-	-	-	8	-	8
Total contributions by and distributions to owners of the parent recognised directly in equity		264	-	7,548	8	(2,444)	5,376
At 30 September 2025		5,423	16,051	16,438	149	35,161	73,222

Company Cash Flow Statement

For the year ended 30 September 2025

Company number 00526832

	2025 £'000	2024 £'000
Cash flows from operating activities		
Cash used in operations	(1,071)	(256)
Income tax (paid) / received	(2)	131
Net cash used in operating activities	(1,073)	(125)
Cash flows from investing activities		
Acquisition of subsidiaries	(2,874)	(351)
Purchase of property, plant and equipment	(4)	(14)
Purchase of intangible assets	(310)	(21)
Interest received	11	15
Dividends received from subsidiary companies	8,923	3,658
Net cash generated by investing activities	5,746	3,287
Cash flows from financing activities		
Dividends paid to ordinary shareholders	(3,469)	(3,378)
Net cash used in financing activities	(3,469)	(3,378)
Net increase / (decrease) in cash	1,204	(216)
Cash at beginning of the year	795	1,011
Cash at the end of the year	1,999	795

Notes to the Company

Cash Flow Statement

For the year ended 30 September 2025

Reconciliation of cash generated by/(used in) operations

	2025	2024
	£'000	£'000
Profit before income tax	7,954	1,104
Adjustments for:		
- Dividends received from subsidiaries	(8,923)	(3,658)
- Amortisation of intangible assets	215	490
- Depreciation	135	136
- Share based payment obligations	831	578
- Loss on disposal of investment in subsidiary	-	1,255
- Interest receivable	(11)	(16)
- Interest payable	293	209
- Deferred consideration creditor release	(658)	-
Total	(8,118)	(1,006)
Changes in working capital		
- Trade and other receivables	(811)	1,696
- Trade and other payables	(96)	(2,050)
Total	(907)	(354)
Cash used in operations	(1,071)	(256)

Analysis of net cash

	At 1 Oct 2024	Cash flow	At 30 Sep 2025
	£'000	£'000	£'000
Cash at bank and in hand	795	1,204	1,999
Net cash	795	1,204	1,999

Analysis of net cash

	At 1 Oct 2024	Cash flow	At 30 Sep 2025
	£'000	£'000	£'000
Cash at bank and in hand	1,011	(216)	795
Net cash	1,011	(216)	795

Notes to the Company Financial Statements

For the year ended 30 September 2025

1. Company accounting policies

Basis of preparation

These financial statements have been prepared under the historical cost convention as modified by financial assets and liabilities at fair value and in accordance with UK adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The financial statements have been prepared on a going concern basis.

The Directors have reviewed the current financial forecasts for FY2026. The Company is a non-trading holding company which is reliant on income from its subsidiary undertakings to continue as a going concern. The Directors' going concern assessment for the Company therefore largely follows that for the Group. The Company does not have any available external borrowing facilities (2024: nil).

At 30 September 2025, the Company has a strong balance sheet with net current assets of £23.1m.

The Directors have reviewed severe but plausible downside scenarios that estimate the potential impact of the principal risks that the Group faces on the financial forecasts. These include the impact of a possible recession and the resultant reduced demand in certain of the Group's markets, most notably commercial aerospace and the industrial laser market driven by softness in consumer end market demand. They also included the effect of erosion of sales prices due to competition, the impact of delays to our production ramp up, the impact of inflation on input costs which cannot be passed on to customers, the potential impact of a cyber-attack and a reduction in forecast revenue to illustrate the potential effect of a loss of key personnel or inability to hire for a key role. The model also considered the loss of revenue and profit associated with a closure of one of the Group's sites due to a legal non-compliance issue. Mitigating actions including cost and capital expenditure savings, and an extension of our payment terms with suppliers (in FY2026 only) have been factored into this analysis.

We have compared the downside risk adjusted cash projections and covenant performance against the Group's available cash and have been able to conclude that the Group would continue to be able to operate even if a number of the risks occurred simultaneously.

As a result of the assessments undertaken the Directors are satisfied that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The Directors do not believe there are any critical accounting estimates or judgements that affect the amounts reported in the company financial statements.

New standards and interpretations not yet adopted

- Definition of Accounting Estimates – amendments to IAS 8.
- International Tax Reform – Pillar Two Model Rules – amendments to IAS 12.
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – amendments to IAS 12; and
- Disclosure of Accounting Policies – Amendments to IAS1 and IFRS Practice Statement 2.

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all of the years presented, unless otherwise stated.

Pension schemes

The Company operates a money purchase pension scheme for Directors and staff. The assets of the scheme are held in separately administered funds. Contributions are recognised as an employee benefit expense in the income statement when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Share options

The Company operates a number of share option schemes. In accordance with IFRS 2 the fair value of the employee services received in exchange for the grant of the options is recognised as an expense in the income statement. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest.

Employer's National Insurance in the United Kingdom and equivalent taxes in other jurisdictions are payable on the exercise of certain share options. In accordance with IFRS 2, this is treated as a cash-settled transaction. A provision is made, calculated using the fair value of the Company's shares at the balance sheet date, pro-rated over the vesting period of the options.

At each balance sheet date, for awards with non-market vesting conditions, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity. The fair value of the options under the Gooch & Housego Long Term Incentive Plan are determined by using the Monte Carlo option pricing model.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Derivatives and hedging activities

The Company transacts derivative financial instruments to manage the underlying exposure to foreign exchange risk. The Company does not transact derivative financial instruments for trading purposes.

Financial instruments are initially recognised at fair value on the date that a contract is entered into and are subsequently remeasured at their fair value. The Company documents the relationship between the hedging instrument and the hedged item and, on a periodic basis, assesses whether the hedge is effective.

The hedges entered into during FY2025 have been assessed as effective and therefore the Company has applied hedge accounting. Accordingly, movements in the fair value of the hedges have been recorded in reserves.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for, if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is recognised in the income statement except to the extent that it relates to items recognised directly in other comprehensive income and equity, in which case it is recognised in other comprehensive income and equity.

In the UK and US, the Company is entitled to a tax deduction for amounts treated as compensation on exercise of certain employee share options under each jurisdiction's tax rules. As explained under "Share options" on the previous page, a compensation expense is recorded in the Company's income statement over the period from the grant date to the vesting date of the relevant options. As there is a temporary difference between the accounting and tax bases, a deferred income tax asset is recorded. The deferred income tax asset arising is calculated by comparing the estimated amount of tax deduction to be obtained in the future (based on the Company's share price at the balance sheet date) with the cumulative amount

of the compensation recorded in the income statement. If the amount of estimated future tax deduction exceeds the cumulative amount of the remuneration expense at the statutory rate, the excess is recorded directly in equity.

Foreign currency translation

a. Functional and presentation currency

The financial statements are presented in Pounds Sterling, which is the Company's presentation currency.

b. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at balance sheet exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Investments

Investments are stated at cost less provision for any impairment in value. Where overseas borrowing is required to finance the investment in overseas subsidiaries, the investment is retranslated at the exchange rate ruling at the balance sheet date.

Investment properties

The Company adopts the cost model and shows investment properties at cost less accumulated depreciation and any accumulated impairment losses. As investment properties are occupied by a subsidiary, they do not meet the definition of investment properties for the Group. Depreciation on investment properties is calculated to allocate their cost over their estimated useful lives at 2-3% on a straight line basis.

Property, plant and equipment

Property, plant and equipment is stated at historical purchase cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items. No depreciation is charged on freehold land or capital work in progress. Depreciation on other assets is calculated to allocate their cost over their estimated useful lives, as follows:

Plant and machinery	6-20%	Straight line
Fixtures and fittings	6-33%	Straight line
Computer equipment	25-33%	Straight line

Intangible assets

Intangible assets include costs relating to computer systems development, computer software and other intangible assets. These costs are amortised over their useful economic lives as follows:

Computer software	5 years	Straight line
Systems	5 years	Straight line
Patents & Licences (other)	3 years	Straight line

Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Other receivables

Other receivables, which largely comprise amounts due from subsidiary companies, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment of expected credit losses.

Dividend distribution

Dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Capital risk management

Details of the ways in which the Company manages capital risk are given in note 29 to the Group financial statements.

Critical accounting estimates and judgements

Carrying value of investments

The Directors have assessed the carrying value of the Company's investments during the year. The assessment requires an estimate of the recoverable amount of the investment, which is based on forecast cash flows and is therefore inherently uncertain. See note 5 for details of the carrying value of investments.

2. Company profit and loss account

Gooch & Housego PLC has taken advantage of section 408(3) of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The Company's profit after tax was £8,126,000 (2024: £921,000).

Fees payable to the Company auditors for the statutory audit for the year amounted to £98,000 (2024: £95,000).

3. Employee benefit expense

	2025	2024
	£'000	£'000
Wages and salaries	3,320	2,824
Compensation for loss of office	30	-
Social security costs	327	298
Medical and other insurances	82	64
Share based payments	831	579
Other pension costs	56	67
	4,646	3,832

The monthly average number of employees during the year was:

	2025	2024
	Number	Number
Sales and marketing	9	10
Operations	6	4
Finance and administrative	8	7
	23	21

Directors' remuneration and key management compensation

	2025	2024
	£'000	£'000
Directors' remuneration	1,122	1,115
Compensation of loss of office	187	-
Share based payments	831	579
Medical and other insurances	25	23
Company car allowance	10	10
Directors' pension scheme contributions	38	10
	2,213	1,737

The aggregate emoluments of the highest paid Director were £558,000 (2024: £495,000). Further information is included in the Remuneration Committee report on page 94.

The aggregate gain on Directors' share option exercises in the year was nil (2024: nil).

The number of Directors who are accruing retirement benefits under a money purchase pension scheme is nil (2024: 1).

4. Dividends

	2025	2024
	£'000	£'000
Final 2024 dividend: 8.3p per share (Final 2023 dividend paid in 2024: 8.2p)	2,140	2,114
2025 Interim dividend of 4.9p per share (2024: 4.9p per share)	1,329	1,264
	3,469	3,378

The Directors have proposed a final dividend of 8.3p per share making the total dividend paid and proposed in respect of the 2025 financial year 13.2p (2024: 13.2p per share). The total value of the proposed final dividend is £2,258,000 (2024: £2,147,000).

5. Investments

	2025	2024
	£'000	£'000
Cost and net book value at 1 October	42,062	43,181
Additions related to share-based payments for subsidiary employees	194	136
Additions	4,779	-
Disposal of investment in group company	-	(1,255)
Cost and net book value at 30 September	47,035	42,062

The Company acquired the entire share capital of Phoenix Optical Technologies Limited on 30 October 2024. Further details are given in note 33 to the Group financial statements.

The disposal in the year ended 30 September 2024 related to the disposal of EM4 Inc. Further detail is given in note 34 to the Group financial statements.

5. Investments (continued)

The subsidiary companies at 30 September 2025, all of which are wholly owned either directly or indirectly, are listed below:

COMPANY NAME	% OWNERSHIP OF ORDINARY SHARES	REGISTERED OFFICE	ACTIVITY
Gooch & Housego (UK) Limited*	100%	Dowlish Ford, Ilminster, Somerset, TA19 0PF	Manufacturer of acousto-optic products and precision optics
Gooch & Housego (Torquay) Limited*	100%	Dowlish Ford, Ilminster, Somerset, TA19 0PF	Manufacturer of fibre-optic products
Spanoptic Limited*	100%	Telford Road, Glenrothes, KY7 4NX	Non-trading company
Kent Periscopes Limited*	100%	6 Ffordd Richard Davies St Asaph, LL17 0LJ	Non-trading company
Gooch & Housego (Deutschland) GmbH*	100%	Berliner Allee 55, 22850 Norderstedt, Germany	Provider of sales and customer service functions
Gooch & Housego (Ohio) LLC	100%	676 Alpha Drive, Highland Heights, OH44143, USA	Manufacturer of electro-optic products and crystals
Gooch & Housego (California) LLC	100%	5390 Kazuko Court, Moorpark, CA93021, USA	Manufacturer of precision optics
Gooch & Housego (Palo Alto) LLC	100%	44247 Nobel Dr, Fremont, CA94538, USA	Manufacturer of acousto-optic, electro-optic and fibre optic components and systems
Gooch & Housego (Keene) LLC	100%	17A Bradco. Street, Keene, NH 03431, USA	Designer and manufacturer of optical and opto-mechanical subsystems
Gooch & Housego Japan KK*	100%	Level 4, Nikko Shiken Building, 3-2-3 Sakae, Nagoya, Japan	Provider of sales and customer service functions
G&H (Property) Holdings Limited*	100%	Dowlish Ford, Ilminster, Somerset, TA19 0PF	Property holding company
G&H (US Holdings) Limited*	100%	Dowlish Ford, Ilminster, Somerset, TA19 0PF	Holding company
G&H Holdings (Delaware) Inc.	100%	676 Alpha Drive, Highland Heights, OH44143, USA	Holding company
G&H Capital Holdings (Florida) Inc.	100%	676 Alpha Drive, Highland Heights, OH44143, USA	Non-trading company
Integrated Technologies Limited	100%	Viking House, Ellingham Way, Ashford, TN23 6NF	Development and manufacture of high quality medical and in vitro diagnostic devices
Integrated Technologies (Holdings) Limited	100%	Viking House, Ellingham Way, Ashford, TN23 6NF	Non-trading company
ORF Limited	100%	Viking House, Ellingham Way, Ashford, TN23 6NF	Dormant company
VITL Limited*	100%	Viking House, Ellingham Way, Ashford, TN23 6NF	Holding company
Wave Optronics Limited	100%	Viking House, Ellingham Way, Ashford, TN23 6NF	Dormant company
Chromodynamics LLC	100%	434 S Dallas Ave, Pittsburgh PA15208, USA	Dormant company
G&H ITL (US) Inc.	100%	Viking House, 408 St Paul Street, Rochester, New York, 14605, USA	Development and manufacture of high quality medical and in vitro diagnostic devices
Integrated Electronic Systems (Shanghai) Ltd	100%	T3-11 Factory Building Unit 201, 5001 Huadong Road, Shanghai 201201 China	Development and manufacture of high quality medical and in vitro diagnostic devices
Artemis Optical Holdings Ltd*	100%	1 Western Wood Way, Langage Science Park, Plympton, Plymouth, PL7 5BG	Holding company
Artemis Optical Ltd	100%	1 Western Wood Way, Langage Science Park, Plympton, Plymouth, PL7 5BG	Thin-film coating company
GS Optics LLC	100%	Viking House, 408 St Paul Street, Rochester, New York, 14605, USA	Design and manufacture of precision polymer optics
Phoenix Optical Technologies Limited	100%	Dowlish Ford, Ilminster, Somerset, TA19 0PF	Manufacture of precision optics
Phoenix Optical Technologies Holdings Limited	100%	Dowlish Ford, Ilminster, Somerset, TA19 0PF	Non-trading holding company
Orion Photonics Limited	100%	Dowlish Ford, Ilminster, Somerset, TA19 0PF	Non-trading holding company
Fawkes NewCo 2 Limited	100%	Dowlish Ford, Ilminster, Somerset, TA19 0PF	Non-trading company
G&H Florida Inc.	100%	7826 Photonics Drive, Trinity, Florida, USA	Designer and manufacturer of optical systems
G&H Investment Holding Inc.	100%	7826 Photonics Drive, Trinity, Florida, USA	Non-trading company

The directors believe that the carrying value of the investments is supported by their underlying net assets.

*these investments are held directly by Gooch & Housego PLC. All UK subsidiaries are exempt from the requirement to file audited financial statements by virtue of Section 479A of the Companies Act 2006. As part of this process, the Company has provided statutory guarantees to these subsidiaries.

6a. Property, plant and equipment

	Plant and machinery £'000	Fixtures and fittings £'000	Computer equipment £'000	Total £'000
Cost or valuation				
At 1 October 2023	3,987	1,392	240	5,619
Additions	-	-	14	14
At 30 September 2024	3,987	1,392	254	5,633
Additions	-	-	4	4
At 30 September 2025	3,987	1,392	258	5,637
Accumulated depreciation				
At 1 October 2023	3,799	1,391	230	5,420
Charge for the year	47	1	8	56
At 30 September 2024	3,846	1,392	238	5,476
Charge for the year	47	-	9	56
At 30 September 2025	3,893	1,392	247	5,532
Net book value				
At 30 September 2023	188	1	10	199
At 30 September 2024	141	-	16	157
At 30 September 2025	94	-	11	105

6b. Investment properties

	Investment Properties £'000
Cost or valuation	
At 1 October 2023	4,432
At 30 September 2024	4,432
At 30 September 2025	4,432
Accumulated depreciation	
At 1 October 2023	1,259
Charge for the year	80
At 30 September 2024	1,339
Charge for the year	79
At 30 September 2025	1,418
Net book value	
At 30 September 2023	3,173
At 30 September 2024	3,093
At 30 September 2025	3,014

The fair value of the investment property is not materially different to the book value disclosed above. Income received from subsidiary companies in respect of the property in the year ended 30 September 2025 was £500,000 (2024: £500,000).

7. Intangible assets

	Systems	Computer software	Patents and licences	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 October 2023	2,200	1,101	64	3,365
Additions	-	21	-	21
At 30 September 2024	2,200	1,122	64	3,386
Additions	72	238	-	310
At 30 September 2025	2,272	1,360	64	3,696
Accumulated amortisation				
At 1 October 2023	1,570	949	64	2,583
Charge for the year	440	50	-	490
At 30 September 2024	2,010	999	64	3,073
Charge for the year	145	70	-	215
At 30 September 2025	2,155	1,069	64	3,288
Net book value				
At 30 September 2023	630	152	-	782
At 30 September 2024	190	123	-	313
At 30 September 2025	117	291	-	408

8. Other receivables

	2025	2024
	£'000	£'000
Prepayments and accrued income	215	112
Intercompany receivables	29,178	20,546
	29,393	20,658

Intercompany receivables are repayable on demand.

9. Deferred tax

The movement in the deferred tax assets and liabilities during the year was as follows:

	2025	2024
	£'000	£'000
At 1 October	374	318
Credited to the income statement	314	56
Arising on acquisition	(163)	-
At 30 September	525	374

The deferred tax provided for in the financial statements can be analysed as follows:

	2025	2024
	£'000	£'000
Property, plant and equipment	366	353
Intangible assets	56	44
Other timing differences	(103)	(23)
Share options	206	-
	525	374

All movements on deferred tax were recognised in the income statement in the year ended 30 September 2025 and 30 September 2024.

The current portion of the deferred tax asset is £0.1m (2024: £0.1m).

10. Trade and other payables

	2025	2024
	£'000	£'000
Trade payables	409	239
Amounts owed to group undertakings	4,095	5,072
Deferred consideration	2,467	1,713
Accruals and deferred income	1,327	708
	8,298	7,732

Amounts owed to group undertakings are unsecured and due within one year. Non-trading amounts owed to US group undertakings are charged interest at the SOFR rate applicable for the year. Non-trading amounts owed to UK group undertakings are charged interest at rates specified in the loan agreements.

11. Called up share capital

	2025	2024	2025	2024
	Number	Number	£'000	£'000
Allotted, issued and fully paid				
At 1 October	25,786,397	25,786,397	5,159	5,159
Shares issued and fully paid	1,328,636	-	264	-
At 30 September	27,115,033	25,786,397	5,423	5,159

1,328,636 shares were issued on 18 June 2025 as part consideration for the acquisition of Global Photonics. No shares were allotted under share option schemes during the year ended 30 September 2025 (2024: nil).

The company does not have a limited amount of authorised capital.

12. Financial instruments

The Company's financial instruments comprise cash at bank, financial derivatives and various items such as trade receivables and trade payables that directly arise from its operations. The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk and foreign currency risk.

The Board's policy on these risks and capital risk management is set out in note 30 to the Group financial statements.

Operations are financed through a mixture of retained profits, cash reserves, group borrowings and leases. The Board's policy is to use variable rate borrowings whenever possible.

The currency profile for the Company's financial assets and liabilities are set out below:

	Financial assets		Financial liabilities	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Pound Sterling	1,977	558	-	-
US Dollars	152	336	-	-
Euro	19	42	-	-
	2,148	936	-	-

The financial assets listed in the above table are subject to floating rates of interest. The financial assets include cash at bank and derivative financial instruments but exclude short-term receivables, prepayments and other receivables. The financial liabilities include derivative financial instruments. Other short-term payables are excluded from this disclosure.

At the year end, the Company had contracts to sell \$2.0m in the period to 30 September 2026 (2024: contracts to sell \$4m in the period to 30 September 2025). The fair value of these contracts, of £149,000, has been included in receivables on the balance sheet (2024: £141,000 asset).

Cash and bank borrowings are stated at amortised cost. Derivative financial instruments, being currency contracts, are valued at level 2 fair values based on the present value of future cash flows based on the forward exchange rates at the balance sheet date.

13. Share options

The Company operates the Gooch & Housego 2013 Long Term Incentive Plan (the 2013 LTIP), the Gooch & Housego Save As You Earn Scheme, the Gooch & Housego ESPP scheme and the Gooch & Housego PLC Restricted Stock Units Plan.

A reconciliation of total share option movements across these schemes is shown below:

	2025		2024	
	Number	Weighted average exercise price (£)	Number	Weighted average exercise price (£)
Outstanding at 1 October	746,725	0.01	668,062	0.33
Awarded	379,339	-	290,179	-
Forfeitures	(183,295)	(0.01)	(211,516)	(1.01)
Outstanding at 30 September	942,769	-	746,725	0.01
Exercisable at 30 September	-	-	-	-

The weighted average remaining contractual life of the options outstanding at 30 September 2025 was 2.3 years (2024: 2.5 years).

The total charge for the year relating to share options was £831,000 (2024: £579,000), all of which related to equity-settled share based payment transactions.

13. Share options (continued)**The Gooch & Housego Long Term Incentive Plan**

The Gooch & Housego Long Term Incentive Plan was approved on 19 September 2023. Under the plan, awards will be made annually to key employees based on a percentage of salary. Subject to the satisfaction of the required Total Shareholder Return, Earnings Per Share and ESG performance criteria, these grants will vest upon publication of the results of the Group three years after the grant date.

The Long Term Incentive Plan Awards were valued using the Monte Carlo option pricing model. The expected volatility used in the model was based on the historical volatility of the Company's share price over the three years prior to the grant date.

The details of awards extant as at 30 September 2025 are summarised below:

	Grant date		
	7 Jan 2025	10 Jan 2024	9 Jan 2023
No. of options granted	379,339	290,179	409,782
Expected volatility	42%	38%	44%
Risk free rate	4.47%	3.85%	2.00%
Option term	3 years	3 years	3 years
Fair value (£)	1,383,026	1,361,943	1,537,338
Exercise price	Nil	Nil	Nil
Expected dividend yield	2.7%	2.2%	2.1%
Share price at grant date	488p	596p	530p

A reconciliation of LTIP option movements is shown below:

	2025		2024	
	Number	Weighted average exercise price (£)	Number	Weighted average exercise price (£)
Outstanding at 1 October	746,259	-	623,650	-
Awarded	379,339	-	290,179	-
Forfeitures	(182,829)	-	(167,570)	-
Outstanding at 30 September	942,769	-	746,259	-
Exercisable at 30 September	-	-	-	-

The weighted average fair value of options granted in the year was 366.0p per option (2024: 469.0p per option).

The weighted average remaining contractual life of LTIP options outstanding at 30 September 2025 was 2.3 years (2024: 2.5 years).

The total share-based payments charge for the year ended 30 September 2025 relating to the LTIP scheme was £831,000 (2024: £578,000).

13. Share options (continued)**The Gooch & Housego PLC Save As You Earn Scheme**

The Gooch & Housego PLC Save As You Earn Scheme was established in February 2021.

There were no extant awards under the scheme as at 30 September 2025 (2024: 465).

	2025		2024	
	Number	Weighted average exercise price (£)	Number	Weighted average exercise price (£)
Outstanding at 1 October	465	11.59	18,862	11.59
Forfeitures	(465)	11.59	(18,397)	11.59
Outstanding at 30 September	-	N/A	465	11.59
Exercisable at 30 September	-	N/A	465	11.59

There were no options granted under the Save As You Earn Scheme in the year ended 30 September 2025 or 30 September 2024.

Share options outstanding at the end of the year expire one year after their respective vesting dates and have the following exercise prices:

	Exercise price per share option	Number of share options	
		2025	2024
G&H PLC Save As You Earn Scheme	£11.59	-	465

The weighted average remaining contractual life of SAYE options outstanding at 30 September 2024 was 0.5 years.

The total share-based payments charge for the year ended 30 September 2025 relating to the SAYE scheme was nil (2024: credit £1,000).

14. Related party disclosures

The company recharges certain costs to, and is recharged certain costs by, its subsidiary companies in the ordinary course of business. The closing balances due from and to the subsidiary companies are shown in notes 8 and 10 respectively.

The amounts recharged to Gooch & Housego PLC by group undertakings during the year ended 30 September were:

	2025	2024
	£'000	£'000
Gooch & Housego (Palo Alto) LLC	-	93
Gooch & Housego (Ohio) LLC	129	78
Gooch & Housego (UK) Limited	27	34
Gooch & Housego (Torquay) Limited	21	21
Gooch & Housego (Deutschland) GmbH	166	210
Gooch & Housego Japan KK	301	387
Integrated Technologies Limited	5	-
	649	823

The amounts recharged by Gooch & Housego PLC to group undertakings during the year ended 30 September were:

	2025	2024
	£'000	£'000
Gooch & Housego (Ohio) LLC	582	1,142
Gooch & Housego (UK) Limited	1,015	1,010
Gooch & Housego (California) LLC	433	411
Gooch & Housego (Palo Alto) LLC	1,406	1,496
StingRay Optics LLC	327	439
Gooch & Housego (Torquay) Limited	1,560	1,290
Integrated Technologies Limited	617	642
G&H ITL (US) Inc.	113	197
GS Optics LLC	252	257
Artemis Optical Limited	319	286
	6,624	7,170

The amounts receivable from / (payable to) subsidiary undertakings as at 30 September were:

	2025	2024
	£'000	£'000
G&H (US Holdings) Limited	19,678	11,284
G&H Holdings (Delaware) Inc.	(284)	-
Gooch & Housego (UK) Limited	6,263	7,137
Gooch & Housego (Palo Alto) LLC	(141)	-
Spanoptic Limited	(91)	(91)
Artemis Optical Limited	2,090	1,666
Gooch & Housego (Deutschland) GmbH	(475)	(503)
Gooch & Housego Japan KK	(22)	(21)
Integrated Technologies Limited	(1,979)	(757)
Gooch & Housego (Torquay) Limited	(1,103)	(3,198)
Phoenix Optical Technologies Limited	1,147	-
	25,083	15,517

During the year Gooch & Housego PLC received dividends of £6.3m, £2.5m and £0.2m respectively from Gooch & Housego (Torquay) Limited, Integrated Technologies Holdings Limited and G&H Property Holdings Limited. In the prior year, Gooch & Housego PLC received dividends of £3.5m and £0.2m respectively from Integrated Technologies (Holdings) Limited and G&H Property Holdings Limited.

The total dividends received from subsidiary undertakings during the year was £8.9m (2024: £3.7m).

No other material contracts or arrangements have been entered into during the year, nor existed at the end of the year, in which a director or key manager had a material interest.

Shareholder Information



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Company Information

Company Information

Nominated Adviser and Broker

Investec Bank PLC

2 Gresham Street
London
EC2V 7QP

Legal Advisers

Burges Salmon LLP

One Glass Wharf
Temple Quay
Bristol
BS2 0ZX

Independent Auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
2 Glass Wharf
Temple Quay
Bristol
BS2 0FR

Registrars

MUFG Corporate Markets

Central Square
29 Wellington Street
Leeds
LS1 4DL

Company Secretary and Registered Office

Company Secretary

Martin Hopcroft

Registered Office

Dowlish Ford
Ilminster
Somerset
TA19 0PF
United Kingdom

Company Number

00526832

Expected Financial Calendar

**Annual General
Meeting**

**27
February
2026**

**Interim Results
Announcement**

**June
2026**

Financial Year End

**30
September
2026**

**Preliminary
Announcement
of Results for
the Year Ending
30 September 2026**

**December
2026**

Notice of Annual General Meeting

Form of proxy

You will not receive a form of proxy for the 2026 AGM in the post. Instead, you can vote online at <https://www.mygandhshares.com/welcome>. To register you will need your Investor Code, which can be found on your share certificate. Alternatively, you can vote via the VOTE+ app or CREST. You will still be able to attend and vote in person at the AGM and you may also request a hard copy proxy form from our Registrars.

Should you require assistance please contact our registrar MUFG Corporate Markets by email on: shareholderenquiries@cm.mpms.mufg.com or on **0371 664 0300**.

Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales.

Notice is hereby given that the Annual General Meeting of the Company will be held at Dowlish Ford, Ilminster, Somerset, TA19 0PF on 27 February 2026 at 11.00 a.m. for the following purposes:

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

- 1 To receive the Annual Report and Financial Statements for the financial year ended 30 September 2025 together with the Directors' Report and Auditors' Report thereon.
- 2 To receive and approve the Remuneration Committee Report set out on pages 94 to 103 of the Annual Report and Financial Statements, comprising the Annual Statement, the Remuneration Policy and the Annual Report on Remuneration for the financial year ended 30 September 2025.
- 3 To declare a final dividend, as recommended by the Directors, of 8.3p per ordinary share for the financial year ended 30 September 2025, payable on 6 March 2026 to those members whose names appear in the Company's register of members at the close of business on 30 January 2026.
- 4 To re-elect Gary Bullard as a Director.
- 5 To re-elect Charlie Peppiatt as a Director.
- 6 To re-elect Louise Evans as a Director.
- 7 To re-elect Jim Haynes as a Director.
- 8 To re-elect Susan Searle as a Director.
- 9 To re-appoint PricewaterhouseCoopers LLP as Auditors to hold office from the conclusion of this meeting to the conclusion of the next meeting at which the Company's annual accounts and reports are laid before the Company.
- 10 To authorise the Directors to fix the remuneration of the Auditors.
- 11 THAT the Directors of the Company be, and they are hereby, generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the "Act"), in substitution for any existing authority to the extent unused, to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company on, and subject to, such terms as the Directors may determine. The authority hereby conferred shall, subject to section 551 of the Act, be for a period commencing on the date of the passing of this Resolution and expiring at the conclusion of the next Annual General Meeting of the Company or 27 May 2027 (whichever is the earlier) unless reviewed, varied or revoked by the Company in General Meeting and the maximum nominal amount of shares which may be allotted pursuant to such authority shall be £1,813,301 (representing approximately one third of the total ordinary share capital of the Company in issue at 2 December 2025). The Directors shall be entitled under such authority to make at any time prior to the expiry of such authority any offer or agreement which would or might require shares in the Company to be allotted after the expiry of such authority and the Directors may allot shares in pursuance of such offer or agreement as if such authority had not expired.

To consider and, if thought fit, to pass the following resolutions as Special Resolutions:

- 12 (a)** THAT the Directors of the Company be, and they are hereby, generally and unconditionally empowered pursuant to section 570 of the Companies Act 2006 (the "Act"), in substitution for any existing authority to the extent unused, to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred by Resolution 11 above as if section 561 of the Act did not apply to such allotment, provided that the power hereby conferred shall be limited to:
- (i) the allotment of equity securities in connection with an offer of securities, open for acceptance for a period fixed by the Directors, by way of rights to the holders of ordinary shares in proportion (as nearly as may be) to the respective numbers of ordinary shares held by them on a record date fixed by the Directors and subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with legal or practical problems under the laws of any overseas territory or the requirements of any regulatory body or any stock exchange in any territory or in connection with fractional elements or otherwise howsoever; and
 - (ii) otherwise than pursuant to sub-paragraph (i) above, the allotment of equity securities up to an aggregate nominal amount of £271,995 (representing approximately 5 per cent. of the total ordinary share capital of the Company in issue at 2 December 2025); and
- (b)** THAT the Directors of the Company be authorised in addition to any authority granted under Resolution 12(a) to allot equity securities (as defined in section 560 of the Act) for cash under the authority conferred by Resolution 11 above as if section 561 of the Act did not apply to any such allotment, provided that the power hereby conferred shall be:
- (i) limited to the allotment of equity securities up to an aggregate nominal amount of £271,995 (representing approximately 5 per cent. of the total ordinary share capital of the Company in issue at 2 December 2025); and
 - (ii) used only for the purpose of financing (or refinancing, if the authority is to be used within 6 months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice.
- 13** THAT the Company be and is hereby generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 (the "Act") to make one or more market purchases (within the meaning of section 693(4) of the Act) of fully paid ordinary shares of £0.20 each in the capital of the Company on such terms and in such manner as the Directors may determine, provided that:
- (a)** the maximum aggregate number of ordinary shares hereby authorised to be purchased is 2,719,951 (representing approximately 10 per cent. of the total ordinary share capital of the Company in issue at 2 December 2025);
 - (b)** the minimum price (exclusive of expenses) which may be paid for each ordinary share is 20 pence per share;
 - (c)** the maximum price (exclusive of expenses) which may be paid for each ordinary share shall not be more than the higher of:
 - (i)** 5 per cent. above the average of the middle market quotations for an ordinary share as derived from the AIM section of the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the ordinary share is contracted to be purchased; and
 - (ii)** the higher of the price of the last independent trade and the higher current independent bid on the trading venue where the purchase is carried out;
 - (d)** unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company or 27 May 2027 (whichever is the earlier); and
 - (e)** the Company may, pursuant to the authority hereby conferred, enter into a contract to purchase ordinary shares which would, will or might be executed wholly or partly after the expiry of such authority and the Company may make a purchase of ordinary shares in pursuance of such contract as if the authority conferred hereby had not expired.

By order of the Board

Martin Hopcroft
Company Secretary
 2 December 2025

The powers hereby conferred in this Resolution 12 shall expire at the conclusion of the next Annual General Meeting of the Company or 27 May 2027 (whichever is the earlier), save that the Company may before such expiry make an offer or agreement which would or might require equity securities in the Company to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

Registered Office: Dowlsh Ford, Ilminster, Somerset TA19 0PF
 Registered Number: 00526832

Notes

- 1 A member is entitled to appoint one or more proxies to exercise all or any of the member's rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company but must attend the meeting for the member's vote to be counted. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member.
- 2 Resolution 2 is an advisory vote only. The Remuneration Committee Report is set out on pages 94 to 103 of the Annual Report for the financial year ended 30 September 2025.
- 3 Resolutions 1 to 11 (inclusive) are proposed as Ordinary Resolutions. This means that for those resolutions to be passed, more than half of the votes cast on such resolutions must be in favour of such resolutions. Resolutions 12 and 13 are proposed as Special Resolutions. This means that for those resolutions to be passed, at least three-quarters of the votes cast on such resolutions must be in favour of such resolutions.
- 4 Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the Meeting. A shareholder may appoint more than one proxy in relation to the Meeting provided that each proxy is appointed to exercise the rights attached to a different ordinary share or ordinary shares held by that shareholder. A proxy need not be a shareholder of the Company. However, please see Note 1 above.
- 5 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first named being the most senior).
- 6 A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
- 7 You can vote by proxy either:
 - by logging on to www.mygandhshares.com/welcome and following the instructions;
 - via the VOTE+ app (refer to the notes below);
 - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below; or
 - by submitting a paper proxy form (refer to the notes below).

Any power of attorney or other authority under which the proxy is submitted must be returned to the Company's Registrars, MUFG Corporate Markets, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. If a paper form of proxy is requested from the registrar, it should be completed and returned to MUFG Corporate Markets, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL to be received not less than 48 hours before the time of the meeting.

If you need help with voting online, or require a paper proxy form, please contact our Registrar, MUFG Corporate Markets by email at shareholderenquiries@cm.mpms.mufg.com, or you may call MUFG Corporate Markets on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales. Submission of a Proxy vote shall not preclude a member from attending and voting in person at the meeting in respect of which the proxy is appointed or at any adjournment thereof.
- 8 For an electronic proxy appointment to be valid, the appointment must be received by the Company's Registrar, MUFG Corporate Markets, no later than 11.00am on 25 February 2026.
- 9 Only those members registered on the register of members of the Company at close of business on 25 February 2026 (or, if the meeting is adjourned, 48 hours before the time of the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting. However, please see Note 1 above.

Notes Continued

- 10 VOTE+ is a free app for smartphone and tablet provided by MUFG Corporate Markets (the company's registrar). It offers shareholders the option to submit a proxy appointment quickly and easily online, as well as real-time access to their shareholding records. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code opposite.
- 11 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- 12 In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy, or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in Notes 7 and 8 above. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- 13 CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings (www.euroclear.com).
- 14 The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).
- 15 Unless otherwise indicated on the form of proxy, CREST voting or any other electronic voting channel instruction, the proxy vote will vote as (s)he thinks fit or, at his/ her discretion, withhold from voting.
- 16 Voting on each of the resolutions to be put to the forthcoming AGM will be conducted by way of a poll, rather than on a show of hands. The results of the poll will be announced through the Regulatory Information Service and will be available on the Company's website as soon as practicable following the conclusion of the AGM.
- 17 Any electronic address provided either in this Notice or in any related documents may not be used to communicate with the Company for any purposes other than those expressly stated.

Get the free **VOTE+** App

Apple App Store



Google Play



Gooch & Housego PLC

Dowlish Ford, Ilminster
TA19 0PF, United Kingdom

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