

Precision Optics Enters into Production and Technology Licensing Agreement for Single-Use Cystoscopy Robotic Surgery Program

GARDNER, Mass., Dec. 4, 2023 — Precision Optics Corporation, Inc. (NASDAQ: POCl), a leading designer and manufacturer of advanced optical instruments for the medical and defense / aerospace industries, today announced it has signed a production and technology license agreement with a leading surgical robotics company to supply a single-use endoscope assembly used in their cystoscopy robotic surgery system.



The agreement arises following joint product development initiatives between the two companies over the past eighteen months, relying heavily on Precision Optics Corporation's (POC's) unique micro-optics and digital imaging technologies. Production of the endoscope assembly is expected to occur at POC's facilities beginning in the next six to twelve months and to continue for the foreseeable future. Should our customer later decide, however, to transfer production to one of their facilities or to a third-party manufacturer, POC would support the transfer and reap the benefits under the agreement's multi-year royalty provisions governing manufacturing at non-POC facilities.

"We are extremely pleased to conclude this agreement with one of the industry leaders in surgical robotic systems to bring to market a next generation single-use cystoscope solution," commented Dr. Joe Forkey, CEO of Precision Optics. "This production and technology license agreement mirrors the agreement we announced a year ago for a single-use ophthalmic product. In both cases, these agreements provide mutual benefit to POC and our customer to address the unique economics required for single-use applications. We are already scaling up for initial production in calendar 2024 with an expectation for full system commercialization in the next twelve to eighteen months."

Forkey continued, "The market for medical devices continues to be robust with the single-use device segment growing at two to three times faster than the market in general. We believe this is due in part to the desire of the medical community to replace reusable products with

single-use equivalents and the efforts of device companies to design and manufacture new products as single-use wherever possible. The combination of POC's unique technical capabilities in the design and manufacture of single-use devices, combined with the successful business model demonstrated by the production and technology licensing agreements we have successfully negotiated with customers, position us well to capitalize on this rapidly growing market."

About Precision Optics Corporation

Founded in 1982, Precision Optics is a vertically integrated optics company primarily focused on leveraging its proprietary micro-optics and 3D imaging technologies to the healthcare and defense/aerospace industries by providing services ranging from new product concept through mass manufacture. Utilizing its leading-edge in-house design, prototype, regulatory and fabrication capabilities as well as its Lighthouse Imaging division's electronic imaging expertise and its Ross Optical division's high volume world-wide sourcing, inspecting and production resources, the Company is able to design and manufacture next-generation product solutions to the most challenging customer requirements. Within healthcare, Precision Optics enables next generation medical device companies around the world to meet the increasing demands of the surgical community who require more enhanced and smaller imaging systems for minimally invasive surgery as well as 3D endoscopy systems to support the rapid proliferation of surgical robotic systems. In addition to these next generation applications, Precision Optics has supplied top tier medical device companies a wide variety of optical products for decades, including complex endocouplers and specialized endoscopes. The Company is also leveraging its technical proficiency in micro-optics to enable leading edge defense/aerospace applications which require the highest quality standards and the optimization of size, weight and power. For more information, please visit www.poci.com.

About Forward-Looking Statements


This press release contains forward-looking statements. Forward-looking statements include, but are not limited to, statements which express the Company's intentions, beliefs, expectations, strategies, predictions or any other statements related to the Company's future activities or future events or conditions. These statements are based on current expectations, estimates and projections about the Company's business based, in part, on assumptions made by the Company's management. These statements are not guarantees of future performances and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in the forward-looking statements due to numerous factors, including those risks discussed in the Company's annual report on Form 10-K and in other documents we file from time to time with the SEC. Any forward-looking statements speak only as of the date on which they are made, and the Company does not undertake any obligation to update any forward-looking statement, except as required by law.

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