

16 January 2024

**Surface Transforms plc**  
**("Surface Transforms" or "the Company")**

**Award of LTIP shares options**

Surface Transforms (AIM:SCE), manufacturers of carbon fibre reinforced ceramic automotive brake discs, announces that, it has granted, in total, 7.3m share options to three PDMRs and five non-PDMR senior managers pursuant to its long term incentive plan ("LTIP") approved by shareholders at the 2023 AGM (the "Options").

Kevin Johnson (CEO) has been awarded 2.50m Options, Isabelle Maddock (CFO) 1.37m, Stephen Easton (COO) 1.20m, and the five other senior managers a total of 2.21m. The exercise price of the Options is 10.98p being the volume weighted average price ("VWAP") up to 12 January 2024, the last practicable date prior to grant. The Options represents 2.1% of the total issued share capital of the Company.

The Options vest at the third anniversary of grant if the following vesting requirements are met:

- EBITDA per share between 3.34 pence (10.5 % of the award) and 4.00 pence per share (30% of the award). This is based on achieving between £12.5m EBITDA and £15m EBITDA in the year to 31 December 2026
- Installation of realisable £75m sales capacity (30% of the award)
- Share price above 60p on a VWAP basis for the 20 days prior to the vesting date (20% of the award)
- A commercially confidential strategic milestone providing additional technical excellence, aimed at maintaining the Company's technical leadership in the marketplace (20% of the award)

The vesting criteria are independent of each other, albeit clearly linked if the separate criteria are to be achieved.

After exercise, the participants in the LTIP will be required to maintain a level of shareholding proportional to their salary.

The Company also intends to launch an HMRC approved share incentive plan ("SIP") for the whole workforce in April 2024. The broad outline of this scheme was also approved by shareholders at the 2023 AGM. Further details of the SIP will be announced in due course.

David Bundred (Chairman) said *"The background to the launch of this new LTIP scheme was described at the time of the AGM as it replaces the previous Enterprise Management Incentive (EMI) Scheme. The awards and vesting criteria will materially assist retention and motivation of our key executives, a critical foundation of our ongoing success.*

*The vesting criteria are set in line with our long standing strategic objectives. The share price target is set at a level higher than any of the fundraising events since the start of the Company, with the EBITDA targets being based on recovering from recent operational problems and getting back to the original plan.*

*We look forward to achieving these objectives."*

**For enquiries, please contact:**

**Surface Transforms plc**

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# About Surface Transforms

Surface Transforms plc. (AIM:SCE) develops and produces carbon-ceramic material automotive brake discs. The Company is the UK's only manufacturer of carbon-ceramic brake discs, and only one of two mainstream carbon ceramic brake disc companies in the world, serving customers that include major OEMs in the global automotive markets.

The Company utilises its proprietary next generation Carbon Ceramic Technology to create lightweight brake discs for high-performance road and track applications for both internal combustion engine cars and electric vehicles. While competitor carbon-ceramic brake discs use discontinuous chopped carbon fibre, Surface Transforms interweaves continuous carbon fibre to form a 3D matrix, producing a stronger and more durable product with improved heat conductivity compared to competitor products; this reduces the brake system operating temperature, resulting in lighter and longer life components with superior brake performance. These benefits are in addition to the benefits of all carbon-ceramic brake discs vs. iron brake discs: weight savings of up to 70%, longer product life, consistent performance, reduced brake pad dust and corrosion free.

The Company holds the London Stock Exchange's Green Economy Mark.

For additional information please visit [www.surfacetransforms.com](http://www.surfacetransforms.com)

## Notification and public disclosure of transactions by Persons Discharging Managerial Responsibilities ("PDMR") and persons closely associated with them ("PCA")

Notification of a Transaction pursuant to Article 19(1) of Regulation (EU) No. 596/2014		
1	Details of the person discharging managerial responsibilities/person closely associated	
a.	Name	(1) Kevin Johnson (2) Isabelle Maddock (3) Stephen Easton
2	Reason for notification	
a.	Position/Status	(1) CEO (2) CFO (3) COO
b.	Initial notification/ Amendment	Initial Notification
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor	
a.	Name	Surface Transforms plc
b.	LEI	213800GQHNJPE5O8XO79
4	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted	

a.	Description of the financial instrument, type of instrument	Ordinary Shares of 1p each
	Identification Code	ISIN: GB0002892528
b.	Nature of the transaction	Grant of options under Surface Transforms plc's 2024 LTIP

	transaction				
c.	Price(s) and volume(s)			Price(s)	Volume(s)
			(1) Kevin Johnson	10.98p	2,504,554
			(2) Isabelle Maddock	10.98p	1,366,120
			(3) Stephen Easton	10.98p	1,195,355
d.	Aggregated information - Aggregated Volume - Price	Same as 4(c)			
e.	Date of the transaction	15 January 2024			
f.	Place of the transaction	Outside a trading venue			

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