

This information communicated within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

17 April 2024

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

2024 Sales Outlook

Surface Transforms (AIM:SCE) manufacturer of carbon fibre reinforced ceramic disc brake materials provides the following more detailed sales guidance for 2024. Sales are anticipated to grow by a minimum of 111% in 2024 and up to 165% compared to FY 2023 sales of £8.3m, resulting in a projected FY 2024 range of £17.5m to £22m sales.

With the majority of the year still to come, 2024 sales outlook is dependent on the amount of progress made on reducing scrap, building capacity and delivering to customers.

Sales were constrained in Q1 due primarily to scrap and constrained manufacturing capacity. Significant progress has been made on reducing scrap and this is expected to continue through 2024. Similarly progress on expanding our capacity during 2024 is advancing. As capacity increases from these operational activities it also creates the opportunity to deliver a more favourable product mix with customers. These three activities are all boosting sales and are driving our rapid growth during the year.

We have detailed plans in place to continue to drive all three areas with the pace of progress determining a current spread in 2024 sales of approximately 20%.

As we advance operational activities and deliver to customers we expect the sales range to narrow, and we therefore will provide updates on progress throughout the year.

Kevin Johnson, CEO said: "We are providing this range of outcomes for the year, in response to shareholder request for "worst case scenarios". We remain committed to achieving the higher end of this range."

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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.surfacettransforms.com

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