

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as imported into the laws of England and Wales by virtue of the European Union (Withdrawal) Act 2018 (as amended) and certain other enacting measures ("UK MAR"). With the publication of this announcement via a Regulatory Information Service ("RIS"), this inside information is now considered to be in the public domain.

3 February 2025

MicroSalt Plc

("MicroSalt" or the "Company")

Subscription to raise £2.3 million (c.US 2.9 million)

PDMR Dealing

Total Voting Rights

MicroSalt plc (AIM:SALT), a leading provider of full-flavour, natural salt with approximately 50% less sodium, is pleased to announce it has closed the oversubscribed fundraising of £2.3 million (c.US 2.9 million) through a subscription for 3,316,122 new ordinary shares of £0.001625 each in the Company ("**Subscription Shares**") at the current market price of £0.70 per Subscription Share (the "**Subscription**" or "**Fundraising**").

Key Highlights:

- £2.3 million (US 2.9 million) before expenses was raised pursuant to the Subscription.
- Grant of a total of 6,875,102 premium priced warrants (as defined below) to participants of the Fundraising ("**Subscribers**").
- Funds raised will be utilised as follows:
 - o £1.2m to build inventory to support expected growth in orders from leading snack manufacturers
 - o £0.6m for sales and marketing efforts related to newly launched Quick Service restaurant ("QSR") product, targeting initially the very significant "French fry" market where the Company sees tremendous opportunity for growth;
 - o £0.4m for general working capital purposes; and
 - o £0.1m for R&D efforts associated with further line extensions of Microsalt to address market demand in the substantial ramen and noodle market segment.

The proceeds of the Subscription will be mainly used investing in inventory to satisfy expected B2B customer demand in 2025 from leading snack manufacturers, as well as general working capital purposes. The Company has received commitments for an additional 290 metric tonnes ("mT") in bulk orders for 2025 and expects this to further increase as MicroSalt is rolled out over new product lines. Based on existing orders for Q1 2025 and expected orders for the rest of 2025 for existing product lines, B2B volumes are projected to increase more than 10 times than manufactured in 2024.

The Company also launched its QSR product in January 2025 aimed primarily at multinational fast-food chains. Since launch, the Company has already received positive early interest from a leading global fast-food chain for application to a number of their products including French fries. The proceeds from the Fundraising will contribute to the Company accelerating its commercial rollout of the QSR product into this market.

The net proceeds of the Subscription will substantially strengthen the Company's balance sheet, and based on management forecasts, are expected to be sufficient to fund the business for the next 12 months.

Whilst the exercise of the newly issued warrants is not guaranteed, they will, if exercised, further strengthen the Company's balance sheet at appreciating valuations. The exercise of all of these warrants would contribute an additional £5.5 million in cash to the Company.

Subscriber Warrants

Subscribers are being granted two warrants in respect of each Subscription Share that they are subscribing for as part of the Fundraising. One of the warrants will entitle the holder thereof to subscribe for new ordinary shares of £0.001625 each ("**Ordinary Shares**") at a price of £0.77 per Ordinary Share (the "**10% Warrant**"), the

other warrant will entitle the holder thereof to subscribe for Ordinary Shares at a price of £0.84 per Ordinary Share (the "**20% Warrant**" and together with the 10% Warrants, the "**Warrants**") (or in each case such adjusted price as may be determined from time to time in accordance with the provisions of the Warrant Instrument pursuant to which they are granted (one reflecting the terms of the 10% Warrants and another reflecting the terms of the 20% Warrants, together the "**Warrant Instruments**"). A total of 3,437,551 10% Warrants and 3,437,551 20% Warrants are to be granted on Admission (as defined below).

The Warrants are granted conditional on the Subscription Shares being admitted to trading on the AIM market of the London Stock Exchange plc ("**AIM**") ("**Admission**"), subject to the articles of association of the Company and otherwise on the terms of the relevant Warrant Instrument. Subscribers are not required to pay for the granting of any Warrant, but will be required to pay the exercise price in full on exercise of each Warrant.

The Warrants are exercisable in whole or in part (subject to a minimum of 50 per cent. of the Warrants held by the Warrant holder being exercised) at any time between the date of Admission and the earlier of:

- (i) the date that no further rights being conferred by the Warrants to subscribe for Shares are exercisable;
- (ii) the forty fifth business day following notification by the Company that the closing price of the Shares (as shown in the FTSE AIM All-Share Index) has exceeded £1.30 (in respect of the 10% Warrants) and £1.60 (in respect of the 20% Warrants) on any trading day; or
- (iii) 31 January 2028.

Adviser Shares

The Company has issued, subject to Admission, 121,429 Subscription Shares to advisers to the Fundraising. The issue of the Subscription Shares was in lieu of cash payments to the advisers for services provided. As with the Subscription Shares issued to the Subscribers, the advisers have received one 10% Warrant and one 20% Warrant for each Subscription Share issued to them. The Warrants granted are subject to the terms of the relevant Warrant Instrument.

SP Angel Corporate Finance LLP acted as sole agent to the Company in connection with the Subscription.

Details of the participation in the Subscription by Persons Discharging Managerial Responsibilities

Pursuant to the Subscription, Konrad Dabrowski, CFO of the Company has subscribed for 7,143 Subscription Shares. His resultant aggregate shareholding is 53,655 Ordinary Shares. Further details provided in the PDMR dealing table at the end of this announcement.

Rick Guiney, CEO of MicroSalt, commented:

"We are pleased to close this oversubscribed fundraising at the current market price, at a time when many other fundraisings are consummated at substantial discounts. This additional capital will enable us to further scale our B2B sales to snack manufactures and help us meet anticipated customer demand in the QSR segment since our January 2025 product launch. I am very optimistic on the upside potential for anticipated rapid growth in 2025, particularly at a time when governments are increasingly focused on initiatives to reduce Sodium consumption in manufactured foods. Indeed, only last month the US FDA proposed new short form nutritional labels to be applied to the front of packaged foods where the levels of (i) Saturated Fat; (ii) Sugars; and (iii) Sodium are to clearly labelled as Low, Medium or High. For MicroSalt, this is potentially game-changing and we already have food companies engaging with us to actively address the need to lower Sodium levels in their products."

Admission and Total Voting Rights

Application has been made for the Subscription Shares and Adviser Shares to be admitted to trading on AIM, which is expected to become effective on or around 6 February 2025 ("Admission").

Following the issue of the 3,437,551 Subscription Shares and Adviser Shares, which, on Admission, will rank *pari passu* with the existing Ordinary Shares, the total number of Ordinary Shares in issue with voting rights in the Company will be 51,654,685. There are no shares held in treasury.

The above figure of 51,654,685 Ordinary Shares may therefore be used by shareholders as the denominator for the calculation by which they may determine if they are required to notify their interest in, or change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

For more information, please visit [MicroSalt's website](#), follow on Twitter [@MicroSaltPLC](#) or contact:

MicroSalt plc
Rick Guiney, CEO

Via Flagstaff PR

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Notes to Editors

MicroSalt® produces a patented full-flavour, low-sodium salt for food manufacturers and consumers.

MicroSalt is a major potential disruptor in the food market, thanks to its micron-sized particles which deliver the same sense of saltiness to a wide range of foods but with approximately 50% less sodium. Excess sodium consumption is a significant contributor to cardiovascular disease and MicroSalt's solution meets the rising demand for healthier alternatives to traditional salt. The WHO has set a target for reducing global sodium intake by 30% by 2025, which it estimates will save 7 million lives by 2030.

Each year, cardiovascular disease costs the UK £19 billion - if the average salt intake was reduced by one gram per day, it has been estimated that 4,147 lives and £288 million would be saved each year in the UK. As a nation, the UK consumes 183 million kilograms of salt each year, and 70% of the typical person's sodium intake is hidden in processed foods.

MicroSalt owns a patent-protected technology which we believe helps create high barriers to entry within the reduced-sodium salt market. MicroSalt has two main products: (1) **MicroSalt** - the traditional product primarily targeting the B2B market as a low sodium alternative to traditional salt, used as an ingredient in manufactured foods, and (2) **MicroSalt Premium** - an additional product line, released in January 2025, with increased density allowing for industry specific product application. The line targets the B2C market and Quick Service Restaurant (e.g. Fast Food) markets.

The Directors believe that MicroSalt is well positioned to capture growth in the low sodium market, which is expected to grow exponentially, and that there is also scope to enter the larger salt market.

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IMPORTANT INFORMATION

The information contained in this announcement ("**Announcement**") does not constitute an offering of securities for sale in the United States of America and no securities have been or will be registered under the United States Securities Act 1933, as amended (the "**Securities Act**") or under the securities laws of any state or other jurisdiction in the United States of America nor will they qualify for distribution under any of the relevant securities laws of Australia, Canada, Japan or the Republic of South Africa. The securities may not be offered or sold in the United States of America. This Announcement is not for distribution directly or indirectly in or into the United States of America, Australia, Canada, Japan or the Republic of South Africa or in any other jurisdiction in which such publication or distribution is unlawful.

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This Announcement contains (or may contain) certain forward-looking statements with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition and performance, which involve a number of risks and uncertainties. The Company cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", or other words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, economic and business conditions, the effects of continued volatility in credit markets, market-related risks such as changes in the price of commodities or changes in interest rates and foreign exchange rates, the policies and actions of governmental and regulatory authorities, changes in legislation, the further development of standards and interpretations under International Financial Reporting Standards (IFRS) applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, the outcome of pending and future litigation or regulatory investigations, the success of future explorations, acquisitions and other strategic transactions and the impact of competition. A number of these factors are beyond the Company's control. As a result, the Company's actual future results may differ materially from the plans, goals, and expectations set forth in the Company's forward-looking statements. Any forward-looking statements made in this Announcement by or on behalf of the Company speak only as of the date they are made. Except as required by the FCA, the London Stock Exchange plc or applicable law, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this Announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

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Zeus is authorised and regulated by the FCA. Zeus is acting for the Company and for no-one else in connection with the Subscription, and will not be responsible to anyone other than the Company for providing the protections afforded to its customers or for providing advice to any other person in relation to the Subscription or any other matter referred to herein.

SP Angel is authorised and regulated by the FCA. SP Angel is acting as agent for the Company and for no-one else in connection with the Subscription, and will not be responsible to anyone other than the Company for providing the protections afforded to its customers or for providing advice to any other person in relation to the Subscription or any other matter referred to herein.

The distribution of this Announcement and the offering of the Subscription Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, Zeus or SP Angel that would permit an offering of such shares or possession or distribution of this Announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company, Zeus and SP Angel to inform themselves about, and to observe such restrictions.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of the Appendix or this Announcement should seek appropriate advice before

taking any action.

The Subscription Shares to which this Announcement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Subscription Shares should conduct their own due diligence on the Subscription Shares. If you do not understand the contents of this Announcement you should consult an authorised financial adviser.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

All times and dates in this Announcement may be subject to amendment. The Company and SP Angel shall notify the Subscribers and any person acting on behalf of the Subscribers of any changes.

Each distributor is responsible for undertaking its own target market assessment in respect of the Subscription Shares and determining appropriate distribution channels.

Solely for the purposes of the product governance requirements contained within the following, each as imported into the laws of England and Wales by virtue of the European Union (Withdrawal) Act 2018 (as amended) and certain other enacting measures: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Subscription Shares have been subject to a product approval process, which has determined that the Subscription Shares are: (i) compatible with an end target market of: (a) retail investors; (b) investors who meet the criteria of professional clients; and (c) eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, Distributors should note that the price of the Subscription Shares may decline and investors could lose all or part of their investment; the Subscription Shares offer no guaranteed income and no capital protection; and an investment in the Subscription Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to an offer of securities such as the Subscription Shares.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Subscription Shares.

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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	Konrad Dabrowski
2 Reason for notification		
a.	Position/Status	Chief Financial Officer
b.	Initial notification/ Amendment	Initial Notification
3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor		

	auction monitor						
a.	Name	MicroSalt plc					
b.	LEI	213800L7WRHP8CCEEQ48					
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 Identification Code	Ordinary Shares of £0.001625 each ISIN: GB00BQB6FF85					
b.	Nature of the transaction	Subscription of new Ordinary Shares					
c.	Price(s) and volume(s)	<table><tr><td>Price(s)</td><td>Volume(s)</td></tr><tr><td>70.0p</td><td>7,143</td></tr></table>	Price(s)	Volume(s)	70.0p	7,143	
Price(s)	Volume(s)						
70.0p	7,143						
d.	Aggregated information	N/A					
e.	Date of the transactions	31 January 2025					
f.	Place of the transaction	London					

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