7 December 2023

**Ridgecrest plc**

(“Ridgecrest” or “the Company”)

**Proposed reverse takeover of Galapagos Cable Systems**

Ridgecrest is pleased to announce that it has entered into non-binding heads of agreement with Galápagos Cable Systems GACASYS SA (“GCS”) with a view to conducting a reverse takeover transaction and a listing on the London Stock Exchange.

In March 2023 the Governing Council of the Galapagos and the Ecuadorian Ministry of the Environment determined that, in the interests of environmental safety, only one telecommunication cable should be landed on the Galapagos Islands and GCS was granted that right.

Once laid, the cable will be operated by GCS under capacity lease agreements with established telecom operators, the first being a major fixed line and mobile carrier which has signed a 10 year take or pay contract with GCS. Other growth opportunities for GCS include wi-fi mesh installation on the islands, 5G base station leasing and cables in other parts of the Pacific.

GCS has in place all of the required environmental and regulatory permits to complete the project. The submarine cable will dramatically improve all telecommunication services, in particular by providing reliable wi-fi and mobile internet coverage. Currently, the Galapagos Islands are served only by very slow, unreliable and costly satellite internet services. The Galapagos Islands have a population of 30,000 but receive close to 300,000 tourists per year. A number of detailed forecasts have been completed which all point towards a significant increase in demand for data once the internet service is improved.

The project is expected to commence in early 2024 and to be completed by Q1 2025. GCS has supply and installation contracts in place with Xtera, which is an innovative provider of subsea telecoms solutions, having completed numerous challenging turn-key cable systems. GCS is currently in advanced discussions to raise the funds required through a combination of equity and debt financing.

Completion of an acquisition of GCS by Ridgecrest and a listing on the London Stock Exchange will be subject to, inter alia, due diligence, GCS securing funding as detailed above, entering into a binding sale and purchase agreement and satisfaction of regulatory processes in connection with the rules of the London Stock Exchange and the Takeover Panel. It should be noted that the proposed transaction is at a preliminary stage and there can be no guarantee that it will complete nor as to its final terms. Further announcements will be made in due course.

|  |  |
| --- | --- |
| **Enquiries:**    **Ridgecrest plc** | [www.ridgecrestplc.com](http://www.ridgecrestplc.com/) |
| James Normand, Non-Executive Joint Chairman  Philip Holt, Non-Executive Joint Chairman | (via Allenby Capital Limited) |
|  |  |
| **Allenby Capital Limited**(Financial Adviser) | [www.allenbycapital.com](http://www.allenbycapital.com/) |
| Nick Naylor / Liz Kirchner | 020 3328 5656 |