22 April 2024

 **Ridgecrest plc**

("Ridgecrest" or “the Company")

**Notice of General Meeting**

The Company announces the publication of a circular (“the Circular”) containing a notice to convene a general meeting of shareholders (“the General Meeting”). The Circular and the notice can be found on the Company’s website - <https://www.ridgecrestplc.com/>. Hard copies of the Circular will be posted today to shareholders that have elected to receive printed copies of shareholder documents.

The General Meeting will be held at 11.00 am on 9 May 2024 at the offices of Allenby Capital Limited, 5th Floor, 5 St Helen's Place, London EC3A 6AB.

An extract from a letter from the joint Non-Executive Chairmen contained within the Circular is set out below.

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

**Extract from the joint Non-Executive Chairmen’s letter contained in the Circular**

## Proposed new strategy

## and

## proposed appointment of new directors

On 8 March 2024, the Company announced that it had decided to pause its proposed acquisition of Galápagos Cable Systems GACASYS SA ("**GCS**") by way of a reverse takeover and a listing/quotation of the enlarged entity’s shares on a market operated by London Stock Exchange PLC, due to increasing political and security instability in Ecuador. The announcement also noted that one of the principals of GCS had, through a company formed for the purpose ("**Newco**"), revitalised his pre-existing contact with Fast2Fibre Limited ("**F2F**"), in which, shareholders will recall, Ridgecrest has a material interest in the form of two convertible loan notes, totalling £550,000, issued to Sparkledun Limited ("**Sparkledun**"), F2F's holding company. Shareholders should note that, in order to comply with prudent accounting principles, the value of these convertible loan notes was written down to zero in the Company’s audited accounts for the year ended 31 March 2023.

The Board has been advised that Newco has contracted with a major telecommunications carrier to extract copper from underground cables in Brazil and replace it with fibre using F2F's technology, for which F2F will receive a royalty based upon the amount of copper extracted.  This contract, which is anticipated to commence in the second quarter of this year, is expected by Newco to provide significant income for F2F and thus to restore value to Ridgecrest's convertible loan notes and, in due course, the possibility of reverting to the Company's previous plan to reverse Sparkledun and F2F into Ridgecrest.

Separately, your Board has been approached by a private shareholder, Marco Schezzini, who has informed us that he represents a number of shareholders collectively holding a substantial minority of the Company’s issued share capital (the "**Schezzini Shareholder Group**"). The Schezzini Shareholder Group has indicated that it does not wish the Company to continue to explore a reverse takeover of Sparkledun/F2F, GCS or indeed, of any other company. It instead wishes the Company to appoint two new directors and then to find a route to providing liquidity to all shareholders without the delay, risks and cost inherent in a reverse takeover. Its proposal would involve the Company investing its remaining free cash in a company with an existing UK stock market quotation, on terms to be negotiated. The Board understands that the Schezzini Shareholder Group has identified a number of suitable quoted companies but that no approach has been made to any company nor terms agreed.

The proposed new directors, details of whom are set out below, are considering a shortlist of potential investments in the micro-cap sphere. The proposed directors have indicated that they are mindful of the importance of monitoring actual or perceived conflicts of interest and, in the event of such a situation arising, the relevant proposed director would recuse himself from relevant decision making and otherwise fully observe the relevant provisions of the Company’s articles of association.

The Schezzini Shareholder Group would then seek to have the Company wind-down its affairs and place itself into a members’ voluntary liquidation (an ”**MVL**”). A liquidator would be appointed by a special resolution of the members obtained in general meeting and would seek to generate value from the Company’s assets, at this time comprising just its convertible loan notes held in Sparkledun and residual net cash balances. Once all the liabilities of the Company had been satisfied, the liquidator would make a solvent distribution of assets and any residual cash, so that all shareholders in the Company would receive their pro rata share of the Company’s investment in any listed business. This pro-rata distribution would necessarily be contingent on there being a sufficient number of shares in the investee company to distribute to Ridgecrest shareholders, comprising approximately 490 registered holders of which a number are nominees representing many more underlying beneficial holders.

Shareholders are reminded that the value of any investment may go down as well as up and there can be no guarantee that an interest in any investee business would be readily capable of being realised nor return any value. Shareholders should also note that there can be no guarantee that the Company will be able to undertake an MVL, nor that there will be material assets to be distributed to shareholders and that the Schezzini Shareholder Group has not suggested a timetable for the conclusion of (nor the costs likely to be associated with) any MVL process.

**The Board does not believe the proposed plan by the Schezzini Shareholder Group to be in the best interests of shareholders as a whole but, having regard to their statutory and fiduciary duties, respects the wishes of shareholders to determine the future direction and strategy of their Company.**

The Board does not believe the Schezzini Shareholder Group’s proposals to be in the best interests of shareholders for (among others) the following reasons:

1. after a long period of frustration with the Company’s investment in F2F (via its convertible loan notes held in Sparkledun), F2F is now, via Newco’s activities in Brazil, apparently on the verge of generating revenues and so, in the opinion of the Board, now is not the time to dispose of the Company’s investment in F2F, the valuation of which could well be lower if arrived at in the context of an MVL;
2. there can be no certainty that the Company will be able to complete an investment in a listed/quoted company on acceptable terms or that subsequently, any liquidator would be able to distribute those shares to all underlying shareholders nor, should such a distribution be possible, that they would then each have the ability to realise any value from the shares they would receive in any investee company;
3. the direct costs associated with undertaking an MVL, notice periods and payments due to the Company‘s advisers pursuant to the termination of agreements and the expense of maintaining the Company during this process would in all likelihood absorb a significant part of the Company’s current cash resources (which currently stand at £570,000); and
4. the tax effects of a distribution made pursuant to an MVL may well be different to those to which members are currently subject and each shareholder will need to seek its own advice in that regard.

As noted above, the Board will consider the possibility, in due course, of reversing Sparkledun and F2F into Ridgecrest but also remains open to appraising other reverse takeover candidates and any credible alternative investment opportunities that present themselves as the Board continues to believe that a reverse takeover remains in the best interests of shareholders.

The Schezzini Shareholder Group has proposed the appointment of two new directors who would be willing to implement its proposed strategy. Should shareholders approve the resolutions to be proposed at the General Meeting, the Non-Executive joint Chairmen would both stand down following the meeting.

Set out at the end of this document is the notice convening a General Meeting of the Company to be held at the offices of Allenby Capital Limited, 5th Floor, 5 St Helen's Place, London EC3A 6AB at 11:00 a.m. on 9th May 2024 at which the ordinary business set out in Resolutions 1 to 3 will be proposed, namely:

* to propose the election of John Barker as a director;
* to propose the election of Nicholas Clark as a director; and

to require the Board to implement the Schezzini Shareholder Group strategy, as set out above, and to grant the Board full authority to make such variations to that strategy as it sees fit.

The resolution to implement the Schezzini Shareholder Group strategy is conditional on the appointment of the new directors. Should both the new directors not be appointed, the resolution to implement the Schezzini Shareholder Group strategy will not be put to the meeting.

As noted above, if the resolutions are all passed at the General Meeting (or at any adjournment thereof), your existing directors will resign their positions with effect from conclusion of the meeting.

If shareholders wish the current Board to continue with the Company’s existing strategy, they should vote AGAINST the resolutions.

**Information on the proposed directors**

**John Barker** (aged 63). John was a director at Instinet UK Limited, being a founder employee in 1988. Instinet was acquired and is now owned by Nomura. John was a founder director at Liquidnet Europe Limited which was successfully sold to ICAP in 2021. John has held numerous director roles in the financial services sector, as well as a number of director and chairman roles in the sports, games and e-sports sector, having sold Phoenix Games Network Limited and XSeries Limited to a NASDAQ-quoted company in 2021. John was appointed as a Non-Executive Director of Mobile Streams plc, an AIM quoted mobile content and data intelligence company, on 11 April 2024.

John is the beneficial owner of 3,500,000 ordinary shares in Ridgecrest, representing 0.78 per cent. of the Company’s issued share capital.

**Nicholas (“Nick”) Clark** (aged 49). Nick was appointed as Chief Executive of AIM-quoted Aukett Swanke Group plc in April 2023 following the acquisition of Torpedo Factory Group Ltd ("**TFG**"), a company he founded in 1997. Nick is also a non-executive director at Acuity RM Group plc, the AIM-quoted provider of risk management software. Prior to starting TFG, Nick studied physics at Imperial College, followed by an MPhil in Microelectronic Engineering and Semiconductor Physics at the University of Cambridge. Nick was a director of HVS Media Limited, a company which became insolvent whilst he was a director. He became a director of HVS Media Limited when the company was acquired on 4 July 2007 by TFG for a nominal consideration. It was placed into administration on 9 May 2008, and while secured creditors were paid in full there was an estimated shortfall to unsecured creditors of £225,355.

Nick is the beneficial owner of 100,000 ordinary shares in Ridgecrest, representing 0.02 per cent. of the Company’s issued share capital.

**Recommendation**

**The Board, for the reasons set out above, DO NOT consider the business to be proposed at the General Meeting to be in the best interests of the Company and shareholders as a whole. Accordingly, the Non-Executive joint Chairmen of Ridgecrest unanimously recommend that you vote AGAINST the resolutions to be proposed at the General Meeting.**

Yours faithfully,

## Philip Holt James Normand

*Non-Executive Joint Chairmen*