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KR1 plc Unaudited Interim Report and Financial Statements

For the half year ended 30 June 2025

Registered Number: 015310V (Isle of Man)

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Company Information

for the half year ended 30 June 2025

Executive Directors:

G McDonagh
K Van Schreven

Non-executive Directors:

R Davies
M Elisa
A Buchanan

Registered office:

First Names House
Victoria Road
Douglas
Isle of Man
IM2 4DF

Registered agent:

IQEQ (Isle of Man) Limited

Registered number:

015310V (Isle of Man)

Bankers:

Standard Bank Isle of Man Limited

Standard Bank House
One Circular Road
Douglas
Isle of Man
IM1 1SB

Rothschild & Co Bank AG

Zollikerstrasse 181
8034 Zurich
Switzerland

English Legal Adviser to the Company:

Stephenson Harwood LLP

1 Finsbury Circus
London
EC2M 7SH
United Kingdom

Isle of Man Legal Adviser to the Company:

Cains Advocates Limited

Fort Anne
Douglas
Isle of Man
IM1 5PD

Auditor:

PKF Littlejohn LLP

15 Westferry Circus
London
E14 4HD
United Kingdom

About KR1 plc

KR1 plc (KR1:AQSE) is a leading publicly listed digital asset company focused on innovative decentralised technologies and the generation of income from digital assets, primarily through staking activities on proof-of-stake networks.

A New Asset Class

Over the past decade, digital assets have emerged as a transformative asset class impacting industries, businesses and individuals worldwide. Driven by technological innovation and broad adoption, digital assets now represent trillions of US dollars in value.

Successful Track Record

Since KR1 plc's inception in March 2016, the Company has one of the longest and most successful track records in the digital asset industry, demonstrating consistent resilience amidst industry volatility. After pioneering digital asset investments as a publicly listed company, KR1 plc was one of the first institutions globally to initiate staking activities on innovative proof-of-stake networks as early as March 2019.

Income from Staking Activities

KR1 plc is generating income from digital assets through staking activities on a range of innovative decentralised proof-of-stake networks, including Ethereum, Polkadot, Celestia and Cosmos.

Publicly Listed (KR1:AQSE)

KR1 plc shares are traded on the Apex Segment of the Aquis Growth Market in London, enabling investors to gain exposure to innovation and growth in digital assets and decentralised networks through KR1 plc's activities and holdings.

Independently Audited and Transparent

In line with KR1 plc's public listing on London's Aquis Exchange, the Company's results and financial statements are independently audited and published publicly on an annual basis. To provide even more transparency, extensive unaudited updates are published on a monthly basis further detailing KR1 plc's activities and holdings.

Overview of KR1 plc

for the half year ended 30 June 2025

£2.9m

Income from Digital Assets

98.6%

Income from Staking Activities¹

7.96p

Loss per Share

£71.5m

Net Assets

40.39p

Net Asset Value per Equity Share

¹ as a percentage of Income from Digital Assets

Main Activities (contributing to Income from Digital Assets)

£1.2m

Staking activities on the Polkadot network

£0.8m

Staking activities on the Celestia network

£0.7m

Staking activities on the Cosmos network

Largest Holdings

£13.6m

Polkadot ("DOT")

£10.0m

Lido Staked ETH ("stETH")

£7.6m

Celestia ("TIA")

£6.4m

Cosmos ("ATOM")

£6.3m

Lido ("LDO")

References to the Notes to the Interim Financial Statements:

Income from Digital Assets and staking activities income (Note 8); Earnings per Share, (Note 11); Net Assets and Net Asset Value per Equity Share (Note 19); Largest Holdings (largest five) and Digital Assets (Note 12, 13).

Staking Activities

for the half year ended 30 June 2025

Throughout the financial period, KR1 plc generated income from digital assets through staking activities on a range of innovative proof-of-stake networks, which are detailed below.

Polkadot

KR1 plc has been engaging in staking activities on Polkadot ("DOT") with the Company's holding since the network launched as a proof-of-stake network in August 2020. KR1 plc has also been a supporter of Polkadot's ecosystem and a previous participant in other activities on Polkadot such as parachain auctions.

Celestia

KR1 plc has been engaging in staking activities on Celestia ("TIA") with the Company's holding since the network launched in October 2023.

Cosmos

KR1 plc has been engaging in staking activities on Cosmos ("ATOM") with the Company's holding since the network launched as one of the first major decentralised proof-of-stake networks in March 2019.

Ethereum

KR1 plc has been engaging in staking activities on Ethereum through the Company's Lido Staked ETH ("stETH") holding since February 2023 after Ethereum transitioned into a proof-of-stake network in late 2022. Lido is Ethereum's largest liquid staking protocol, facilitating staking for more than 25% of Ethereum's proof-of-stake system and was seed funded by KR1 plc in 2020.

Other

The Company also engaged in staking activities on other networks such as Kusama ("KSM") and Moonbeam ("GLMR"), which are all proof-of-stake networks in the wider Polkadot ecosystem.

What is "Proof-of-Stake"?

"Proof-of-Stake" is a popular consensus mechanism adopted by Ethereum, Polkadot, Celestia and other networks, which is used to process transactions and maintain the functioning of decentralised networks. An older mechanism, "Proof-of-Work" is used by Bitcoin and some other networks for the same purposes.

Bitcoin's "Proof-of-Work" relies on 'mining' using vast computational resources and high electricity consumption to solve numerical puzzles, ultimately powering Bitcoin's blockchain. In contrast, "Proof-of-Stake" networks are much more efficient and rely on 'staking', where network participants contribute digital assets into a network's staking system through validators, which process transactions and secure the decentralised network without major computational and excessive electricity overhead. In exchange for contributing to the integrity, security and decentralisation of a network, staking participants are rewarded through staking rewards, typically in the native digital asset of a network.

Largest Holdings

as of 30 June 2025

Polkadot (“DOT”)

Polkadot is a decentralised network that facilitates interoperability, scalability and security for a growing ecosystem of specialised blockchains (“parachains”) that are built on top of Polkadot’s core technology.

Lido Staked ETH (“stETH”)

Lido Staked Ethereum is a staked version of Ethereum (“ETH”). Ethereum is a decentralised network that hosts rollups, ‘Layer 2’s and decentralised applications through its’ Ethereum Virtual Machine (“EVM”). The network has become the most utilised settlement layer for digital assets globally.

Celestia (“TIA”)

Celestia is a modular data availability network that securely scales with the number of participants, making it easy for anyone to launch their blockchain securely. Developers can use Celestia to make transaction data available for anyone to easily verify.

Cosmos (“ATOM”)

Cosmos is a decentralised network that facilitates interoperability and scalability through a common technology stack, which allows a growing ecosystem of independent and application-specific blockchains to communicate with one another.

Lido (“LDO”)

Lido offers simplified and secure staking of Ethereum. Staking with Lido allows stakers to utilise their staked assets across the entirety of Ethereum’s Decentralised Finance (“DeFi”) ecosystem and has grown to be Ethereum’s largest liquid staking product.

RedStone (“RED”)

RedStone is a decentralised oracle that delivers fast, secure, and scalable data feeds for the digital asset industry, ensuring that decentralised applications are powered by reliable, real-time information.

Zee Prime II

Zee Prime II is a specialised digital asset fund focused on early-stage crypto projects, particularly in verticals that are complementary to KR1 plc’s holdings, such as gaming, middleware and infrastructure for non-fungible-tokens (“NFTs”).

Nexus Mutual (“NXM”)

Built on Ethereum, Nexus Mutual is recreating the mutual insurance model on a global scale, bringing people together to share risk, without the need for an insurance company.

Astar (“ASTR”)

Astar is an EVM- and WebAssembly-compatible smart contract platform that is deployed as a parachain on Polkadot and facilitates interoperability across both virtual machines. Astar has gained widespread popularity in Japan through partnerships with major Japanese enterprises.

Autonomys (Subspace Labs Inc.)

Subspace represents an unlisted holding representing the Company’s position in the Autonomys Network, which is providing infrastructure to scale decentralised AI applications on-chain with scalable permanent data storage, fast data availability and flexible EVM-compatible decoupled execution.

Chairman's Report

for the half year ended 30 June 2025

We are pleased to present the Unaudited Interim Report and Financial Statements for the half year ended 30 June 2025

As mentioned in the previous Chairman's Report as part of the Annual Results 2024, over the past years, the Company's business model has evolved to that of a broader digital asset company focused on decentralised networks and, in particular, generating income from staking activities on proof-of-stake networks.

Since joining the Company in late 2020, I and the other members of the Company's Board of Directors have taken steps to position the Company for a more senior public listing. Following extensive and constructive engagement and dialogue with the Financial Conduct Authority, we are pleased to report that the Company has made significant progress towards admission of the Company's shares to the Equity Shares (Commercial Companies) segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange.

As the Board of Directors, we believe this represents a significant milestone in the Company's development and will strengthen KR1 plc's position in the London public markets as well as the Company's roadmap and strategy over the long-term. A separate announcement on this matter will be released shortly.

For the half year ended 30 June 2025, KR1 plc generated £2,891,264 in income from staking activities as compared with £8,502,716 for corresponding half year 2024. The income from these staking activities represented 98.6% of the Company's income from digital assets in 2025 as compared with 97.5% in the corresponding half year 2024.

Further, as at 30 June 2025, the net asset value of KR1 plc was 40.39 pence per share as compared with 78.76 pence per share as at 31 December 2024 and the net asset value of the Company was £71,490,802, as compared with £139,402,341 as at 31 December 2024.

In total, the Company reported a loss for the half year of £67,911,539 (HY2024 loss: £49,486,508).

On behalf of the Board of Directors, I thank all Shareholders for their support.

Sincerely yours,



Rhys Davies
Chairman

Date: 30th September 2025

Managing Directors' Report

for the half year ended 30 June 2025

The first half of 2025 marked a decisive phase of structural consolidation and regulatory advancement across the digital asset industry, underscored by two landmark developments in the United States: the passage of the Genius Act, which establishes a formal regulatory framework for dollar-backed stablecoins and the issuance of an executive order enabling a path towards crypto allocations within 401(k) retirement plans. In the UK, the Financial Conduct Authority followed suit by easing retail access to Crypto Exchange Traded Notes, reversing an earlier ban. These advances offer continued validation of KR1 plc's long-standing thesis around public market exposure to digital assets and the decentralised ecosystem more broadly.

The Company generated £2.9 million in income from Digital Assets during the first half of 2025, with 98.6% attributable to staking income. This outcome is a direct result of the Company's high-conviction allocation strategy towards proof-of-stake blockchains such as Ethereum, Polkadot and Celestia. The Company's ongoing staking income remained resilient amid a relatively stagnant market in the innovation sector of the digital asset economy. These market dynamics reflect the Company's strategic shift over the past years towards focusing on income through its staking activities and fewer but more selective early-stage investments (which often directly relate to staking activities).

In line with this longer-term commercial strategy, the Company has advanced plans to operate its own staking infrastructure through the launch of dedicated validator nodes on major Proof-of-Stake networks, including Ethereum, Polkadot and Celestia. Subject to final agreements, initial deployment is intended to complement existing third-party delegations and we will communicate further progress on this through a public announcement in due course.

As mentioned in previous Managing Directors' Reports, alongside the broader strategic shift for the Company to expand and advance KR1 plc's role in staking activities on leading Proof-of-Stake blockchains, the Board of Directors has taken steps over the past four years to position the Company for a more senior public listing.

Following extensive and constructive engagement and dialogue with the Financial Conduct Authority, we are pleased to report that the Company has made significant progress towards admission of the Company's shares to the Equity Shares (Commercial Companies) segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange. As Managing Directors, we are confident the Company is now ready for a senior listing and, together with the Board, believe this represents a significant milestone in the Company's development and will strengthen KR1 plc's position in the London public markets as well as the Company's roadmap and strategy over the long-term. A separate announcement on this matter will be released shortly. The direct costs associated with this process are itemised in Note 9 of the Notes to the Interim Financial Statements and will also be reflected separately in the Company's annual results.

Several core networks within the Company's holdings delivered meaningful milestones in the first half of the year. Ethereum continues to advance technically, with the successful deployment of the Pectra upgrade, which brings meaningful enhancements to scalability, developer tooling and overall user experience. Beyond protocol improvements, Ethereum's dominant share of the roughly \$250bn stablecoin market (as at June 2025) is reinforcing institutional engagement and driving market sentiment. We expect this dynamic to further catalyse attention and capital flows into adjacent innovation and growth areas of the market.

Polkadot continues its progress replacing its parachain architecture with JAM, a 'trustless supercomputer' that offers better composability and execution through the Polkadot Virtual Machine. This technical progress coincides with the return of Polkadot's founder Gavin Wood (previously also co-founder of Ethereum) as CEO at Parity Technologies, alongside the launch of Hydration's (formerly HydraDX's) Hollar, a decentralised, USD-pegged stablecoin positioned as Polkadot's native liquidity layer.

Celestia mainnet traction has grown significantly, with modularity becoming a leading design philosophy across emerging Layer 2 ecosystems. As of 30 June 2025, nearly 2.9 TB of data has been published on-chain, and over 56 rollups, including 37 on mainnet, are leveraging Celestia's modular data-availability architecture.

Managing Directors' Report

for the half year ended 30 June 2025 (continued)

We enter the second half of the year with continued conviction in the long-term trajectory of decentralised infrastructure. The institutionalisation of Ethereum, accelerating momentum in modular and interoperable network design and the rise of the staking economy, including early traction in Bitcoin-native staking protocols. All these indicators signal the maturation of decentralised networks in global capital markets. Regulatory clarity is improving, particularly following recent shifts in the United States and we await the introduction of the UK's comprehensive digital asset regime from the FCA, anticipated in 2026. While broader macroeconomic conditions remain complex with central banks navigating a confluence of domestic and geopolitical pressures, we remain cautiously optimistic. Recent institutional inflows are challenging market sentiment relative to previous cycles and may signal a more durable integration of digital assets into the global financial system.

We would like to thank our shareholders for their continued support and conviction in our mission, as we work to reinforce KR1 plc's position as the leading provider of credible, institutional-grade digital asset exposure on the London markets.



George McDonough
Managing Director & Co-Founder



Keld van Schreven
Managing Director & Co-Founder

Date: 30th September 2025

Strategic Report

for the half year ended 30 June 2025

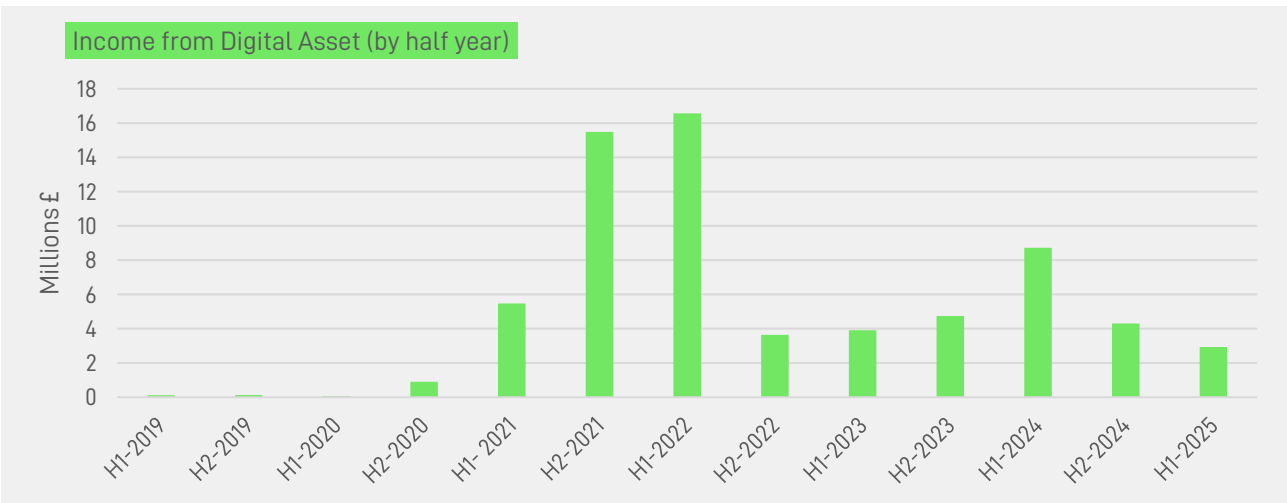
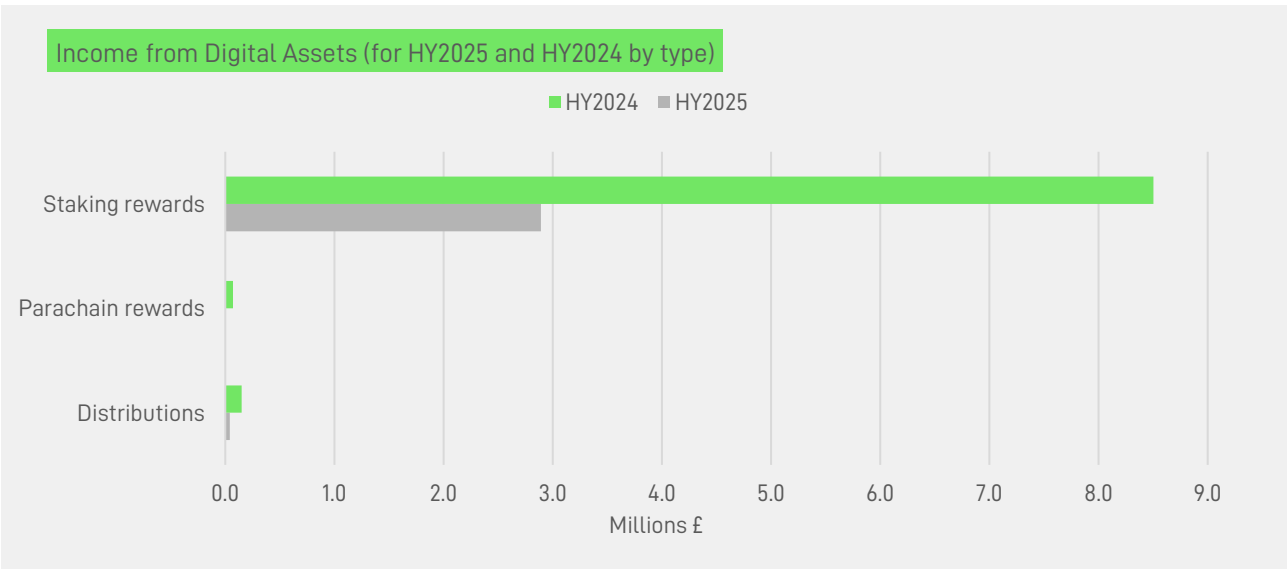
The directors present their strategic report for the half year ended 30 June 2025.

Review of business

The annexed Interim Report and Financial Statements, including the Notes thereto, in conjunction with the Notes to the Annual Report and audited Financial Statements for the year ended 31 December 2024, Managing Directors' Report and Chairman's Report, provide an in-depth review of the Company for the financial period. Key Performance Indicators ("KPIs") include the Company's income from digital assets and its earnings per share as well as the Company's net asset value and its net asset value per share. Given the detail provided in the Interim Report and Financial Statements regarding KPIs as well as the detail provided in the Managing Directors' Report and Chairman's Report, the Company's Directors are of the opinion that these collectively provide a good understanding of the Company's development, performance and position. Furthermore, detailed overviews of the Company's activities and holdings are provided throughout the results and in the Notes to the Interim Financial Statements, which all contributes to a comprehensive understanding of the Company.

To further aid understanding of the Company's activities, performance, position and its KPIs, visual representations and graphs of relevant financial data, such as the Company's income from digital assets, in particular from staking activities, and the Company's net assets can be found below.

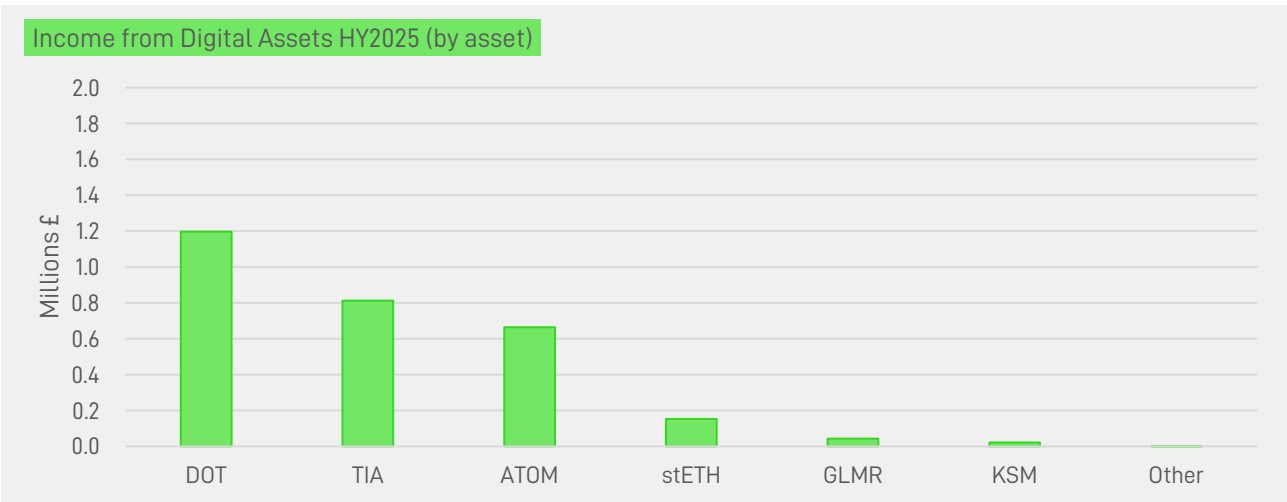
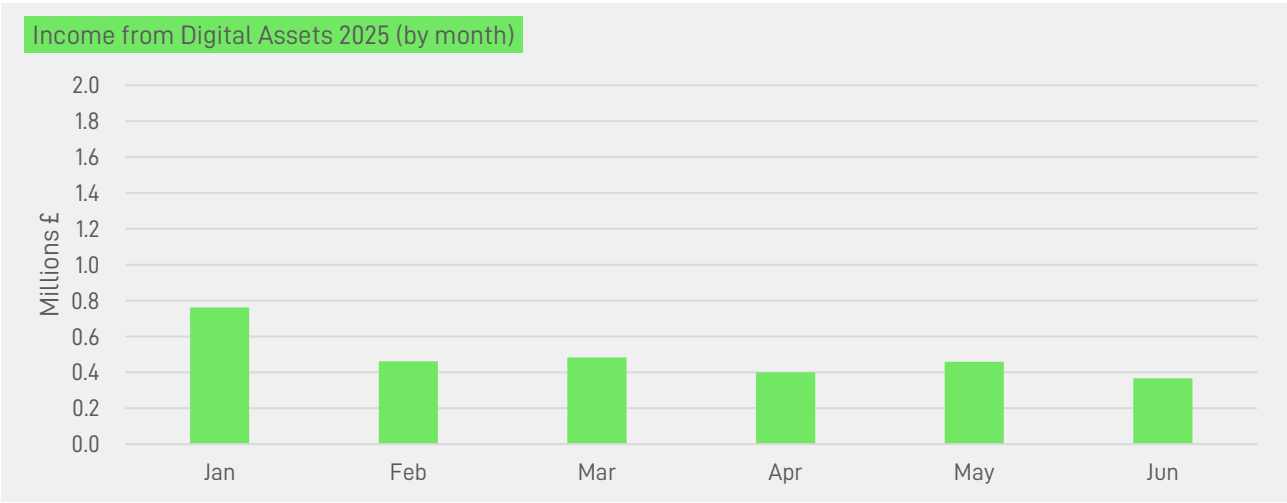
Income



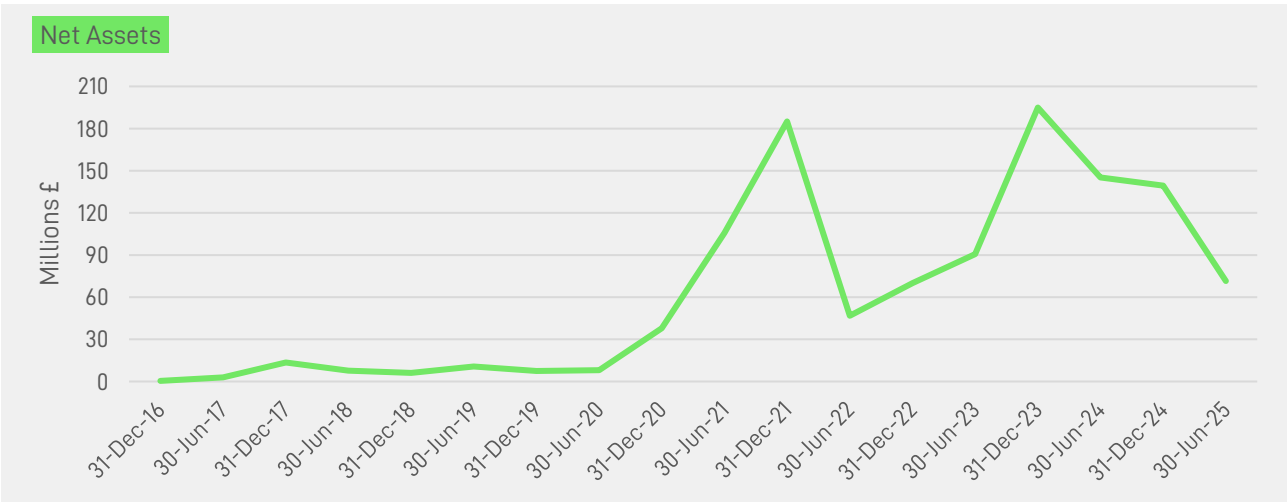
Strategic Report

for the half year ended 30 June 2025 (continued)

Income (continued)



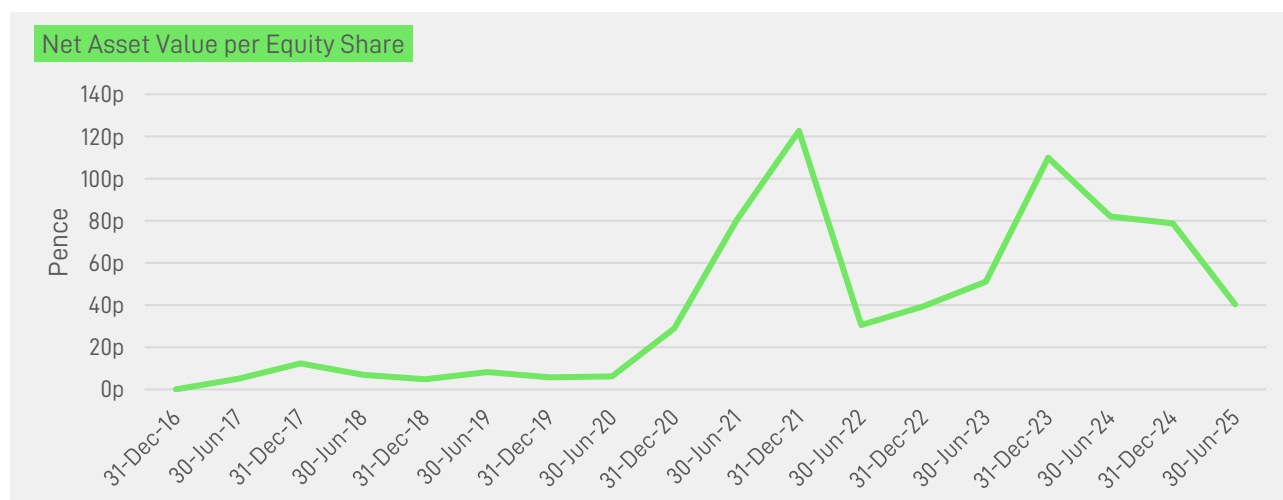
Net Assets



Strategic Report

for the half year ended 30 June 2025 (continued)

Net Assets (continued)



Principal risks and uncertainties

KR1 plc is a leading digital asset company focused on decentralised technologies and the generation of income from digital assets, primarily through staking activities on proof-of-stake networks.

The Company is subject to a number of relevant risk factors and uncertainties including the following:

Digital assets

Digital assets represent a new and evolving asset class, which is subject to special risks and there is significant uncertainty regarding the long-term viability, adoption and value of digital assets. The Company's business is highly dependent on the value, liquidity and market demand for digital assets. The price of digital assets, and associated demand for buying, selling and trading digital assets, have historically been subject to significant volatility. There is no assurance that any digital asset will maintain its value and a decline in the market value of digital assets could adversely affect the Company's business, operating results and financial condition. Further digital asset holdings and digital asset activities can be subject to fraud, financial crime, money laundering, criminal threats, ransom demands, data breaches or safeguarding violations from relevant service providers or counterparties.

To manage this risk, the Company monitors digital asset markets and the Company's digital asset holdings on a daily basis. The Company further has robust procedures and policies in place to manage relevant risks in relation to the asset class which are reviewed on an ongoing basis.

Strategic Report

for the half year ended 30 June 2025 (continued)

Staking activities

The Company generates a substantial amount of its income from digital assets through staking activities on a range of proof-of-stake networks. Decentralised networks are vulnerable to disruptions, hacks and attacks by malicious actors, which could adversely affect the Company's income and financial condition. Further, the Company relies on third-party staking service providers to engage in staking activities on proof-of-stake networks. Such reliance introduces counterparty risk, including operational failures or mismanagement as well as cybersecurity threats which could adversely affect the Company's business, income and financial condition. To manage this risk, the Company engages in staking activities on a range of decentralised networks and by using a diverse set of institutional third-party staking service providers.

Key personnel

The Company's success depends significantly on the efforts and abilities of key personnel, including the management team. The loss of any such individuals could materially impact the Company's business prospects and results of operations. The Company's future growth also relies on its ability to attract, retain and motivate qualified personnel. This risk is managed by industry competitive remuneration and retention arrangements.

Regulatory

The Company is subject to a rapidly evolving regulatory landscape as laws and regulations governing digital assets and decentralised networks remain uncertain and subject to change. The Company seeks to comply with all applicable laws and regulations and its activities do not currently require it to be regulated in the Isle of Man, where the Company is incorporated, or in the jurisdiction of its listing, the United Kingdom.

However, due to the evolving regulatory landscape, the Company may be required to exercise judgment in determining whether certain laws, rules and regulations apply to it and future regulatory changes could materially impact the Company's business and strategy. Further, if the Company is found to be non-compliant with any laws, rules, or regulations, it could be subject to significant fines, limitations on its business, reputational harm and other regulatory consequences. Each of these could be significant and could adversely affect the Company's business, operating results and financial condition. To manage this risk, the Company monitors the regulatory landscape in the Isle of Man and United Kingdom and seeks qualified legal advice on relevant matters as appropriate.

Wallets and private keys

Digital assets are controlled through wallets and unique private keys and, if a private key is lost, destroyed or compromised without backup, the related digital assets may be permanently inaccessible. Furthermore, wallets holding the Company's digital assets, whether maintained directly by the Company or on its behalf through third-party institutional custody providers, may be subject to security breaches, hacking or fraud (or potential co-mingling of funds). Any loss, destruction or compromise of wallets or private keys required to access the Company's digital assets may be irreversible and could result in significant financial losses, damage the Company's reputation and adversely impact its business. To manage this risk, the Company spreads its digital asset holdings across different wallets and a diverse set of institutional digital asset custody providers and exchanges.

Risk mitigation and management

The Directors and key management regularly review policies and procedures in order to mitigate and manage risk. The Directors have further considered risk to the business and detailed financial risk management within the Notes to the Interim Financial Statements and the Directors believe that they have acted in the best interests of the Company and for the benefit of its shareholders. While the Directors consider the risk factors and uncertainties detailed above to be some of the principal risk factors that the Company is subject to, this shall not be deemed to be an exhaustive list of risk factors and there may be risk factors not currently known to the Company.

Strategic Report

for the half year ended 30 June 2025 (continued)

Forward-looking statements

This interim report includes forward-looking statements which are a reflection of KR1 plc's views, expectations, beliefs and interpretations with respect to future operations of the Company, the sector and the industry in which the Company operates. All such forward-looking statements are subject to risk and uncertainty given they relate to events which may or may not occur in the future and these forward-looking statements are not a guarantee of future performance as results could differ, possibly materially, from expectations or estimates reflected in such forward-looking statements

On behalf of the board:



George McDonough
Managing Director & Co-Founder

Date: 30th September 2025

Managements' Report

for the half year ended 30 June 2025

The Directors present the unaudited Interim Report and Financial Statements of KR1 plc ("the Company") for the half year ended 30 June 2025.

Principal activity

The principal activity of the Company in the half year under review was that of a digital assets company focused on decentralised technologies and the generation of income from digital assets, primarily through staking activities on proof-of-stake networks.

Dividends

The Directors do not propose a dividend in respect of the half year ended 30 June 2025 (2024: £nil).

Future developments

The Company continues to focus on decentralised technologies and operates in the digital asset industry as discussed further in the Managing Director's Report.

Events since the end of the period

Information relating to events since the end of the half year is given in the Notes to the Interim Financial Statements.

Directors

The directors shown below have held office during the period from 1 January 2025 to the date of this report:

G McDonagh
K Van Schreven

The non-executive Directors who have sat on the Board during the financial period and to date are:

R Davies
M Elisa
A Buchanan

Directors' Interests

Directors' share holdings	Ordinary Shares at 30 June 2025	Percentage of Equity Shares
Director		
G McDonagh*	3,226,315	1.82%
K Van Schreven*	2,714,484	1.53%
R Davies	767,236	0.43%
M Elisa	-	-
A Buchanan	400,000	0.23%

*Inclusive of 200,000 shares held by their respective partners.

As at 30 June 2025, and as at the date of signing:

G McDonagh also holds an indirect interest in 33.33% of the 36,038,014 ordinary shares held by Reflexivity Research Limited, effectively giving him 8.61% of issued share capital.

K Van Schreven also holds an indirect interest in 33.33% of the 36,038,014 ordinary shares held by Reflexivity Research Limited, effectively giving him 8.32% of issued share capital.

Managements' Report

for the half year ended 30 June 2025 (continued)

Directors' Interests (continued)

Directors' share options					
Director	Date of grant	Number of options granted	Exercise price	Exercise conditions	Lapse date
M Elisa	17 March 2021	77,519	193.5 pence	In the event that certain future milestones are achieved by the Company	17 March 2031
A Buchanan	1 April 2022	145,631	103 pence	In the event that certain future milestones are achieved by the Company	1 April 2032

Internal control

The Directors acknowledge they are responsible for the Company's systems of internal control and for reviewing the effectiveness of these systems. The risk management process and systems of internal control are designed to manage rather than eliminate the risk of the company failing to achieve its strategic objectives. It should be recognised that such systems can only provide reasonable and not absolute assurance against material misstatement or loss.

Corporate governance

The Directors recognise the importance of sound corporate governance and observe the requirements of the Corporate Governance Code published by the Quoted Companies Alliance (the "QCA Code") to the extent they consider appropriate in light of the Company's size, stage of development and resources. A copy of the QCA Code is available at <https://theqca.com/corporate-governance/>. The QCA Code sets out a standard of best practice for small and midsize quoted companies.

Alongside positioning the Company for a more senior public listing, the Company is likely to adopt the [UK Corporate Governance Code 2024](#) in due course. The UK Corporate Governance Code sets out standards of good practice in relation to board leadership and effectiveness, remuneration, accountability and relations with shareholders. The UK Corporate Governance Code 2024 applies to financial years beginning on or after 1 January 2025. To the extent that the Company does not comply with any provision of the UK Corporate Governance Code, it intends to explain any non-compliance in its annual report.

Strategic Report

A separate Strategic Report has been prepared (page 9) and contains a review of the Company's business, visualisation of the Company's activities and performance as well as information regarding the Company's exposure to risk and its risk management and mitigation policies.

Going concern

The Company has prepared forecasts and projections, taking all reasonable steps to consider any factors which may impact the ability of the Company to continue as a going concern over the 2 years following the date of these Interim Financial Statements. The Directors have also considered the impacts of external factors including the current global economy and geo-political unrest and conclude that there are no material factors that are likely to affect the ability of the Company to continue as a going concern but will continue to monitor the situation. Accordingly, the Board believes it is appropriate to adopt the going concern basis in the preparation of the Interim Financial Statements.

Managements' Report

for the half year ended 30 June 2025 (continued)

Statement of directors' responsibilities

The Directors confirm that to the best of their knowledge:

- The condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting;
- The interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the company;
- The interim management report includes a fair review of:
 - The development and performance of the business during the period;
 - The principal risks and uncertainties for the remaining six months of the financial year; and
 - Any material related party transactions during the period and any changes from the last annual report.

Website publication

The directors are responsible for ensuring that both Annual and Interim reports and Financial Statements are made available on a website. Financial Statements are published on the Company's website in accordance with the provisions of the Aquis Growth Market Apex Rulebook. The maintenance and integrity of the Company's website is the responsibility of the directors. The directors' responsibility also extends to the on-going integrity of the Financial Statements contained therein.

On behalf of the board:



George McDonough
Managing Director & Co-Founder

Date: 30th September 2025

Statement of Comprehensive Income

for the half year ended 30 June 2025

	Note	6 months to 30 June 2025	6 months to 30 June 2024	12 months to 31 December 2024
		Unaudited £	Unaudited £	Audited £
Continuing operations:				
Income				
Income from digital assets	8	2,932,958	8,723,982	13,028,305
Interest received	8	-	3,382	3,382
Direct costs	9	(208,003)	(409,419)	(621,429)
Gross profit		2,724,955	8,317,945	12,410,258
Administrative expenses	9	(2,327,170)	(2,864,419)	(5,284,676)
(Loss)/gain on disposal of intangible assets	8	(333,901)	3,637,685	(1,024,359)
Gain on disposal of financial assets	8	171,904	-	-
Movement in fair value of intangible assets at fair value through profit and loss	12	(11,698,773)	-	-
Impairment of digital assets held under the cost model	12	(163,842)	1,484	10,847
Movement in fair value of financial assets at fair value through profit and loss	6	(2,462,667)	1,194,122	1,739,030
Operating (loss)/profit		(14,089,494)	10,286,817	7,851,100
Taxation		-	-	-
(Loss)/profit after taxation	10	(14,089,494)	10,286,817	7,851,100
Other comprehensive income:				
Movement in fair value of intangible assets	12	(53,822,045)	(59,773,325)	(63,104,474)
Total other comprehensive income attributable to the equity holders of the Company for the period/year		(53,822,045)	(59,773,325)	(63,104,474)
Total comprehensive income attributable to the equity holders of the Company		(67,911,539)	(49,486,508)	(55,253,374)
Earnings per share attributable to the equity owners of the Company (pence):				
Basic (loss)/earnings per share	11	(7.96)	5.80	4.43
Diluted (loss)/profit per share	11	(7.95)	5.80	4.43

The Notes on pages 23 to 40 form part of these Interim Financial Statements.

The Company has elected as an accounting policy to present one single statement, statement of profit or loss and other comprehensive income, rather than to present two separate statements, a statement of profit or loss and a statement of comprehensive income.

Statement of Financial Position

for the half year ended 30 June 2025

	Note	At 30 June 2025 Unaudited £	At 30 June 2024 Unaudited £	At 31 December 2024 Audited £
Assets				
Non-current assets				
Intangible assets	12	-	4,087,869	-
Intangible assets receivable	12,13	4,911,109	1,902,118	3,375,391
Total non-current assets		4,911,109	5,989,987	3,375,391
Current assets				
Intangible assets	12	56,540,128	126,673,908	121,414,750
Intangible assets receivable	12,13	1,235,363	794,620	1,869,927
Financial assets at fair value through profit and loss	6	8,943,300	11,402,071	12,337,947
Cash and cash equivalents		353,483	1,486,334	1,176,291
Trade and other receivables	13	120,152	95,001	215,657
Total current assets		67,192,426	140,451,934	137,014,572
Total assets		72,103,535	146,441,921	140,389,963
Equity and liabilities				
Current liabilities				
Trade and other payables	14	612,733	1,272,714	987,622
Total current liabilities		612,733	1,272,714	987,622
Net assets		71,490,802	145,169,207	139,402,341
Equity				
Share capital	15	337,005	808,756	337,005
Share premium	16	36,602,619	36,602,619	36,602,619
Capital redemption reserve	16	471,751	-	471,751
Revaluation reserve	16	-	57,153,194	53,822,045
Option reserve	16	149,852	149,852	149,852
Treasury shares	15	(298,044)	(298,044)	(298,044)
Retained reserves	16	34,227,619	50,752,830	48,317,113
Total equity		71,490,802	145,169,207	139,402,341
Total equity and liabilities		72,103,535	146,441,921	140,389,963

The Notes on pages 23 to 40 form part of these Interim Financial Statements.

Statement of Changes in Equity

for the half year ended 30 June 2025 (unaudited)

	Share capital £	Treasury shares £	Capital redemption reserve £	Share premium £	Revaluation reserve £	Option reserve £	Retained reserves £	Total £
Balance at 1 January 2025	337,005	(298,044)	471,751	36,602,619	53,822,045	149,852	48,317,113	139,402,341
Loss for the financial period	-	-	-	-	-	-	(14,089,494)	(14,089,494)
Total other comprehensive income for the period	-	-	-	-	(53,822,045)	-	-	(53,822,045)
Total comprehensive income for the period	-	-	-	-	(53,822,045)	-	(14,089,494)	(67,911,539)
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-
Balance at 30 June 2025	337,005	(298,044)	471,751	36,602,619	-	149,852	34,227,619	71,490,802

Statement of Changes in Equity

for the half year ended 30 June 2024 (unaudited)

	Share capital £	Treasury shares £	Share premium £	Revaluation reserve £	Option reserve £	Retained reserves £	Total £
Balance at 1 January 2024	808,756	-	36,602,619	116,926,519	149,852	40,466,013	194,953,759
Profit for the financial period	-	-	-	-	-	10,286,817	10,286,817
Total other comprehensive income for the period	-	-	-	(59,773,325)	-	-	(59,773,325)
Total comprehensive income for the period	-	-	-	(59,773,325)	-	10,286,817	(49,486,508)
Purchase of treasury shares	-	(298,044)	-	-	-	-	(298,044)
Transactions with owners, recorded directly in equity	-	(298,044)	-	-	-	-	(298,044)
Balance at 30 June 2024	808,756	(298,044)	36,602,619	57,153,194	149,852	50,752,830	145,169,207

Statement of Changes in Equity

for the full year ended 31 December 2024 (audited)

	Share capital	Treasury shares	Capital redemption reserve	Share premium	Revaluation reserve	Option reserve	Retained reserves	Total
	£	£	£	£	£	£	£	£
Balance at 1 January 2024	808,756	-	-	36,602,619	116,926,519	149,852	40,466,013	194,953,759
Profit for the financial year	-	-	-	-	-	-	7,851,100	7,851,100
Total other comprehensive income for the year	-	-	-	-	(63,104,474)	-	-	(63,104,474)
Total comprehensive income for the year	-	-	-	-	(63,104,474)	-	7,851,100	(55,253,374)
Purchase of treasury shares	-	(298,044)	-	-	-	-	-	(298,044)
Redemption of deferred shares	(471,751)	-	471,751	-	-	-	-	-
Transactions with owners, recorded directly in equity	(471,751)	(298,044)	471,751	-	-	-	-	(298,044)
Balance at 31 December 2024	337,005	(298,044)	471,751	36,602,619	53,822,045	149,852	48,317,113	139,402,341

The Notes on pages 23 to 40 form part of these Interim Financial Statements.

Statement of Cash Flows

for the half year ended 30 June 2025

	6 months to 30 June 2025 Unaudited £	6 months to 30 June 2024 Unaudited £	12 months to 31 December 2024 Audited £
Cash flows from operating activities			
(Loss)/profit after tax for the period	(14,089,494)	10,286,817	7,851,100
Other comprehensive income	(53,822,045)	(59,773,325)	(63,104,474)
Adjustments for:			
Movement in fair value of intangible assets	65,520,818	59,773,325	63,104,474
Loss/(gain) on disposal of intangible assets	333,901	(3,637,685)	1,024,359
(Gain) on disposal of financial assets	(171,904)	-	-
Movement in fair value of digital assets held under the cost model	163,842	(1,484)	(10,847)
Non-cash income from digital assets	(2,932,958)	(8,723,982)	(13,028,305)
Other non-cash transactions	-	12,371	12,505
Foreign exchange loss/(gain)	56,063	(52,383)	38,232
Movement in fair value of financial assets at fair value through profit and loss	2,462,667	(1,194,122)	(1,739,030)
Decrease/(increase) in debtors	95,505	(52,152)	(172,808)
(Decrease)/increase in creditors	(374,889)	135,381	(149,711)
Net cash (outflow) from operating activities	(2,758,494)	(3,227,239)	(6,174,505)
Cashflows from investing activities			
Sales of investments	2,231,751	5,742,899	8,794,129
Purchases of investments	(240,002)	(2,179,072)	(2,502,464)
Net cash inflow from investing activities	1,991,749	3,563,827	6,291,665
Cashflows from financing activities			
Share buybacks	-	(298,044)	(298,044)
Redemption of Class C and Class D deferred shares	-	-	(2)
Net cash outflow from financing activities	-	(298,044)	(298,046)
Net (decrease)/increase in cash	(766,745)	38,544	(180,886)
Cash as at the beginning of the period	1,176,291	1,395,407	1,395,407
Effect of exchange fluctuations on cash	(56,063)	52,383	(38,230)
Cash as at the end of the period	353,483	1,486,334	1,176,291
Represented by:			
Cash at bank	322,782	1,344,773	671,838
Cash held on trading platforms	30,701	141,561	504,453
	353,483	1,486,334	1,176,291

The Notes on pages 23 to 40 form part of these Interim Financial Statements.

Non-cash transactions consist of expenses paid and investments purchased using digital assets.

Notes to the Interim Financial Statements

for the half year ended 30 June 2025

1. The Company

KR1 plc ("the Company") was incorporated in the Isle of Man. The registered office is First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF. The principal activity of the Company is that of a digital assets company focused on decentralised technologies and the generation of income from digital assets, primarily through staking activities on proof-of-stake networks.

2. Basis of preparation

The information relates to the 6-month period from 1 January to 30 June 2025 "HY 2025" and is unaudited with comparatives for the 6-month period from 1 January to 30 June 2024 "HY 2024" (unaudited) and for the year ended 31 December 2024 "FY 2024" (audited).

While the financial information included in this Interim Financial Report has been prepared in accordance with UK-adopted International Accounting Standards consistent with the audited Annual Financial Report this Interim Report does not itself contain sufficient information to comply fully with IASs.

The Interim Financial Statements have been prepared in accordance with the requirements of the AQUIS Rules for Companies. As permitted, the Company has chosen not to adopt IAS 34 "Interim Financial Statements" in preparing this interim financial information. The condensed Interim Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2024. Statutory Financial Statements for the year ended 31 December 2024 were approved by the Board of Directors on 12 May 2025. The report of the auditors on those Financial Statements was unqualified with no material uncertainty related to going concern.

2.1 Going concern

The Company currently has a consistent level of income. The Directors have considered the impacts of external factors including the current global economy and geo-political unrest and conclude that there are no material factors that are likely to affect the ability of the Company to continue as a going concern. Accordingly, the Board believes it is appropriate to adopt the going concern basis in the preparation of the Interim Financial Statements.

3. Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The most significant judgements applied in these Financial Statements include the valuation of financial assets and digital assets. For unlisted financial assets the Company may use internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry as further detailed in Note 6.4. Such models are also applied to early-stage digital asset investments (Note 12.2). Digital assets held at fair value are also assessed by the Board with regards market liquidity, and in the case the liquidity is considered insufficient in proportion to the Company's holding the fair value may be adjusted to nil.

The Board regularly monitors the values of the digital assets and any market forecasts. During the period, the Company entered into digital asset transactions, which were assessed for fair value in line with the requirements of IAS 38, Intangible Assets, adopting the revaluation model. Revaluations were made with such regularity that as at the end of the reporting period the carrying amount of the asset does not differ materially from its fair value. All revaluations were made with reference to level 1 information, as disclosed in Note 12.1.

Revaluations made with reference to level 3 include unlisted equity investments as disclosed in Note 6.4 and early-stage investments for future tokens as disclosed in Note 12.2.

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

4. Significant accounting policies

The principal accounting policies applied in the preparation of these Interim Financial Statements are consistent with those set out in the audited Financial Statements for the year ended 31 December 2024.

5. Segmental information

The Board has determined that the Company is operating in a single operating segment being that of decentralised technologies and digital assets. As at 30 June 2025 99.24 % (FY 2024 99.04%) of the assets of the Company consist of digital assets and holdings in the decentralised technologies industry.

Further, throughout the financial period of the income generated from digital assets 98.58% (FY2024: 98.28%, HY2024: 97.46%) was generated from the Company's staking activities on a range of decentralised networks.

Due to the nature of decentralised networks and digital assets, it is not possible to provide a geographical split of the Company's income stream and its assets as digital assets are traded worldwide and are not specific to a geographical area.

6. Financial instruments and risk management

6.1 Principal financial instruments

The Company is exposed, in varying degrees, to a variety of financial related risks including liquidity risk, credit risk and market risk. These risks arise through directly held investments and activities of the Company and are actively managed by the board of Directors on an ongoing basis.

The principal financial instruments used by the Company from which financial instrument risk arises is as follows:

- Cash and cash equivalents
- Investments in listed and unlisted equity securities; and
- Trade and other payables

6.2 Financial instruments by category

Financial assets	30 June 2025 £	30 June 2024 £	31 December 2024 £
Cash and cash equivalents	353,483	1,486,334	1,176,291
Equity investments	8,854,033	11,271,585	12,210,804
Debt securities	89,267	130,486	127,143
Total	9,296,783	12,888,405	13,514,238

Financial liabilities	30 June 2025 £	30 June 2024 £	31 December 2024 £
Trade and other payables	612,733	1,272,714	987,622
Total	612,733	1,272,714	987,622

6.3 Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, trade and other payables. Due to their short-term nature, the carrying value of cash and cash equivalents and trade and other payables approximates their fair value.

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

6. Financial instruments and risk management (continued)

6.4 Financial instruments measured at fair value

Financial instruments held by the Company carried at fair value include private equity investments.

The table below analyses the Company's financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices); and

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Company's perceived risk of that instrument. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgement by the Company.

A market is regarded as active if quoted prices are readily and regularly available from an exchange. The quoted market price used for financial assets held by the Company is the current bid price. The fair value of financial assets and liabilities traded in active markets (such as publicly traded securities) are based on quoted market prices at the close of trading on the period end date. The Company holds listed investments with a value of £190 at the period-end which are considered as a Level 1 in the fair value hierarchy. For the period the Company records a decrease in fair value of financial assets of £2,462,667 of which £16,183 is attributable to Level 1 and £2,446,484 attributable to Level 3 financial assets

For instruments for which there is no active market, the Company may use internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. Valuation models are used primarily to value unlisted equity and options, for which markets were or have been inactive during the financial period. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Company holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

The following table presents the Company's financial assets at 30 June 2025. The classification of a financial instrument within Level 3 is based upon the significance of the unobservable inputs to the overall fair value measurement.

Financial assets at fair value through profit and loss	Level 1 £	Level 2 £	Level 3 £
Listed equity investments	190	-	-
Unlisted equity investments	-	-	8,853,843
Debt securities	-	-	89,267
Balance at 30 June 2025	190	-	8,943,110

The table below shows the valuation techniques and key assumptions applied to the underlying unlisted investments.

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

6. Financial instruments and risk management (continued)

6.4 Financial instruments measured at fair value (continued)

Valuation technique	Significant unobservable inputs	Unlisted investment £
Level 3:		
Unlisted equity investments	Cost less impairment	8,853,843
Debt instrument	Cost less impairment	89,267
Balance at 30 June 2025		8,943,110

There were no transfers between levels in the period.

The reconciliation of the opening and closing fair value balance of level 3 financial instruments is provided below:

Level 3 reconciliation

	HY 2025 £	FY 2024 £
Level 3:		
Balance at 1 January	12,321,574	8,862,084
Acquisition of investments	-	1,718,812
Disposal of investments	(931,980)	-
Movement in net unrealised loss	(2,446,484)	1,740,678
Balance at period end	8,943,110	12,321,574

Sensitivity analysis

If the average fair values of the unlisted equity investments at fair value through profit or loss had increased/decreased by 10% during 2025 with all other variables held constant, the Company's profit for the half year would have moved by +/- £885,384 (HY2024: +/- £1,121,197).

If the average fair values of the debt instruments at fair value through profit or loss had increased/decreased by 10% during 2025 with all other variables held constant, the Company's profit for the half year would have moved by +/- £8,927 (2024: +/- £13,049).

6.5 Risk management

6.5.1 Liquidity risk

Liquidity risk is consistent with the audited Annual Financial Report 2024.

6.5.2 Credit risk

The Company is also exposed to credit risk through its cash and cash equivalents, at bank and on trading platforms.

The Directors continually review all advanced loans and credit ratings of counterparty financial institutions on a regular basis.

At the reporting date the financial and intangible assets exposed to credit risk amounted to the following:

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

6. Financial instruments and risk management (continued)

6.5 Risk management (continued)

	30 June 2025 £	31 December 2024 £
Cash at bank	322,782	671,838
Cash held on trading platforms	30,701	504,453
Total	353,483	1,176,291

6.5.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, equity prices and digital asset prices will affect the Company's income or the value of its holdings of financial instruments and intangible assets. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

6.5.4 Market price risk

Market price risk is the risk that the fair value of the financial interests of the Company will fluctuate as a result of changes in market prices, other than those arising from interest rate and currency risks. The Company primarily holds digital asset investments and interests in unlisted equity stakes among other assets. Due to the concentrated nature of these interests, the Company is exposed to inherent price risks. The Company's holdings at fair value represents a significant interest in digital assets and investments in the decentralised technologies sector. These market price risks are managed by the Company through ongoing monitoring and adjusting the investment strategy to better manage exposures to price risk.

6.5.5 Capital risk management

The Company defines capital as total Shareholders' equity. The Company's objectives in managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for Shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the distributions paid to Shareholders or return capital to Shareholders. The Board monitors the Company's capital structure and the return on capital to Shareholders.

6.5.6 Interest rate risk

Interest rate risk is the risk that changes in interest rates will affect the Company's income or the value of financial instruments. The Company is not exposed to significant interest rate risk.

6.5.7 Foreign currency risk

The Company invests in financial instruments and enters into transactions that are denominated in currencies other than its functional currency. Consequently, the Company is exposed to risk that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value of future cash flows of that portion of the Companies financial assets or liabilities denominated in currencies other than British Pounds.

If the USD exchange rate had increased/decreased by 10% at 30 June 2025 with all other variables held constant, the Company's profit for the period would have increased/decreased by £10,397.

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

6. Financial instruments and risk management (continued)

6.5 Risk management (continued)

6.5.7 Foreign currency risk (continued)

If the EUR exchange rate had increased/decreased by 10% at 30 June 2025 with all other variables held constant, the Company's profit for the period would have increased/decreased by £2,734.

If the CHF exchange rate had increased/decreased by 10% at 30 June 2025 with all other variables held constant, the Company's profit for the period would have increased/decreased by £1,685.

6.5.8 Concentration of risks

The Company's primary activities and holdings are in the digital assets and decentralised technologies sector. These investments may involve certain risk management considerations including:

i) Custody of Company assets

The Company holds digital assets in custody with third-party institutional custody providers as well as with various digital asset exchanges or directly in the Company's digital asset wallets in connection with the ordinary activities of the Company. In the event of a counterparty's insolvency or penetration of a counterparty's security system, recovery of the Company's assets on deposit may be impossible, which could result in the loss of the digital asset investments and the Company could incur substantial, or even total, loss of capital. As the Company holds a substantial portion of its assets in custody with third-party institutional digital asset custody providers and various digital asset exchanges, the Company has group concentrations of credit risk with these parties.

ii) Digital asset exchanges

The digital asset exchanges on which digital asset investments trade are relatively new and, as of yet, largely unregulated and may, therefore, be more exposed to theft, fraud and failure than established, regulated exchanges for other traditional financial products. Exchanges generally require digital assets or cash to be deposited in advance in order to purchase digital assets, and no assurance can be given that those deposit funds can be recovered in case of a digital asset exchanges insolvency or penetration of its security system. Thus, the utilisation of digital asset exchanges requires customers to take on credit risk by transferring digital asset investments from a customer's own wallet or account to a third party's account. The Company will take credit risk with digital asset exchanges every time it transacts with a respective digital asset exchange. Digital asset exchanges may impose daily, weekly, monthly or customer specific transaction or distribution limits or suspend withdrawals entirely, rendering the exchange of digital asset investments for fiat currency difficult or impossible. Additionally, digital asset prices and valuations on digital asset exchanges have been volatile and are subject to influence by many factors, including the levels of liquidity on exchanges and operational interruptions and disruptions. The prices and valuation of digital asset investments remain subject to any volatility experienced by digital asset exchanges, and any such volatility can adversely affect an investment in the Company. Digital asset exchanges are high risk targets for cybercrime, hackers and malware.

It is possible that, while engaging in transactions with various digital asset exchanges located throughout the world, any such exchange may cease operations, including due to theft, fraud, security breach, liquidity issues, or government investigation. In addition, banks may refuse to process wire transfers to or from exchanges.

Over the past several years, many exchanges have, indeed, closed due to fraud, theft, government or regulatory involvement, failure or security breaches, or banking issues. Any financial, security or operational difficulties experienced by such exchanges may result in an inability of the Company to recover money or digital assets being held by the exchange, or to pay investors upon redemption. Further, the Company may be unable to recover digital assets awaiting transmission into or out of the Company, all of which could adversely affect an investment in the Company. Additionally, to the extent that the digital asset exchanges representing a substantial portion of the volume in digital asset trading are involved in fraud or experience security failures or other operational issues, such digital asset exchanges' failures may result in loss or less favourable prices of digital assets, or may adversely affect the Company, its operations and investments.

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

6. Financial instruments and risk management (continued)

iii) Risk of loss of private key

Digital assets are controllable only by the possessor of unique private keys relating to the wallet in which the digital asset is held. The theft, loss or destruction of a private key required to access digital assets could be irreversible, and such private keys could potentially not be restored by the Company. The Company maintains direct custody of some digital assets by generating the private keys to blockchain wallets that control the digital assets held in the respective wallets. The Company is responsible for taking such steps as it determines, in its sole judgement, to maintain and secure access to these keys, and prevent their exposure from hacking, malware and general security threats. The Directors and other authorised individuals of the Company are not liable to the Company for the failure or penetration of the security system absent fraud or criminal behaviour on the part of the Company. To the extent that the security system is penetrated, any loss of the Company's digital assets may adversely affect the Company's investments and could result in total loss of capital. Any theft, loss or destruction of private keys relating to digital asset wallets used to store the Company's digital assets could result in the loss of the digital assets and the Company could incur substantial, or even total, loss of capital.

iv) Technology and security

The Company must adapt to technological change in order to secure and safeguard digital assets. While the Company believes it has developed a robust proprietary security system, designed to safeguard the Company's digital assets from theft, loss, destruction or other issues relating to hackers and technological attack, such assessment is based upon known technology and threats. To the extent that the Company is unable to identify and mitigate or stop new security threats, the Company's digital asset may be subject to theft, loss, destruction or other attack, which could have a negative impact on the performance of the Company or result in loss of the Company's assets.

The Company may also at times utilise specific blockchains or smart contracts deployed on various blockchains, such as Ethereum, with digital assets owned by the Company in order to manage, trade, stake or perform other operations. Those blockchains and smart contracts carry risks with them as they are built with computer code and despite code reviews, security audits and best practices, there can still be exploits in blockchains or smart contracts present, which could lead to loss of funds or adversely affect the Company's operations.

Staked digital assets in 'Proof-of-Stake' networks carry unique risks, specifically, 'slashing'. Slashing occurs when certain network participants are automatically penalised by the network if the network's health is compromised by major technical issues, internal attacks or cyber-attacks. As the Company utilises a substantial portion of its assets in 'Proof-of-Stake' networks, an occurrence of such issues listed, may adversely affect the Company's assets and could result in a partial loss of capital.

v) Counterparty risk

Some of the markets in which the Company may execute its transactions are "over the counter" or "interdealer" markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange-based" markets. This exposes the Company to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Company to suffer a loss. Such "counterparty risk" is accentuated for digital assets where the Company has concentrated its transactions with a small group of counterparties. The Company is not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. Moreover, the Company has no internal credit function that evaluates the creditworthiness of their counterparties. The ability of the Company to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparty's financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Company.

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

6. Financial instruments and risk management (continued)

vi) Volatility and speculation

Digital assets often represent speculative investments and involve a high degree of risk. As a relatively new technology, digital assets, cryptocurrencies and blockchains have not yet been widely adopted as a means of economic exchange for businesses and individuals. Conversely, a significant portion of the demand for digital assets is generated by speculators and investors seeking to profit from the short or long-term holding of digital assets. The relative lack of acceptance of digital assets investments or cryptocurrencies in the retail and commercial marketplace limits the ability of businesses and end-users to pay for goods and services with digital assets and cryptocurrencies. A lack of expansion by digital assets and cryptocurrencies into retail and commercial markets, or a contraction of such use, may result in increased volatility.

As the digital asset markets are permissionless, peer-to-peer and global in nature, they are susceptible to global macro events, whether positive or negative. Digital assets are a new and evolving asset class that are subject to the same economic forces that impact traditional currencies and assets. Therefore, in times of increased volatility due to global political or economic events, digital asset markets will also experience volatility.

The above risk factors do not purport to be a complete enumeration or explanation of the risks involved in an investment with the Company, nor of all the financial (or other) risks that the Company faces.

7. Staff costs / Director remuneration

	HY 2025 £	HY 2024 £
Executive Director remuneration	75,000	75,000
Non-Executive Director remuneration	105,000	105,000
Consultancy fees paid to key management	37,500	37,500
Staff salaries	86,772	79,610
Social security costs	52,737	50,360
Total	357,009	347,470

The Company operates a Performance Incentive Scheme whereby Reflexivity Research Limited is entitled to receive a performance fee equal to 20% (2024: 20%) of the portfolio appreciation for the relevant period.

The portfolio appreciation is calculated with reference to the Company's audited Financial Statements as:

Audited Net Assets (as at the end of the relevant period prior to any performance incentive scheme accrual)

Less:

- the previous years Audited Net Assets, where a performance fee was due (31 December 2021)
- any capital injections in the period between the above two Audit Net Asset positions

Add:

- any accrued but unpaid performance fee in respect of the calculation period for which the Adjusted Net Asset Value calculation is being performed.

Any performance fee awarded to Reflexivity Research Limited under this arrangement will be satisfied entirely by the issue of ordinary shares of 0.19p each in the Company with the issue price determined by the Net Asset Value per Share at the end of a relevant period (save that the performance fee may be paid in cash if issuing ordinary shares would result in significant legal, regulatory or tax issues for the Company or cause Reflexivity's holding (along with any concert parties) to exceed (in aggregate) 29.99 per cent. of the Company's ordinary shares).

At the period-end an accrual for the performance fee relevant to the period has been calculated at £nil (2024: £nil).

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

8. Income by nature

Income is generated from digital asset investments, including staking rewards and distributions. Additional income is derived from the disposal of intangible assets, the disposal of financial assets and bank interest.

A breakdown of income stream types is detailed below:

	HY 2025 £	HY 2024 £
Income from digital assets		
Distributions	41,694	149,944
Parachain rewards	-	71,322
Staking rewards	2,891,264	8,502,716
Total income from digital assets	2,932,958	8,723,982
	HY 2025 £	HY 2024 £
Other income		
Bank interest received	-	3,382
(Loss)/gain on disposal of intangible assets	(333,901)	3,637,685
Gain on disposal of financial assets	171,904	-
Total other income	(161,997)	3,641,067
Total income	2,770,961	12,365,049

Gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss and from changes in fair value of intangible assets are presented in the statement of comprehensive income within movement in fair value of financial assets at fair value through profit or loss and movement in fair value of intangible assets respectively in the period in which they arise.

9. Expenses by nature

	HY 2025 £	HY 2024 £
Direct costs		
Bank charges and trading commissions	9,784	14,686
Custody fees	137,785	312,831
Legal and professional fees	60,434	81,902
Total direct costs	208,003	409,419

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

9. Expenses by nature (continued)

	HY 2025 £	HY 2024 £
Administrative expenses		
Administration expenses	107,997	123,894
Advisory fees	21,818	34,017
Audit fees	99,000	69,000
Consultancy fees paid	899,707	1,929,832
Foreign exchange losses	56,063	52,383
Insurance fees	61,094	67,131
Legal and professional fees	86,803	115,132
Listing migration costs	482,811	-
Promotional fees	109,801	123,333
Salary, remuneration and other staff costs	357,009	309,970
Subscriptions	19,574	16,639
Travel and subsistence	25,493	23,088
Total administrative expenses	2,327,170	2,864,419

10. Taxation on profit

The Company is subject to tax in the Isle of Man at a rate of 0% (2024: 0%).

11. Earnings per share

The basic earnings per share is calculated by dividing the profit after tax of the Company for the period attributable to equity shareholders by the weighted average number of equity shares in issue.

The diluted earnings per share is calculated by dividing the profit after tax of the Company or the period attributable to equity shareholders by the weighted average number of equity shares in issue plus the number potential ordinary shares (share options as further described in Note 15).

Loss after tax of the Company for the period: £14,089,494 (HY 2024: £10,286,817)

Weighted average number of Ordinary 0.19p Shares in issue: 177,006,520 (HY2024: 177,286,745).

Options exercisable at the period-end: 223,150 (2024: 223,150)

Basic loss per share: 7.96p (HY 2024 (earnings): 5.64p).

Diluted earnings per share: 7.95p (HY 2024 (earnings): 5.63p)

The conversion rights attaching to the Deferred Shares are not dilutive for the period.

The weighted average number of share in issue for the purpose of EPS calculations exclude treasury shares.

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

12. Intangible assets

The intangible assets consist of digital assets and early-stage investments for future tokens. As detailed in the accounting policies the digital assets are intangible assets held under the revaluation model and early-stage investments for future tokens are held as intangible assets at cost less impairment.

	30 June 2025 £	31 December 2024 £
Digital assets	61,011,194	124,822,006
Early-stage investments for future tokens	1,675,406	1,838,062
Balance	62,686,600	126,660,068

12.1 Digital assets

The following tables present the Company's Digital assets that are measured at fair value at 30 June 2025 and 31 December 2024. The classification of the assets within Level 1 is based upon the significance of the observable inputs to the overall fair value measurement.

	30 June 2025 Level 1 £	31 December 2024 Level 1 £
Intangible assets held at fair value		
Digital assets	61,011,194	124,822,006
Balance	61,011,194	124,822,006

The following table presents a reconciliation of the Company's digital assets classified as level 1 at 30 June 2025 and 31 December 2024.

	HY 2025 £	FY 2024 £
Balance bought forward	124,822,006	184,260,135
Income received in the form of digital assets	2,932,958	13,028,305
Reclassification of early-stage investments	296,660	780,640
Acquisition of intangible assets	276,915	2,041,602
Disposal of financial assets for USDC	1,062,202	-
Disposal of intangible assets	(2,560,986)	(11,100,490)
Acquisition of investments with intangible assets	-	(1,071,123)
Acquisition of early-stage investments with intangible assets	(297,641)	-
Payment of expenses with intangible assets	(102)	(12,589)
Movement in net unrealised loss	(65,520,818)	(63,104,474)
Balance	61,011,194	124,822,006

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

12. Intangible assets (continued)

12.1 Digital assets (continued)

The Company obtains the equivalency rate of digital assets which are held as intangible assets, to GBP from CoinMarketCap. The rates obtained are based on volume weighted averages of market pair prices and considered to represent a best estimate of fair value available for digital assets traded in an active market. As a result of this, they are therefore considered as a Level 1 in the fair value hierarchy.

Digital assets may also be temporarily locked at times due to participation in various activities including but not limited to participation in activities such as staking and parachain auctions.

Digital assets delivered to the Company from early-stage investments for future tokens may be subject to restrictions such as lockups and vesting schedules.

The Company recognises digital assets as 'locked' when these assets are held in Company owned accounts or blockchain wallets under the Company's control whereby the unlock of these digital assets is in accordance with certain conditions, including but not limited to, a schedule dependent on time or blockchain block count, which is dictated by computer code, such as a smart contract deployed on a particular blockchain or similar mechanisms. Locked digital assets may be unlocked in a full tranche or partially over time.

Digital assets that are legally owned by the Company from early-stage investments for future tokens may be distributed to Company owned accounts or blockchain wallets under the Company's control by the investee team over time in accordance with the terms of contractual agreements between the Company and the investees. The Company recognises these owned but yet-to-be-received digital assets as Intangible assets receivable (see Note 13).

Whilst, under such circumstances the Company generally forfeits its ability to sell or otherwise transfer its locked digital assets, no other entity obtains the right to direct their use and the Company is still the primary entity holding the risks and rewards of ownership. Locked digital assets may be unlocked as a full tranche or may be subject to unlock and vesting schedules.

The Company does not derecognise time locked or vesting digital assets which are classified and measured in the same manner as non-locked digital assets.

The Company classifies digital assets which are due for release no later than one year after the period end as intangible assets held as current assets. Digital assets, which are due for release more than one year after the period end are classified as intangible assets held as non-current assets.

Digital assets receivable from third parties subject to unlock and vesting schedules, or as distributions and rewards are classified as intangible assets receivable (see Note 13).

Intangible assets held at fair value	30 June 2025 £	31 December 2024 £
Intangible assets held as current assets	56,540,128	121,414,750
Intangible assets held as non-current assets	-	-
Intangible assets receivable held as current assets	1,235,363	1,869,927
Intangible assets receivable held as non-current assets	4,911,109	3,375,391
Balance	62,686,600	126,660,068

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

12. Intangible assets (continued)

12.1 Digital assets (continued)

The following table presents the Company's digital assets subject to time lock at 30 June 2025.

Asset	Lock type	Number of tokens	Fair value £	Release date*
AVAIL	Time locked	12,500,000	207,250	23/01/2027
CLEAR	Time locked	1,993,613	53,984	06/06/2026
GRAV	Time locked	1,286,648	169	12/09/2025
INTR	Time locked	784,739	1,321	15/11/2025
MODE	Time locked	114,583,333	180,125	07/04/2027
RED	Time locked	25,454,545	5,701,818	06/09/2027
TIA	Time locked	1,250,000	1,264,529	15/09/2025
Total			7,409,196	

* The release date of time locked digital assets being the end date of the unlock schedules. The usual form of the vesting schedules is linear, monthly unlocks with the end release date representing the date of unlock of the last tranche.

At the period end the Company held digital assets as detailed below:

2025 Assets	Number of coins or tokens	Cost £	Fair Value £
Polkadot (DOT)	5,499,512	21,966,249	13,617,051
Lido staked Ethereum (stETH)	5,545	7,885,872	10,038,013
Celestia (TIA)	7,510,346	7,428,484	7,597,639
Cosmos (ATOM)	2,162,203	10,135,521	6,448,400
Lido (LDO)	11,749,998	89,300	6,347,349
Redstone (RED)	25,454,545	296,660	5,701,818
Nexus Mutual (NXM)	110,680	216,040	4,608,718
Astar (ASTR)	68,230,000	6,391,144	1,144,217
Hydration (HDX)	147,052,068	906,534	1,084,509
Moonbeam (GLMR)	16,625,079	5,516,113	771,144
Rocketpool (RPL)	200,000	131,850	731,799
Internet computer (ICP)	152,352	486,845	544,278
Other minor holdings		11,424,934	2,376,259
Balance at 30 June 2025		72,875,546	61,011,194

Any unrealised gains arising on the revaluation of the intangible assets are allocated to the revaluation surplus account and are non-distributable.

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

12. Intangible assets (continued)

12.1 Digital assets (continued)

Sensitivity analysis for digital assets

If the average fair values of the digital assets at fair value had increased/decreased by 10% during the period with all other variables held constant, the Company's profit for the period would have moved by +/- £6,101,119.

12.2 Early-stage investments for future tokens

Early-stage investments for future tokens are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

i) Accumulated amortisation, impairment and revaluation

	HY 2025 £	FY 2024 £
Balance at 1 January	1,838,062	1,512,596
Acquisition of intangible assets	297,846	1,095,259
Reclassification (Intangible assets at fair value)	(296,660)	(780,640)
Change in fair value of intangible assets	(163,842)	10,847
Balance	1,675,406	1,838,062

Due to the nature of the intangible assets an infinite useful economic life has been used for the asset. Once the early-stage investments generate tokens the assets are held at revaluation. Subsequent to the issue of digital assets the investments are held until such a time that the Company disposes of them in the market.

Upon a successful token launch, early-stage investments for future tokens are reclassified as digital assets.

13. Trade and other receivables

	30 June 2025 £	31 December 2024 £
Prepayments	120,152	215,657
Balance	120,152	215,657

Digital assets which are legally owned by the Company from early-stage investments for future tokens may be distributed to Company owned accounts or blockchain wallets under the Company's control by the investee team over time in accordance with the terms of contractual agreements between the Company and the investees. The Company recognises these owned but yet-to-be-received digital assets as Intangible assets receivable (see Note 13).

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

13. Trade and other receivables (continued)

	30 June 2025 £	31 December 2024 £
Intangible assets receivable (non-current)	4,911,109	3,375,391
Intangible assets receivable (current)	1,235,363	1,869,927
Balance	6,146,472	5,245,318

The following tables present the Company's digital assets receivable as at 30 June 2025.

i) Non-current intangible assets receivable

	Number of tokens	Fair Value £	Release date*
AVAIL	4,687,500	77,719	23/01/2027
MODE	52,083,333	81,875	07/04/2027
RED	21,212,121	4,751,515	06/09/2027
Balance		4,911,109	

* The release date of non-current intangible assets receivable being the end date of the vesting schedules.

ii) Current intangible assets receivable

	Number of tokens	Fair Value £	Release date**
ATOM	1,105	3,295	30/07/2025
AVAIL	7,812,500	129,531	30/6/2026
CLEAR	1,993,613	53,984	30/06/2026
MODE	62,500,000	98,250	30/06/2026
RED	4,242,424	950,303	30/06/2026
Balance		1,235,363	

** The release date of current intangible assets receivable being on or before that date in accordance with the unlock or vesting schedules.

ATOM tokens resulting from staking activities are receivable at the period end and received in full on 30 July 2025.

All other digital assets receivable are resulting from early-stage investments for future tokens and are distributable by the investee team in accordance with the terms of the respective vesting schedule.

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

14. Trade and other payables

	30 June 2025 £	31 December 2024 £
Trade creditors	419,455	742,936
Accrued expenses	176,429	201,509
Bank overdraft	16,849	43,177
Balance	612,733	987,622

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

15. Share capital

Allotted, issued and fully paid	Class	Nominal value	30 June 2025 £	31 December 2024 £
Number:				
177,369,520 (2024: 177,369,520)	New Ordinary	0.19p	337,005	337,005
31,411,002	Deferred C	0.19p	-	-
210,610,001	Deferred D	0.09p	-	-
Balance			337,005	337,005

The new ordinary shares entitle holders to receive notice of, attend and vote at general meetings of the Company. The ordinary shares will carry the right to participate in dividends declared by the Company. On a winding up, the ordinary shares will carry the right to repayment at par (£0.0019 per share) in priority to deferred shares and the right to participate in any surplus assets of the Company.

In April 2024, the Company announced a share buyback programme to make market purchases of up to 14.99% of the Companies issued ordinary share capital. The Company purchased 363,000 shares for a total consideration of £298,044, including transaction costs of £595 and held these in treasury with no voting rights.

The deferred C and D shares have limited rights shall not entitle the holder to receive notice of, attend or vote at general meetings of the Company. The deferred C and D shares will carry no rights to participate in in any surplus assets or dividends declared by the Company. On a winding up, the deferred C and D shares will carry the right to repayment at par, deferred to repayment at par of the ordinary shares.

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

15. Share capital (continued)

Share options have been given to certain Directors and other consultants to the Company under the Company's Share Option Scheme. The following options over Ordinary Shares in the Company have been granted and are outstanding.

Date of grant	Number of options outstanding as at 30 June 2024	Exercise price	Expiry date	Number of options exercisable as at 30 June 2024
16 March 2021	77,519	193.5 pence	16 March 2031	77,519
1 April 2022	145,631	103 pence	1 April 2032	145,631

16. Other reserves

The share premium reserve is a non-distributable reserve and represents the amount subscribed for share capital in excess of nominal value.

The revaluation reserve account represents the net unrealised gains on intangible assets. This is a non-distributable reserve.

The option reserve account represents the fair value of the options determined using the Black-Scholes option pricing model. This is a non-distributable reserve.

Retained reserves represents retained earnings and is a distributable reserve.

The capital redemption reserve is created further to the redemption of Class C and Class D shares below par. The difference between nominal value and the redemption amount is recognised within equity as a capital redemption reserve and is a distributable reserve.

The treasury share reserve is created further to the repurchasing ordinary shares including transaction costs which are recognised in Equity and accounted for on a trade date basis.

In April 2024, the Company announced a resolution, passed by poll at the Extraordinary General Meeting authorising KR1 to make market purchases of up to 14.99% of the Companies issued new ordinary share capital. The Company purchased 363,000 shares for a total consideration of £298,044, including transaction costs of £595 and held these in treasury with no voting rights.

17. Related party disclosures

Director remuneration, consultancy fees paid to key management and salaries are disclosed in Note 7. At the period end the amount owed to the Executive Directors was £nil (YE2024: £nil) whilst the amount owed to Non-Executive Directors was £nil (YE2024: £nil) and the amount owed to key management personnel was £nil (FY2024: £6,250).

The Company operates a Share Option Scheme. Full details of the options over Ordinary Shares issued to Directors and key management during the period and outstanding at the period-end are detailed in the Directors' Report and Note 15.

Reflexivity Research Limited receives Consultancy fees and Performance fees (if applicable – see Note 7). Both of the Company's Executive Directors and a member of key management personnel are also directors of Reflexivity Research Limited and each hold 33.33% of the shares in Reflexivity Research Limited.

During the period, consultancy fees totalling £899,707 (HY2024: £1,886,289) were incurred from Reflexivity Research Limited. At the period end the amount owed to Reflexivity Research Limited was £247,833 (FY2024: £663,125)

18. Ultimate controlling party

There is not deemed to be an ultimate controlling party.

19. Net Asset Value per share

The Company has a Net Asset Value per Ordinary Share of 40.39p (FY2024: 78.76p).

Notes to the Interim Financial Statements

for the half year ended 30 June 2025 (continued)

20. Post Balance Sheet Events

Subsequent to the Company's previous funding rounds of Moondance Labs Ltd, on 9th July Moondance (Tanssi Network) launched their \$TANSSI token. The Company will receive 13,333,333 \$TANSSI tokens from the exercise of the Warrant to Purchase Tokens and 6,666,666.67 \$TANSSI tokens from a pre-launch SAFT. All \$TANSSI are subject to a lock up agreement with the Warrant tokens releasing 40% on the one-year anniversary of the token launch and the remaining 60% with a linear monthly release over the following 12 months. Pre-launch SAFT tokens will release 15% 40 days after the token generation event with the remaining 85% on linear release over the following 11 months.

On 4th September Autonomys Network (Subspace) launched their AI3 token. The Company will receive 2,500,000 AI3 tokens which are subject to a 4 year lock up. 25% of the tokens will unlock on the one-year anniversary of the token launch with a linear monthly release of the remaining 75% over the following 36 months.

On 19th September the Company received USDC 53,076 from Exponent, representing an orderly shut down of the project and a distribution of remaining funds pro rata to investors. The position in Exponent had been previously subject to full impairment by the Company.

On 29th September Anoma launched their XAN token. The Company received 25,000,000 XAN which will be subject to lock up for one year after the token generation event followed by a 36 month linear vesting schedule. As announced, KR1 plc is currently evaluating the feasibility of commencing staking activities for the Anoma network.

No adjustments have been made in the Interim Results for changes in fair value as a result of post balance sheet events.

The Interim Financial Statements were approved by the Board of Directors on 30th September 2025 and were signed on its behalf by:



George McDonough
Director



Keld Van Schreven
Director