

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own financial advice immediately from an independent financial adviser who specialises in advising on shares or other securities and who is authorised under the Financial Services and Markets Act 2000 (as amended) (“FSMA”) if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

This document comprises a prospectus relating to KR1 plc (the “**Company**”), prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority made under the UK Prospectus Regulation.

This Prospectus has been approved by the FCA as competent authority under the UK Prospectus Regulation. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer that is the subject of this Prospectus, nor should it be considered as an endorsement of the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares. This Prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of the UK Prospectus Regulation.

Applications will be made to the FCA and the London Stock Exchange for all of the existing Ordinary Shares, and all of the Ordinary Shares to be issued pursuant to Placing Programme, to be admitted to the equity shares (commercial companies) category of the Official List and to trading on the Main Market of the London Stock Exchange respectively. It is expected that Initial Admission will become effective and that dealings for normal settlement in such Ordinary Shares will commence at 8.00 a.m. on 25 November 2025. It is expected that any Subsequent Admissions pursuant to the Placing Programme will become effective and that dealings for normal settlement in such Ordinary Shares will commence between 25 November 2025 to 28 October 2026. All dealings in Ordinary Shares will be at the sole risk of the parties concerned.

As at the date of this document, the Ordinary Shares are admitted to trading on the Apex segment of the Aquis Growth Market. Upon Initial Admission, the admission of the Ordinary Shares to trading on the Apex segment of the Aquis Growth Market will be cancelled, with the last day of trading expected to be 24 November 2025. Following Initial Admission, the Ordinary Shares will not be dealt in on any recognised investment exchange other than the Main Market of the London Stock Exchange and no other such applications have been made or are currently expected.

The Company and each of the Directors, whose names appear on page 33 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Company and the Directors, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

Prospective investors should read the entire document and, in particular, the section headed “Risk Factors” beginning on page 11 when considering an investment in the Company.

KR1 plc

(Incorporated in the Isle of Man with company number 015310V)

Admission of the Ordinary Shares to the equity shares (commercial companies) category of the Official List and to trading on the Main Market of the London Stock Exchange

Placing Programme of up to 125,000,000 Ordinary Shares

Sponsor

Singer Capital Markets Advisory LLP

Financial Adviser and Sole Bookrunner

Singer Capital Markets Securities Limited

Singer Capital Markets Advisory LLP (the “**Sponsor**” or “**SCM Advisory**”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as sponsor for the Company and for no one else in relation to the Placing Programme, each Admission and the other arrangements referred to in this document. The Sponsor will not regard any other person (whether or not a recipient of this document) as its client in relation to the Placing Programme, any Admission and the other arrangements referred to in this document and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing any advice in relation to the Placing Programme, any Admission, the contents of this document or any transaction or arrangement referred to in this document.

Singer Capital Markets Securities Limited (“**SCM Securities**”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser and sole bookrunner for the Company and for no one else in relation to the Placing Programme, each Admission and the other arrangements referred to in this document. SCM Securities will not regard any other person (whether or not a recipient of this document) as its client in relation to the Placing Programme, any Admission and the other arrangements referred to in this document and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing any advice in relation to the Placing Programme, any Admission, the contents of this document or any transaction or arrangement referred to in this document.

References in this document to “**Singer Capital Markets**” are references to either SCM Advisory or SCM Securities or both of them, as appropriate.

Apart from the responsibilities and liabilities, if any, which may be imposed on Singer Capital Markets by FSMA, or the regulatory regime established thereunder, or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Singer Capital Markets nor any of its group undertakings or affiliates accepts any responsibility whatsoever for, or makes any representation or warranty, express or

implied, as to the contents of this Prospectus, including its accuracy or completeness, or for any other statement made or purported to be made by it, or on its behalf, the Company or any other person in connection with the Company, the Ordinary Shares, the Placing Programme or any Admission and nothing contained in this Prospectus is or shall be relied upon as a promise or representation in this respect, whether as to the past or future. Neither Singer Capital Markets nor any of its group undertakings or affiliates assumes any responsibility for the accuracy, completeness or verification of this Prospectus and accordingly each of them disclaims all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise be found to have in respect of this Prospectus or any such statement.

Prospective investors should rely only on the information contained in this Prospectus (together with any supplementary prospectus published by the Company prior to the Final Date). No person has been authorised to give any information or make any representations other than those contained in this Prospectus and any such supplementary prospectus and, if given or made, such information or representations must not be relied upon as having been so authorised by the Company, Singer Capital Markets, or any of their respective affiliates, officers, directors, employees or agents. Without prejudice to the Company's obligations under the UK Prospectus Regulation, the Prospectus Regulation Rules, the UK Listing Rules, the UK Market Abuse Regulation and the Disclosure Guidance and Transparency Rules, neither the delivery of this Prospectus nor any subscription for or purchase of Ordinary Shares made pursuant to the Placing Programme shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since, or that the information contained herein is correct at any time subsequent to, the date of this Prospectus.

The Placing Programme and Initial Admission are conditional on, *inter alia*, the passing of the Migration Resolution by Shareholders at the General Meeting to be held at 10.15 a.m. on 20 November 2025. The Placing Programme is also conditional on, *inter alia*, the passing of the Placing Programme Resolution at the General Meeting. A notice convening the General Meeting is set out in a circular to Shareholders dated 29 October 2025.

The Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**US Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. The Ordinary Shares are being offered or sold outside the United States in offshore transactions as defined in and pursuant to Regulation S under the US Securities Act ("**Regulation S**"). In addition, the Company has not been and will not be registered under the United States Investment Company Act of 1940 (as amended) (the "**US Investment Company Act**"), and the recipient of this document will not be entitled to the benefits of the US Investment Company Act. This document may only be distributed outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S under the US Securities Act. Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved of these securities or determined if this document is truthful or complete. Any representation to the contrary is a US criminal offence. This Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, Ordinary Shares in any jurisdiction where such offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company or Singer Capital Markets. The offer and sale of Ordinary Shares has not been and will not be registered under the applicable securities laws of Australia, Canada, Japan or the Republic of South Africa. Subject to certain exemptions, the Ordinary Shares may not be offered to or sold within Australia, Canada, Japan or the Republic of South Africa or to any national, resident or citizen of Australia, Canada, Japan or the Republic of South Africa. Neither the Company nor Singer Capital Markets, nor any of their respective representatives, is making any representation to any offeree or purchaser of the Ordinary Shares regarding the legality of an investment in the Ordinary Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser. Each investor should consult with his or her own advisers as to the legal, tax, business, financial and related aspects of a purchase of the Ordinary Shares.

Dated: 29 October 2025

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SUMMARY

1.	<i>Introduction and warnings</i>
a.	Name and ISIN of securities
	Ordinary Shares of £0.0019 each Ticker for the Ordinary Shares: KR1 ISIN of the Ordinary Shares: IM00BYYPQX37
b.	Identity and contact details of the issuer
	Name: KR1 plc (the “ Company ”) (incorporated in the Isle of Man with company number 015310V) Registered Office: First Names House, Victoria Road, Douglas, Isle of Man IM2 4DF Tel: +44 1624 630600 Legal Entity Identifier (LEI): 213800WFTIIBY5SBCL19
c.	Identity and contact details of the authority approving this prospectus
	Name: Financial Conduct Authority Address: 12 Endeavour Square, London, E20 1JN, United Kingdom Tel: +44 (0) 20 7066 1000
d.	Date of approval of this prospectus
	29 October 2025
e.	Warnings
	This summary should be read as an introduction to this Prospectus. Any decision to invest in the Ordinary Shares should be based on a consideration of this Prospectus as a whole by the prospective investor. The investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of this Prospectus, or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the Ordinary Shares.
2.	<i>Key information on the issuer</i>
a.	Who is the issuer of the securities?
i.	<i>Domicile and legal form, LEI, applicable legislation and country of incorporation</i> The Company is a public company limited by shares incorporated in the Isle of Man under the Isle of Man Companies Act 2006 (the “ 2006 Act ”) with registered number 015310V. The Company's LEI is 213800WFTIIBY5SBCL19.
ii.	<i>Principal activities</i> The Company is a leading digital assets company primarily focused on decentralised technologies and the generation of income from digital assets, primarily through staking activities on proof-of-stake networks. The Company seeks to generate income from digital assets through the Company's staking operations by participating in proof-of-stake (“ PoS ”) blockchain networks, either independently or through third-party staking infrastructure service providers. By staking digital assets, the Company helps to secure these networks by supporting transaction validation, maintaining network integrity and contributing to decentralisation and, in return, receives staking rewards. The Company also manages its digital asset holdings to optimise medium to long-term capital growth and may from time to time hold investments in the digital asset sector, including debt, equity, contractual rights to future assets and interests in specialised funds. The Company's strategy is to expand its existing staking operations through compounding the digital assets it generates, acquiring additional staking assets, investing in companies and assets in the digital asset sector and potentially entering into relevant partnerships or joint ventures.

iii.	Major Shareholders			
	So far as is known to the Company, as at the Latest Practicable Date, the following persons hold, directly or indirectly, the percentages of the Company's voting rights referred to below which are notifiable pursuant to the Disclosure Guidance and Transparency Rules:			
		Number of existing Ordinary Shares held	% of voting rights	
	Name			
	Reflexivity Research Limited	36,038,014	20.36%	
	Vidacos Nominees Limited	34,260,067	19.36%	
	Hargreaves Lansdown (Nominees) Limited	19,498,215	11.02%	
	Interactive Investor Services Nominees Limited	12,813,987	7.24%	
	Pershing Nominees Limited	6,110,649	3.45%	
	As at the Latest Practicable Date, the Company and the Directors are not aware of any other person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company. All Shareholders have the same voting rights in respect of the share capital of the Company.			
iv.	Directors and Management Team			
	Board of Directors			
	<i>Executive Directors</i>			
	George McDonaugh (Managing Director & Co-Founder)			
	Keld van Schreven (Managing Director & Co-Founder)			
	<i>Non-executive Directors</i>			
	Rhys Davies (Non-Executive Director & Chairman)			
	Mona Elisa (Non-Executive Director)			
	Aeron Buchanan (Non-Executive Director)			
	Management Team			
George McDonaugh (Managing Director & Co-Founder)				
Keld van Schreven (Managing Director & Co-Founder)				
Janos Berghorn (Chief Investment Officer)				
v.	Statutory auditor			
	PKF Littlejohn LLP of 15 Westferry Circus, London E14 4HD, United Kingdom.			
b.	What is the key financial information regarding the issuer?			
	Selected key historical financial information relating to the Company is set out in the tables below for the year ended 31 December 2024 and for the half year ended 30 June 2025, together with comparative data from the half year ended 30 June 2024. Investors should read the whole of this document and not rely solely on the summarised financial information set out in this section.			
	Table 1: Summary statement of comprehensive income			
		Year ended 31 December 2024 (audited) (£)	Half year ended 30 June 2024 (unaudited) (£)	Half year ended 30 June 2025 (unaudited) (£)
	Income			
	Income from digital assets	13,028,305	8,723,982	2,932,958
	Interest received	3,382	3,382	—
	Direct costs	(621,429)	(409,419)	(208,003)
	Gross profit	12,410,258	8,317,945	2,724,955
	Operating (loss)/profit	7,851,100	10,286,817	(14,089,494)
	Taxation on profit	—	—	—
	(Loss)/Profit after taxation	7,851,100	10,286,817	(14,089,494)
	Total other comprehensive income for the year	(63,104,474)	(59,773,325)	(53,822,045)
	Total comprehensive income attributable to the equity holders of the Company	(55,253,374)	(49,486,508)	(67,911,539)
	Earnings per share attributable to the equity owners of the Company (pence)			
	Basic (loss)/earnings per share (pence)	4.43	5.80	(7.96)
	Diluted (loss)/earnings per share (pence)	4.43	5.80	(7.95)

Table 2: Summary statement of financial position

	As at 31 December 2024 (audited) (£)	As at 30 June 2025 (unaudited) (£)
Assets		
Total non-current assets	3,375,391	4,911,109
Total current assets	137,014,572	67,192,426
Total assets	140,389,963	72,103,535
Total current liabilities	987,622	612,733
Net assets	139,402,341	71,490,802
Total equity	139,402,341	71,490,802

Table 3: Summary statement of cash flow

	Year ended 31 December 2024 (audited) (£)	Half year ended 30 June 2024 (unaudited) (£)	Half year ended 30 June 2025 (unaudited) (£)
Net cash (outflow) from operating activities	(6,174,505)	(3,227,239)	(2,758,494)
Net cash inflow from investing activities	6,291,665	3,563,827	1,991,749
Net cash outflow from financing activities	(298,046)	(298,044)	—
Net (decrease)/increase in cash	(180,886)	38,544	(766,745)
Cash at the beginning of the period	1,395,407	1,395,407	1,176,291
Effect of exchange fluctuations on cash	(38,230)	52,383	(56,063)
Cash as at the end of the period	1,176,291	1,486,334	353,483

c. What are the key risks that are specific to the issuer?

- The Company may not achieve its strategic objective. Meeting that objective is a target but the existence of such an objective should not be considered an assurance or guarantee that it can or will be met. The past performance of the Company cannot be relied upon as an indicator of future performance. An investor may not get back the amount originally invested.
- The Company's financial performance is highly dependent on the value, liquidity and market demand for digital assets. A decline in the market value of digital assets or in the demand for trading digital assets could adversely affect the Company's business, operating results and financial condition. Further, volatility in the value of digital assets could have an immediate and substantial effect on the price of the Ordinary Shares, irrespective of the actual effect on the Company's business.
- The Company is currently reliant on its staking operations for substantially all of its income, exposing it to financial, operational and regulatory risks. The Company's staking operations depend on its participation in decentralised PoS networks and any failure, disruption or decline in the effectiveness of PoS networks could negatively impact the Company's ability to generate staking income, potentially leading to significant financial losses and an adverse effect on its overall financial condition and operations.
- The Company is currently reliant on third-party providers for its staking infrastructure. Such reliance introduces counterparty risk, including operational failures, mismanagement, regulatory actions or financial instability, which could delay or reduce staking rewards. As the Company does not directly control the operations of its third-party providers, it may have limited ability to prevent or mitigate penalties such as slashing, which could lead to financial losses for the Company.
- 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. If the Company is unable to retain key personnel, attract appropriately qualified individuals, or must offer significantly higher compensation to do so, its business prospects and results of operations could be materially adversely affected.
- The acceptance and long-term viability of digital assets remain uncertain, and their value could decline significantly. There is no assurance that they will achieve widespread adoption or maintain their intended utility. The market for digital assets is speculative and highly volatile, and a sustained decline in the price of Bitcoin or other major digital assets could negatively impact investor confidence and the entire sector. Given the Company's significant exposure to digital assets, any such downturn could materially affect its financial position and the value of the Ordinary Shares.

	- While the Company has put in place systems and controls to safeguard its digital assets, such safeguards cannot be guaranteed. Digital assets are controlled through unique private keys and, if a private key is lost, destroyed or compromised without backup, the related digital assets may be permanently inaccessible. Wallets holding the Company's digital assets, whether maintained directly or on its behalf, may be subject to security breaches, hacking or fraud. Any loss or compromise of private keys could result in significant financial losses, damage the Company's reputation and adversely impact its business. - The encryption on which digital assets rely could be threatened by advances in quantum computing. While quantum computers are not yet widely available, their development could make digital assets and other cryptographic systems vulnerable unless secured against such technology. If quantum computing advances to the point where it can compromise digital asset security, it could have a material adverse effect on the Company's financial position and financial prospects. - If a malicious actor or botnet obtains a majority or a significant portion of the decision-making power in a blockchain's consensus mechanism, it may be able to manipulate the network by constructing fraudulent blocks or interfering with transaction processing. Although there are no known cases of a malicious entity successfully achieving sustained majority control of a major PoS blockchain, such an attack could have a material adverse effect on the Company's business, financial condition, operating results and future prospects, particularly if digital asset markets react negatively to perceived blockchain security vulnerabilities. - The Company may be subject to a broad range of laws and regulations across multiple jurisdictions. As many of these regimes were established before digital assets emerged, they may not clearly address issues relevant to the Company's activities. The Company may need to interpret how such rules apply, and regulators may disagree, potentially resulting in penalties, restrictions or reputational harm. While the Company's activities do not currently require it to be regulated in the UK or the Isle of Man, future regulatory changes could require the Company to obtain licences, comply with new obligations or face restrictions, which could materially impact its business and the value of the Ordinary Shares. - Changes in tax legislation or practice, whether in the Isle of Man, the UK or elsewhere, could affect the value of investments held by the Company, affect the ability of the Company to provide returns to Shareholders and affect the tax treatment for Shareholders of their investments in the Company.
3.	Key information on the securities
a.	What are the main features of the securities?
i.	Type, class and ISIN of the securities being admitted to trading on a regulated market The securities that may be issued under the Placing Programme are Ordinary Shares of £0.0019 each in the capital of the Company. The ISIN of the Ordinary Shares is IM00BYYPQX37.
ii.	Currency, denomination, par value, number of securities issued and term of the securities The Ordinary Shares are denominated in pounds sterling and have a nominal value of £0.0019 each. The Ordinary Shares have no fixed term. Conditional on the passing of the Migration Resolution and the Placing Programme Resolution at the General Meeting, new Ordinary Shares may be issued pursuant to the Placing Programme. The maximum number of Ordinary Shares that may be issued pursuant to the Placing Programme is 125,000,000. The Placing Programme Price for each Placing under the Placing Programme will be determined by the Directors, taking into consideration, <i>inter alia</i>, the Net Asset Value of the Ordinary Shares and the prevailing market conditions at that time, but will not be set at a discount of more than 10 per cent. to the middle market price of the Ordinary Shares (as derived from the daily official list of the London Stock Exchange) at the time of agreeing the Placing, unless specifically approved by Shareholders. The Placing Programme Price will be announced through a Regulatory Information Service as soon as practicable in conjunction with each Placing.
iii.	Rights attached to the securities Holders of Ordinary Shares shall be entitled to receive, and to participate in, any dividends declared in relation to the Ordinary Shares. On a winding-up or a return of capital by the Company, holders of Ordinary Shares shall be entitled to all of the Company's remaining net assets. Holders of Ordinary Shares will be entitled to attend and vote at all general meetings of the Company and, on a poll, to one vote for each Ordinary Share held. The resolution of the holders of at least 75 per cent. of the voting rights exercised in relation thereto will be required for the variation of any rights attached to the Ordinary Shares.
iv.	Relative seniority of the securities in the event of insolvency On a winding-up or a return of capital by the Company, the holders of Ordinary Shares shall be entitled to all of the Company's remaining net assets.

v.	Restrictions on free transferability of the securities There are no restrictions on the free transferability of the Ordinary Shares, subject to compliance with applicable securities laws and the restrictions on transfer contained in the New Articles (which the Company will adopt upon Initial Admission, conditional on the passing of the Migration Resolution at the General Meeting). Under the New Articles, the Board may refuse to register any transfer of a certificated share unless: (a) it is in respect of a share which is fully paid up; (b) it is in respect of a share on which the Company has no lien; (c) it is in respect of only one class of shares; (d) it is in favour of a single transferee or not more than four joint transferees; (e) it is duly stamped (if so required); (f) it is delivered for registration to the registered agent of the Company, or such other person as the Board may from time to time appoint, accompanied by evidence of title and (if required) the relevant share certificate; and (g) the holding of such share would not, in the opinion of the Board, give rise to an onerous obligation arising under certain specific US legal and regulatory provisions as detailed in the New Articles, provided that where such share is listed on the Official List such discretion may not be exercised in such a way as to prevent dealings in such shares from taking place on an open and proper basis. The Board may refuse to register any such transfer or renunciation which is in favour of more than four persons jointly or in any other circumstance permitted by the CREST Regulations. The Board shall also have the right to refuse (and cause the Company to refuse) to register any transfer of shares which may breach certain US securities laws. There are also certain limited circumstances in which the Board may, under the New Articles and subject to certain conditions, compulsorily require the transfer of shares.
vi.	Dividend and capital allocation policy The Directors' current intention is to retain any earnings for use in the Company's operations and the Directors do not anticipate declaring any dividends in the foreseeable future. The Company will only pay dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate and to the extent that to do so is in accordance with all applicable laws. The Directors believe that digital assets represent high future growth potential as decentralised networks become foundational technologies for the economy and internet. Accordingly, the Company intends to allocate the majority of its capital towards expanding its staking activities and holdings. The Company aims to achieve this by compounding the income it receives from its staking operations, gradually increasing network ownership to optimise medium to long-term capital growth. In addition, the Company intends to allocate a portion of its capital towards staking and staking adjacent acquisitions and investments (ranging from earlier to later stages) and further investments into innovative and disruptive trends for diversification purposes. The Company aims to maintain a simple and conservative capital structure, with no debt, a strong balance sheet, and a single class of shares comprising Ordinary Shares.
b.	Where will the securities be traded? Applications will be made to the Financial Conduct Authority for all of the existing Ordinary Shares, and all of the Ordinary Shares to be issued pursuant to the Placing Programme, to be admitted to the equity shares (commercial companies) category of the Official List and to the London Stock Exchange for such Ordinary Shares to be admitted to trading on the Main Market of the London Stock Exchange. Conditional on Initial Admission, the admission of the existing Ordinary Shares to trading on the Aquis Growth Market is expected to be cancelled on 25 November 2025. The Ordinary Shares ceasing to be traded on the Aquis Growth Market and the admission of the Ordinary Shares to the equity shares (commercial companies) category of the Official List and to trading on the Main Market of the London Stock Exchange are conditional on, <i>inter alia</i>, the passing of the Migration Resolution by Shareholders at the General Meeting to be held at 10.15 a.m. on 20 November 2025.
c.	What are the key risks that are specific to the securities? • The value of an investment in the Company may go down as well as up. The market price of Ordinary Shares, like shares in all publicly traded companies, could be volatile and subject to fluctuations due to a variety of factors, which may be unrelated to the Company's operating performance or prospects. • There can be no guarantee that a liquid market in the Ordinary Shares will exist. Accordingly, Shareholders may be unable to realise their Ordinary Shares at the quoted market price or at all. The market price of the Ordinary Shares may not reflect their underlying Net Asset Value. • The Company may issue new Ordinary Shares in the future pursuant to the Placing Programme or otherwise. Where pre-emption rights are disapplied, any additional equity issued will be dilutive to those Shareholders who do not participate in such financing.

	Future sales of Ordinary Shares could cause the market price to fall. Sales by significant investors, or the perception that such sales could occur, may depress the market price of the Ordinary Shares and make it harder for Shareholders to sell at a preferred time or price. Reflexivity Research Limited holds approximately 20 per cent. of the Company's issued share capital as at the Latest Practicable Date, which are not subject to a lock-in period. Any substantial sale of Ordinary Shares by Reflexivity could negatively impact the market price.																														
4.	Key information on the offer of securities to the public and the admission to trading on a regulated market																														
a.	Under which conditions and timetable can I invest in this security?																														
i.	General terms and conditions Conditional on the passing of the Migration Resolution and the Placing Programme Resolution at the General Meeting, the Directors will be authorised to issue up to 125,000,000 Ordinary Shares pursuant to the Placing Programme without having to first offer those Ordinary Shares to existing Shareholders. The Placing Programme may be implemented by a series of Placings at the Placing Programme Price during the period from 25 November 2025 to 28 October 2026 (or any earlier date on which it is fully subscribed). Each Placing under the Placing Programme is conditional, <i>inter alia</i>, on: (i) the passing of the Migration Resolution and the Placing Programme Resolution to be proposed at the General Meeting to be held on 20 November 2025; (ii) the Placing Programme Price being determined by the Directors as described below; (iii) Admission of the Ordinary Shares being issued pursuant to such Placing; (iv) the Sponsor and Placing Agreement becoming otherwise unconditional in respect of the relevant Placing in all respects and not having been terminated on or before the date of such Admission; and (v) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Regulation Rules. The Placing Programme Price for each Placing under the Placing Programme will be determined by the Directors, taking into consideration, <i>inter alia</i>, the Net Asset Value of the Ordinary Shares and the prevailing market conditions at that time, but will not be set at a discount of more than 10 per cent. to the middle market price of the Ordinary Shares (as derived from the daily official list of the London Stock Exchange) at the time of agreeing the Placing, unless specifically approved by Shareholders. The Placing Programme Price will be announced through a Regulatory Information Service as soon as practicable in conjunction with each Placing.																														
ii.	Expected Timetable of Principal Events <table> <tr> <td>Initial Admission</td><td>2025</td></tr> <tr> <td>Posting to Shareholders of the Notice of the General Meeting</td><td>29 October</td></tr> <tr> <td>Publication of this Prospectus</td><td>29 October</td></tr> <tr> <td>Latest time and date for receipt of proxy appointments in connection with the General Meeting</td><td>10.15 a.m. on 18 November</td></tr> <tr> <td>General Meeting</td><td>10.15 a.m. on 20 November</td></tr> <tr> <td>Announcement of the results of the General Meeting</td><td>20 November</td></tr> <tr> <td>Last day of trading of Ordinary Shares on the Aquis Growth Market</td><td>24 November</td></tr> <tr> <td>Delisting of the Ordinary Shares from the Aquis Growth Market</td><td>8.00 a.m. on 25 November</td></tr> <tr> <td>Initial Admission and dealings in Ordinary Shares commence</td><td>8.00 a.m. on 25 November</td></tr> <tr> <td>Placing Programme</td><td></td></tr> <tr> <td>Placings under the Placing Programme</td><td>between 25 November 2025 and 28 October 2026</td></tr> <tr> <td>Publication of Placing Programme Price in respect of each Placing</td><td>as soon as practicable in conjunction with each Placing</td></tr> <tr> <td>Announcement of the results of each Placing</td><td>as soon as practicable following the closing of each Placing</td></tr> <tr> <td>Admission and crediting of CREST accounts in respect of each Placing</td><td>as soon as practicable following the allotment of Ordinary Shares pursuant to a Placing</td></tr> <tr> <td>Where applicable, definitive share certificates in respect of the Ordinary Shares issued pursuant to each Placing despatched by post</td><td>within 10 business days following the Admission of the relevant Ordinary Shares</td></tr> </table>	Initial Admission	2025	Posting to Shareholders of the Notice of the General Meeting	29 October	Publication of this Prospectus	29 October	Latest time and date for receipt of proxy appointments in connection with the General Meeting	10.15 a.m. on 18 November	General Meeting	10.15 a.m. on 20 November	Announcement of the results of the General Meeting	20 November	Last day of trading of Ordinary Shares on the Aquis Growth Market	24 November	Delisting of the Ordinary Shares from the Aquis Growth Market	8.00 a.m. on 25 November	Initial Admission and dealings in Ordinary Shares commence	8.00 a.m. on 25 November	Placing Programme		Placings under the Placing Programme	between 25 November 2025 and 28 October 2026	Publication of Placing Programme Price in respect of each Placing	as soon as practicable in conjunction with each Placing	Announcement of the results of each Placing	as soon as practicable following the closing of each Placing	Admission and crediting of CREST accounts in respect of each Placing	as soon as practicable following the allotment of Ordinary Shares pursuant to a Placing	Where applicable, definitive share certificates in respect of the Ordinary Shares issued pursuant to each Placing despatched by post	within 10 business days following the Admission of the relevant Ordinary Shares
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iii.	Details of admission to trading on a regulated market Applications will be made to the FCA for all of the existing Ordinary Shares, and all of the Ordinary Shares to be issued pursuant to the Placing Programme, to be admitted to the equity shares (commercial companies) category of the Official List and to the London Stock Exchange for such Ordinary Shares to be admitted to trading on the Main Market of the London Stock Exchange. Admission is conditional on, <i>inter alia</i>, the passing of the Migration Resolution by Shareholders at the General Meeting.																														

iv.	Plan for distribution Conditional on the passing of the Migration Resolution and the Placing Programme Resolution at the General Meeting, the Directors will be authorised to issue up to 125,000,000 Ordinary Shares pursuant to the Placing Programme without having to first offer those Ordinary Shares to existing Shareholders.
v.	Amount and percentage of immediate dilution resulting from the issue Shareholders who choose not to, or who are unable to, participate in a Placing under the Placing Programme for an amount at least <i>pro rata</i> to their existing holding will have their percentage holding diluted following the relevant Subsequent Admission. If 125,000,000 Ordinary Shares are issued pursuant to the Placing Programme, there would be a dilution of approximately 41.4 per cent. in Shareholders' voting control of the Company immediately after the Initial Admission (assuming that such Shareholders choose not to, or are unable to, participate in any Placings under the Placing Programme).
vi.	Estimate of the total expenses of the issue The costs and expenses of the Initial Admission are expected to be approximately £1,700,000 (inclusive of VAT). The costs will be met by the Company and are expected to be paid on or around Initial Admission out of its existing resources. The costs and expenses of the Placing Programme will be met by the Company and may include, without limitation, placing fees and commissions, admission fees, printing, advertising and distribution costs, legal fees and any other applicable expenses. The costs and expenses of each issue of Ordinary Shares under the Placing Programme will depend on, among other things, subscriptions received and the relevant Placing Programme Price, and will be borne by the Company out of the proceeds of the relevant Placing.
vii.	Estimated expenses charged to the investor The costs and expenses of the Initial Admission are expected to be approximately £1,700,000 (inclusive of VAT). The costs will be met by the Company and are expected to be paid on or around Initial Admission out of its existing resources. The costs and expenses of the Placing Programme will be met by the Company and may include, without limitation, placing fees and commissions, admission fees, printing, advertising and distribution costs, legal fees and any other applicable expenses. The costs and expenses of each issue of Ordinary Shares under the Placing Programme will depend on, among other things, subscriptions received and the relevant Placing Programme Price, and will be borne by the Company out of the proceeds of the relevant Placing. The Company will not charge investors any separate costs or expenses in connection with Initial Admission or the Placing Programme.
b.	Why is this prospectus being produced?
i.	Reasons for the issue and admission The Directors believe that the market capitalisation of the Company justifies a move to the Main Market of the London Stock Exchange and that Initial Admission is in the best interests of the Company and Shareholders as a whole. The move is expected to facilitate a broadening of the Company's share register, with a particular focus on attracting non-retail and institutional investors. Additionally, it may help to improve the liquidity of the Ordinary Shares and to raise the Company's profile and analyst coverage. The Directors believe that there are attractive opportunities for the Company to deliver long-term capital returns for Shareholders by expanding its operations in the digital assets sector. Accordingly, the Placing Programme is being implemented to enable the Company to raise additional capital in the period from 25 November 2025 to 28 October 2026 to capitalise on such opportunities as they arise with a view to delivering further value for Shareholders.
ii.	The use and estimated net amount of the proceeds The net proceeds of any Placings under the Placing Programme are dependent on the number of Ordinary Shares issued and the relevant Placing Programme Price(s). The Directors intend to use the net proceeds of the Placing Programme to expand the Company's existing staking operations through acquiring additional staking assets, investing in companies and assets in the digital asset sector, launching its own validators and developing its internal staking infrastructure, and potentially entering into partnerships or joint ventures in the digital asset sector in accordance with the Company's business strategy.
iii.	Underwriting The Placing Programme is not being underwritten.
iv.	Material conflicts of interest As at the date of this Prospectus, there are no material conflicts of interest pertaining to the Placing Programme or any Admission.

RISK FACTORS

An investment in the Ordinary Shares carries a number of risks including (without limitation) the risk that the entire investment may be lost. In addition to all other information set out in this Prospectus, the following specific factors should be considered when deciding whether to make an investment in the Ordinary Shares.

The Directors believe that the risks described below are the material risks relating to the Ordinary Shares and the Company at the date of this Prospectus. However, they are not the only risks relating to the Ordinary Shares or the Company. Additional risks and uncertainties not currently known to the Directors, or that the Directors deem immaterial at the date of this Prospectus, may also have an adverse effect on the performance of the Company and the value of the Ordinary Shares. Investors should review this Prospectus carefully and in its entirety and consult with their professional advisers before making an investment decision and making an application to participate in the Placing Programme.

As required by the UK Prospectus Regulation, the risk that the Directors consider to be the most material risk in each category, taking into account the negative impact on the Company and the probability of its occurrence, has been set out first. Given the forward-looking nature of the risks, there can be no guarantee that any such risk is, in fact, the most material or the most likely to occur. Investors should, therefore, review and consider each risk.

RISKS RELATING TO THE COMPANY AND ITS BUSINESS

The Company may not be able to achieve its strategic objective and, therefore, may be unable to achieve any returns for Shareholders

The Company may not achieve its strategic objective. The Company's strategic objective is to generate income from digital assets through its staking activities and to achieve medium to long-term capital growth through exposure to the digital asset ecosystem. While this objective serves as a target, it should not be considered an assurance or guarantee that it can or will be met. The past performance of the Company cannot be relied upon as an indicator of future performance.

The Company's returns will depend on numerous factors, including the income it generates from staking digital assets, the price and performance of the Company's digital assets, regulatory developments affecting the digital asset sector, market conditions, macro-economic factors, changes in investor sentiment towards digital assets and the availability of suitable staking opportunities in the market. If the Company is unable to achieve its strategic objective, Shareholders may not receive back the full amount of their original investment in the Ordinary Shares.

The Company's returns are reliant on the performance of the Company's staking operations and digital asset holdings which may be materially and adversely affected by various factors inherent to the digital asset sector

The Company currently generates substantially all of its income from its staking operations and substantially all of its other comprehensive income from movements in the fair value of the digital assets it holds. The Company may from time to time liquidate some or all of its holdings of digital assets in order to generate operating cash flows or rebalance its digital asset holdings. The Company's ability to generate sufficient operating cash flows from the sale of its digital assets is dependent on the underlying value of those assets and market liquidity. Therefore, any decline in the quantity of digital assets the Company generates through its staking operations, the market value of its digital asset holdings, the price received from their sale (if liquidated for operating cash flow), or overall market liquidity for digital assets could materially and adversely affect the Company's business, operating results and financial condition.

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, including any cryptocurrency, will maintain its value or that there will be meaningful levels of trading activities to support markets in those digital assets. A decline in the market value of digital assets or in the demand for trading digital assets could lead to a corresponding decline in the value of the Company's assets, the number of transactions on the relevant blockchain networks and the Company's returns on investments in staking assets and staking infrastructure, and could adversely affect the Company's business, operating results and financial condition.

Further, volatility in the value of digital assets could have an immediate and substantial effect on the price of the Ordinary Shares, irrespective of the actual effect on the Company's business. Digital assets may be subject to momentum pricing due to speculation regarding future appreciation or depreciation in value, leading to greater volatility. Momentum pricing is typically associated with growth stocks and other assets whose valuations reflect expectations of future value increases. It is possible that momentum pricing of digital assets has resulted, and may continue to result, in speculation regarding future changes in the value of digital assets, making the prices of such assets more volatile. As a result, digital assets may be more likely to fluctuate in value due to changing investor confidence, which could impact future appreciation or depreciation in digital asset prices. As a result, the Company's business, operating results and financial condition could be adversely affected.

Notwithstanding that the Company is more focused on staking activities than holding digital assets (as reflected in substantially all of its income from digital assets being derived from staking operations), changes in the value of the digital assets that the Company holds could have a material adverse effect on its value due to their inherent price volatility outweighing yields from staking activities. For example, as at 30 June 2025, the price of Ethereum is US\$2,486.46 whereas on 1 January 2025 it was approximately US\$3,350, a decline of 25.85 per cent. This decline in the price of Ethereum is materially higher than staking yields on Ethereum which are currently approximately 2 to 3 per cent. The 'staking yield' refers to the staking rewards earned by participants who lock up their Ethereum to help secure the network and validate transactions, expressed as an annual percentage return. The price of Ethereum has recovered since 30 June 2025 and as at the Latest Practicable Date, the price of Ethereum is US\$4,186.95.

In addition, the relative performance of digital assets may vary significantly, with some appreciating strongly while others decline in value. The Company's financial performance is therefore subject to asset selection risk and the Company's returns may be adversely affected even if other digital assets, or the digital asset sector as a whole, are performing well. If the digital assets held by the Company underperform relative to other digital assets or experience significant declines in value, the Company may underperform the sector generally.

The Company is currently reliant on staking operations for substantially all of its income which exposes it to financial, operational and regulatory risks

For the twelve months ended 31 December 2024, the Company derived substantially all of its income from digital assets from its staking operations. The Company's staking operations are dependent on its participation in decentralised proof-of-stake ("PoS") networks, where rewards are issued either directly to stakers or to validators and staking service providers, who then distribute them to participants. The Company relies on the continued operation and integrity of these networks, as well as the performance and reliability of third-party staking service providers, to receive staking rewards. Any failure, disruption or decline in the effectiveness of PoS networks, whether due to network outages, governance changes, security breaches, smart contract vulnerabilities, or shifts in staking reward mechanisms, could negatively impact the Company's ability to generate staking income.

In particular, the Company's staking operations are subject to the following risks:

- **Reduction in staking rewards:** The staking rewards earned on the Company's digital assets may decline due to lower reward issuance, inflation adjustments within the relevant PoS network(s) or a decline in the real value of staking rewards.
- **Slashing penalties:** PoS networks may impose penalties for validator misbehaviour, such as downtime, double-signing or protocol violations. If the Company's staking infrastructure or a third-party staking service it utilises fails to meet network requirements or acts against consensus rules, a portion of the Company's staked assets may be irreversibly forfeited, leading to financial losses.
- **Network security risks and malicious attacks:** Decentralised networks are vulnerable to disruptions, hacks and attacks by malicious actors, including "double-spend" or "51% attacks", where an entity controlling a significant portion of the network manipulates transactions. Cybersecurity threats, including hacking, malware and distributed denial-of-service (DDoS) attacks, may compromise staking infrastructure and lead to financial losses.

- **Proof-of-stake network disruptions:** PoS networks may experience liveness failures (where the blockchain stops producing new blocks or processing transactions) and finality failures (where a transaction or block that was considered final is reversed or restructured, creating network uncertainty).
- **Hard forks and governance issues:** PoS networks are subject to governance challenges, including potential hard forks, where networks split into multiple blockchains, potentially affecting the usability and value of digital assets. The governance of these networks is often informal and driven by self-determined participation, which may lead to unpredictable changes in network protocols or inaction that negatively impacts network speed, scalability, security and usability.
- **Infrastructure and operational risks:** Staking infrastructure, including validator nodes, is vulnerable to hardware and software failures, which can cause downtime, loss of rewards, and penalties. Reliable power is essential and outages may lead to disruptions and financial losses. Additionally, staking technology evolves rapidly and new PoS networks may require different software, necessitating further investment.
- **Scalability and market participation risks:** PoS networks may fail to resolve scaling challenges or increase transaction speeds and volumes. Additionally, if these networks fail to attract and retain developers, users and market participants, their overall utility and economic viability could decline, negatively impacting the Company's staking operations.
- **Transaction congestion and fees:** High transaction volumes may result in congestion and increased transaction fees, making participation in PoS networks less attractive or efficient.
- **Market perception:** The perception of digital assets, for example concerns over the environmental impact of blockchain technology due to Bitcoin's proof-of-work mechanism, or concerns over their use in financial crime, may negatively affect adoption and demand for digital assets, which could impact demand for staking services.
- **Technological advancements and cryptographic vulnerabilities:** Developments in mathematics, digital computing, cryptography or quantum computing could render existing cryptographic methods insecure, potentially undermining the security and reliability of PoS networks.
- **Regulatory and legal risks:** Laws and regulations governing digital assets and PoS networks remain uncertain and subject to change. Regulatory actions or a determination that specific digital assets constitute securities or other regulated financial instruments, or that staking activities constitute regulated activities or services, could impose restrictions on staking operations, limit access to networks, affect the value of digital assets or introduce compliance burdens that impact the Company's business model. Laws and regulations in this sector vary between jurisdictions, can develop at a fast pace and may change significantly in response to instances of misconduct that result in losses for the public.

If any of these risks materialise, the Company's ability to generate income from staking operations could be severely impacted, potentially leading to significant financial losses and an adverse effect on its overall financial condition and operations.

Furthermore, the Company's staking operations currently comprise a select portfolio of digital assets. If demand for these digital assets declines and is not replaced by demand for other digital assets that the Company holds (or is able to acquire), the Company's staking operations, business, operating results and financial condition could be adversely affected.

The Company is currently reliant on third-party providers in respect of the Company's staking infrastructure

For the twelve months ended 31 December 2024, the Company's income from its staking operations was £12,807,039, representing 98.3 per cent. of all income from digital assets. Furthermore, the value of the digital assets staked by the Company through third-party providers and staking protocols as at 31 December 2024 was £78,909,099.37, representing 89.9 per cent. of the Company's stakeable assets as at that date.¹

¹ Income figures have been extracted from the Company's audited financial statements for the year ended 31 December 2024. Valuation figures are based on the fair value of assets as derived from the Company's management accounts and have not been subject to audit.

As at the date of this Prospectus, the Company does not operate its own staking infrastructure, meaning it does not run its own validator nodes, maintain the necessary hardware or software, or directly participate in transaction validation or network consensus. Accordingly, the Company's staking activities are, as at the date of this Prospectus, conducted entirely through third parties. The Company currently relies on several centralised (i.e. operated by a distinct legal entity) industry-leading, third-party service providers for its staking operations, including Coinbase, Kraken, Bitcoin Suisse and P2P.org, as well as certain decentralised staking protocols such as Lido. As of the date of this Prospectus, the Company is expecting to operate its own staking infrastructure through the launch of dedicated validator nodes in collaboration with certain third-party hosting providers, and is expecting to have more control over the validation process and the associated risks following such launch.

Reliance on third-party validators and staking service providers introduces counterparty risk, including operational failures, mismanagement, regulatory actions or financial instability, which could delay, reduce or even eliminate the rewards received by the Company. In addition, the use of third-party staking service providers may result in the Company having limited control and transparency over the services provided, which can make it difficult for the Company to assess whether its staking operations are running efficiently, securely and optimally to generate the best returns on investment. If a third-party service provider engaged by the Company to provide staking services experiences financial difficulties or becomes insolvent, the Company may face the temporary or permanent suspension of staking operations related to that provider, which could materially and adversely affect the Company's operations and profitability. Any of the Company's digital assets that had been transferred to that provider for staking or custody may also be at risk of being lost.

As the Company does not directly control the operations or behaviour of its third-party providers, it may have limited ability to prevent or mitigate penalties such as slashing. Slashing is a mechanism used in proof-of-stake blockchain networks to penalise validators who act maliciously or negligently. Its main purpose is to protect the network's integrity and security by deterring and punishing behaviour that could be harmful. For example, slashing may occur if a validator double-signs blocks, goes offline for an extended period or fails to validate transactions in accordance with the blockchain's standard, all of which can pose risks to the network's security or reliability. Slashing typically results in the automatic and irreversible forfeiture of a portion of the staked assets. The size of the penalty varies depending on the network and the nature of the validator's misconduct, and may range from a small fraction to, in extreme cases, the entire amount staked. Some networks may also impose additional penalties such as temporary or permanent exclusion from participation in staking. Slashing may occur without warning and, in some cases, without recourse or an opportunity to appeal. The likelihood of slashing can increase in the event of technical failures, misconfiguration, cyberattacks or errors by third-party staking service providers. As a result, even when using reputable third parties, the Company remains exposed to this risk. Any slashing event could result in the permanent loss of staked digital assets and a corresponding reduction in the staking rewards that would otherwise be earned. This could materially and adversely affect the Company's staking returns, overall profitability and financial condition. The Company is also exposed to reputational risks associated with any failures, inefficiencies or misconduct by its staking service providers.

Additionally, third-party providers may modify their terms of service or fee structures, or suspend or terminate the arrangements, which could negatively impact the long-term profitability of the Company's staking operations and materially affect its financial position or results of operations. There may be exclusion of liability provisions in favour of the third-party providers, or caps on the liability limit of the third-party providers, which would limit the Company's ability to recover for its losses as a result of the above-mentioned risks.

The digital asset market is highly competitive with low barriers to entry and no protection against new entrants

The digital asset industry, including staking and other related activities, is highly competitive and characterised by relatively low barriers to entry, including across borders. Many digital asset networks operate as permissionless systems, meaning that any participant with the necessary technical resources can engage in activities such as staking, validation and transaction processing without necessarily requiring licenses, intellectual property rights, physical presence in a particular jurisdiction or regulatory approvals. This open-access structure allows for rapid increases in market participants, which can intensify competition and reduce profitability.

In the staking sector specifically, increased participation leads to a higher staking rate across networks, which can reduce rewards per token used for validation by diluting staking rewards and lowering returns for individual participants, including the Company. More broadly, in other areas of the digital asset market, increased competition may result in reduced transaction fees, pricing pressures and challenges in maintaining market share.

As the industry continues to develop, new entrants may emerge with greater capital, technological infrastructure or operational efficiencies, increasing competitive pressures. As the market matures and becomes more competitive, the percentage returns available to the Company today may decline over time. There is no assurance that the Company will be able to compete successfully in this evolving market. Increased competition could therefore materially and adversely affect the Company's business, financial condition, operating results and future prospects.

Some of the Company's investments may be difficult or impossible to realise due to limited liquidity or counterparty risks

The Company invests in digital assets, whose liquidity varies based on factors, such as trading volume, exchange availability and staking mechanisms. While many digital assets are generally traded on a 24-hour, seven-day-a-week basis, certain assets held by the Company may, from time to time, be relatively illiquid. Additionally, staking can reduce liquidity by locking assets for a fixed period, restricting the Company's ability to access or trade them freely.

This illiquidity may limit the Company's ability to dispose of its digital asset holdings promptly and at favourable prices in response to changing economic, market or other conditions. If the Company is required to dispose of digital assets in order for the Company to generate sufficient operating cashflows, market volatility may result in a sale price lower than their historical trading levels or potential future value, which could materially and adversely affect Shareholder returns. There is no assurance that market conditions at the time of disposal, whether voluntary or otherwise, will be favourable or that the Company will be able to maximise returns. In unfavourable conditions, the Company may be unable to sell assets at a gain and could even be forced to sell at a loss.

In addition to illiquidity, the Company may have difficulty realising its investments due to risks arising from counterparties when investing in digital asset related funds. While the Company's business strategy is primarily focussed on staking digital assets, the Company also intends to pursue strategic investments in the digital asset sector through assets related to innovative decentralised networks as well as specialised funds with exposure to the sector. When investing in specialised funds in the digital asset sector, there may be a risk of loss of capital in the event of counterparty insolvency or liquidation. For example, as disclosed in the Company's annual report and financial statements for the financial year ended 31 December 2021, the Company incurred a significant loss as a result of the Company's investment in Three Arrows Fund Ltd, following the liquidation of Three Arrows Capital Limited. The Board took a conservative approach to the valuation of this holding and impaired the Company's investment in Three Arrows Fund Ltd by 100 per cent. as at 31 December 2021. To date, the Company has not recovered any funds from Three Arrows Fund Ltd.

However, as the Company's business is primarily focussed on generating income from digital assets through engaging in staking activities across decentralised networks, the impact of risks arising from the investments in specialised funds in the digital asset sector is expected to be less significant relative to the risks arising from the Company's staking operations and exposure to digital asset holdings.

The Company's success depends upon the efforts and abilities of certain key people, including the Management Team, and there is no guarantee that the Company will be able to retain such individuals or replace them with individuals of a similar calibre

The Company's success depends to a significant degree upon the efforts and abilities of certain key people, including the members of the Management Team. The loss of the services of any such person could materially adversely affect the Company's business prospects and results of operations.

In addition, the Company's future success will depend, in part, on its ability to continue to attract, retain and motivate qualified personnel. The Company can give no assurance that it will be able to attract and retain the key personnel that it will need to achieve its business objectives. If the Company is unable to retain key personnel, or attract new appropriately qualified personnel to

support the growth of its business and implement its business strategy, or if it is required to offer significantly higher compensation to attract and retain key personnel, the Company could experience a material adverse effect on its business prospects and results of operations.

Termination of the Reflexivity Services Agreement could impact the Company's operations

The Company has entered into a services agreement with Reflexivity Research Limited and the current members of the Management Team (being George McDonough, Keld van Schreven and Janos Berghorn (together, the “**Principals**”)). The Reflexivity Services Agreement may be terminated by the Company or Reflexivity giving to the other not less than 12 months’ written notice, such notice not to expire earlier than 20 June 2029, or immediately upon the occurrence of certain events. Termination of this agreement, whether initiated by the Company or Reflexivity, could pose certain risks to the Company.

Reflexivity is entitled to the services of the Principals and has agreed, pursuant to the Reflexivity Services Agreement, to make those individuals available to act as executive directors and/or employees and/or consultants to the Company. The Principals currently comprise the entire Management Team, with two of them serving as the Company’s only Executive Directors. Although each Principal has also entered into a separate service contract or consultancy agreement with the Company, the Reflexivity Services Agreement plays a crucial role in structuring their remuneration, incentivisation and retention. Termination of this agreement could increase the likelihood of these individuals departing, depriving the Company of their expertise and potentially hindering the Company’s ability to meet its business objectives.

The Reflexivity Services Agreement also grants the Company an exclusive license to use certain intellectual property owned by Reflexivity, including the KR1 name, the KR1.io website and associated social media accounts. This intellectual property is important for the Company’s branding and market presence. Termination of the agreement could result in the Company losing access to these assets, potentially causing disruption to the Company’s brand recognition and market profile.

For the reasons outlined above, terminating the Reflexivity Services Agreement could impact the Company’s operations and adversely impact its business prospects and financial results.

Performance Fees may incentivise riskier or more speculative investments

Pursuant to the Reflexivity Services Agreement, the Company has engaged Reflexivity to provide certain key personnel (being the members of the Management Team) and services to the Company. Each member of the Management Team holds a 33.33 per cent. interest in Reflexivity. In addition to a fixed Consultancy Fee, Reflexivity is also entitled to a Performance Fee calculated as 20 per cent. of the Company’s adjusted Net Asset Value growth above a high-water mark, assessed annually at the end of each calendar year. Further details of the Performance Fee can be found in paragraph 6 of Part 2 (*The Board, Management and Corporate Governance*) of this Prospectus.

The most recent Performance Fee, amounting to £30,144,241, was paid in respect of the 2021 calendar year. Subject to limited exceptions, the Performance Fee is payable in Ordinary Shares (issued at the prevailing Net Asset Value per Ordinary Share at the end of the relevant year), such shares to be issued within 20 Business Days of publication of the audited Net Asset Value.

While the Board believes that the Performance Fee incentivises the Management Team to maintain and grow the business, aligning their interests with the Company’s long-term success, the potential for a Performance Fee to be payable may create an incentive for the Management Team to make riskier or more speculative investments than they would otherwise make in the absence of such fee. In such circumstances, the Company may be exposed to greater risk, which could have a material adverse effect on the Company’s performance.

The Company's assets will be concentrated primarily in digital assets and digital asset businesses leading to concentration risk

The Company’s business strategy is primarily focused on digital assets, with its holdings primarily consisting of digital assets and holdings in digital asset businesses, which exposes it to concentration risk. As a result, the Company’s financial performance is directly tied to the digital asset sector.

This concentration increases the Company’s exposure to market volatility, regulatory developments, technological risks and security threats that specifically affect digital assets. Adverse events, such

as sharp declines in digital asset prices, regulatory restrictions, blockchain protocol failures or cybersecurity breaches, could have a significant impact on the Company's financial position and performance.

Furthermore, digital asset markets can experience high correlation between assets, meaning that even a diversified portfolio within the sector may not provide sufficient risk mitigation. As a result, Shareholders may face higher volatility and downside risk compared to investments in more traditional diversified companies or funds with exposure to multiple asset classes.

The availability of borrowings and the gearing effect of borrowing can work against, as well as for, Shareholders

While the Company does not currently have any intention to borrow, it may secure borrowing facilities in the future to pursue its strategy and to enhance returns. While such borrowings are not intended to be used for working capital purposes, it is not certain that such facilities will be available on acceptable terms or at all. Any amounts that are secured under a bank facility are likely to rank ahead of Shareholders' entitlements and accordingly, should returns derived from the Company's investments not be sufficient to cover the costs and liabilities of such borrowings, on a liquidation of the Company, Shareholders may not recover their initial investment and in certain circumstances may lose their entire investment.

Whilst the use of borrowings should enhance Shareholder value where the value of the Company's investments is rising, it will have the opposite effect where the value of the Company's investments is falling.

The Company will pay interest on any borrowings. As such, the Company may be exposed to interest rate risk due to fluctuations in the prevailing market rates.

Banks may not provide banking services, or may cut off banking services, to digital asset businesses

A number of companies in the digital asset sector have been unable to find banks that are willing to provide them with bank accounts and banking services. Similarly, a number of such companies have had their existing bank accounts closed by their banks, sometimes at short notice. Banks may refuse to provide bank accounts and other banking services to digital asset-related companies or companies that accept digital assets for a number of reasons, such as perceived compliance risks or costs. The difficulty that many businesses that provide digital asset-related services have, and may continue to have, in finding banks willing to provide them with bank accounts and other banking services could decrease the utility of digital assets and harm public perception of digital assets.

Similarly, the utility of digital assets and the public perception of digital assets could be damaged if banks were to close the accounts of key businesses providing digital asset-related services. This could decrease the market prices of digital assets and have a material adverse effect on the Company's business, financial condition, results of operations and/or prospects.

The Company's information and technology services may be vulnerable to damage or interruptions which may adversely affect the ability of the Company to operate its business

The Company is reliant on information and technology systems that may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorised persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires. Although the Company has implemented various measures to manage risks relating to these types of events, any failure of these systems for any reason could cause significant interruptions in the Company's operations, impact its ability to perform its obligations, result in a failure to maintain the security, confidentiality or privacy of sensitive data belonging to the Company and potentially expose the Company to legal claims and/or reputational damage.

Digital assets may not be issued to the Company which could result in a loss of expected value for the Company

The Company has entered into simple agreements for future tokens ("SAFTs") or other similar agreements with certain project companies. Under SAFTs or other similar agreements, the Company typically invests a specified amount in return for a contractual right to receive digital assets upon

the future launch of the relevant network. SAFTs (or similar agreements) typically set out the terms of investment, the digital asset delivery schedule and any applicable vesting or lock-up periods.

There is a risk that digital assets expected under these agreements may never be issued, allocated or fully vested in the Company. The obligations under SAFTs (or similar agreements) are often conditional and subject to the development of the relevant network, regulatory feasibility, and commercial viability. As a result, the issuing entity may not be contractually required to deliver the digital assets if those conditions are not met, and the Company may not be entitled to a refund of its contribution or to seek damages, except in very limited circumstances such as gross negligence or intentional fraud by the issuing entity. These could result in a loss of expected value from such investments and may adversely affect the Company's financial performance.

RISKS RELATING TO DIGITAL ASSETS

Acceptance and/or widespread use of digital assets is uncertain and the value of digital assets could therefore decline significantly

Digital assets represent a new and evolving asset class, and there is significant uncertainty regarding their long-term viability, adoption and value. While some digital assets have experienced substantial growth, there is no assurance that this trend will continue or that growth in one digital asset would be reflected in growth in other digital assets. Digital assets and the blockchains on which they operate are experimental technologies, many of which remain in active development. Although adoption may increase over time, the long-term success of these technologies is uncertain and there is a risk that digital assets may fail to achieve widespread adoption or maintain their intended utility.

Technological failures, security breaches, regulatory restrictions, loss of confidence in blockchain technology or fundamental shifts in market demand could lead to the collapse of one or more major digital asset networks. In extreme scenarios, digital assets could experience significant declines in value, which may substantially reduce the value of the Company's holdings. If this were to occur, the Company's financial position and financial prospects could be severely impacted.

Furthermore, the market for digital assets remains speculative and prices can be highly volatile. A sustained decline in the price of Bitcoin or other major digital assets could significantly reduce investor confidence and adversely affect the entire sector. Given the Company's significant exposure to digital assets, any such downturn could materially impact its financial position and the value of the Ordinary Shares.

The emergence or growth of other alternative assets, including those with significant private or public sector backing, could have a negative impact on the price of digital assets held by the Company and adversely affect the Company's business

The Company's business strategy is substantially dependent on the market price of digital assets. As at the Latest Practicable Date, Ethereum, Polkadot, Celestia and Cosmos (which make up a significant portion of the Company's holding of digital assets) are prominent digital assets by market capitalisation and have large user bases and some of the largest PoS networks.

Despite this prominent positioning, as at the Latest Practicable Date, there were more than 9,300 active digital assets tracked by CoinMarketCap.com and the total market capitalisation of digital assets was approximately \$3.85 trillion, as calculated using market prices and total available supply of each digital asset. In addition, the digital asset industry is constantly evolving, with new blockchain networks and consensus mechanisms emerging over time. If the Company's holdings are concentrated in digital assets or PoS networks that lose relevance or market share, it may experience a decline in asset value and staking income, negatively impacting returns to Shareholders.

Many entities, including consortiums and financial institutions are also researching and investing resources into private or permissioned blockchain platforms rather than open platforms like Bitcoin or open-source PoS networks. At the same time, central banks have introduced digital forms of legal tender known as "central bank digital currency" or "CBDCs". China's CBDC project, known as Digital Currency Electronic Payment, has reportedly been tested in a live pilot program conducted in multiple cities in China. A study in 2020 published by the Bank for International Settlements estimated that at least 36 central banks, including the U.S. Federal Reserve, have published retail or wholesale CBDC work ranging from research to pilot projects. Whether or not they incorporate blockchain or similar technology, CBDCs, as legal tender in the issuing jurisdiction, could have an

advantage in competing with, or could even replace, digital assets as a medium of exchange or store of value. Increasing use of stablecoins may also have such an impact.

The emergence or growth of alternative digital assets may negatively impact the demand for and price of the digital assets held by the Company, including its staking assets. This could, in turn, adversely affect the Company's value, operations and an investment in the Ordinary Shares.

The loss or destruction of private keys required to access the Company's digital assets may be irreversible and expose the Company to direct financial loss, regulatory scrutiny and reputational harm

Digital assets are generally controllable only by the possessor of the unique private key relating to the digital wallet in which the digital assets are held. While blockchain protocols typically require public addresses to be published when used in a transaction, private keys must be safeguarded and kept private in order to prevent a third party from accessing the digital assets held in such a wallet. To the extent that any of the private keys relating to any hot or cold wallets containing the Company's digital assets are lost, destroyed, or otherwise compromised or unavailable, and no backup of the private key is accessible, the Company will be unable to access the digital assets held in the related wallet and, in most cases, the private key will not be capable of being restored. The loss or destruction of a private key required to access digital assets may be irreversible.

The Company holds digital assets in custody with third-party institutional custody providers, as well as with various digital asset exchanges and, to a lesser extent, in the Company's self-hosted digital asset wallets. The digital assets are generally held in trust by the custody providers as fiduciaries, and the digital assets are considered property of the Company. As at the date of this Prospectus, the Company primarily uses Coinbase, Bitcoin Suisse and Fireblocks for custody. As regards digital asset exchanges, the Company primarily holds assets with Kraken. The Company's assets are held within custody accounts or with digital asset exchanges wherever possible and, as of 31 December 2024, less than 1 per cent. of the Company's assets were held within self-hosted wallets.

However, the Company cannot provide assurance that any wallet holding its digital assets, either maintained directly by the Company or on its behalf, will not be hacked or compromised. Digital assets, related technologies and digital asset service providers such as custodians and trading platforms have been, and may in the future be, subject to security breaches, hacking or other malicious activities. Digital asset exchanges remain relatively new and, in many cases, largely unregulated, making them more susceptible to theft, fraud, or operational failure than traditional financial institutions.

Custodial services for digital assets may not provide the same level of protection as traditional custodians provide for financial instruments. Custodians may not need to be regulated in all jurisdictions and may not be subject to regulatory rules. Custodians may not be able to acquire insurance at all or to the same extent as might be expected of a custodian of traditional financial instruments.

The Company may from time to time use its digital assets on decentralised finance ("DeFi") platforms (or other similar decentralised protocols). These platforms operate without centralised intermediaries and rely on smart contracts to facilitate transactions such as staking, lending and trading digital assets. The use of DeFi platforms may expose the Company to additional risks including smart contract vulnerabilities (such as faulty business logic, insecure code, or issues with external dependencies and interactions leading to unexpected behaviour), liquidity risks and potential security breaches, which could lead to loss of assets. Unlike centralised exchanges, DeFi platforms are often unregulated, with limited recourse in cases of fraud, insolvency, or operational failure. There are challenges for regulators to effectively regulate the DeFi ecosystem but various international bodies do occasionally publish reports or findings based on the work they have done on the topic.

There is also the possibility that an exchange may impose withdrawal limits, suspend operations or cease functioning altogether due to fraud, liquidity issues, regulatory action or security breaches. A custodian may also suspend, restrict or terminate access to its services or the Company's account in certain circumstances. Additionally, if a custodian or exchange were to become insolvent, the recovery of the Company's digital assets on deposit may be impossible, leading to substantial, or even total, capital loss. There may also be exclusion of liability provisions in favour of the custody providers, or caps on the liability limit of the custody providers, which would limit the Company's ability to recover for its losses as a result of the above-mentioned risks. In addition, custody

providers may provide their services on an “as is” and “as available” basis, expressly disclaiming all representations and warranties, including any implied warranties of title, merchantability, fitness for a particular purpose and/or non-infringement. These may increase the risk of loss to the Company.

While the Company has put in place systems and controls to safeguard its digital assets (including multi-party approvals for transactions, whitelisted address restrictions, two-factor authentication, real-time activity alerts, time-delayed withdrawals, authorised backups and, to a lesser extent, secure storage of private keys through hardware wallets), such safeguards cannot be guaranteed and any loss or misappropriation of the private keys used to control the Company’s digital assets due to a hack, employee or service provider misconduct or error, or other compromise by third parties could result in significant losses, damage the Company’s brand and reputation, and adversely impact its business.

The Company does not currently maintain, and may not be able to acquire, insurance for the loss, theft or misappropriation of digital assets

The Company does not maintain insurance against the loss, theft or misappropriation of its digital assets, whether held in hot wallets, cold wallets, on exchanges or deployed through decentralised platforms, and it may not be possible to acquire such insurance in the future. While certain third-party custodians or exchanges may carry limited insurance coverage in respect of digital assets held with them, such coverage may not extend to all of the Company’s digital assets and may be subject to significant limitations, exclusions and conditions. As a result, any loss or theft of the Company’s digital assets may not be recoverable. In particular, the Company may be unable to replace missing digital assets or be compensated for losses incurred due to cyberattacks, hacking incidents, security breaches, fraudulent activity, human error, software vulnerabilities or technical malfunctions. Consequently, any such loss could have a material adverse effect on the Company’s business, financial condition and results of operations.

The encryption on which digital assets rely could be threatened by advances in quantum computing

Like all cryptographic systems, digital assets may be vulnerable to quantum computing. Whilst quantum computers have not been widely adopted, certain companies including IBM, have made them available to third parties. As quantum computers become more widely available and more advanced, the encryption on which digital assets rely (as well as the cryptography used to protect financial transactions) may become increasingly vulnerable unless steps are taken to secure them against such technologies.

An article by Deloitte suggests that approximately 25 per cent. of Bitcoins in circulation are potentially vulnerable to future quantum computer attacks, as they are stored in addresses with exposed public keys.² While the Company does not hold any Bitcoin as at the Latest Practicable Date, it may from time to time hold digital assets that rely on similar cryptographic principles.

So far as the Company is aware, current quantum computing technology is not yet advanced enough to break the cryptography on which these digital assets rely. However, quantum computers may advance to the point where they become sufficiently powerful to break current encryption methods within feasible timescales (i.e. days or weeks rather than hundreds of years). If this occurs before effective quantum-resistant cryptographic solutions are widely implemented, the security of digital assets could be compromised, which may have a material adverse effect on the Company’s financial position and financial prospects.

The risk of majority control over a blockchain’s consensus mechanism could lead to network manipulation

If a malicious actor or botnet (a voluntary or compromised network of computers controlled by software coordinating their actions) obtains a majority or a significant portion of the decision-making power in a blockchain’s consensus mechanism, it may be able to manipulate the network by constructing fraudulent blocks or interfering with transaction processing. This could include preventing certain transactions from being confirmed in a timely manner, altering the order of transactions or excluding certain transactions altogether.

² Deloitte, *Quantum computers and the Bitcoin blockchain*, available at <https://www.deloitte.com/nl/en/services/consulting-risk/perspectives/quantum-computers-and-the-bitcoin-blockchain.html> (last accessed 27 October 2025).

While an attack is most commonly associated with a “51% attack” in proof-of-work (PoW) blockchains (where an entity gains control of more than half of the network’s computational power) other blockchain architectures have similar vulnerabilities. In proof-of-stake (PoS) networks, an attacker with a significant share of staked assets could influence transaction validation, delay finality or censor transactions. Additionally, blockchains with lower participation rates or weak governance structures may be susceptible to network manipulation even if an attacker controls less than 50 per cent. of the total decision-making power.

Although there are no known cases of a malicious entity successfully achieving sustained majority control of a major PoS blockchain, certain validator or staking pools have, at times, approached or exceeded critical thresholds of influence on some networks. This concentration of decision-making power increases the risk that a single entity could exert significant influence over transaction validation and blockchain governance. If blockchain ecosystems, including developers and network participants, fail to ensure sufficient decentralisation, the likelihood of such attacks may increase, potentially leading to loss of confidence in affected digital asset networks.

Such an event could have a material adverse effect on the Company’s business, financial condition, operating results and future prospects, particularly if digital asset markets react negatively to perceived vulnerabilities in blockchain security.

RISKS RELATING TO LAW AND REGULATION

The Company is subject to an extensive and rapidly evolving regulatory landscape

The Company’s business may be, or may become, subject to extensive laws, rules, regulations, policies, orders, determinations, directives, treaties, and legal and regulatory interpretations and guidance in the markets in which it operates or in the United Kingdom, the jurisdiction of its listing. These may include regulations typically applied to financial services and banking, securities, commodities, the exchange and transfer of digital assets, cross-border and domestic money and cryptocurrency transmission businesses, as well as those governing data privacy, data governance, data protection, cybersecurity, fraud detection, payment services (including payment processing and settlement services), consumer protection, antitrust and competition, bankruptcy, tax, anti-bribery, economic and trade sanctions, anti-money laundering and counter-terrorist financing.

Many of these legal and regulatory regimes were adopted prior to the advent of the internet, mobile technologies, digital assets and related technologies. As a result, they often do not contemplate or address unique issues associated with digital assets, and the effect of their application to digital assets is therefore subject to significant uncertainty and may vary widely across jurisdictions. These legal and regulatory regimes, including the laws, rules and regulations thereunder, evolve frequently and rapidly and may be modified, interpreted and applied in an inconsistent manner from one jurisdiction to another, and may conflict with one another.

Moreover, due to the relative novelty and evolving nature of the Company’s business, as well as the significant uncertainty surrounding the regulation of digital assets, the Company may be required to exercise judgment in determining whether certain laws, rules and regulations apply to it. It is possible that governmental bodies and regulators may disagree with the Company’s conclusions. If the Company is found to be non-compliant with such laws, rules, or regulations, it could be subject to significant fines, limitations on its business, reputational harm and other regulatory consequences, as well as criminal penalties. Each of these could be significant and could adversely affect the Company’s business, operating results and financial condition.

The Company’s activities do not currently require it to be regulated in the United Kingdom or the Isle of Man as it does not engage in any regulated activities for the purposes of FSMA or the Isle of Man’s Regulated Activities Order 2011 (as amended) (although it must comply with certain regulatory regimes, such as the UK financial promotions regime). Its business is to generate income from digital assets through staking activities and to achieve medium to long-term capital growth through exposure to the digital asset ecosystem. The Company conducts these activities solely as principal, not on behalf of third parties, directly bearing all associated risks and rewards. The Company does not currently offer crypto asset derivatives, operate as a crypto asset exchange or custodian wallet provider, or actively engage with or advertise to retail consumers, and it has no current plans to undertake any of these activities.

However, the regulatory environment for digital assets is evolving and new legislation, regulatory guidance or judicial interpretations may expand the scope of activities subject to regulation. If the

Company's activities become regulated in the future, it may be required to obtain additional licenses, comply with new compliance obligations and incur additional costs. In some cases, regulators may impose outright bans on certain activities related to digital assets, as has occurred in the UK and other jurisdictions. The laws and regulation of several jurisdictions may be relevant to the Company, including those where it carries on any of its business and those of other participants with which it interacts.

Any change in the law and regulation affecting the Company could therefore have a material adverse effect on the ability of the Company to carry on its business and successfully pursue its strategic objective and on the value of the Company and/or the Ordinary Shares. In such event, the investment returns of the Company may be materially adversely affected.

RISKS RELATING TO THE ORDINARY SHARES

The value of the Ordinary Shares may fluctuate

The value of an investment in the Company may go down as well as up. The market price of Ordinary Shares, like shares in all publicly traded companies, could be volatile and subject to fluctuations due to a variety of factors including changes in sentiment in the market regarding the Ordinary Shares (or securities similar to them), any regulatory changes affecting the Company's operations, variations in its operating results, business developments or its competitors, the operating and share price performance of other companies in the industries and markets in which it operates, or speculation about the Company's business in the press or media. Stock markets may experience significant price and volume fluctuations which affect the market prices for securities, including the Ordinary Shares, and which may be unrelated to the Company's operating performance or prospects. Furthermore, the Company's operating results and prospects from time to time may be below the expectations of market analysts and investors.

It may be difficult for Shareholders to realise their investment and there may not be a liquid market in the Ordinary Shares

The price at which the Ordinary Shares will be traded and the price at which investors may realise their investment will be influenced by a large number of factors, some specific to the Company and its investments and some which may affect companies generally. Admission should not be taken as implying that there will be a liquid market for the Ordinary Shares. Consequently, the share price may be subject to greater fluctuation on small volumes of trading of Ordinary Shares and the Ordinary Shares may be difficult to sell at a particular price. The market price of the Ordinary Shares may not reflect their underlying Net Asset Value.

There is no guarantee that the Directors will be able to realise the Company's assets at any time and there is no guaranteed exit for Shareholders. Shareholders wishing to realise their investment in the Company may be required to dispose of their Ordinary Shares in the market. There can be no guarantee that a liquid market in the Ordinary Shares will be maintained or that the Ordinary Shares will trade at prices close to their underlying Net Asset Value. Accordingly, Shareholders may be unable to realise their investment at such Net Asset Value or at all.

The Company may issue new shares in the future which may be dilutive to existing Shareholders' voting rights

The Company may issue additional equity in the future pursuant to the Placing Programme, in satisfaction of Performance Fees payable under the Reflexivity Services Agreement, pursuant to the Share Option Schemes or otherwise. While the New Articles contain pre-emption rights for Shareholders in relation to issues of shares in consideration for cash, conditional on the passing of the relevant resolutions at the General Meeting to be held on 20 November 2025, the Company will have authority to issue up to 125,000,000 Ordinary Shares on a non-pre-emptive basis following Initial Admission pursuant to the Placing Programme and up to a further 44,250,000 Ordinary Shares on a non-pre-emptive basis in satisfaction of any Performance Fee payable (the authority of which shall expire on 19 November 2030 unless previously revoked or varied by the Company in general meeting). Where pre-emption rights are disapplied, any additional equity issued will be dilutive to the voting rights of those Shareholders who do not participate in such financing.

Future sales of Ordinary Shares could cause the market price of the Ordinary Shares to fall

Sales of Ordinary Shares or interests in the Ordinary Shares by significant investors could depress the market price of the Ordinary Shares. A substantial number of Ordinary Shares being sold, or the perception that sales of this type could occur, could also depress the market price of the Ordinary Shares. Both scenarios, occurring either individually or collectively, may make it more difficult for Shareholders to sell the Ordinary Shares at a time and price that they deem appropriate.

In particular, Reflexivity Research Limited, which provides key personnel and services to the Company, holds approximately 20 per cent. of the Company's issued share capital as at the Latest Practicable Date. In addition, the Company may issue additional Ordinary Shares to Reflexivity in the future pursuant to the Company's Performance Fee arrangements (details of which are set out in paragraph 6 of Part 2 (*The Board, Management and Corporate Governance*) of this Prospectus). These Ordinary Shares are not subject to a lock-in period. Accordingly, Reflexivity will be able to sell, dispose of or otherwise transfer any Ordinary Shares it may own at any time following Initial Admission provided it complies with the terms of the Reflexivity Orderly Market Deed, details of which are summarised in paragraph 7.2 of Part 7 (*Additional Information*) of this Prospectus. Sales of a substantial number of Ordinary Shares by Reflexivity could cause the market price of the Ordinary Shares to decline.

The Ordinary Shares are subject to certain provisions that may cause the Board to refuse to register, or require the transfer of, Ordinary Shares

Although the Ordinary Shares are freely transferable, there are certain circumstances in which the Board may, under the New Articles and subject to certain conditions, compulsorily require the transfer of the Ordinary Shares. These circumstances include where any shares are or may be owned or held directly, indirectly or beneficially by any person to whom a transfer of shares or whose ownership or holding of any shares might in the opinion of the Board give rise to an onerous obligation arising under certain specific US legal and regulatory provisions as detailed in the New Articles.

RISKS RELATING TO TAXATION

Changes in taxation legislation or practice may adversely affect the Company and the tax treatment for Shareholders investing in the Company

Changes in tax legislation or practice, whether in the Isle of Man, the UK or elsewhere, could affect the value of investments held by the Company, affect the ability of the Company to provide returns to Shareholders and affect the tax treatment for Shareholders of their investments in the Company.

Investors should consult their tax advisers with respect to their particular tax situation and the tax effects of an investment in the Company. Statements in this Prospectus concerning the taxation of investors or prospective investors in Ordinary Shares are based on current tax law and tax authority practice, each of which is potentially subject to change. The value of particular tax reliefs, if available, will depend on each individual Shareholder's circumstances. This Prospectus does not constitute tax advice and must not therefore be treated as a substitute for independent tax advice.

The Company may be subject to due diligence and reporting obligations which may be onerous

The Isle of Man, like many other jurisdictions around the world, has entered into a number of international arrangements which provide for the exchange of information in order to combat tax evasion and improve tax compliance. These include, but are not limited to, FATCA, the Common Reporting Standard and a number of other arrangements with particular jurisdictions. In connection with agreements and arrangements of this kind, the Company may, among other things, be required to collect and report to HMRC certain information regarding Shareholders and other account holders of the Company and HMRC may pass this information on to the authorities in other jurisdictions. Failure of the Company to comply with these obligations, which may be onerous, may result in fines being imposed on the Company and, in such event, the financial performance of the Company may be affected.

IMPORTANT INFORMATION

General

This Prospectus (together with any supplementary prospectus published by the Company prior to the Final Date) should be read in its entirety before making any application for Ordinary Shares. Prospective investors should rely only on the information contained in this Prospectus (together with any such supplementary prospectus).

Potential investors should only rely on the information contained in this Prospectus. No person has been authorised to give any information or make any representations other than as contained in this Prospectus and any supplementary prospectus published by the Company prior to the Final Date and, if given or made, such information or representations must not be relied on as having been authorised by the Company, Singer Capital Markets, or any of their respective affiliates, officers, members, directors, employees or agents. Without prejudice to the Company's obligations under the UK Prospectus Regulation, the Prospectus Regulation Rules, the UK Listing Rules, the UK Market Abuse Regulation and the Disclosure Guidance and Transparency Rules, neither the delivery of this Prospectus nor any subscription for or purchase of Ordinary Shares made pursuant to the Placing Programme shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since, or that the information contained in this Prospectus is correct as at any time subsequent to, the date of this Prospectus.

Apart from the liabilities and responsibilities, if any, which may be imposed on Singer Capital Markets by the FCA or under FSMA or the regulatory regime established thereunder, or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Singer Capital Markets nor any of its group undertakings or affiliates makes any representation, express or implied, nor accepts any responsibility whatsoever for, the contents of this Prospectus or any supplementary prospectus published by the Company prior to the Final Date nor for any other statement made or purported to be made by it or on its behalf in connection with the Company, the Ordinary Shares, the Placing Programme or any Admission. Accordingly, Singer Capital Markets (together with its group undertakings and affiliates), to the fullest extent permitted by law, disclaims all and any liability (save for any statutory liability) whether arising in tort, contract or which it or they might otherwise have in respect of this Prospectus, any supplementary prospectus published by the Company prior to the Final Date or any other statement. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Company's memorandum of association, the Existing Articles and the New Articles, which investors should review. A summary of the New Articles (which the Company will adopt upon Initial Admission, conditional on the passing of the Migration Resolution at the General Meeting) is contained in paragraph 5 of Part 7 (*Additional Information*) of this Prospectus under the section headed "*The New Articles*".

Statements made in this Prospectus are based on the law and practice in force in England and Wales as at the date of this Prospectus and are subject to changes therein. Unless the context otherwise requires, references to laws and regulations in this Prospectus are to those of England and Wales.

In connection with the Placing Programme, Singer Capital Markets and any of its affiliates acting as an investor for its or their own account(s), may take up a portion of the Ordinary Shares as a principal position and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such Ordinary Shares, any other securities of the Company or other related investments in connection with the Placing Programme or otherwise. Accordingly, references in this Prospectus to the Ordinary Shares being issued, offered, subscribed or otherwise dealt with, should be read as including any issue or offer to, or subscription or dealing by, Singer Capital Markets and any of its affiliates acting in such capacity as an investor for its or their own account(s). In addition, Singer Capital Markets or its affiliates may enter into financing arrangements (including swaps or contracts for difference) with investors in connection with which Singer Capital Markets or its affiliates may from time to time acquire, hold or dispose of Ordinary Shares. Neither Singer Capital Markets nor any of its affiliates intends to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so.

Forward-looking Statements

This Prospectus contains forward-looking statements, including, without limitation, statements containing the words “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or similar expressions. Such forward-looking statements involve unknown risks, uncertainties and other factors which may cause the actual results, financial condition, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. These forward-looking statements speak only as at the date of this Prospectus. Subject to its legal and regulatory obligations (including under the UK Prospectus Regulation), the Company expressly disclaims any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based unless required to do so by law or any appropriate regulatory authority, including FSMA, the UK Prospectus Regulation, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, the UK Market Abuse Regulation and the UK Listing Rules.

Nothing in the preceding two paragraphs should be taken as limiting the working capital statement in paragraph 10 of Part 7 (*Additional Information*) of this Prospectus.

No profit forecast or profit estimates

No statement in this document is intended as a profit forecast or estimate for any period.

Market, economic and industry data

This Prospectus includes certain market, economic and industry data which were obtained by the Company from industry publications, data and reports compiled by professional organisations, analysts and data from other external sources. Where information has been referenced in this Prospectus, the source of that third party information has been disclosed. The Company and the Directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

In some cases, there is no readily available external information to validate market-related analyses and estimates, requiring the Company to rely on internally developed estimates and the Directors’ knowledge of the digital asset sector.

Investment considerations

The contents of this Prospectus are not to be construed as advice relating to legal, financial, taxation, investment or any other matters. Prospective investors should inform themselves as to:

- the legal requirements within their own countries for the subscription for, purchase, holding, transfer or other disposal of Ordinary Shares;
- any foreign exchange restrictions applicable to the subscription for, purchase, holding, transfer or other disposal of Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the subscription for, purchase, holding, transfer or other disposal of Ordinary Shares.

An investment in Ordinary Shares should be regarded as a long-term investment. There can be no assurance that the Company’s strategic objective will be achieved. An investment in the Company is suitable only for investors who are capable of evaluating the risks and merits of such investment, who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company, for whom an investment in the Ordinary Shares constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company and who have sufficient resources to bear any loss (which may be equal to the whole amount invested) which might result from such investment.

Prospective investors should rely only on the information contained in this Prospectus (together with any supplementary prospectus published by the Company prior to Admission of the relevant Ordinary Shares). In making an investment decision, each investor must rely on their own

examination, analysis and enquiry of the Company and the terms of the Placing Programme, including the merits and risks involved.

Neither the Company nor Singer Capital Markets nor any of their respective representatives is making any representation to an offeree or purchaser under the laws applicable to such offeree or purchaser. Prospective investors should consult with and must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment in Ordinary Shares.

Prospective investors acknowledge that: (i) they have not relied on Singer Capital Markets or any person affiliated with Singer Capital Markets in connection with any investigation of the accuracy of any information contained in this Prospectus (or any supplementary prospectus published by the Company prior to the Final Date) or their investment decision; and (ii) they have relied only on the information contained in this Prospectus (together with any such supplementary prospectus); and (iii) that no person has been authorised to give any information or to make any representation concerning the Company or the Ordinary Shares (other than as contained in this Prospectus and any such supplementary prospectus) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Company, Singer Capital Markets or any of their respective affiliates.

No incorporation of website information

The contents of the website <https://KR1.io> do not form part of this Prospectus. Investors should base their decision as to whether or not to invest in the Ordinary Shares on the contents of this Prospectus alone.

Times and dates

References to times and dates in this Prospectus are, unless otherwise stated, to United Kingdom times and dates.

Data protection

The information that a prospective investor in the Company provides in documents in relation to a subscription for Ordinary Shares or subsequently by whatever means which relates to the prospective investor (if it is an individual) or a third party individual ("**personal data**") will be held and processed by the Company (and any third party to whom it may delegate certain administrative functions in relation to the Company) in compliance with (a) the relevant Data Protection Legislation and regulatory requirements applicable in the Isle of Man and/or the United Kingdom, as appropriate; and (b) the Company's privacy notice, a copy of which is available for review on the Company's website <https://KR1.io> ("**Privacy Notice**"). Such personal data may include, without limitation, the name, contact information, nationality, national identity number, professional title, occupation, age, date of birth, marital status, financial information, tax status, bank account details and/or evidence of ownership of financial assets of the Placee (or any individual on whose behalf Ordinary Shares are being subscribed).

Without limitation to the foregoing, each prospective investor acknowledges that it has been informed that such information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company, which may include, without limitation, the Registrar) and in accordance with the Company's Privacy Notice for the purposes set out therein including:

- verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- carrying out the business of the Company and the administering of interests in the Company (including the allotment of Ordinary Shares and maintenance of the Company's register of members); and
- meeting the legal, regulatory, reporting and/or financial obligations of the Company in the Isle of Man, the UK or elsewhere or of any third party, functionary or agent appointed by the Company.

For the purposes set out above, it may be necessary for the Company (or any third party, functionary or agent appointed by the Company, which may include, without limitation, the Registrar) to:

- disclose personal data to third-party service providers, affiliates, agents or functionaries appointed by the Company or its agents to provide services to prospective investors; and
- transfer personal data outside of the Isle of Man and/or the United Kingdom to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors in the Isle of Man or the United Kingdom (as applicable), provided that suitable safeguards are in place for the protection of such personal data, details of which shall be set out in the Privacy Notice or otherwise notified from time to time.

The foregoing processing of personal data is required in order to perform the contract with the prospective investor to comply with the legal and regulatory obligations of the Company or otherwise is necessary for the legitimate interests of the Company.

If the Company (or any third party, functionary or agent appointed by the Company, which may include, without limitation, the Registrar) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will ensure that adequate safeguards are in place for the protection of such personal data, details of which are set out in the Privacy Notice or shall be otherwise notified from time to time.

Prospective investors are responsible for informing any third party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions. Individuals have certain rights in relation to their personal data; such rights and the manner in which they can be exercised are set out in the Company's Privacy Notice.

Regulatory information

The distribution of this Prospectus in jurisdictions other than the United Kingdom and the Isle of Man may be restricted by law and persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This Prospectus does not constitute, and may not be used for the purposes of, an offer or an invitation to subscribe for any Ordinary Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; or (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or invitation.

In particular, this Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, Ordinary Shares in any jurisdiction where such offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company or Singer Capital Markets. The offer and sale of Ordinary Shares has not been and will not be registered under the applicable securities laws of Australia, Canada, Japan or the Republic of South Africa. Subject to certain exemptions, the Ordinary Shares may not be offered to or sold within Australia, Canada, Japan or the Republic of South Africa or to any national, resident or citizen of Australia, Canada, Japan or the Republic of South Africa. Neither the Company nor Singer Capital Markets, nor any of their respective representatives, is making any representation to any offeree or purchaser of the Ordinary Shares regarding the legality of an investment in the Ordinary Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser. Each investor should consult with his or her own advisers as to the legal, tax, business, financial and related aspects of a purchase of the Ordinary Shares.

For the attention of prospective investors in the United States

The Ordinary Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. The Ordinary Shares are being offered or sold outside the United States in offshore transactions as defined in and pursuant to Regulation S under the US Securities Act. In addition, the Company has not registered and will not register under the US Investment Company Act. The Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the

offering or the issue of the Ordinary Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States and the re-offer or re-sale of any of the Ordinary Shares in the United States may constitute a violation of US law.

The Ordinary Shares may not be re-offered, re-sold, pledged or otherwise transferred except: (i) in an offshore transaction in accordance with Regulation S, (ii) to the Company or (iii) pursuant to an effective registration statement under the US Securities Act in each case, in accordance with any applicable securities laws of any state of the United States, and under circumstances which will not require the Company to register under the US Investment Company Act. The Ordinary Shares may not be re-offered, re-sold, pledged or otherwise transferred to: (i) a Benefit Plan Investor; or (ii) a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Code, unless its purchase, holding and disposition of the Ordinary Shares must not constitute or result in a non-exempt violation of any such substantially similar law. Furthermore, the Ordinary Shares may not be deposited into any unrestricted depositary receipt facility in respect of the Ordinary Shares established or maintained by a depositary bank so long as such Ordinary Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the US Securities Act and the Ordinary Shares (whether in physical certificated form or in uncertificated form held in CREST) are “restricted securities” within the meaning of Rule 144(a)(3) under the US Securities Act. No representation is made as to the availability of the exemption provided by Rule 144 for re-sales of the Ordinary Shares. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions and may subject the holder to the forced transfer and other provisions set out in the New Articles.

Any person in the United States who obtains a copy of this document is required to disregard it.

Enforcement of Civil Liabilities

The enforcement by investors of civil liabilities under the United States federal securities laws may be adversely affected by the fact that the Company is incorporated under the laws of the Isle of Man, and that none of its Directors or officers are citizens or residents of the United States. In addition, the majority of its assets and the assets of its Directors and officers are located outside the United States. As a result, it may not be possible for investors in the United States to effect service of process within the United States upon the Company or its Directors and officers located outside the United States or to enforce in the US courts or outside the United States judgments obtained against them in US courts or in courts outside the United States, including judgement predicated upon the civil liability provisions of the federal, state or local securities laws of the United States. There is doubt as to the enforceability in the Isle of Man, whether by original actions or by seeking to enforce judgments of US courts, of claims based on the federal securities laws of the United States. In addition, punitive damages in actions brought in the United States or elsewhere may be unenforceable in the Isle of Man.

Availability of Information

For so long as any of the Company's securities are restricted securities, as defined in Rule 144(a)(3) under the US Securities Act, as amended, the Company will, during any period in which the Company is neither subject to Section 13 or 15(d) under the US Exchange Act pursuant to Rule 12g3-2(b) thereunder, make available to any holder or beneficial owner of such securities or to any prospective purchaser, the information required to be delivered pursuant to Rule 144A(d)(4) under the US Securities Act.

The Company has not undertaken to determine whether it will be treated as a PFIC for US federal income tax purposes for any prior taxable year, for the current year, or whether it is likely to be so treated for future years and neither the Company nor Singer Capital Markets makes any representation or warranty with respect to the same. Accordingly, neither the Company nor Singer Capital Markets can provide any advice to US investors as to whether the Company is or is not a PFIC for the current tax year, or whether it will be in future tax years and neither the Company nor Singer Capital Markets undertakes to provide to US investors or shareholders any information necessary or desirable to facilitate their filing of annual information returns, and US investors and shareholders should not assume that this information will be made available to them.

This Prospectus does not address the US federal income tax considerations applicable to an investment in the Ordinary Shares. Each prospective investor should consult its own tax advisers regarding the US federal income tax consequences of such investment.

Each subscriber for Ordinary Shares will be required to certify that, among other things, it is not a US Person (within the meaning of Regulation S) and it is not acquiring the Ordinary Shares for the account or benefit of a US Person.

For the attention of prospective investors in the European Economic Area

In relation to each Relevant Member State, no Ordinary Shares have been offered or will be offered pursuant to the Placing Programme to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the competent authority in that Relevant Member State, or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the EU Prospectus Regulation, except that offers of Ordinary Shares to the public may be made at any time with the prior consent of Singer Capital Markets under the following exemptions under the EU Prospectus Regulation:

- (a) to any legal entity which is a **“qualified investor”** as defined in the EU Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than “qualified investors” as defined in the EU Prospectus Regulation) in such Relevant Member State; or
- (c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3(1) of the EU Prospectus Regulation in a Relevant Member State and each person to whom any such offer is made under the Placing Programme will be deemed to have represented, acknowledged and agreed that it is a “qualified investor” within the meaning of Article 2(e) of the EU Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to any offer of Ordinary Shares in any Relevant Member State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares.

Each subscriber for Ordinary Shares will be required to certify that, among other things, (i) if it is in any member state of the EEA, it is a Qualified Investor; (ii) it is located outside the United States and acquiring such securities in offshore transactions, as defined in, and in reliance on, Regulation S under the US Securities Act; (iii) it does not have a registered address in, and it is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Ordinary Shares and it is not acting on a non-discretionary basis for any such person; and (iv) if it is outside the UK and the United States, including in any member state of the EEA, (and the electronic mail addresses that it provided and to which this Prospectus has been delivered is not located in such jurisdictions) it is a person into whose possession this Prospectus may lawfully be delivered in accordance with the laws of the jurisdiction in which it is located.

Each investor should consult with his or her own legal, financial or tax adviser for legal, financial, business, investment or tax advice. Investors must inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of Ordinary Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Ordinary Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of, or subscription for Ordinary Shares. Investors must rely on their own representatives, including their own legal advisers and accountants, as to legal, financial, business, investment, tax or any other related matters concerning the Company and an investment therein. Neither the Company nor Singer Capital Markets nor any of their respective representatives is making any representation to any offeree or purchaser of Ordinary Shares regarding the legality of an investment in the Ordinary Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Information to distributors

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook's Product Intervention and Product Governance Sourcebook (the **“UK Product Governance Requirements”**), and disclaiming all and any liability, whether arising in tort, contract

or otherwise, which any “manufacturer” (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares are: (a) compatible with an end target market of investors who meet the criteria of professional clients and eligible counterparties, each as defined in Chapter 3 of the FCA Handbook’s Conduct of Business Sourcebook; and (b) eligible for distribution through all permitted distribution channels (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, “distributors” (for the purposes of the UK Product Governance Requirements) should note that: (a) the price of the Ordinary Shares may decline and investors could lose all or part of their investment; (b) the Ordinary Shares offer no guaranteed income and no capital protection; (c) and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the offer of Ordinary Shares.

For the avoidance of doubt, the Target Market Assessment does not constitute: (i) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A, respectively, of the FCA Handbook’s Conduct of Business Sourcebook; or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to, the Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

This Prospectus has not been filed with, or approved by, the Isle of Man Financial Services Authority.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Initial Admission

2025

Latest time and date for receipt of proxy appointments in connection with the General Meeting	10.15 a.m. on 18 November
General Meeting	10.15 a.m. on 20 November
Announcement of the results of the General Meeting	20 November
Last day of trading of Ordinary Shares on the Aquis Growth Market	24 November
Delisting of the Ordinary Shares from the Aquis Growth Market	8.00 a.m. on 25 November
Initial Admission and dealings in Ordinary Shares commence	8.00 a.m. on 25 November

Placing Programme

Placings under the Placing Programme	between 25 November 2025 and 28 October 2026
Publication of Placing Programme Price in respect of each Placing	as soon as practicable in conjunction with each Placing
Announcement of the results of each Placing	as soon as practicable following the closing of each Placing
Admission and crediting of CREST accounts in respect of each Placing	as soon as practicable following the allotment of Ordinary Shares pursuant to a Placing
Where applicable, definitive share certificates in respect of the Ordinary Shares issued pursuant to each Placing despatched by post	within 10 business days following the Admission of the relevant Ordinary Shares

The dates and times specified in the timetable above are subject to change without further notice. All references to times in this Prospectus are to London time unless otherwise stated. Any changes to the expected Initial Admission timetable will be notified by the Company through a Regulatory Information Service.

PLACING PROGRAMME STATISTICS

Placing Programme Statistics

Size of the Placing Programme	125,000,000 Ordinary Shares
Placing Programme Price	to be determined by the Directors, taking into consideration, <i>inter alia</i> , the Net Asset Value of the Ordinary Shares and the prevailing market conditions at that time, but not to be set at a discount of more than 10 per cent. to the middle market price of the Ordinary Shares unless approved by Shareholders

Dealing Codes

Ordinary Share ISIN	IM00BYYPQX37
Ordinary Share SEDOL	BYYPQX3
Ordinary Share Ticker	KR1
Legal Entity Identifier	213800WFTIIBY5SBCL19

DIRECTORS, MANAGEMENT AND ADVISERS

Directors	<i>Executive Directors</i> George McDonaugh (<i>Managing Director & Co-Founder</i>) Keld van Schreven (<i>Managing Director & Co-Founder</i>) <i>Non-executive Directors</i> Rhys Davies (<i>Non-Executive Director & Chairman</i>) Mona Elisa (<i>Non-Executive Director</i>) Aeron Buchanan (<i>Non-Executive Director</i>) <i>all of the registered office below:</i>
Registered Office	First Names House Victoria Road Douglas Isle of Man IM2 4DF
Sponsor	Singer Capital Markets Advisory LLP 1 Bartholomew Lane London EC2N 2AX United Kingdom
Financial Adviser and Sole Bookrunner	Singer Capital Markets Securities Limited 1 Bartholomew Lane London EC2N 2AX United Kingdom
Strategic Consultant	Reflexivity Research Limited Craigmuir Chambers Road Town Tortola VG 1110 British Virgin Islands
Legal Adviser to the Company as to English law	Stephenson Harwood LLP 1 Finsbury Circus London EC2M 7SH United Kingdom
Legal Adviser to the Company as to Isle of Man law	Cains Advocates Limited Fort Anne Douglas Isle of Man IM1 5PD
Legal Adviser to the Sponsor, Financial Adviser and Sole Bookrunner as to English Law	Norton Rose Fulbright LLP 3 More London Riverside London SE1 2AQ United Kingdom
Registered Agent	IQ EQ (Isle of Man) Limited First Names House Victoria Road Douglas Isle of Man IM2 4DF

Registrar	Share Registrars Limited 27-28 Eastcastle Street London W1W 8DH United Kingdom
Reporting Accountant	PKF Littlejohn LLP 15 Westferry Circus London E14 4HD United Kingdom
Auditor	PKF Littlejohn LLP 15 Westferry Circus London E14 4HD United Kingdom
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

PART 1

BUSINESS OVERVIEW

1 Introduction and background

KR1 plc (the “**Company**”) is a public company limited by shares incorporated in the Isle of Man. The Company was originally incorporated on 6 January 2006 under the Isle of Man Companies Act 1931 to 2004 with company number 115234C under the name “Guild Acquisitions plc” and subsequently changed its name to “Kryptonite 1 plc” on 26 September 2016. The Company re-registered under the Isle of Man Companies Act 2006 on 16 October 2017 with registered number 015310V and changed its name to “KR1 plc” on 5 February 2018.

The Company’s Ordinary Shares were admitted to trading on PLUS Markets on 14 September 2006, which rebranded as the ICAP Securities & Derivatives Exchange (ISDX) in 2012, the NEX Exchange in 2016 and finally the Aquis Stock Exchange (AQSE) in 2019. The Ordinary Shares were admitted to the Apex segment of the Aquis Growth Market following its division into two segments: ‘Access’ and ‘Apex’ on 14 December 2020. The Apex segment is the intended market for larger, more established businesses and has more stringent eligibility requirements than the Access segment.

2 Key commercial activities of the Company

The Company is a leading digital assets company primarily focused on decentralised technologies and the generation of income from digital assets, primarily through staking activities on proof-of-stake networks. The Company seeks to generate income from digital assets through the Company’s staking operations by participating in proof-of-stake (PoS) blockchain networks, either independently or through third-party staking infrastructure service providers. By staking digital assets, the Company helps to secure these networks by supporting transaction validation, maintaining network integrity and contributing to decentralisation and, in return, receives staking rewards. The Company also manages its digital asset holdings to optimise medium to long-term capital growth and may from time to time hold investments in the digital asset sector, including debt, equity, contractual rights to future assets and interests in specialised funds.

The Company’s strategy is to expand its existing staking operations through compounding the digital assets it generates, acquiring additional staking assets, investing in companies and assets in the digital asset sector and potentially entering into relevant partnerships or joint ventures. The Company may from time to time liquidate some or all of its holdings of digital assets in order to generate operating cash flows or rebalance its digital asset holdings.

The Company currently carries out its staking activities through industry-leading third-party staking infrastructure service providers such as Coinbase, Kraken, Bitcoin Suisse and P2P.org and certain decentralised staking protocols such as Lido. Under this model, the Company stakes its digital assets by delegating them to third-party validators on supported blockchain networks. These validators operate the required infrastructure to participate in block validation and consensus, and the Company receives staking rewards proportional to its delegated stake, usually net of any validator commission. These staking operations are run from multiple facilities and through providers based in the United States, the British Virgin Islands, the Cayman Islands and Switzerland. As of the date of this Prospectus, the Company is expecting to operate its own staking infrastructure through the launch of dedicated validator nodes on major PoS networks, including Ethereum, Polkadot and Celestia. Subject to final agreements, the launch of such dedicated validator nodes is intended to complement existing third-party delegations and the Company will communicate further progress on this through a public announcement in due course. Over time, the Company expects a significant part of the Company’s staking activities will be carried out through the Company’s dedicated validators on these proof-of-stake networks.

Income from staking activities is generated through the receipt of staking rewards from a decentralised network and is typically received in-kind in the native digital asset of the respective network. One of the Company’s core strategies is to apply these staking rewards towards increasing the Company’s staking activity on the relevant networks, thereby compounding the Company’s holdings and increasing the overall staking yield over time. This compounding effect is central to the Company’s value creation strategy and equity story, as it enables a self-reinforcing growth model where staking income is continually recycled into the business to support further reward generation.

The 'staking yield' refers to the rewards earned by participants who lock up their digital assets to help secure the network and validate transactions, expressed as an annual percentage return. Staking yields are significantly influenced by supply and demand dynamics, particularly through the observed participation rate within a given network. Additionally, several other factors play a critical role in determining staking returns. These include network inflation (which is often established by specific parameters and configurations within decentralised networks), transaction fees, fees charged by staking service providers, and, in certain cases, the design and operational dynamics of the network itself.

Over the past five years, the Company has seen its income from staking activities grow disproportionately to its investment activities (in the form of capital deployed by the Company into any type of investment). During this period, the Company's capital deployment has increasingly focused on expanding its staking activities. Throughout 2020, being the first year in which the Company engaged in staking activities for an entire financial year, the income generated from staking represented a relatively small proportion (only approximately 44 per cent.) of the amount invested by the Company during the same period. Throughout 2021, the Company's income from staking activities was approximately equal to the amount invested, exceeding it by approximately 4 per cent. Throughout 2022 and 2023, income from staking activities significantly exceeded the amount invested by the Company (by approximately 188 per cent. and 170 per cent., respectively). Finally, as demonstrated by the Company's recent results, the Company's income from staking activities throughout 2024 exceeded the amount invested even more significantly, by approximately 347 per cent.

Throughout the twelve months ended 31 December 2024, the Company generated £12,807,039 in income from its staking operations, which represented 98.3 per cent. of the Company's income from digital assets. For 2024, this was derived from staking activities across seven distinct proof-of-stake networks as follows: Celestia (£6,104,306.90), Polkadot (£4,125,229.66), Cosmos (£1,720,931.52), Ethereum (£407,422.98), Kusama (£203,451.60), Moonbeam (£190,263.51) and Moonriver (£55,432.60).³

As of 31 December 2024, the Company was actively staking digital assets with a fair value of £78,909,099.37 in staking systems for network consensus purposes, which represented 89.9 per cent of the Company's stakeable assets. Another £8,865,759.79 of digital assets held by the Company had the capability to be staked for network consensus purposes but were not actively staked as at the end of the financial year for various reasons.⁴

The Company's decisions to engage in, or cease, staking activities are determined by a combination of factors. Relevant factors that impact the Company's decision to engage in staking activities with its holdings are the maturity of a relevant blockchain network, the presence of reliable staking and custody infrastructure (either through third-parties or internal infrastructure), the availability of robust reporting, the (expected) economic profitability of these activities, as well as the long-term view on adoption, innovation and capital-growth of the relevant networks and assets. While fluctuations in the underlying fiat value of a digital asset have a direct impact on the Company's income, the Company's expectation around the fluctuations or trends (especially in the short-to-medium term) of the fair value of a digital asset holding does not generally impact the Company's decision on whether to engage in or cease staking activities in that particular digital asset.

Further, certain factors relating to risk management and the Company's internal operations and planning such as liquidity of assets and operating cashflows play an important role. Lastly, certain digital assets owned by the Company may also be subject to legal or technical restrictions such as a lock-up or vesting terms that may prevent the Company from utilising the digital asset in staking activities at a particular time, but the Company plans to expand staking activities into these assets once the restrictions have been lifted.

³ Staking income is measured by aggregating the fair value of staking rewards on the date of receipt. Figures are derived from the Company's audited financial statements for the year ended 31 December 2024. However, the breakdown of staking income across the seven distinct proof-of-stake networks is based on the Company's management accounts and has not been subject to audit.

⁴ Valuation figures are based on the fair value of assets as derived from the Company's management accounts and have not been subject to audit.

For example, as announced on 6 March 2025, the Company is planning to support RedStone, 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. The Company acquired RedStone tokens through two funding rounds in July 2021 and September 2022, which are subject to lock-up periods. Once those lock-up periods have expired, the Company intends to commence staking activities with its RedStone holding to strengthen RedStone's network security.

In the future the Company may expand its existing operations to further decentralised networks and/or further infrastructure providers and the Company is reviewing and evaluating the possibility of launching and operating its own internal staking infrastructure. As of the date of this Prospectus, the Company is expecting to launch dedicated validator nodes in collaboration with certain third-party hosting providers. The Company is currently negotiating with those providers on the specifics of such arrangements and will provide an update to investors when these are finalised. Subject to those agreements being in place, the Company is expecting to launch 138 validator nodes for Ethereum, 3 validator nodes for Polkadot, 1 validator node for Celestia, 1 validator node for Cosmos and 5 validator nodes for Kusama. Over the medium to long-term, the Company is committed to evaluating and launching additional validator nodes on proof-of-stake networks where the Company may not have existing staking operations yet as the Company expands its staking activities over the next couple of years. Based on the Company's internal projections, switching to dedicated validators is in the best interest of Shareholders by strengthening the Company's income over the long term even with initial setup costs factored in. The launch of dedicated validators is also expected to provide the Company with more control over its staking activities and associated risks as well as further operational flexibility to maximise the generation of income by improving efficiencies.

Overall, as of 31 December 2024, £105,984,002.54 or 75.5 per cent of the Company's total assets represent staking assets, which includes digital assets that are actively staked, have the capability to be staked and are directly adjacent to staking activities (such as Lido and Rocket Pool).⁵

While staking is the Company's core activity, the Company also retains the flexibility to allocate a portion of its capital to early-stage digital asset opportunities. These investments are only considered where the Company sees the potential to support or collaborate with management teams to generate long-term strategic value. A key consideration in such opportunities is the potential for the relevant project or protocol to evolve into a proof-of-stake network in the future and for the investment to become a staking asset for the Company, thereby aligning with the Company's core activities.

3 Company's strategic objective

The Company's strategic objective is to generate income from digital assets through its staking activities and to achieve medium to long-term capital growth through exposure to the digital asset ecosystem.

The Company plans to achieve its strategic objective by expanding its existing staking operations through compounding the digital assets it generates, acquiring additional staking assets, investing in companies and assets in the digital asset sector and by entering into relevant partnerships or joint ventures when it sees fit. The Directors are responsible for carrying out this objective, implementing the Company's business strategy and conducting its overall supervision.

4 Background to the market opportunity

Introduction

Blockchain technology was first introduced in 2008 as the foundational technology behind Bitcoin, the world's first viable cryptocurrency. While blockchain remains closely associated with Bitcoin and other digital assets, its potential extends far beyond serving as a decentralised transaction ledger for digital currencies. Blockchain technology is increasingly being adopted across multiple industries, enabling secure, transparent and efficient digital transactions with reduced reliance on intermediaries. Its power lies in the fact that blockchain technology enables peer-to-peer transactions without the need for a trusted intermediary such as a financial institution or bank.

⁵ Valuation figures are based on the fair value of assets as derived from the Company's management accounts and have not been subject to audit.

A key advantage of blockchain technology is its ability to store and distribute data in a decentralised manner, providing all network participants with access to a comprehensive record that is designed to be highly resistant to tampering. This decentralisation enhances security, as transactions are cryptographically secured. In proof-of-stake networks, staking plays a foundational role in enabling the network to function, providing the basis for trust, security and any additional functionality built on top. Participants who contribute to the integrity and security of the network by staking are also able to generate income in return for their role in maintaining consensus.

The blockchain ecosystem continues to expand, with innovations such as staking, decentralised finance (DeFi), and smart contracts creating new opportunities for businesses and investors. While still in its early stages, the Directors believe that this rapidly evolving industry presents significant long-term potential.

What are digital assets and how do they work?

Digital assets are a broad category of intangible assets that exist in a digital format, stored and transferred using blockchain technology. These assets include cryptocurrencies, tokenised assets, and digital representations of real-world assets. Unlike traditional financial instruments, digital assets operate on decentralised networks, eliminating the need for central authorities.

A key characteristic of digital assets is their reliance on cryptographic security, which ensures the integrity and authenticity of transactions. Blockchain technology plays a crucial role by providing an immutable ledger that records asset transfers transparently and securely.

Digital assets can be used for a variety of purposes depending on their function and, as such, they can be classified into different types. In March 2025, American Venture Capital firm Andreessen Horowitz (a16z) published an article titled *Defining Tokens*, categorising digital tokens into seven distinct types to aid in understanding their functionalities and regulatory considerations within the crypto ecosystem. While there is no universally agreed classification of digital assets, the Directors consider these classifications a useful framework. The seven categories are:

- **Network Tokens:** Native assets integral to blockchain protocols, such as Bitcoin (BTC) and Ethereum (ETH), facilitating network operations and consensus mechanisms. These are also used as a medium of exchange to transfer value between parties.
- **Security Tokens:** Digital representations of traditional securities, offering holders rights like equity or profit shares.
- **Company-Backed Tokens:** Tokens linked to centralised entities, deriving value from off-chain products or services controlled by a company.
- **Utility Tokens/Arcade Tokens:** Designed for specific functions within a closed ecosystem, providing access to particular services or products without investment intent.
- **Collectible Tokens:** Non-fungible tokens (NFTs) representing ownership of unique digital or physical items, such as digital art or in-game assets.
- **Asset-Backed Tokens:** Tokens pegged to real-world assets (e.g. commodities, fiat currency, or securities) or digital assets (such as cryptocurrencies or liquidity pool interests). Examples include stablecoins tied to fiat currencies or commodities.
- **Memecoins:** Tokens without intrinsic utility or value, often driven by internet memes, celebrities or community trends, primarily influenced by speculative market dynamics.

The Directors believe that blockchain technology, which underpins digital assets, has the potential to revolutionise multiple industries by enabling more secure, transparent and efficient transactions. It offers advantages such as fraud deterrence, lower fees, reduced counterparty risk, decentralisation and accessibility to a global user base.

Additionally, the Directors believe that digital assets can facilitate financial inclusion by providing individuals without access to traditional banking services the ability to transact and store value. Digital assets can be exchanged for goods and services or converted into traditional fiat currencies through digital asset exchanges. Various platforms facilitate these conversions, allowing users to trade digital assets for national currencies such as the British pound or the US dollar. The increasing adoption of digital assets by businesses, institutions and payment processors highlights their growing role within the global financial system.

As digital assets continue to evolve, regulatory frameworks and security considerations remain essential aspects of their adoption. Understanding their functionality and potential applications can help individuals and businesses navigate this emerging financial landscape.

What is staking and how does it work?

Staking is the term for contributing to the security of a decentralised proof-of-stake (PoS) network, similar to how ‘mining’ contributes to the security of Bitcoin’s proof-of-work (PoW) network. PoW and PoS are two approaches that blockchains use to ensure all participants agree on which transactions should be added to the ledger. These two approaches achieve the same objective in securing a decentralised blockchain, and the same result on consensus on transactions, but in different ways.

PoW, used by Bitcoin, relies on ‘miners’ using vast computational resources to solve complex numerical puzzles with high electricity consumption, making it secure but energy-intensive and slow. In contrast, PoS, used by Ethereum, Polkadot and others, relies on ‘validators’ to process transactions and secure the network – a process known as ‘staking’. Validators are selected based on the amount of digital assets they commit as collateral, known as their ‘stake’. In exchange for contributing to the security of these PoS networks, they earn staking rewards for their participation, which are generally paid in the native digital asset of the respective network. While PoW prioritises security and decentralisation above all else, PoS offers greater energy efficiency, speed and cost-effectiveness relative to the energy consumed, while still providing sufficient security and decentralisation for its intended function and long-term sustainability.

This is summarised concisely in the 2024 guide *Investors Guide to Crypto Staking*, published by ETC Group (now a part of Bitwise), which states: “*Proof of stake is an alternative consensus mechanism, used by Ethereum and other blockchains, that aims to address some of the issues of proof of work. It does not require solving difficult puzzles, but rather selecting validators based on how many coins they stake (deposit) on the network.*”⁶

In October 2021, staking provider firm Staking Rewards published the *2021 Staking Ecosystem Report*, which provides a useful comparison of PoW and PoS. The report highlights that PoS is more capital-efficient, environmentally sustainable and scalable than PoW, which remains more battle-tested for security but is increasingly being phased out due to its high energy costs.⁷

Staking plays a crucial role in maintaining the security and decentralisation of blockchain networks and is increasingly viewed as a key mechanism for achieving consensus in many blockchain ecosystems. Similar to PoW mining, which generally requires the use of highly specialised machines to contribute to a particular network’s consensus mechanism (most notably seen with Bitcoin’s specialised ASIC mining machines), most prominent proof-of-stake networks typically require staking participants to have ownership of (or access to) the native (specialised) network asset to engage in staking activities. However, unlike PoW mining, which requires significant energy consumption and expensive hardware, staking is more energy-efficient (resulting in a much lower carbon footprint) and economically accessible to a broader range of participants.

Like Bitcoin mining, the staking economy has matured and expanded significantly, with major blockchains such as Ethereum, Solana and Polkadot adopting staking as a core mechanism for network security, transaction validation and governance. As the digital asset ecosystem evolves, staking continues to gain traction as an attractive method for investors to earn passive income while contributing to the stability of blockchain networks.

5 The Company’s business plan and strategy

The Company’s business plan and strategy are centred on engaging in staking activities across a range of decentralised networks. Through these activities, the Company contributes to the security and stability of these proof-of-stake networks, while generating income from digital assets in the form of staking rewards.

At present, the Company primarily engages in staking through third-party staking service providers, with the relevant digital assets held in the Company’s custody and exchange accounts (currently

⁶ ETC Group, *Investors Guide to Crypto Staking*, 2024, available at <https://etc-group.com/blog/guides/staking-guide/Staking-brochure-web.pdf> (last accessed 27 October 2025).

⁷ Staking Rewards, *2021 Staking Ecosystem Report*, October 2021, available at <https://www.stakingrewards.com/journal/research/2021-staking-ecosystem-report> (last accessed 27 October 2025).

Coinbase, Bitcoin Suisse, Fireblocks and Kraken). The Company has arrangements with a range of third-party staking service providers (currently Coinbase, Bitcoin Suisse, P2P.org and Kraken) to stake its digital assets across various decentralised networks. In most cases, the Company initiates staking transactions from its custody and exchange accounts by nominating specific validators to participate in the relevant network's staking system. These validators, which are maintained by the third-party staking service providers, participate in the network's consensus process using the Company's digital assets. As of the date of this Prospectus, the Company is expecting to operate its own staking infrastructure through the launch of dedicated validator nodes on major PoS networks, including Ethereum, Polkadot and Celestia. Subject to final agreements, the Company is expecting to launch 138 validator nodes for Ethereum, 3 validator nodes for Polkadot, 1 validator node for Celestia, 1 validator node for Cosmos and 5 validator nodes for Kusama. As part of the launch of the Company's dedicated validators, the Company expects to provide the initial assets required (sometime referred to as 'self-bond') for each respective validator launched in order for these validators to start operating on each network. The Company's dedicated validators are therefore expected to participate directly in the staking systems and contribute directly to the consensus of the PoS networks. Over the medium to long-term, the Company is committed to evaluating and launching additional validator nodes on proof-of-stake networks where the Company may not have existing staking operations yet as the Company expands its staking activities over the next couple of years.

Over time, the Company expects a significant part of the Company's staking activities will be carried out through the Company's dedicated validators on these proof-of-stake networks. Based on the Company's internal projections, switching to dedicated validators is in the best interest of Shareholders by strengthening the Company's income over the long term even with initial setup costs factored in. The launch of dedicated validators is also expected to provide the Company with more control over its staking activities and associated risks as well as further operational flexibility to maximise the generation of income by improving efficiencies.

To a lesser extent, the Company also carries out staking through decentralised staking protocols such as Lido, which the Company currently uses for its Ethereum staking activities. In this case, the Company deposits ETH into Lido's Ethereum staking smart contract system and, in return, receives liquid staking tokens known as Lido Staked ETH (stETH) representing the Company's staked ETH as well as its pro-rata participation in Lido's Ethereum staking activities. The staked ETH is then collectively delegated by Lido's system to a pool of third-party staking service providers participating in Ethereum's staking system. This is all facilitated through an extensive decentralised, trustless smart contract system, which forms an integral part of Ethereum's proof-of-stake system and Ethereum's decentralised finance system.

The Company's staking activities therefore involve several participants, each fulfilling distinct roles. Broadly, the key participants are:

- **The Company (as the staking network participant)**

The Company, as the beneficial owner of the digital assets being staked, is responsible for providing the relevant digital assets (the 'stake') and bears the associated risks of participation in the staking activities. The Company retains the ultimate decision-making authority in respect of the evaluation of expected yields and associated costs, validator selection, and carries out due diligence on validators. It also initiates the staking transactions, makes decisions regarding the cessation of staking, and is responsible for ongoing monitoring and supervision of its staking activities, including the periodic re-evaluation of its participation in staking networks.

- **Custodians and exchanges**

The Company holds digital assets in custody with third-party institutional custody providers (currently Coinbase, Bitcoin Suisse and Fireblocks), as well as with various digital asset exchanges (currently Kraken). The digital assets are generally held in trust by the custody providers as fiduciaries, and the digital assets are considered property of the Company. In addition to providing custody services, these custodians and exchanges also facilitate the initiation of staking transactions at the request of the Company. Through these transactions, the Company nominates specific validator candidates to utilise its digital assets within a network's staking system.

In rare cases, where custody providers and exchanges do not yet support a particular digital asset or decentralised network, the Company may hold digital assets in self-hosted wallets. In such instances, the Company retains full control over the execution of staking transactions, which it may carry out through non-custodial staking service providers (such as P2P.org) or decentralised staking protocols (such as Lido).

- **Staking service providers (Validators)**

Staking service providers maintain and operate the technical infrastructure necessary to participate in a proof-of-stake network's consensus mechanism, including validators, blockchain nodes, servers and associated IT systems. Validators are participants in proof-of-stake blockchains responsible for proposing and validating new blocks, which utilise pooled digital assets from staking participants to participate in the consensus mechanism of the relevant decentralised network. As noted above, as of the date of this Prospectus, the Company is expecting to operate its own staking infrastructure through the launch of dedicated validator nodes on major PoS networks, including Ethereum, Polkadot and Celestia. Following the launch of these dedicated validators, the Company's staking infrastructure is expected to play a direct role in powering critical components of these innovative networks enabling them, in part, to operate and function and with that, more distinctly defining the role the Company is playing across proof-of-stake networks.

Through automated technical coordination with other validators and participants, enabled by blockchain node software, validators contribute to block production, transaction processing, and the ongoing operation of the network's decentralised infrastructure.

Assuming orderly staking activities and proper collaboration among all relevant participants in a staking system, the decentralised network should function as intended. Under normal conditions, the decentralised network typically has a certain level of network inflation or 'block rewards', set by the network's parameters (sometimes determined through the network's own blockchain governance systems). These parameters, together with observed network conditions (such as staking participation rates) and any commissions or fees charged by staking service providers, determine the staking rewards ultimately received by the Company. Staking rewards are generally received in the form of the native digital assets of the relevant network, and the associated income is measured at fair value on the date of receipt.

The Company is seeking to expand its staking operations through compounding the digital assets it generates and through acquisitions of additional staking assets. These acquisitions may encompass digital assets at various stages of development, from early-stage acquisitions to more mature holdings, with a focus on long-term capital appreciation for the Company. At present, the most straightforward approach involves expanding the Company's staking operations into new networks by purchasing additional staking assets, particularly where the Company does not currently hold such assets or operate staking activities on those networks. Additionally, the Company has certain existing holdings that provide a pipeline for expanding its staking activities without further asset purchases or capital commitments. Examples include RedStone, which the Company plans to add to its staking activities following the expiry of the RedStone token lock-up period (as referred to in paragraph 2 of this Part 1 (*Business Overview*) above).

Scaling of staking activities is not solely dependent on acquiring additional digital assets; it also involves technical and strategic optimisation of existing staked holdings. The Company currently collaborates with institutional third-party staking service providers to help ensure that its staking assets are deployed in a manner that maximises network participation and associated rewards. These service providers are instructed to manage the staking of assets in a sophisticated and dynamic manner—including careful selection of validators, the distribution of assets across multiple validators, and the alignment of staking strategies with prevailing network conditions—with the aim of enhancing and maximising block production rates and staking yield. Moreover, the Company's established scale enables it to engage proactively with institutional staking service and custody providers, with a view to influencing the expansion of supported networks and assets in line with the Company's strategic plans for launching new staking activities. As its staking operations and digital asset holdings expand, the Company should be well positioned to negotiate more favourable commercial terms with institutional third-party service providers, particularly in the areas of staking services and custody. These potential cost advantages stem from economies of scale and are

complemented by operational benefits, which may support higher staking yields and more consistent income generation.

Currently, the Company does not operate its own staking infrastructure, relying instead on third-party staking service providers and decentralised staking protocols such as Lido for its staking operations. However, the Company is reviewing and evaluating the possibility of launching and operating its own internal staking infrastructure on certain networks. As of the date of this Prospectus, the Company is expecting to operate its own staking infrastructure through the launch of dedicated validator nodes on major PoS networks, including Ethereum, Polkadot and Celestia. Subject to the agreements being in final form, the Company is expecting to launch 138 validator nodes for Ethereum, 3 validator nodes for Polkadot, 1 validator node for Celestia, 1 validator node for Cosmos and 5 validator nodes for Kusama.

The Company places limits on its staking activities in order to manage risk and maintain strong oversight. Through the introduction of internal limits, only certain approved “whitelisted” assets are eligible for staking, which helps the Company to ensure reliable staking operations. The Supervisory Committee sets these limits based on certain key factors such as the maturity of the blockchain network, the presence of reliable third-party staking providers and the quality of available reporting. This approach helps the Company avoid unnecessary exposure to risk.

When technical constraints permit and the Company considers it advantageous, the Company may engage in ‘on-chain’ governance on selected blockchain networks by actively evaluating and voting on protocol improvement proposals (PIPs), including network upgrades and adjustments to network parameters. On certain networks, the protocol relies on votes from key participants (which may include the Company) to reach quorum or achieve governance consensus. When the Company participates in such governance matters, it aims to support the long-term success of the relevant network, optimising protocol performance and aligning network operations, incentives, and utility.

In addition to its existing staking operations, the Company manages its assets to optimise medium to long-term capital growth and intends to pursue strategic investments in the digital asset sector through assets related to innovative decentralised networks as well as specialised funds with exposure to the sector. These investments are aimed at achieving diversification, while positioning the Company to benefit from the long-term growth and evolution of the digital asset ecosystem. The Company may also enter into relevant partnerships or joint ventures in the digital asset sector.

The Company is not dependent on any patents or licences, industrial, commercial or new manufacturing processes. While the Company does use certain intellectual property licensed by Reflexivity (as described in paragraph 7.3 of Part 7 (*Additional Information*) of this Prospectus), it is not reliant on this intellectual property for its operations.

Financial contracts may be used to legally bind service providers for certain staking operations for specific periods of time. These contracts would be easily renewable and replaceable by other service providers.

The Company’s business plan, including the key assumptions and sensitivity analysis below, is in respect of the next two financial years.

Key assumptions

The Company’s business plan and strategy are based on certain assumptions, including:

- There will be continued growth in the digital asset industry as a whole, driven by increased adoption, usage and institutionalised acceptance of innovative decentralised networks, which will be reflected in the price of digital assets.
- Decentralised public blockchain protocols will remain the foundation of digital asset development.
- Staking will continue to be low-cost, accessible and energy efficient, and any regulation of digital asset staking will not materially impact the Company’s operations in its current jurisdictions.
- ‘Slashing’ will remain a recognised but rare risk in staking, and the Company will be able to continue to actively mitigate this risk.

- There will be continued growth in the market share of decentralised proof-of-stake networks and no more innovative challenging consensus mechanisms gains major adoption (or the Company is able to adjust accordingly).

Sensitivity analysis

The Company's business plan and strategy are influenced by external factors such as market volatility, regulatory changes and resource availability. This analysis highlights key risks and mitigation strategies relevant to the Company's operations and growth. The risks outlined in this section are not exhaustive and prospective investors should refer to the section entitled "Risk Factors" on pages 11 to 23 when considering an investment in the Company.

- ***Market volatility***
Market fluctuations could significantly impact the Company's income from staking activities and digital asset holdings. The Company continuously monitors the broader market and individual asset prices to assess risks and opportunities. To ensure transparency, it provides timely updates through unaudited monthly financial reports, enabling shareholders to stay informed about its staking activities, primary holdings and overall financial position.
- ***Regulatory changes***
The Company anticipates that regulatory attitudes toward digital assets and staking activities will continue to evolve both in the countries where it operates and globally. In the future, individual jurisdictions may introduce regulations governing digital asset staking, which could impact the Company's ability to operate in certain regions. To mitigate this risk, the Company diversifies its staking activities across multiple jurisdictions and, where applicable, may utilise third-party service providers to operate its staking infrastructure. This approach reduces exposure to regulatory changes that may restrict or impose prohibitively onerous requirements on staking activities.
- ***Risk of early-stage digital assets***
Exposure to early-stage digital assets carries risks, including potential project delays or failure to launch. The Company must acquire digital assets to participate in staking, which may sometimes involve acquiring assets before they are publicly launched. While such investments offer potential long-term capital appreciation benefits, they also introduce uncertainties and there remains a risk that a project may not proceed as expected or that staking functionality may be delayed, potentially affecting the Company's staking operations and returns.

6 Regulatory overview

The laws and regulations applicable to digital assets are evolving and subject to interpretation and change. Governments around the world have reacted differently to digital assets: certain governments have deemed them illegal, while others have allowed their use and trade without restriction. In some jurisdictions, such as the United States, digital assets are subject to extensive and, in some cases, overlapping, unclear and evolving regulatory requirements.

In the UK, an anti-money laundering and counter terrorist finance (AML/CTF) registration regime is in place for businesses undertaking cryptoasset exchange or custody wallet services in the UK, requiring them to be registered and to comply with the Money Laundering Regulations.

From January 2021, the FCA made rules prohibiting the retail marketing, distribution and sale of cryptoasset derivatives and cryptoasset exchange traded notes.

In addition, since 8 October 2023, the UK Financial Services and Markets Act 2000 (Financial Promotion) (Amendment) Order 2023 classifies activities like dealing, arranging deals, managing, or advising on investments in qualifying cryptoassets as "controlled activities." Consequently, the FCA's financial promotion regime now covers these cryptoassets, meaning that promoting cryptoassets to UK customers without complying with the rules may lead to criminal charges or FCA sanctions, including public censures, financial penalties and requirements for redress.

From January 2025, the UK Financial Services and Markets Act 2000 (Collective Investment Schemes) (Amendment) Order 2025 explicitly excludes "qualifying cryptoasset staking" (using qualifying cryptoassets for blockchain validation) from being classified as a collective investment scheme ("CIS"). This exemption addresses the UK Treasury's earlier concern that current CIS rules

were not effectively suited to regulate on-chain staking. The UK Treasury has previously acknowledged that certain intermediary activities associated with staking (such as custody, pooling of cryptoassets and issuance of liquid tokens) present consumer risks that must be addressed. However, there is potentially a case for these activities to be appropriately captured by existing regulatory regimes (including financial promotions, custody, lending and intermediation) without requiring additional staking-specific regulations.

In the Isle of Man, an AML/CTF registration regime is in place for “designated business” pursuant to the Isle of Man Designated Business (Registration and Oversight) Act 2015 (the “**DB Act**”). The DB Act includes as a designated business a business engaged in the activity of a virtual asset provider and might therefore be expected to include those businesses undertaking cryptoasset exchange or custody wallet services in the Isle of Man, requiring them to be registered with the Isle of Man Financial Services Authority (“**IOMFSA**”) and to comply with Isle of Man AML/CFT legislation.

The IOMFSA’s approach to regulation is technology neutral and it looks to the substance of the activity being undertaken rather than the form. In February 2024 the IOMFSA sought views on the current approach to the oversight of certain crypto-asset activities for AML/CFT purposes, potential approaches to the regulation of such activities, and how the cost of such regulation should be funded.

The Company’s activities do not currently require it to be regulated in the United Kingdom or the Isle of Man as it does not engage in any regulated activities in the UK or Isle of Man for the purposes of FSMA or the Isle of Man’s Regulated Activities Order 2011 (as amended). Its business is to generate income from digital assets through staking activities and to achieve medium to long-term capital growth through exposure to the digital asset ecosystem. The Company conducts these activities solely as principal, not on behalf of third parties, directly bearing all associated risks and rewards. The Company does not currently operate as a crypto asset exchange or custodian wallet provider, offer crypto asset derivatives or actively engage with or advertise to retail consumers, and it has no current plans to undertake any of these activities. The Company’s engagement with, or advertising to, non-retail consumers may, however, still be subject to restrictions under the UK financial promotions regime if an applicable exemption cannot be relied on.

The regulatory environment for digital assets is evolving, and new legislation, regulatory guidance or judicial interpretations may expand the scope of activities subject to regulation. The Company is unable to predict the effect that any future regulatory change, or any overlapping or unclear regulations, may have on it, but such change, overlap or lack of clarity could be substantial and make it difficult for the Company to operate its business or materially impact the market for digital assets with which it engages.

In this regard, on 29 April 2025, a draft Financial Services and Markets Act 2000 (Regulated Activities and Miscellaneous Provisions) (Cryptoassets) Order 2025 (the “**draft SI**”) was published by HM Treasury. Specifically, these draft provisions will:

- amend the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (the “**RAO**”) to:
 - define “qualifying cryptoassets” and “qualifying stablecoin”, as the principal classes of cryptoassets to which the amendments apply;
 - classify “qualifying cryptoassets” and “qualifying stablecoin” as specified investments under FSMA. “Qualifying cryptoassets” are a subcategory of FSMA “cryptoassets” which are fungible and transferable, and which includes “qualifying stablecoin”;
 - specify certain activities related to these assets as regulated activities, such that persons carrying on those activities need to be authorised for that activity by the FCA. These include stablecoin issuance, safeguarding (“custody”) of qualifying cryptoassets, operating a qualifying cryptoasset trading platform, dealing in qualifying cryptoassets as principal or as an agent, arranging deals in qualifying cryptoassets and qualifying cryptoasset staking.
- amend FSMA as a consequence of the RAO amendments, in particular to set the geographic perimeter for the new regulated activities;
- amend the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 to apply FSMA’s regulatory framework to that included in the RAO;

- make consequential amendments to the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 to reflect the new regulatory perimeter;
- make further consequential amendments to ensure:
 - “Qualifying stablecoin” backing assets are not considered either an alternative investment fund (“**AIF**”) or collective investment scheme (“**CIS**”); and
 - that there is a clear distinction between qualifying stablecoin and tokenised deposits, and electronic money, through an amendment to the Electronic Money Regulations 2011.

If enacted as drafted, these will require persons carrying on certain activities in relation to certain digital assets to become authorised by, and subject to the rules of, the FCA in due course. The final terms of these requirements are not yet known, but it is possible that they could impact the Company.

The draft SI does not include special provisions for decentralised finance (“**DeFi**”) models. Where specified activities are being undertaken on a truly decentralised basis, i.e. where there is no person that could be seen to be undertaking the activity by way of business, the requirements to seek authorisation will not be applicable. The FCA will determine in any given case whether there is a sufficiently controlling party or parties that ought to be subject to the requirement to be authorised in line with section 19 of FSMA.

In addition, planned market abuse and admissions and disclosures provisions will be published in due course.

HM Treasury intends to legislate for the new cryptoasset regulatory regime by the end of 2025, subject to parliamentary time allowing.

The FCA announced on 6 June 2025 that it is proposing to lift the ban on offering crypto exchange traded notes (“**cETNs**”) to retail investors. This would mean cETNs could be sold to individual consumers, rather than just professional investors, in the UK, if they are traded on an FCA-approved investment exchange (a recognised investment exchange or RIE). Financial promotion rules would apply, so consumers get information on the risks and would not be offered inappropriate incentives to invest, in the same way as if they bought cryptoassets directly.

The FCA’s ban on retail access to cryptoasset derivatives mentioned above will remain in place. The FCA stated that it will continue to monitor market developments and consider its approach to high-risk investments.

Regulation of crypto – the next stage

The FCA published a Consultation Paper CP25/25 on 17 September 2025 setting out how they propose to apply the FCA Handbook to the proposed regulated cryptoasset activities.

The Consultation Paper looks at how the FCA rules will apply to firms, but the proposals will be completed by activity-specific rules which the FCA will consult on separately later in 2025. FCA are also seeking feedback on the application of the Consumer Duty, Conduct of Business and Product Intervention and Product Governance (PROD) Sourcebooks, and Dispute Resolution (DISP).

The paper includes proposals as to how the FCA will apply, for example:

- Threshold Conditions (COND)
- Principles for Businesses (PRIN)
- Supervision (SUP)
- Systems and controls (SYSC)
- Senior Managers and Certification Regime (SMCR)
- Fitness (FIT)
- Operational Resilience in SYSC
- Financial Crime, as well as the Money Laundering Regulations
- ESG

7 Market overview, investment opportunity, key industry trends

Market overview

Digital assets have emerged as a transformative asset class over the past decade. Driven by technological innovation, broad end-user and institutional adoption and maturing regulatory frameworks, blockchains are affecting many industries, in particular finance, but with impacts spanning across supply chains, personal data, gaming, social networks and artificial intelligence.

Major financial institutions like BlackRock and Fidelity are now endorsing digital assets as an asset class with launches of record-breaking ETFs and improved custody and oversight in digital asset markets. Stablecoins, settled on decentralised networks, are starting to dominate the payments and cross-border transaction landscape and are playing an increasing role in maintaining the US Dollar as the world's reserve asset. Decentralised financial systems and tokenisation of traditional assets classes have already had an impact on capital markets and could further revolutionise liquidity and capital formation. Advancements in blockchain scalability, security and resilience are driving innovation across the sector, while jurisdictions such as the United States, the United Kingdom, the European Union and others continue to refine their regulatory frameworks to keep pace with the technology.

As at the Latest Practicable Date, the total digital asset market capitalisation, as reported by CoinMarketCap, sits at approximately US\$3.85 trillion and, according to many investors and research analysts, is expected to grow over the next decade. The digital asset market is dominated by Bitcoin (BTC), the largest digital asset by market capitalisation, sitting at approximately US\$2.28 trillion and representing approximately 59.0 per cent. of the entire digital asset market asset class as at the Latest Practicable Date. As at the Latest Practicable Date, Ethereum (ETH) is the second largest digital asset by market capitalisation, with a market capitalisation of approximately \$498 billion representing approximately 12.9 per cent. of the entire digital asset market asset class.

As at the Latest Practicable Date, the total market capitalisation of proof-of-stake network assets, as reported by CoinGecko, sits at approximately US\$886 billion with the largest proof-of-stake network asset being Ethereum, representing approximately 56.3 per cent. of this relevant market category.

Key industry trends

Ethereum transitioned from an energy-intensive proof-of-work (PoW) network to a proof-of-stake (PoS) network in September 2022, solidifying PoS as a major and innovative new consensus mechanism.

Robbie Mitchnick, BlackRock's Head of Digital Assets, recently described Ethereum as a technology innovation story, a bet on blockchain adoption and innovation.⁸

Further technological advancements and more innovative decentralised network architectures are being pioneered through a range of other PoS networks such as Celestia or Polkadot, which are paving the way for further digital asset innovation.

Investment opportunity

Decentralised networks and digital assets are breakthrough technologies, contributing to solving key problems in today's digital economy, and have captured trillions in value over the last decade with the potential to greatly expand further in the years to come.

There has been a rapid shift from when the World Wide Web first went live with Web 1.0, which introduced instant information exchange, to Web 2.0, where richer web applications emerged for users to contribute content and take part in social networks live over the internet.

Digital assets and blockchains initiated a further transformation extending these capabilities, now allowing users to own parts of the web via revolutionary digital ownership, send digital money safely in a permissionless fashion and creating innovative types of new business models. With the recent confluence of digital assets and artificial intelligence, there is a further expansion of innovation and extended capability of this new Web 3.0 technology.

The Directors believe that digital assets, and specifically digital asset staking, represent the next big investment opportunity of the next decade.

⁸ Ainvest, *BlackRock's Ether ETF Success Hindered by Lack of Staking*, available at <https://www.ainvest.com/news/blackrock-ether-etf-success-hindered-lack-staking-2503/> (last accessed 27 October 2025).

8 Competition

The Company is aware of Argo Blockchain plc (LSE:ARB) and Vinanz Limited (LSE:BTC), which are two publicly traded companies on the London Stock Exchange that operate in the digital asset sector and also contribute to the security of decentralised networks (and which had their latest prospectuses approved on 23 September 2021 and 24 December 2024, respectively). The Directors believe that these companies can be considered potential competitors to the Company as they have analogous business models, equally dependent on the income generated from and the market value of digital assets. The Company differentiates itself from these competitors to the extent that the Company focuses on staking activities on a range of innovative and efficient PoS networks rather than on energy-intensive mining activities on PoW networks.

The Company is also aware of publicly traded digital asset companies overseas, such as Coinbase Global, Inc. (NASDAQ:COIN) and Galaxy Digital Holdings Ltd. (TSX:GLXY), which also operate in the digital asset sector. These companies can, to some degree, be considered as competitors to the Company, but only in certain areas of their businesses. The Directors believe that these overseas companies operate on a significantly larger scale and size to the Company and with more diversified business models. The Company differentiates itself from these competitors by concentrating its activities primarily on the staking of digital assets, in line with the Company's business strategy.

The digital asset industry, including staking and other related activities, is highly competitive and characterised by relatively low barriers to entry. Many digital asset networks operate as permissionless systems, meaning that any participant with the necessary economic and technical resources can engage in activities such as staking, validation and transaction processing without requiring licenses, intellectual property rights or regulatory approvals. This open-access structure allows for rapid increases in the amount of market participants, which can intensify competition and reduce profitability.

9 Investments

Since 30 June 2025 (being the date to which the Company's last published financial statements have been prepared), the Company has not made any material investments. In addition, as at the Latest Practicable Date, no material investments are in progress or are subject to firm commitments.

10 Custody and storage

The Company holds digital assets in custody with third-party institutional custody providers, as well as with various digital asset exchanges and, to a lesser extent, in the Company's self-hosted digital asset wallets, in connection with the ordinary activities of the Company.

As at the date of this Prospectus, the Company primarily uses Coinbase, Bitcoin Suisse and Fireblocks for custody. As regards digital asset exchanges, the Company primarily holds assets with Kraken.

The Company regularly reviews its custody arrangements with a view to identifying and adding institutional custody providers that can support additional assets in its portfolio.

The Company's assets are held within custody accounts or with digital asset exchanges wherever possible and, as of 31 December 2024, less than 1 per cent. of the Company's assets were held within self-hosted wallets. The constraining factor on transferring assets from self-hosted wallets into institutional custody arrangements is generally the availability of third parties providing custody services for early-stage digital assets, with such services often only becoming available when the digital asset is of a sufficient scale for it to be commercially viable.

The Company has established various controls and procedures to secure its digital assets, including multi-party approvals for transactions, whitelisted address restrictions, two-factor authentication, real-time activity alerts, time-delayed withdrawals, authorised backups and, to a lesser extent, secure storage of private keys through hardware wallets.

11 Background to and benefits of the Initial Admission and the Placing Programme

The Directors believe that there are attractive opportunities for the Company to deliver long-term capital returns for Shareholders by expanding its operations in the digital asset sector. Accordingly, the Placing Programme is being implemented to enable the Company to raise additional capital in

the period from 25 November 2025 to 28 October 2026 to expand the Company's existing staking operations in line with its business strategy. The Directors intend to achieve this by acquiring additional staking assets that the Company can stake on proof-of-stake networks, with a view to increasing and further diversifying income generation across its staking networks.

Investors should consult their independent financial adviser if they are in any doubt about the contents of this Prospectus or the acquisition of Ordinary Shares. Further details of the Placing Programme are set out in Part 4 (*The Placing Programme*) of this Prospectus.

The Directors also believe that the market capitalisation of the Company justifies a move to the Main Market of the London Stock Exchange. In particular, the Directors believe that Initial Admission is in the best interests of the Company and Shareholders as a whole for the following reasons:

- the Company will have access to a larger pool of capital which may improve the liquidity of the Ordinary Shares;
- it is expected to facilitate a broadening of the Company's share register, with a particular focus on attracting non-retail and institutional investors;
- it may enable the Company to be eligible for inclusion in the FTSE UK Index Series which may further facilitate increased liquidity;
- it may help to raise the Company's profile with increased media coverage and investor interest, which in turn would enhance its status and could potentially increase analyst coverage; and
- the Company will be required to comply with higher standards of governance required by listed companies under the UK Listing Rules.

The Placing Programme and Initial Admission are conditional on, *inter alia*, the passing of the Migration Resolution by Shareholders at the General Meeting to be held at 10.15 a.m. on 20 November 2025. The Placing Programme is also conditional on, *inter alia*, the passing of the Placing Programme Resolution at the General Meeting.

12 Dividend Policy

The Directors' current intention is to retain any earnings for use in the Company's operations and the Directors do not anticipate declaring any dividends in the foreseeable future. The Company will only pay dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate and to the extent that to do so is in accordance with all applicable laws.

The Company did not declare or pay any dividends during the 12-month period ended 31 December 2024.

13 Capital allocation policy

The Directors believe that digital assets represent high future growth potential as decentralised networks become foundational technologies for the economy and internet.

Accordingly, the Company intends to allocate the majority of its capital towards expanding its staking activities and holdings. The Company aims to achieve this by compounding the income it receives from its staking operations, gradually increasing network ownership to optimise medium to long-term capital growth.

In addition, the Company intends to allocate a portion of its capital towards staking and staking adjacent acquisitions and investments (ranging from earlier to later stages) and further investments into innovative and disruptive trends for diversification purposes.

The Company aims to maintain a simple and conservative capital structure, with no debt, a strong balance sheet, and a single class of shares comprising Ordinary Shares.

14 Share Option Schemes and Director bonuses

In anticipation of the Transfer of Listing, the Company has reviewed its existing share option scheme. The existing scheme was put in place in 2017 and permits the Board to grant share options to subscribe for Ordinary Shares to certain eligible individuals, including Directors and employees of the Company (the "**2017 Share Option Scheme**"). The 2017 Share Option Scheme

has been terminated and replaced by the Share Option Schemes, which were adopted on 23 October 2025. The Share Option Schemes allow for the award of options to Directors, employees and consultants of the Company, subject to vesting conditions where appropriate. Further details of the Share Option Schemes are set out in paragraph 3.2 of Part 7 (*Additional Information*) of this Prospectus.

The Board has resolved to pay bonuses to Rhys Davies, Non-Executive Chairman of the Company, as well as to Mona Elisa and Aeron Buchanan, Non-Executive Directors of the Company, contingent on the successful publication of the Prospectus and in recognition of their work in relation to the Transfer of Listing (the “**Contingent Bonuses**”). The Contingent Bonus due to Rhys Davies is to be satisfied by the issue of 580,000 Ordinary Shares, such Ordinary Shares to be issued on or around the date of publication of this Prospectus. A Contingent Bonus of £45,000 is payable to each of Mona Elisa and Aeron Buchanan shortly after the date of publication of this Prospectus, but this is also contingent on them surrendering their existing share options in the Company over 77,519 and 145,631 Ordinary Shares respectively.

15 Share buybacks

The Company may, from time to time, purchase its own Ordinary Shares in the market. The Directors currently have the authority to make market purchases of up to 26,224,691 Ordinary Shares. The maximum price (exclusive of expenses) which may be paid for an Ordinary Share is the higher of: (i) 105 per cent. of the average of the middle market quotations for an Ordinary Share (as derived from the Aquis Stock Exchange) for the five business days immediately preceding the day on which such Ordinary Share is contracted to be purchased; and (ii) the higher of the price of the last independent trade in the Ordinary Shares and the highest then current independent bid for an Ordinary Share on the trading venue where the purchase is carried out. This authority will expire on 29 October 2025.

At the General Meeting, the Company is seeking Shareholder approval of a replacement share buyback authority, to make market acquisitions of up to 14.99 per cent. of the issued number of Ordinary Shares (excluding treasury shares) as of the date of the Notice of General Meeting (being 26,533,277 Ordinary Shares) or, if lower, such number as is equal to 14.99 per cent. of the issued number of Ordinary Shares at the date of passing the resolution. The minimum purchase price per Ordinary Share is £0.0019 (nominal value), while the maximum price is the higher of: (i) 105 per cent. of the average of the middle market quotations for an Ordinary Share (as derived from the London Stock Exchange) for the five business days immediately preceding the day on which such Ordinary Share is contracted to be purchased; and (ii) the higher of the price of the last independent trade in the Ordinary Shares and the highest then current independent bid for an Ordinary Share on the trading venue where the purchase is carried out. If passed, the Company's authority to make market purchases of Ordinary Shares pursuant to this authority will expire at the conclusion of the annual general meeting of the Company to be held in 2026. It is intended that a renewal of the authority to make market purchases will be sought from Shareholders at each annual general meeting of the Company.

Purchases of Ordinary Shares will be made within guidelines established from time to time by the Board. Ordinary Shares purchased by the Company may be held in treasury or cancelled. Purchases of Ordinary Shares may be made only in accordance with the 2006 Act, the UK Listing Rules and the Disclosure Guidance and Transparency Rules.

Investors should note that the repurchase of Ordinary Shares is entirely at the discretion of the Board and no expectation or reliance should be placed on such discretion being exercised on any one or more occasions or as to the proportion of Ordinary Shares that may be repurchased.

16 Net Asset Value and monthly updates

As at the date of this Prospectus, the unaudited Net Asset Value per Ordinary Share is calculated in Sterling by the Company on a monthly basis and published through a Regulatory Information Service. The Net Asset Value is the value of all assets of the Company less its liabilities (including tax liabilities and any accrued Performance Fee) to creditors (including provisions for such liabilities). Such calculations are made in accordance with the Company's accounting policies adopted from time to time and, for the avoidance of doubt, reflect any provisions made in respect of accrued Performance Fees payable to Reflexivity and tax liabilities.

As at the date of this Prospectus, the Company also publishes monthly updates on its activities, including details of its unaudited income from digital assets and main holdings of digital assets.

The Directors may temporarily suspend the calculation, and publication, of the Net Asset Value during a period when, in the opinion of the Directors:

- there are political, economic, military or monetary events or any circumstances outside the control, responsibility or power of the Board, and disposal or valuation of assets of the Company or other transactions in the ordinary course of the Company's business is not reasonably practicable without this being materially detrimental to the interests of Shareholders or if, in the opinion of the Board, the Net Asset Value cannot be fairly calculated;
- there is a breakdown of the means of communication normally employed in determining the calculation of the Net Asset Value; or
- it is not reasonably practicable to determine the Net Asset Value on an accurate and timely basis.

Any suspension in the calculation of the Net Asset Value will be notified through a Regulatory Information Service as soon as practicable after any such suspension occurs.

17 Meetings, reports and accounts

The Company holds an annual general meeting in each year and not more than fifteen months shall elapse between the date of one annual general meeting and that of the next. The annual report and accounts of the Company are made up to 31 December in each year with copies expected to be made available to Shareholders through a Regulatory Information Service and the Company's website within the following four months. The Company also publishes unaudited half-yearly reports to 30 June each year with the document expected to be published within the following three months. Periodic reporting of information relating to liquidity and leverage will be made in the annual report and accounts.

The Company's financial statements are prepared in accordance with UK-adopted International Accounting Standards.

18 Risk factors

The Company's activities are dependent on many factors and potential investors should read the whole of this Prospectus and in particular the section entitled "Risk Factors" on pages 11 to 23.

PART 2

THE BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

1 Directors

The Directors are responsible for the determination of the Company's business strategy and have overall responsibility for the Company's activities, including the review of business activity and performance and the control and supervision of the Company's service providers. The Directors may delegate certain functions to other parties such as the Management Team, the Registered Agent and the Registrar.

The Board comprises two executive directors and three independent non-executive directors. The Directors generally meet at least four times per annum.

The Directors of the Company and their functions are:

George McDonald (Managing Director & Co-Founder)

Keld van Schreven (Managing Director & Co-Founder)

Rhys Davies (Non-Executive Director & Chairman)

Mona Elisa (Non-Executive Director)

Aeron Buchanan (Non-Executive Director)

Profiles of the Directors are set out below:

George McDonald, Managing Director & Co-Founder

George discovered Bitcoin in 2011 while working as a copywriter in London, having earned a Master's degree in advertising from Edinburgh Napier University. Convinced by the power and potential of Bitcoin, he left advertising to focus on educating and promoting decentralised technologies full-time. By 2016, Ethereum was gaining in popularity and George was organising blockchain meet-ups in the City, building a broad network of professionals, researchers and developers in the field. Through these events, he co-founded KR1 plc in its current form together with Keld van Schreven.

Keld van Schreven, Managing Director & Co-Founder

Keld is a veteran web and mobile entrepreneur with over three decades of experience in technology startups. Having founded and grown several companies in the payments and enterprise space to millions of users and multi-million-pound turnover between 1994 and 2016, he has a proven track record of innovation and success. Keld discovered Bitcoin in 2013 and was among the first to embrace Ethereum at its launch in 2015. Keld holds a Bachelor of Arts with Honours from the University of the Arts London and is currently a mentor to a startup accelerator program within Imperial College London.

Rhys Davies, Non-Executive Director & Chairman

Rhys is the Founder and Chairman of Creselly Investments AG and Creselly Immobilien AG. Rhys has over 30 years' experience of making investments in public and private markets and has served as a director of many listed and unlisted companies and investment funds. Prior to founding Creselly, Rhys worked for The Boston Consulting Group and Schroder Investment Management. Rhys holds degrees from the University of Wales, Cardiff and Imperial College, London, as well as the Chartered Financial Analyst (CFA) designation.

Mona Elisa, Non-Executive Director

Mona joined KR1 plc in 2021 and is the CEO of Avantgarde Finance. Mona also founded blockchain based protocol Enzyme, known for tokenized structured products in finance. She previously held roles at Goldman Sachs and Jabre Capital. Mona also served as Chair of NEAR Foundation from 2023 to 2024, having served as a Trustee from 2019 to 2023.

Aeron Buchanan, Non-Executive Director

Aeron joined KR1 plc in 2022 and is the Vice Chair of the Web3 Foundation, having previously been the Chair of the Web3 Foundation. Aeron is also a co-founder of Parity Technologies and Grid Singularity, and previously worked as a Researcher and Regulatory Compliance Expert at the Ethereum Foundation and served as their COO. Aeron earned his PhD in Robotics in the field of Computer Vision from the University of Oxford.

2 Management Team

The Management Team is responsible for managing the Company's day-to-day operations, subject to the overall policies and directions of the Board, including seeking out and evaluating business opportunities, acquiring digital asset holdings when deemed appropriate (following approval of the Supervisory Committee), and staking the Company's assets (within limits set by the Supervisory Committee). The Management Team is also responsible for coordinating service providers, assisting with corporate and administrative matters, and representing the Company in any public communications and investor communications, among other things.

The Management Team currently comprises George McDonagh and Keld van Schreven, whose profiles are set out above, and Janos Berghorn, whose profile is set out below:

Janos Berghorn, Chief Investment Officer

Janos joined KR1 plc shortly after its inception as part of the founding team. He became interested in digital assets as an emerging asset class while studying economics and finance at Maastricht University and Bocconi University. He has extensive knowledge of decentralised systems and a broad network in the digital asset industry built over years attending industry meetups and technical developer conferences.

3 Other key employees

Carol Hughes, Head of Finance

Carol has over 21 years of relevant industry experience including nine years focused on digital assets, being one of the first in the industry to explore and develop accounting treatments for digital assets.

Dion Willis, Head of Operations

Dion has been interested in blockchain technologies for nearly a decade, with a background in virtual reality, robotics and user experience. He has been involved with emerging technologies for 15 years and earned a BSc, PGCert and PhD from the University of Portsmouth.

Peter Holsgrove, Head of Investor Relations

Peter brings over a decade of product and commercial experience, including as founder of a venture-funded startup that introduced physical art NFTs on Ethereum. He has been active in the digital asset sector since 2017.

4 Supervisory Committee

The Board has established a Supervisory Committee to enhance its oversight of the day-to-day operations of the Company. The Supervisory Committee must comprise at least three members, including one Non-Executive Director, one member of the Management Team, and one member of the Company's Operations Team (comprising the Company's Head of Operations, Head of Finance and any other roles designated by the Board as part of the Operations Team from time to time). The Supervisory Committee currently comprises Rhys Davies, Janos Berghorn and Carol Hughes. The Chair of the Supervisory Committee is appointed by the Board and is currently Rhys Davies.

The Supervisory Committee meets at least quarterly and at such other times as the Chair of the Supervisory Committee shall require. Other directors and external advisers may be invited to attend from time to time. Decisions by the Supervisory Committee are taken by majority vote, which must include the affirmative vote of at least one non-executive director of the Company.

The Supervisory Committee's duties include:

- considering, reviewing and setting limits on the Company's staking activities (on an asset-by-asset basis);
- regularly reviewing the Company's staking activities to ensure compliance with any staking limits set by the Supervisory Committee;
- considering, reviewing, analysing and, as appropriate, approving additions and disposals of digital assets in accordance with the Company's business strategy and with a view to achieving the business objectives of the Company; and
- regularly reviewing the Company's digital asset holdings and exposures to ensure compliance with the Company's business strategy.

The Chair of the Supervisory Committee (or his/her delegate) reports formally to the Board on proceedings after each meeting on all matters within its duties and responsibilities. The Supervisory Committee may also provide representatives to attend Board meetings in connection with any of its duties.

5 Registered Agent

IQ EQ (Isle of Man) Limited has been appointed as the Company's Registered Agent in accordance with the 2006 Act and has also been appointed to provide certain administrative and secretarial services to the Company.

6 Fees and expenses

Expenses in connection with the Initial Admission and the Placing Programme

The costs and expenses of the Initial Admission and the establishment of the Placing Programme (such as printing, legal and accounting fees and all fees, commissions and expenses payable to Singer Capital Markets under the Sponsor and Placing Agreement) will be paid by the Company.

The costs and expenses of the Initial Admission are expected to be approximately £1,700,000 (inclusive of VAT). The costs will be met by the Company and are expected to be paid on or around Initial Admission out of its existing resources. The Company will not charge investors any separate costs or expenses in connection with the Initial Admission.

The costs and expenses of each issue of Ordinary Shares under the Placing Programme will depend on, among other things, subscriptions received and the relevant Placing Programme Price, and will be borne by the Company out of the proceeds of the relevant Placing.

Ongoing annual expenses

The Company's ongoing annual expenses include the following:

(i) Reflexivity Research Limited

Pursuant to the Reflexivity Services Agreement, the Company has engaged Reflexivity to provide certain key personnel (being the members of the Management Team) and services to the Company, as more fully described in paragraph 7.3 of Part 7 (*Additional Information*) of this Prospectus.

In consideration of these services, the Company has agreed to pay Reflexivity a monthly consultancy fee calculated at the rate of: (i) 1.90 per cent. per annum on that part of the Net Asset Value up to and including £250 million; and (ii) 1.70 per cent. per annum on that part of the Net Asset Value in excess of £250 million (the "**Consultancy Fee**").

The Consultancy Fee accrues daily and is calculated on the last Business Day of each calendar month based on the most recently published Net Asset Value. The Performance Fee is payable in cash in arrear within 14 days of the end of each calendar month.

Subject to the Company meeting certain performance criteria, Reflexivity is also entitled to a performance fee (the "**Performance Fee**"). The Performance Fee is designed to reward Reflexivity for the key personnel and services it provides if the Company achieves NAV growth above a certain high-water mark.

The Performance Fee is measured over consecutive, discrete performance periods of 12 months starting on 1 January and ending on 31 December in each calendar year (each a “**Calculation Period**”).

If, at the end of a Calculation Period, the Adjusted Net Asset Value exceeds the High-Water Mark, then Reflexivity shall be entitled to receive a performance fee in Sterling from the Company in respect of that Calculation Period calculated on the following basis:

$$\text{PF} = (\text{A} - \text{B}) \times 20 \text{ per cent.}$$

Where:

PF is the Performance Fee payable to Reflexivity in respect of the Calculation Period;

A is the Adjusted Net Asset Value on the last day of the Calculation Period;

B is the High Water Mark on the last day of the Calculation Period.

For these purposes:

“**Adjusted Net Asset Value**” means the Net Asset Value:

- plus: (a) the aggregate amount of all dividends and other distributions paid to the Shareholders; and (b) the aggregate amount of any dividends or distributions to the Shareholders accrued in the Net Asset Value but unpaid; in each case since 31 December 2019 and without duplication;
- plus: in respect of any redemptions or repurchases of Ordinary Shares or other securities of the Company since 31 December 2019, the aggregate of the amounts that would have been disbursed by the Company pursuant to those redemptions or repurchases if those redemptions or repurchases had been carried out at the prevailing Net Asset Value per Ordinary Share or Net Asset Value per security (as applicable) at the time of each such redemption or repurchase;
- less: in respect of any issues of Ordinary Shares or other securities (or any equivalent capital injections) by the Company since 31 December 2019, the aggregate net proceeds that would have been received by the Company pursuant to those issues or capital injections if those issues or capital injections had been carried out at the prevailing Net Asset Value per Ordinary Share or Net Asset Value per security (as applicable) at the time of each such issue or capital injection; and
- plus: an amount equal to any accrued but unpaid Performance Fee in respect of the Calculation Period for which the Adjusted Net Asset Value calculation is being performed.

“**High Water Mark**” means the higher of (a) the Net Asset Value as at 31 December 2019 and (b) the Adjusted Net Asset Value as at the end of the last Calculation Period for which a Performance Fee was earned.

The Performance Fee will accrue as a liability throughout each Calculation Period and will be reflected in the Company’s published Net Asset Value, which will be adjusted daily to account for the total Performance Fee, if any, owed to Reflexivity. At the end of a Calculation Period, following payment of the Performance Fee (if any) by the Company, the accrued Performance Fee liability for that Calculation Period will be extinguished in the Company’s published Net Asset Value.

If the Reflexivity Services Agreement is terminated during a Calculation Period, the Performance Fee in respect of that Calculation Period shall be calculated and paid as though the date of termination were the end of the relevant Calculation Period.

Save as set out below, each Performance Fee shall be payable to Reflexivity, or as it may direct, in Ordinary Shares (issued at the prevailing Net Asset Value per Ordinary Share at the end of the relevant Calculation Period), such shares to be issued within 20 Business Days of publication of the audited Net Asset Value as at the end of the relevant Calculation Period.

Pursuant to the Reflexivity Services Agreement, the Company and Reflexivity have agreed that, to the extent that any Ordinary Shares acquired and held by Reflexivity and any parties acting in concert with it (within the meaning of the Takeover Code) would exceed (in aggregate) 29.99 per cent. of the total number of Ordinary Shares in issue, any Performance Fee to

which Reflexivity is entitled may be paid in cash. In addition, to the extent that the Board determines that the issue of Ordinary Shares in satisfaction of the Performance Fee would create a significant legal, regulatory or tax issue for the Company under any applicable law or regulation, the Board may elect to pay any Performance Fee in cash.

Reflexivity is also entitled to reimbursement of any expenses reasonably and properly incurred by it on behalf of the Company, save that annual expenses in excess of £50,000 must be pre-approved by the Non-Executive Directors.

Further details of the Reflexivity Services Agreement are set out in paragraph 7.3 of Part 7 (*Additional Information*) of this Prospectus.

(ii) *Executive Directors, Management Team and employees*

Each Executive Director currently receives remuneration (inclusive of salary and benefits (if any)) equal to £75,000 per person per annum with no inflationary or other increases. Janos Berghorn is currently entitled to a consultancy fee of £6,250 per month (plus applicable VAT) with no inflationary or other increases. The aggregate remuneration (inclusive of salary, bonus and benefits (if any)) payable to the Company's other employees is currently £227,000 per annum. The Company may from time to time review salaries and consultancy fees of its personnel.

(iii) *Non-Executive Directors*

Each of the Non-Executive Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. The New Articles limit the aggregate amount of fees paid to the Non-Executive Directors in any financial year to £500,000.

Save for the Chairman, the current fees are £45,000 for each Non-Executive Director per annum. The Chairman's fee is £120,000 per annum. In addition, the Chair of the Audit and Risk Committee may receive a fee in recognition of the additional duties involved. The Directors are also entitled to out-of-pocket expenses incurred in the proper performance of their duties. All of the Directors are also entitled to be paid all reasonable expenses properly incurred by them in attending general meetings, board or committee meetings or otherwise in connection with the performance of their duties. The Board may determine that additional remuneration may be paid, from time to time, to any one or more Directors in the event such Director or Directors are requested by the Board to perform extra or special services on behalf of the Company.

The Board has resolved to pay Contingent Bonuses to Rhys Davies, Non-Executive Chairman of the Company, as well as to Mona Elisa and Aeron Buchanan, Non-Executive Directors of the Company, contingent on the successful publication of a prospectus to migrate the Company's listing to the Main Market and in recognition of their work in relation to the Transfer of Listing. The Contingent Bonus due to Rhys Davies is to be satisfied by the issue of 580,000 Ordinary Shares, such Ordinary Shares to be issued on the date of publication of the prospectus. Accordingly, in connection with the publication of this Prospectus, 580,000 Ordinary Shares will be issued to Rhys Davies (or as he may direct) on or around the date of this Prospectus for a nominal amount of £1,102. A Contingent Bonus of £45,000 is payable to each of Mona Elisa and Aeron Buchanan shortly after the date of publication of this Prospectus, but is also contingent on them surrendering their existing share options in the Company over 77,519 and 145,631 Ordinary Shares respectively.

The award of each Contingent Bonus constitutes a related party transaction under the rules of the Aquis Growth Market. The Directors (excluding, respectively, Rhys Davies, Mona Elisa and Aeron Buchanan in respect of their own Contingent Bonus), having exercised reasonable care, skill and diligence, have concluded that the award of each Contingent Bonus is fair and reasonable as far as the Shareholders are concerned.

Other ongoing annual expenses

The Company's other ongoing annual expenses include the following:

(i) Registrar

Under the terms of the Transfer Agent Agreement, the Registrar is entitled to receive a fee depending on the number of shareholders, the number of transfers processed, the number of dividend payment processed, the number of proxy forms processed and the Registrar's attendance at an annual or general meeting of the Company. The fees are subject to an increase equivalent to the annual percentage rise in the retail price index and also to review by the Registrar in its absolute discretion on 1 April each year.

(ii) Registered Agent, administration and accounting

Under the terms of the Administration and Secretarial Agreement, the Registered Agent is currently entitled to receive a fixed annual fee of £5,480. The Registered Agent is entitled to vary the scale of charges by not less than 30 days prior notice in writing to the Company.

(iii) Formidium Master Services Agreement

Under the terms of the Formidium Master Services Agreement, Formidium is entitled to receive monthly fees, which are calculated according to a tiered structure based on the Company's assets under management. Formidium will bear its own expenses in connection with the performance of the services they provide under the Formidium Master Services Agreement, except as otherwise agreed between Formidium and the Company.

(iv) AlbR

Under the terms of the AlbR Agreement, the Company has agreed to pay AlbR an annual retainer fee of £15,000, with additional fees applicable for fundraising activities.

(v) Other operational expenses

The Company also pay fees to various third-party custody and staking service providers. These fees generally differ between providers and vary from one transaction to another.

Other ongoing operational expenses (excluding fees paid to service providers as detailed above) of the Company will be borne by the Company including travel, accommodation, printing, audit, finance costs, due diligence and legal fees. All reasonable out of pocket expenses of the Registered Agent, the Registrar, AlbR and the Directors relating to the Company will be borne by the Company.

7 Conflicts of interest

Save as set out below, as at the date of this Prospectus, none of the Directors or Management Team has any conflict of interest or potential conflicts of interest between any duties to the Company and their private interests and any other duties.

As at the date of this Prospectus, each member of the Management Team, being George McDonough, Keld van Schreven and Janos Berghorn, holds a 33.33 per cent. interest in Reflexivity. As explained in paragraph 6 of this Part 2, the Company has engaged Reflexivity to provide certain key personnel (being the members of the Management Team) and services to the Company, in return for which Reflexivity is entitled to receive a monthly Consultancy Fee and, subject to the Company meeting certain performance criteria, a Performance Fee.

The fact that the Executive Directors are shareholders of Reflexivity creates the potential for a conflict of interest concerning the Company's arrangements with Reflexivity. This risk is managed by ensuring that all material decisions relating to the Company's arrangements with Reflexivity are approved by the Board and that the Executive Directors do not vote on, and do not count towards the quorum for, those Board decisions. In addition, the Board regularly reviews the Company's arrangements with Reflexivity to ensure that they remain on arm's length terms and in the best interests of the Company and its Shareholders as a whole.

In addition to the potential conflict outlined above, there is also a potential conflict of interest regarding valuation. The Company's valuation procedures are structured to provide adequate controls and avoid conflicts of interest. However, since Reflexivity's entitlement to a Performance Fee is based on the Company's Net Asset Value, and since the valuation of certain assets of the

Company may be based on information provided by the Management Team, there is the possibility that a conflict of interest may arise. In order to manage any such conflict, the valuation and accounting policy and procedures are reviewed periodically by the Board (or the Audit and Risk Committee). Further, all material holdings of the Company and their valuations are reviewed by the Auditor on an annual basis as part of the audit of the Company's annual report, which conforms with UK-adopted international accounting standards. It is also worth noting that a large majority of the Company's assets during the year ended 31 December 2024, and in previous years, were intangible assets traded in an active market (liquid digital assets), which are carried at fair value based on observable inputs independent of the Management Team and Reflexivity.

8 Corporate governance

As at the date of this Prospectus, the Company reports against the Corporate Governance Code published by the Quoted Companies Alliance (the "**QCA Code**"). However, with effect from Initial Admission, the Company intends to report against the UK Corporate Governance Code. The UK Corporate Governance Code sets out standards of good practice in relation to board leadership and effectiveness, remuneration, accountability and relations with shareholders. 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. The UK Corporate Governance Code states that the board should identify the directors it considers to be independent and sets out circumstances which are likely to impair, or could impair, a director's independence. A majority of the Board of the Company are independent Non-Executive Directors.

With effect from Initial Admission, the Company intends to comply with the recommendations of the UK Corporate Governance Code, except as set out below.

The Company does not currently have a nomination committee, remuneration committee or senior independent director, as the Board considers these structures unnecessary given the size and stage of the Company's development. The Board believes that its current composition allows it to effectively manage nomination, remuneration and governance matters directly, ensuring appropriate oversight without additional formal committees, but will keep its governance arrangements under regular review. Should the Company grow in size or complexity, the Board will reconsider establishing these committees and/or appointing a senior independent director, as appropriate.

Audit and Risk Committee

The Company has established an Audit and Risk Committee, which is chaired by Rhys Davies and has Rhys Davies and Mona Elisa as members. The Audit and Risk Committee will meet at least twice a year. The Executive Directors and other members of the Board may be invited to attend from time to time. The Board considers that the members of the Audit and Risk Committee have the requisite skills and experience to fulfil the responsibilities of the Audit and Risk Committee. The Audit and Risk Committee examines the effectiveness of the Company's risk management and internal control systems. It reviews the annual and half-yearly reports and also reviews the scope, results, cost effectiveness, independence and objectivity of the external auditor.

Notwithstanding the recommendations of the UK Corporate Governance Code, the Chairman of the Board currently serves as both a member and the Chair of the Audit and Risk Committee. The Board considers this arrangement to be appropriate due to the Chairman holding the Chartered Financial Analyst (CFA) designation, providing essential and recent financial expertise necessary to satisfy the UK Corporate Governance Code's requirement that at least one member of the Audit and Risk Committee has recent and relevant financial experience. The Board believes that this enhances rather than diminishes committee effectiveness, while appropriate safeguards remain in place to manage any potential conflicts of interest.

PART 3

THE INITIAL ADMISSION

1 Introduction

The Company is seeking admission of the existing Ordinary Shares to listing on the equity shares (commercial companies) category of the Official List and to trading on the London Stock Exchange's Main Market.

In order to facilitate the Initial Admission, the Company has convened the General Meeting at which the Directors are seeking authority from Shareholders to, *inter alia*, replace the Existing Articles in their entirety with the New Articles.

2 Reasons for the Initial Admission

The Directors believe that the market capitalisation of the Company justifies a move to the Main Market of the London Stock Exchange. In particular, the Directors believe that Initial Admission is in the best interests of the Company and Shareholders as a whole for the following reasons:

- the Company will have access to a larger pool of capital which may improve the liquidity of the Ordinary Shares;
- it is expected to facilitate a broadening of the Company's share register, with a particular focus on attracting non-retail and institutional investors;
- it may enable the Company to be eligible for inclusion in the FTSE UK Index Series which may further facilitate increased liquidity;
- it may help to raise the Company's profile with increased media coverage and investor interest, which in turn would enhance its status and could potentially increase analyst coverage; and
- the Company will be required to comply with higher standards of governance required by listed companies under the UK Listing Rules.

The Initial Admission is conditional on, *inter alia*, the passing of the Migration Resolution by Shareholders at the General Meeting to be held at 10.15 a.m. on 20 November 2025.

3 Costs of the Initial Admission

The costs and expenses of the Initial Admission are expected to be approximately £1,700,000 (inclusive of VAT). The costs will be met by the Company and are expected to be paid on or around Initial Admission out of its existing resources. There are no commissions, fees or expenses to be charged to investors by the Company.

4 General

In the event that there are any significant changes affecting any of the matters described in this Prospectus or where any significant new matters have arisen after the publication of this Prospectus and prior to Initial Admission, the Company will publish a supplementary prospectus. The supplementary prospectus will give details of the significant change(s) or the significant new matter(s).

5 Admission

Applications will be made to the FCA for all of the existing Ordinary Shares to be admitted to the equity shares (commercial companies) category of the Official List and to the London Stock Exchange for such Ordinary Shares to be admitted to trading on the Main Market of the London Stock Exchange. It is expected that Initial Admission will become effective and dealings will commence on 25 November 2025.

As at the date of this document, the Ordinary Shares are admitted to trading on the Apex segment of the Aquis Growth Market. The admission of the existing Ordinary Shares to trading on the Aquis Growth Market is expected to be cancelled on 25 November 2025.

The Ordinary Shares ceasing to be traded on the Aquis Growth Market and the admission of the Ordinary Shares to the equity shares (commercial companies) category of the Official List and to trading on the Main Market of the London Stock Exchange are conditional on, *inter alia*, the passing of the Migration Resolution by Shareholders at the General Meeting.

The ISIN number of the Ordinary Shares is IM00BYYPQX37 and the SEDOL code is BYYPQX3.

The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in the Ordinary Shares, nor does it guarantee the price at which a market will be made in the Ordinary Shares. Accordingly, the dealing price of the Ordinary Shares may not necessarily reflect changes in the Net Asset Value per Ordinary Share.

6 Material interests

There are no interests that are material to the Initial Admission and no conflicting interests.

7 Profile of a typical investor

The Ordinary Shares are designed to be suitable for institutional investors and professionally advised private investors seeking exposure to a company whose business is to generate income from digital assets through staking activities and to achieve medium to long-term capital growth through exposure to the digital asset ecosystem. The Ordinary Shares may also be suitable for investors who are financially sophisticated, non-advised private investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such an investment.

Potential investors should consider with care whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them. Private investors who are unsure whether to invest should consider consulting a financial adviser authorised under FSMA to assess whether an investment in the Company is suitable.

8 Overseas persons

Potential investors in any territory other than the United Kingdom and the Isle of Man should refer to the notices set out in the section entitled “*Important Information*” of this Prospectus.

PART 4

THE PLACING PROGRAMME

1 Introduction

Conditional on the passing of the Migration Resolution and the Placing Programme Resolution at the General Meeting, the Directors will be authorised to issue up to 125,000,000 Ordinary Shares pursuant to the Placing Programme without having to first offer those Ordinary Shares to existing Shareholders. The Placing Programme is being implemented to enable the Company to raise additional capital in the period from 25 November 2025 to 28 October 2026. The issue of Ordinary Shares pursuant to the Placing Programme is at the discretion of the Directors.

The number of Ordinary Shares available under the Placing Programme is intended to be flexible and should not be taken as an indication of the number of shares to be issued. Any issues of Ordinary Shares will be notified by the Company through a Regulatory Information Service and the Company's website prior to each Subsequent Admission. The Placing Programme is not being underwritten.

The Placing Programme may be implemented by a series of Placings of Ordinary Shares at the Placing Programme Price, the terms of which are set out in Part 8 of this Prospectus. The Placing Programme may have a number of closing dates in order to provide the Company with the ability to issue Ordinary Shares over the duration of the Placing Programme. Ordinary Shares may be issued under the Placing Programme during the period from 25 November 2025 to 28 October 2026 (or any earlier date on which it is fully subscribed).

In the event that there are any significant changes affecting any of the matters described in this Prospectus or where any significant new matters have arisen after the publication of this Prospectus and prior to any Subsequent Admission of any Ordinary Shares issued pursuant to the Placing Programme, the Company will publish a supplementary prospectus. Any supplementary prospectus published will give details of the significant change(s) or the significant new matter(s).

2 Reasons for the Placing Programme and use of proceeds

The Directors believe that there are attractive opportunities for the Company to deliver long-term capital returns for Shareholders by expanding its operations in the digital asset sector. Accordingly, the Placing Programme is being implemented to enable the Company to raise additional capital in the period from 25 November 2025 to 28 October 2026 to expand the Company's existing staking operations in line with its business strategy. The Directors intend to achieve this by acquiring additional staking assets that the Company can stake on proof-of-stake networks, with a view to increasing and further diversifying income generation across its staking networks. The Company also plans to achieve this by operating its own staking infrastructure through the launch of dedicated validator nodes on major Proof-of-Stake networks in collaboration with certain third-party hosting providers.

In particular, the Company is actively seeking to scale its operations and pursue strategic opportunities that may arise in the digital asset sector. Incremental capital raised through the Placing Programme may be deployed to support this growth, including potential acquisitions, investment in technology or infrastructure, or expansion into new markets and networks, with the aim of increasing earnings over time and enhancing value for Shareholders.

The Company remains committed to disciplined capital deployment and does not intend to raise funds unless it is in the best interests of Shareholders and aligned with its long-term strategy. Any Placing would be subject to the same rigorous internal evaluation and governance processes that apply to all significant corporate actions undertaken by the Company.

3 Placing Programme Price

The Placing Programme Price for each Placing under the Placing Programme will be determined by the Directors, taking into consideration, *inter alia*, the Net Asset Value of the Ordinary Shares and the prevailing market conditions at that time, but will not be set at a discount of more than 10 per cent. to the middle market price of the Ordinary Shares (as derived from the daily official list of the London Stock Exchange) at the time of agreeing the Placing, unless specifically approved by Shareholders.

4 Costs of the Placing Programme

The costs and expenses of the Placing Programme will be met by the Company and may include, without limitation, placing fees and commissions, admission fees, printing, advertising and distribution costs, legal fees and any other applicable expenses. The costs and expenses of each issue of Ordinary Shares under the Placing Programme will depend on, among other things, subscriptions received and the relevant Placing Programme Price, and will be paid by the Company out of the proceeds of the relevant Placing.

5 Conditions to each Placing

Each Placing under the Placing Programme is conditional, *inter alia*, on:

- (a) the passing of the Migration Resolution and the Placing Programme Resolution to be proposed at the General Meeting to be held on 20 November 2025;
- (b) the Placing Programme Price being determined by the Directors as described below;
- (c) Admission of the Ordinary Shares being issued pursuant to such Placing;
- (d) the Sponsor and Placing Agreement becoming otherwise unconditional in respect of the relevant Placing in all respects and not having been terminated on or before the date of such Admission; and
- (e) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Regulation Rules.

In circumstances where these conditions are not fully met, the relevant Placing of Ordinary Shares pursuant to the Placing Programme will not take place.

6 Scaling back

In the event of oversubscription of a Placing, applications under the relevant Placing will be scaled back at the discretion of the Company in consultation with SCM Securities. Monies received in respect of unsuccessful applications (or to the extent scaled back) will be returned without interest at the risk of the applicant to the applicant from whom the money was received.

7 Dilution

Shareholders who choose not to, or who are unable to, participate in a Placing under the Placing Programme for an amount at least *pro rata* to their existing holding will have their percentage holding diluted following the relevant Subsequent Admission.

8 The Sponsor and Placing Agreement

Singer Capital Markets is entitled to terminate the Sponsor and Placing Agreement at any time prior to any Subsequent Admission in certain circumstances. If this right is exercised, the Placing Programme and these arrangements will lapse and any monies received in respect of a relevant Placing will be returned to each applicant without interest as soon as practicable at the applicant's risk.

The Sponsor and Placing Agreement provides for SCM Securities to be paid commission by the Company in respect of the Ordinary Shares to be allotted pursuant to each Placing. Any Ordinary Shares subscribed for by SCM Securities may be retained or dealt in by it for its own benefit.

Under the Sponsor and Placing Agreement, SCM Securities is entitled at its discretion and out of its own resources at any time to rebate to some or all investors, or to other parties, part or all of its fees relating to a Placing. SCM Securities is also entitled under the Sponsor and Placing Agreement to retain agents and may pay commission in respect of a Placing to any or all of those agents out of its own resources.

Further details of the terms of the Sponsor and Placing Agreement are set out in paragraph 7.1 of Part 7 (*Additional Information*) of this Prospectus.

9 General

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK, the Company and its agents (and their agents) may require evidence in connection with any application for Ordinary Shares, including further identification of the applicant(s), before any Ordinary Shares are issued.

Any Ordinary Shares issued pursuant to the Placing Programme will rank *pari passu* with the Ordinary Shares then in issue (save for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the allotment of the relevant Ordinary Shares).

10 Admission, clearing and settlement

Applications will be made to the FCA for all of the Ordinary Shares to be issued pursuant to the Placing Programme to be admitted to the equity shares (commercial companies) category of the Official List and to the London Stock Exchange for such Ordinary Shares to be admitted to trading on the Main Market of the London Stock Exchange.

The Ordinary Shares will be issued in registered form and may be held in either certificated or uncertificated form. In the case of Ordinary Shares to be issued in uncertificated form pursuant to the Placing Programme, these will be transferred to successful applicants through the CREST system. Dealings in the new Ordinary Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned.

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The New Articles permit the holding of Ordinary Shares under the CREST system. Settlement of transactions in the Ordinary Shares following the relevant Subsequent Admission may take place within the CREST system if any Shareholder so wishes.

The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in the Ordinary Shares, nor does it guarantee the price at which a market will be made in the Ordinary Shares. Accordingly, the dealing price of the Ordinary Shares may not necessarily reflect changes in the underlying Net Asset Value per Ordinary Share.

The ISIN of the Ordinary Shares is IM00BYYPQX37 and the SEDOL code is BYYPQX3.

11 Material interests

As at the date of this Prospectus, there are no interests that are material to the Placing Programme or any Subsequent Admission and no conflicting interests.

12 Profile of a typical investor

The Ordinary Shares are designed to be suitable for institutional investors and professionally advised private investors seeking exposure to a company whose business is to generate income from digital assets through staking activities and to achieve medium to long-term capital growth through exposure to the digital asset ecosystem. The Ordinary Shares may also be suitable for investors who are financially sophisticated, non-advised private investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such an investment.

Potential investors should consider with care whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them. Private investors who are unsure whether to invest should consider consulting a financial adviser authorised under FSMA to assess whether an investment in the Company is suitable.

13 Overseas persons

Potential investors in any territory other than the United Kingdom and the Isle of Man should refer to the notices set out in the section entitled “*Important Information*” of this Prospectus.

The Company reserves the right to treat as invalid any agreement to subscribe for Ordinary Shares under the Placing Programme if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

PART 5

FINANCIAL INFORMATION OF THE COMPANY

1 Historical financial information incorporated by reference

In recent years, the Company's business model has evolved from one almost exclusively focussed on venture capital investments in early-stage opportunities in the digital asset space to one focused on the staking of digital assets to generate income for the Company by participating in proof-of-stake blockchain networks. Income generated from these staking activities represented substantially all of the Company's income from its digital assets in 2024 (98.3 per cent. of all income from digital assets was staking income), and the Company's current and planned future activities are those of a commercial company.

As such, the Company's principal activity, as disclosed in its financial statements (including for the year ended 31 December 2024), reflects its classification as a commercial company. In previous financial years, up to and including the year ended 31 December 2023, the Company's principal activity was reported as that of an investment company in the blockchain technology sector. The evolution of the business is a reflection of the gradual shift in the underlying activities of the Company and the Directors are of the view that current and planned proof-of-stake activities offer the best risk to return profile across the industry.

The audited financial statements of the Company for the financial year ended 31 December 2024 (the **"2024 Audited Financial Statements"**) were prepared in accordance with UK-adopted International Accounting Standards and were audited by PKF Littlejohn LLP, whose reports were unqualified. PKF Littlejohn LLP is a member firm of the Institute of Chartered Accountants in England and Wales.

The 2024 Audited Financial Statements are contained in the Company's annual report and financial statements for the financial year ended 31 December 2024 (the **"2024 Annual Report and Financial Statements"**). The 2024 Annual Report and Financial Statements and the Company's unaudited interim report and financial statements for the half year ended 30 June 2025 (the **"2025 Unaudited Interim Report and Financial Statements"**) are available on the Company's website at <https://investors.KR1.io/investors/documents/> and are also available for inspection in accordance with paragraph 15 of Part 7 (*Additional Information*) of this document.

The parts of the 2024 Annual Report and Financial Statements and the 2025 Unaudited Interim Report and Financial Statements set out in the table below are expressly incorporated by reference into this document. The non-incorporated parts of the 2024 Annual Report and Financial Statements and the 2025 Unaudited Interim Report and Financial Statements are either not relevant to investors or are covered elsewhere in this document. The following list is intended to enable investors to easily identify specific items of information which have been incorporated by reference into this document.

Nature of information	2024 Annual Report and Financial Statements (Page No. (s))	2025 Unaudited Interim Report and Financial Statements (Page No. (s))
About KR1 plc	2	2
Overview of KR1 plc	3	3
Staking Activities	4	4
Largest Holdings	5	5
Chairman's Report	6	6
Managing Director's Report	7-8	7-8
Strategic Report	9-13	9-13
Directors' Report	14-18	—
Managements' Report	—	14-16
Independent Auditor's report	19-23	—
Statement of Comprehensive Income	24	17
Statement of Financial Position	25	18
Statement of Changes in Equity	26-27	19-21
Statement of Cash Flows	28	22
Notes to the Financial Statements	29-54	23-40

Any statement contained in the 2024 Annual Report and Financial Statements or the 2025 Unaudited Interim Report and Financial Statements which is deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein (or in a later document which is incorporated by reference herein) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

To the extent that any part of the 2024 Annual Report and Financial Statements or the 2025 Unaudited Interim Report and Financial Statements that is incorporated into this document by reference itself contains information that is incorporated by reference, such information shall not form part of this Prospectus.

2 Pro forma financial information

There is no *pro forma* financial information in this Prospectus.

3 Capitalisation and indebtedness

The following table shows the unaudited consolidated gross indebtedness and capitalisation of the Company as at 31 August 2025. The figures for unaudited indebtedness and capitalisation have been extracted without material adjustment from the unaudited underlying management accounts of the Company as at 31 August 2025.

	31 August 2025 (unaudited) £000
Total Current Debt	
Guaranteed	—
Secured	—
Unguaranteed/Unsecured	—
Total Non-Current Debt	
Guaranteed	—
Secured	—
Unguaranteed/Unsecured	—
Total indebtedness	—
Capitalisation	
Share capital	337
Legal reserve(s)*	36,603
Other reserves**	54,146
Total capitalisation	91,086

*Legal reserves comprise share premium.

**Other reserves comprise capital redemption reserve, option reserve, revaluation reserve and treasury reserve.

As at the Latest Practicable Date, there has been no material change in the capitalisation of the Company since 31 August 2025.

The following table shows the Company's unaudited net financial indebtedness as 31 August 2025:

	31 August 2025 (unaudited) £000
(A) Cash	281
(B) Cash equivalents	149
(C) Other current financial assets	89,919
(D) Liquidity (A + B + C)	90,349
(E) Current financial debt	—
(F) Current portion of non-current financial debt	—
(G) Current financial indebtedness (E + F)	—
(H) Net current financial indebtedness (G – D)	(90,349)
(I) Non-current financial debt	—
(J) Debt instruments	—
(K) Non-current trade and other payables	—
(L) Non-current financial indebtedness (I + J + K)	—
(M) Total financial indebtedness (H + L)	(90,349)

As at 31 August 2025, the Company had no material indirect or contingent indebtedness. As at Latest Practicable Date, there has been no material change in the indebtedness of the Company since 31 August 2025.

4 Significant change

There has been no significant change in the financial position or financial performance of the Company since 30 June 2025, being the end of the last financial period for which interim unaudited financial information has been published.

PART 6

TAXATION

The comments below are of a general and non-exhaustive nature based on current UK and Isle of Man tax law and the published practice of HMRC as at the date of this Prospectus and do not constitute legal or tax advice.

Except insofar as express reference is made to the treatment of non-UK residents, these comments relate only to Shareholders who for UK tax purposes are solely resident in and, in the case of individuals, domiciled in the UK and to whom “split year” treatment does not apply.

The comments apply only to Shareholders who are the absolute beneficial owners of their Ordinary Shares and the dividends payable on them.

The comments apply only to Shareholders who hold their Ordinary Shares as investments and may not apply to certain categories of Shareholder such as, but not limited to, dealers in securities, insurance companies and collective investment schemes, Shareholders who are exempt from taxation (or who hold their Ordinary Shares through a SIPP or an ISA) or have an interest in 25 per cent. or more of the shares in, returns from, or voting rights in respect of, the Company and Shareholders who have (or are deemed to have) acquired their Ordinary Shares by virtue of any office or employment and persons who provide investment management services to the Company. Such persons may be subject to special rules.

Shareholders and prospective investors should note that tax law and interpretation can change at any time (possibly with retrospective effect) and that, in particular, the levels, basis of and reliefs from taxation may change.

All Shareholders, including those who may be subject to tax in a jurisdiction other than the United Kingdom, should consult their own professional adviser.

A. United Kingdom Taxation

1 The Company

The Directors intend to continue to conduct the affairs of the Company so that it does not become resident in the United Kingdom for UK tax purposes. Accordingly, and provided that the Company does not carry on a trade in the United Kingdom (whether or not through a branch, agency or permanent establishment situated there), the Company should not generally be subject to UK income tax or corporation tax other than on certain types of UK source income.

The Directors do not consider the Company to be an “offshore fund” for UK tax purposes with respect to the Ordinary Shares. However, should the Company or any class of shares issued by the Company be regarded as being subject to the offshore fund rules, this may have adverse tax consequences for UK resident Shareholders (including that disposals of shares may be taxed as income and not capital).

2 Shareholders

Taxation of dividends

The tax legislation of a Shareholder’s or potential investor’s home country and of the UK may have an impact on the income received from the Ordinary Shares.

The Directors intend to manage the Company’s affairs to achieve Shareholder returns through capital growth rather than income. Therefore, it should not be expected that the Company will pay a significant annual dividend, if any.

The Company is not required to withhold UK tax when paying a dividend on the Ordinary Shares.

Individuals

UK resident individual Shareholders who receive dividends from the Company will generally pay UK income tax on those dividends. For the 2025/26 year the tax rates applicable to dividends received over the annual dividend allowance are:

- 8.75 per cent. on dividend income within the basic rate band;

- 33.75 per cent. on dividend income within the higher rate band; and
- 39.35 per cent. on dividend income within the additional rate band.

Companies

Shareholders within the charge to UK corporation tax will be subject to corporation tax on dividends paid by the Company on the Ordinary Shares unless the dividends qualify for exemption under Part 9A of the Corporation Tax Act 2009.

Dividends received by Shareholders that are “small companies” for the purposes of Part 9A of the Corporation Tax Act 2009 will not qualify for exemption. It is likely that dividends received by other Shareholders within the charge to UK corporation tax will generally qualify for exemption, but it should be noted that the exemption is not comprehensive, requires a number of conditions to be met, and is subject to anti-avoidance rules. Shareholders should therefore seek professional tax advice where necessary.

Taxation of chargeable gains

Ordinary Shares acquired pursuant to a Placing

The issue of Ordinary Shares pursuant to a Placing will not constitute a reorganisation of the share capital of the Company for the purposes of UK taxation of chargeable gains and, accordingly, will generally be treated as a separate acquisition of shares, with the base cost for those Ordinary Shares being calculated by reference to the price paid for them.

Disposals of Ordinary Shares – general

A disposal of Ordinary Shares by a Shareholder who is resident in the UK for tax purposes may, depending on the Shareholder’s circumstances, and subject to any available exemption or relief, give rise to a chargeable gain (or allowable loss) for the purposes of UK taxation of chargeable gains.

Shareholders that are not resident in the UK for tax purposes (and not only temporarily non-resident) will not generally be subject to UK taxation of chargeable gains on a disposal of their Ordinary Shares, provided that their Ordinary Shares are not and have not been acquired, held or used in or for the purposes of any trade, profession or vocation carried on by the Shareholder in the UK through a branch, agency or permanent establishment. This assumes that the Company is not treated for the purposes of UK taxation of chargeable gains as deriving 75 per cent. or more of its gross asset value directly or indirectly from interests in UK land. It should however be noted that, in certain circumstances, an individual Shareholder who is only temporarily non-UK resident may, on re-establishing UK tax residence, be subject to capital gains tax in respect of disposals which occurred in the period of temporary non-residence.

ISAs

Ordinary Shares acquired by a UK resident individual Shareholder in the secondary market (but not directly under a Placing) should be eligible to be held in an ISA, subject to applicable annual subscription limits.

Any Shareholder wishing to hold Ordinary Shares through an ISA should contact their ISA manager.

Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)

The following comments in relation to UK stamp duty and SDRT apply to Shareholders wherever they are resident or domiciled. They are intended only as a general guide and (except to the extent stated) do not relate to persons such as market makers, brokers, dealers, intermediaries or persons connected with depositary arrangements or clearance services, to whom special rules may apply.

Placing Programme

The issue of Ordinary Shares pursuant to the Placing Programme should not generally be subject to UK stamp duty or SDRT.

Subsequent transfers of Ordinary Shares

No SDRT should generally be chargeable in respect of an agreement to transfer Ordinary Shares (including paperless transfers through CREST) provided that the Ordinary Shares are not registered

in any register kept in the UK by or on behalf of the Company and that the Ordinary Shares are not paired with any shares issued by a company incorporated in the UK.

Subject to an exemption for certain low value transactions where the aggregate consideration is certified as being £1,000 or less, UK stamp duty (generally at the rate of 0.5 per cent. of the value of the consideration, rounded up where necessary to the nearest £5) is in principle chargeable in respect of any instrument transferring Ordinary Shares which is executed in the UK or which relates to any matter or thing done or to be done in the UK. As a practical matter, however, it may not be necessary to pay UK stamp duty in respect of such an instrument of transfer unless and until the instrument is required to be adduced in evidence before the UK courts in civil proceedings or used for any other official purpose in the UK. Shareholders should seek professional tax advice as to the consequences of not stamping an instrument of transfer in these circumstances, including as to potential liabilities to interest and penalties should the instrument subsequently need to be stamped for any reason.

The cost of any stamp duty or SDRT that arises in connection with a transfer of Ordinary Shares would normally be borne by the purchaser.

B. Isle of Man Taxation

The statements set out below are intended only as a general guide to current aspects of Isle of Man taxation. The summary does not purport to be an exhaustive analysis of all potential Isle of Man tax. If you are in any doubt as to your tax position or if you may be subject to tax in any other jurisdiction, you are strongly recommended to consult an appropriate professional adviser.

Tax residence in the Isle of Man

The Company is resident for taxation purposes in the Isle of Man by virtue of being incorporated in the Isle of Man.

Capital taxes in the Isle of Man

The Isle of Man has a regime for the taxation of income, but there are no capital duties, stamp taxes or inheritance taxes in the Isle of Man. No Isle of Man stamp duty or SDRT will be payable on the issue or transfer of, or any other dealing in, the Ordinary Shares.

Zero rate of corporate income tax in the Isle of Man

The Isle of Man operates a zero rate of tax for most corporate taxpayers. This will include the Company. Under this regime, the Company is subject to corporate income tax in the Isle of Man at the standard rate of zero percent; there is no withholding to be made by the Company on account of Isle of Man tax in respect of dividends paid by the Company.

The Company is required to file an annual corporate income tax return in the Isle of Man, as well as to pay an annual Isle of Man government fee.

Deductions in respect of Isle of Man employees

The application of the zero rate of corporate income tax described above does not affect the liability of a company to deduct and account for income tax under the Isle of Man Income Tax (Instalment Payments) Act 1974 or national insurance contributions, if applicable on emoluments paid to its employees.

Automatic Exchange of Information Requirements

The Isle of Man, like many other jurisdictions around the world, has signed Intergovernmental Agreements to improve International Tax Compliance. These are referred to as the Automatic Exchange of Information for Tax Matters (AEOI). More specifically these agreements are the US Foreign Account Tax and Compliance Act (FATCA) and the Common Reporting Standard (CRS). Information in respect of investors that the Company pays interest and or dividends to and who are identified as being reportable will be provided to the jurisdiction that the investor has confirmed as their country of residence for tax purposes.

Isle of Man probate

In the event of the death of a sole holder of Ordinary Shares an Isle of Man grant of probate or administration may be required, in respect of which certain fees will be payable to the Isle of Man government.

PART 7

ADDITIONAL INFORMATION

1 The Company

- 1.1 The Company was incorporated in the Isle of Man on 6 January 2006 as a public company limited by shares under the Isle of Man Companies Act 1931 to 2004 with registered number 115234C and under the name “Guild Acquisitions plc”. The Company subsequently changed its name to “Kryptonite 1 plc” on 26 September 2016. On 16 October 2017, the Company re-registered as a public company limited by shares under the Isle of Man Companies Act 2006 (the “**2006 Act**”) with registered number 015310V and changed its name to “KR1 plc” on 5 February 2018. The Company has an indefinite life.
- 1.2 The registered office of the Company is First Names House, Victoria Road, Douglas, Isle of Man IM2 4DF, its telephone number is +44 1624 630600 and its website address is <https://KR1.io/>. The Company's Legal Entity Identifier is 213800WFTIIBY5SBCL19 and its ticker is KR1. Information on the Company's website does not form part of this Prospectus unless that information is incorporated by reference into this Prospectus.
- 1.3 The principal legislation under which the Company operates is the 2006 Act. From Initial Admission, as a company with shares admitted to the equity shares (commercial companies) category of the Official List and to trading on the Main Market of the London Stock Exchange, the Company will be subject to the UK Listing Rules, the UK Prospectus Regulation, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, the UK Market Abuse Regulation and the rules of the London Stock Exchange.
- 1.4 The Company is domiciled in the Isle of Man and, as at the date of this Prospectus, does not have any subsidiaries.

2 Share capital

- 2.1 As at the Latest Practicable Date, the Company's issued share capital, all of which is fully paid, was 177,369,520 Ordinary Shares of nominal value £0.0019 each in the capital of the Company, of which 363,000 Ordinary Shares are held in treasury.
- 2.2 As at 31 December 2024 (being the end of the last financial period for which audited financial statements have been published), other than in connection with the Share Option Schemes and the Contingent Bonus to be issued to Rhys Davies on or around the date of this Prospectus:
- 2.2.1 no share capital was under option or award or agreed conditionally or unconditionally to be put under option or award;
- 2.2.2 no person has any acquisition rights and/or obligations over authorised but unissued capital;
- 2.2.3 the Company has not given any undertaking to increase the capital of the Company; and
- 2.2.4 the Company has not issued any convertible securities, exchangeable securities or securities with warrants which remain outstanding.
- 2.3 The Company has convened the General Meeting at which the Directors are seeking authority from Shareholders to, *inter alia*, issue up to 125,000,000 new Ordinary Shares for cash on a non-pre-emptive basis pursuant to the Placing Programme. Shareholders are being asked to pass the following resolutions at the General Meeting:
- 2.3.1 that the Existing Articles be replaced in their entirety with the New Articles with effect from Initial Admission (the “**Migration Resolution**”);
- 2.3.2 that, conditional on the passing of the Migration Resolution above, pursuant to and for the purposes of the New Articles, the Directors be generally and unconditionally authorised to exercise all the powers of the Company to allot new Ordinary Shares for cash in connection with the Placing Programme as if Article 4.2.2 of the New Articles did not apply to any such allotment, provided that this power: (i) shall be limited to the allotment of up to 125,000,000 new Ordinary Shares in connection with

the Placing Programme; and (ii) shall expire on 28 October 2026 (unless previously revoked or varied by the Company in general meeting), save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require new Ordinary Shares to be allotted after such expiry and the Directors may allot new Ordinary Shares in pursuance of such an offer or agreement as if such power had not expired (the “**Placing Programme Resolution**”);

- 2.3.3 that, conditional on the passing of the Migration Resolution above, pursuant to and for the purposes of the New Articles, the Directors be generally and unconditionally authorised to exercise all the powers of the Company to allot new Ordinary Shares in connection with any Performance Fees as if Article 4.2.2 of the New Articles did not apply to any such allotment, provided that this power: (i) shall be limited to the allotment of up to 44,250,000 new Ordinary Shares in connection with any Performance Fees; and (ii) shall expire on 19 November 2030 (unless previously revoked or varied by the Company in general meeting), save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require new Ordinary Shares to be allotted after such expiry and the Directors may allot new Ordinary Shares in pursuance of such an offer or agreement as if such power had not expired; and
- 2.3.4 that, conditional on Initial Admission, in substitution for any existing authorities, the Company be authorised, in accordance with the 2006 Act, to make market acquisitions of Ordinary Shares, provided that:
- (a) the maximum aggregate number of Ordinary Shares hereby authorised to be purchased is 26,533,277 Ordinary Shares, being 14.99 per cent. of the issued number of Ordinary Shares (excluding treasury shares) at the Latest Practicable Date or, if lower, such number as is equal to 14.99 per cent. of the issued number of Ordinary Shares at the date of passing this resolution;
 - (b) the minimum price which may be paid for an Ordinary Share is £0.0019 (being the nominal value of an Ordinary Share);
 - (c) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share is the higher of:
 - (i) 105 per cent. of the average of the middle market quotations for an Ordinary Share (as derived from the daily official list of the London Stock Exchange) for the five business days immediately preceding the day on which such Ordinary Share is contracted to be purchased; and
 - (ii) the higher of the price of the last independent trade in the Ordinary Shares and the highest then current independent bid for an Ordinary Share on the trading venue where the purchase is carried out; and
 - (d) unless previously renewed, revoked or varied the authority hereby conferred shall expire at the conclusion of the annual general meeting of the Company to be held in 2026 or the date falling 18 months after the passing of this resolution, whichever is the earlier, save that the Company may before such expiry make a contract or contracts to purchase Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which will or may be completed or executed wholly or partly after such expiry and may make a purchase of Ordinary Shares in pursuance of any such contract or contracts.
- 2.4 Article 4.2.2 of the New Articles (which, to the extent not disapplied by or pursuant to the New Articles, confers on Shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) will, from Initial Admission, apply to issues by the Company of equity securities save to the extent disapplied by the resolutions referred to in paragraphs 2.3.2 and 2.3.3 above or otherwise disapplied by or pursuant to the New Articles.

- 2.5 Save as disclosed in this paragraph 2, no share or loan capital of the Company has since the date of incorporation of the Company been issued or been agreed to be issued, fully or partly paid, either for cash or for a consideration other than cash, and no such issue is now proposed.
- 2.6 All of the Ordinary Shares will be in registered form and will be eligible for settlement in CREST. Temporary documents of title will not be issued.

3 Interests of Directors and Management Team

- 3.1 As at the date of this Prospectus, the Directors and Management Team held the following interests in the share capital of the Company:

	Number of Ordinary Shares	% of issued share capital as at the Latest Practicable Date
Directors and Management Team		
George McDonald	15,238,986	8.59
Keld van Schreven	14,727,155	8.30
Rhys Davies	767,236	0.43
Mona Elisa	—	—
Aeron Buchanan	400,000	0.23
Janos Berghorn	13,986,355	7.89
	45,119,732	25.45

Notes:

- (i) George McDonald's interest comprises a direct holding of 3,026,315 Ordinary Shares and an indirect interest in 33.33 per cent. of the 36,038,014 Ordinary Shares held by Reflexivity Research Limited. This figure is also inclusive of the 200,000 Ordinary Shares held by George McDonald's partner.
- (ii) Keld van Schreven's interest comprises a direct holding of 2,514,484 Ordinary Shares and an indirect interest in 33.33 per cent. of the 36,038,014 Ordinary Shares held by Reflexivity Research Limited. This figure is also inclusive of the 200,000 Ordinary Shares held by Keld van Schreven's partner.
- (iii) Janos Berghorn's interest comprises a direct holding of 1,973,684 Ordinary Shares and an indirect interest in 33.33 per cent. of the 36,038,014 Ordinary Shares held by Reflexivity Research Limited.

Share Option Schemes

- 3.2 On 23 October 2025, the Company adopted two new discretionary share option schemes under which options may be granted over Ordinary Shares. These plans are a UK tax-advantaged company share option plan, the KR1 plc 2025 Company Share Option Plan (the "**CSOP Scheme**") and a non-tax advantaged share option plan, the KR1 plc 2025 Additional Share Option Plan (the "**Additional Scheme**") (together the "**Share Option Schemes**"). The Company has terminated the 2017 Share Option Scheme because no share options are now outstanding under it.

Initial awards under the Share Option Schemes are being made to certain Company employees over 990,000 Ordinary Shares ("**Initial Awards**") (see paragraph 3.2.3 below) but further awards may be made in due course over the life of the Share Option Schemes.

A summary of the principal features of the Share Option Schemes and the Initial Awards is set out below. The particular features of the CSOP Scheme, the Additional Scheme and Initial Awards are set out before the summary of the features common to both Share Option Schemes.

The Board intends to review the terms of the Share Option Schemes in 18 to 24 months' time.

3.2.1 The CSOP Scheme

Eligibility

The CSOP Scheme is a discretionary share option plan which has been designed to meet the requirements of Schedule 4 of the UK Income Tax (Earnings and Pensions) Act 2003 so that options over Ordinary Shares can be exercised in a UK tax-efficient manner.

A participant must be an employee or full-time executive director of the Company at the time an option is granted who does not hold a material (30% plus) shareholding in the Company.

Limit on grant of Share Options

No participant may hold outstanding Share Options granted under the CSOP Scheme with a value of more than £60,000 of Ordinary Shares (measured at the date(s) of grant).

Exercise price

The exercise price per Ordinary Share of a Share Option granted under the CSOP Scheme must not be lower than the market value of an Ordinary Share on the date of grant of the Share Option under the CSOP Scheme.

3.2.2 The Additional Scheme

Eligibility

The Additional Scheme is a discretionary share option plan under which selected employees, directors or consultants of the Company may be awarded options over Ordinary Shares.

Exercise price

The exercise price per Ordinary Share of a Share Option granted under the Additional Scheme shall be decided on grant but shall not usually be less than the market value of an Ordinary Share on the date of grant of the relevant Share Option.

Satisfaction of Share Options

Exceptionally, Share Options under the Additional Scheme may be satisfied with a cash payment equivalent to the value of the Ordinary Shares which would otherwise be received on exercise less the total exercise price due.

3.2.3 Initial Awards

The Initial Awards are being granted to three employees (those employees identified at paragraph 3 of Part 2 of this Prospectus) (the “**Initial Participants**”) who are to be granted Share Options over a total of 330,000 Ordinary Shares each shortly after publication of the Prospectus.

Carol Hughes, an Initial Participant who is an Isle of Man resident, will be granted a Share Option under the Additional Scheme as soon as that Share Option can be granted following agreement with the Isle of Man Treasury as to the tax treatment of the Share Option. The Share Option will be granted over 330,000 Ordinary Shares with an exercise price per Ordinary Share equal to 31.5 pence, being the mid-market closing price of an Ordinary Share on the Latest Practicable Date.

Dion Willis and Peter Holsgrove, Initial Participants who are UK residents, will each be granted two Share Options. The first Share Option will be granted under the CSOP Scheme as soon as that Share Option can be granted following agreement with HMRC as to the market value of an Ordinary Share for tax purposes (the “**CSOP Share Option**”). The CSOP Share Option will be granted over such number of Ordinary Shares as then has a value as close to but not exceeding £60,000 at the agreed Ordinary Share valuation mechanism on the date of grant, with an exercise price per Ordinary Share set using the same value. A second option will at the same time be granted under the Additional Scheme (the “**Additional Scheme Share**”).

Option”) over the balance of the number of Ordinary Shares due to that employee so that the employee ends up with two options over a total of 330,000 Ordinary Shares. The exercise price of the Additional Scheme Share Option will be set so that when the exercise price of the CSOP Share Option and the Additional Scheme Share Option are taken together, the average exercise price per Ordinary Share is 31.5 pence, being the mid-market closing price of an Ordinary Share on the Latest Practicable Date.

The different terms of the Initial Awards reflect the different tax treatment between the Isle of Man and the UK for the relevant participants.

Initial Awards will vest at various times on and following the date of the Prospectus until 24 months following that date.

3.2.4 Common provisions of the Share Option Schemes

Making of awards

Share Options to receive Ordinary Shares will usually be granted by the Board or a remuneration committee of the Board. No Share Options may be granted more than 10 years after the Share Option Schemes have been adopted.

Vesting terms and exercise

Share Options will usually only be capable of being exercised to the extent any vesting provisions have been satisfied at the date of exercise. The Initial Awards have time-vesting conditions vesting over two years following the date of the Prospectus, without any Company or personal performance conditions. No Share Option may be exercised more than 10 years after the date of grant of the Share Option.

In order to exercise Share Options, a participant must pay to the Company the relevant exercise price (and any tax liability arising as a result of the exercise of the Share Option) or enter into alternative arrangements with the Company for the satisfaction of that exercise price (and tax liability).

Limits

The Share Option Schemes may operate using newly issued Ordinary Shares, Ordinary Shares held in treasury or Ordinary Shares purchased in the market. Awards may be made under the Share Option Schemes on or after publication of the Prospectus of options over Ordinary Shares representing a maximum of 1.0 per cent of the Company's issued share capital as at the date of the publication of the Prospectus, subject to a review by the Board 18 to 24 months thereafter. Ordinary Shares issued or transferred out of treasury under the Share Option Schemes will count towards this limit, but any Ordinary Shares otherwise purchased in the market will not. Share Options which are renounced or lapse shall be disregarded for the purposes of this limit.

There is no individual limit per participant.

Leaver provisions

If a participant ceases to be employed or engaged as a director or consultant while they still hold a Share Option and is determined by the Board to be a “good leaver” (death, illness/sickness, redundancy, retirement, sale of the relevant employing company or business or any other reason at their discretion), they will usually be allowed to retain the vested portion of that Share Option for a period of 12 months following the date on which they cease employment or provide services to the Company. However, the Board may in its discretion allow the leaver to retain a Share Option over unvested portion(s) and/or extend this period of 12 months on such terms as they may set, although normally the vesting of a Share Option will not be accelerated for a leaver. If a leaver is determined by the Board to be a “bad leaver” they will not be allowed to retain their Share Option in respect of any Ordinary Shares whether vested or otherwise.

Corporate events

In the event of a takeover, scheme of arrangement or winding-up of the Company, Share Options may usually be exercised in their entirety even if Share Options have not already vested.

If a corporate event results in a new person or company acquiring control of the Company, Share Options may in certain circumstances be replaced by equivalent new options over shares in the acquiring company.

Rights attaching to Ordinary Shares under Share Options

Benefits received under the Share Option Schemes are not pensionable.

Ordinary Shares issued or transferred under the Share Option Schemes will not confer any rights on any participant (including dividends) until the Share Option has been exercised and the participant in question has received the underlying Ordinary Shares. Any Ordinary Shares allotted or transferred when a Share Option is exercised will rank equally with Ordinary Shares then in issue (except for rights arising by reference to a record date prior to their issue or transfer).

Variations of share capital

If there is a variation of the share capital of the Company, including a capitalisation issue, rights issue, demerger or other distribution, a special dividend or distribution, rights offer or bonus issue or any sub-division, consolidation, or reduction in the Company's share capital, the number of Ordinary Shares and the description of the Ordinary Shares subject to a Share Option (and other option terms) may be adjusted in such manner as the Board determines (in compliance with HMRC rules, in the case of options granted under the CSOP Scheme).

Malus

At any time before a Share Option is exercised, the Board may reduce the number of Ordinary Shares subject to the relevant award if any of the following events occur:

- a material misstatement resulting in an adverse adjustment to the Company's accounts;
- any decision in respect of a Share Option which was based on error, or inaccurate or misleading information;
- action or conduct of a participant which, in the reasonable opinion of the Board, amounts to gross misconduct or a significant detrimental impact on the reputation of the Company; or
- a serious failure of risk management or in the event of corporate failure.

Amendments

The Board may, at any time, amend the provisions of the Share Option Schemes in any respect, except that amendments may not normally adversely affect the rights of participants except where participants are notified of the proposed change and the majority of participants approve the amendment.

- 3.3 As at the Latest Practicable Date, the following share options were outstanding. However, the following share options are expected to be cancelled shortly following publication of this Prospectus, as set out at paragraph 4.5 below.

	Date of grant of share options	Number of Ordinary Shares under share options	Exercise price per Ordinary Share
Mona Elisa ⁽ⁱ⁾	17 March 2021	77,519	193.5 pence
Aeron Buchanan ⁽ⁱⁱ⁾	1 April 2022	145,631	103 pence

Notes:

- (i) On 17 March 2021 the Company appointed Mona Elisa as a Non-executive Director and granted to her options to subscribe for 77,519 Ordinary Shares at a price of 193.5 pence per Ordinary Share, being the closing share price on the day prior to her appointment. The options will only be exercisable in the event that certain future milestones are achieved by the Company.
- (ii) On 1 April 2022 the Company appointed Aeron Buchanan as a Non-executive Director and granted to him options to subscribe for 145,631 Ordinary Shares at a price of 103 pence per Ordinary Share, being the closing share price on the day prior to his appointment. The options will only be exercisable in the event that certain future milestones are achieved by the Company.

- 3.4 Save as disclosed in paragraphs 3.1 and 4.5 of this Part 7 (*Additional Information*) of this Prospectus, immediately following Initial Admission, no Director or member of the Management Team will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.
- 3.5 None of the Directors has, or has had, an interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company or that has been effected by the Company since its incorporation.
- 3.6 The Company has not made any loans to the Directors which are outstanding, nor has it ever provided any guarantees for the benefit of any Director or the Directors collectively.

- 3.7 Over the five years preceding the date of this Prospectus, the Directors and Management Team hold or have held the following directorships (apart from their directorships of the Company and any subsidiaries of an issuer of which they are also a director) or memberships of administrative, management or supervisory bodies and/or partnerships:

Name	Current	Previous
George McDonough	Raindrop Asset Management LLP Reflexivity Research Limited	Avantgarde Core Ltd
Keld van Schreven	Cosmos Invest Ltd Reflexivity Research Limited	—
Rhys Davies	Club Des Alpes LLP Creselly Immobilien AG Creselly Investments AG Creselly Penybanc Limited Decentra Partners Limited EIH PLC Tinopolis Group Limited	Damille Partners Limited Glenmore House Limited
Mona Elisa	Avantgarde Finance Ltd Multichain Asset Managers Association	Avantgarde Core Melonport AG Midas Technologies AG NEAR Foundation
Aeron Buchanan	Banzhou Electric Ltd Banzhou Services Ltd Deep Origin Ltd Gallery Bouldering Ltd Haberdasher Street LLP Morrell Avenue Services Ltd Morrell Grounds Ltd Salt & Pepper Ponies C.I.C. The Gallery (Oxford) Ltd Westmorland Gearing Ltd	—
Janos Berghorn	Byzantine Global Partners Inc. Reflexivity Research Limited	—

- 3.8 The Directors and Management Team in the five years before the date of this Prospectus:
- 3.8.1 do not have any convictions in relation to fraudulent offences;
 - 3.8.2 have not been associated with any bankruptcies, receiverships or liquidations of any partnership or company, or any company put into administration, through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and
 - 3.8.3 do not have any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administration, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.
- 3.9 The Company intends to maintain directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.
- 3.10 There are no family relationships between any of the Directors.

- 3.11 So far as is known to the Company, as at the Latest Practicable Date, the following persons hold, directly or indirectly, the percentages of the Company's voting rights referred to below which are notifiable pursuant to the Disclosure Guidance and Transparency Rules:

Name	Number of existing Ordinary Shares held	% of voting rights
Reflexivity Research Limited	36,038,014	20.36%
Vidacos Nominees Limited	34,260,067	19.36%
Hargreaves Lansdown (Nominees) Limited	19,498,215	11.02%
Interactive Investor Services Nominees Limited	12,813,987	7.24%
Pershing Nominees Limited	6,110,649	3.45%

- 3.12 As at the Latest Practicable Date, save as set out in paragraph 3.11 of this Part 7 (*Additional Information*) of this Prospectus, the Company is not aware of any persons who have a notifiable interest under English law in the Company's capital or voting rights.
- 3.13 All Shareholders have the same voting rights in respect of the share capital of the Company.
- 3.14 As at the Latest Practicable Date, the Company and the Directors are not aware of any other person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.
- 3.15 The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.

4 Directors' and Management Team's service agreements, appointment letters and consultancy agreements

- 4.1 Each Executive Director has entered into a service agreement with the Company in respect of his appointment as an Executive Director and a member of the Management Team. Each Executive Director receives remuneration in the form of a salary, which is set at £75,000 per annum, paid monthly by equal instalments in arrears on or about the first day of each calendar month. The Company may review the Executive Director's salary from time to time, although there is no obligation to award an increase following a review. Each Executive Director is required to spend approximately 5 days per month (and such additional days as may be necessary) to perform his duties under his service agreement. Each service agreement contains restrictive covenants and garden leave provisions, which are standard for an agreement of this nature. Each service agreement may be terminated by either party on three months' prior written notice, or by the Company with immediate effect (and without notice, pay in lieu of notice, or payment of any compensation or liquidated damages) in certain circumstances, such as gross or serious misconduct. In addition, the Company may, at its discretion, terminate an Executive Director's employment with immediate effect by providing a payment in lieu of notice, which is calculated based on the salary for the unexpired portion of the notice period. The Executive Directors' service contracts do not explicitly provide for termination payments or damages beyond this provision. The service agreements are governed by English law and include standard provisions regarding confidentiality, intellectual property rights and compliance with applicable laws and regulations.
- 4.2 Janos Berghorn has entered into a consultancy agreement with the Company pursuant to which he is engaged on a non-exclusive basis to provide services to the Company in his capacity as a member of the Management Team. The consultancy agreement can be terminated by either party on no less than three months' written notice, or immediately by the Company in certain circumstances such as a serious or persistent breach. Pursuant to the agreement, Janos receives a monthly consultancy fee of £6,250 (plus applicable VAT). In addition, the Company has agreed to reimburse Janos for pre-agreed reasonable and proper expenses incurred in connection with his engagement. The consultancy agreement contains exclusivity and non-compete provisions that prevent Janos from participating in any similar enterprise to the Company (without the Company's consent) and/or certain investment opportunities that would fall within the Company's business strategy without first offering the

Company a right of first refusal. In addition, Janos has agreed to indemnify the Company against any tax or national insurance (or equivalent overseas social security) payments arising from his engagement. The consultancy agreement contains confidentiality provisions, which are standard for an agreement of this nature. The consultancy agreement is governed by the laws of England and Wales.

- 4.3 No Non-Executive Director has a service contract with the Company, nor are any such contracts proposed. Each Non-Executive Director has entered into a letter of appointment with the Company, which may be terminated by either party giving three months' prior written notice. In addition, a Non-Executive Director's letter of appointment shall terminate automatically and with immediate effect and without compensation in certain circumstances, including if (i) the Shareholders do not re-elect the Non-Executive Director or elect to remove the Non-Executive Director, (ii) the Non-Executive Director commits a material breach, a serious or repeated breach or is guilty of any fraud or dishonesty, (iii) the Non-Executive Director is disqualified from acting as a director, or (iv) the Non-Executive Director is removed from office in accordance with the Articles.
- 4.4 All Directors are subject to retirement by rotation in accordance with the New Articles. The New Articles provide that the office of Director shall be terminated, amongst other things: (i) by written resignation; (ii) for unauthorised absences from board meetings for six consecutive months; or (iii) at the request of all of the other Directors.
- 4.5 Each of the Non-Executive Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the New Articles. Save for the Chairman, the current fees are £45,000 for each Non-Executive Director per annum. The Chairman's fee is £120,000 per annum. In addition, the Chair of the Audit and Risk Committee may receive a fee in recognition of the additional duties involved. The Directors are also entitled to out-of-pocket expenses incurred in the proper performance of their duties. Further, the Board has resolved to pay Contingent Bonuses to the Non-Executive Directors of the Company, contingent on the successful publication of a prospectus to migrate the Company's listing to the Main Market. The Contingent Bonus due to Rhys Davies is to be satisfied by the issue of 580,000 Ordinary Shares, such Ordinary Shares to be issued on or around the date of publication of this Prospectus. The Contingent Bonus due to each of Mona Elisa and Aeron Buchanan is payable in cash in an amount equal to £45,000, payable shortly after the date of publication of this Prospectus, but this is also contingent on them surrendering their existing share options in the Company over 77,519 and 145,631 Ordinary Shares respectively.

5 The New Articles

A summary of the main provisions of the New Articles, which will be adopted by the Company if the Migration Resolution is passed at the General Meeting, is set out below.

5.1 Objects

The Company's memorandum of association does not provide for any objects of the Company and accordingly the Company's objects are unrestricted.

5.2 Variation of rights

Subject to the provisions of the 2006 Act, if at any time the share capital of the Company is divided into shares of different classes any of the rights for the time being attached to any share or class of shares in the Company (and notwithstanding that the Company may be or be about to be in liquidation) may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three quarters in par value of the issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as provided in the New Articles (but not otherwise). The foregoing provisions in this paragraph shall apply also to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the separate rights of which are to be varied. Subject to the terms of issue or the rights attached to any shares

the rights or privileges attached to any class of shares shall be deemed not to be varied or abrogated by the Board resolving that a class of shares is to become or to cease to be a Participating Security.

5.3 **Alteration of share capital**

To the extent that the shares in the capital of the Company comprise shares with a par value, the Company in general meeting may from time to time by ordinary resolution:

- a) increase its share capital by such sum to be divided into shares of such amount as the resolution prescribes;
- b) consolidate and/or divide, re-designate or redenominate or convert all or any of its share capital into shares of larger or smaller par value, into shares having a purchase price of another currency, or into different classes of shares than its existing shares; and
- c) sub-divide its shares or any of them into shares of smaller par value and may by such resolution determine that as between the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights or be subject to any such restrictions as the Company has power to attach to unissued or new shares but so that the proportion between the amount paid up and the amount (if any) not paid up on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.

5.4 **Issue of shares**

Subject to the provisions of the New Articles summarised in paragraph 5.5 below, and subject to any resolution of the Company, all unissued shares in the Company shall be at the disposal of the Board and they may allot, grant options over or otherwise deal with or dispose of them to such persons, at such times and on such terms as the Board may decide.

5.5 **Pre-emption rights**

The Company shall not issue equity securities (or sell any treasury shares) to a person on any terms unless:

- a) it has made an offer to each person who holds ordinary shares in the Company to issue to him on the same or more favourable terms a proportion of those securities that is as nearly as practicable equal to the proportion of ordinary shares held by him; and
- b) the period during which any such offer may be accepted has expired or the Company has received notice of the acceptance or refusal of every offer so made,

together the “**Pre-emption Provisions**”.

Ordinary Shares held by the Company as treasury shares shall be disregarded for the purposes of the Pre-emption Provisions summarised in this paragraph, so that the Company is not treated as a person who holds ordinary shares; and the treasury shares are not treated as forming part of the ordinary share capital of the Company.

Any offer required to be made by the Company pursuant to the Pre-emption Provisions should be made by a notice (given in accordance with the New Articles) and such offer must state a period during which such offer may be accepted and such offer shall not be withdrawn before the end of that period. Such period must be a period of at least 14 days beginning on the date on which such offer is deemed to be delivered or received (as the case may be) pursuant to the New Articles.

The Pre-emption Provisions shall not apply in relation to the issue of bonus shares, scrip dividend shares nor to a particular issue of equity securities if these are, or are to be, wholly or partly paid otherwise than in cash. Furthermore, the Pre-emption Provisions shall not apply to the transfer of treasury shares or the allotment of shares or the grant of a right to

subscribe for, or to convert any security into, shares pursuant to an employees' share scheme.

The Company may by special resolution resolve that the Pre-emption Provisions shall be excluded or that the Pre-emption Provisions shall apply with such modifications as may be specified in the resolution:

- a) generally in relation to the issue by the Company of equity securities (or sale of treasury shares);
- b) in relation to issues of a particular description; or
- c) in relation to a specified issue of equity securities (or a specified sale of treasury shares);

and any such resolution must:

- d) state the maximum number (which may be expressed as a percentage) of equity securities (or treasury shares) in respect of which the Pre-emption Provisions are excluded or modified; and
- e) specify the date on which such exclusion or modifications will expire, which must be not more than five years from the date on which the resolution is passed.

Any resolution passed pursuant to the above may (i) be renewed or further renewed by special resolution of the Company for a further period not exceeding five years; and (ii) be revoked or varied at any time by special resolution of the Company.

Notwithstanding that any such special resolution referred to above has expired, the Directors may issue equity securities in pursuance of an offer or agreement previously made by the Company if the resolution enabled the Company to make an offer or agreement that would or might require equity securities to be issued after it expired.

5.6 Dividends

Subject to the provisions of the New Articles, the Company may, subject to the satisfaction of the solvency test, by resolution declare that dividends out of the Company's profits may be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board.

The Board may, subject to the satisfaction of the solvency test, declare and pay such interim dividends (including any dividend payable at a fixed rate) as appear to the Board to be justified by the profits of the Company and the position of the Company. If at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends on shares which rank after shares conferring preferential rights with regard to dividend as well as on shares conferring preferential rights unless at the time of payment any preferential dividend is in arrears. Provided that the Board acts in good faith it shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer in consequence of the declaration or by the lawful payment of any interim dividend on any shares ranking after those with preferential rights.

5.7 Voting rights

Subject to any special terms as to voting on which any shares may have been issued or may for the time being be held and to any suspension or abrogation of voting rights pursuant to the New Articles, at any general meeting every member who (being an individual) is present in person or by proxy shall on a show of hands have one vote and every member who (being a corporation) is present by duly authorised representative shall on a show of hands have one vote, and on a poll every member present in person or by proxy or (in the case of a corporate member) by duly authorised representative, shall have one vote for each share of which he is the holder.

Any person (whether a member of the Company or not) may be appointed to act as a proxy. Deposit of an instrument of proxy shall not preclude a member from attending and voting in person at the meeting in respect of which the proxy is appointed or at any adjournment of it.

5.8 Transfer of shares

Each member may transfer all or any of his shares in the case of certificated shares by instrument of transfer in writing in any usual form or in any form approved by the Board or in the case of uncertificated shares without a written instrument in accordance with the CREST Regulations. Any written instrument shall contain the business or residential address of the transferee and be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect of it.

The Board may in its absolute discretion and without giving any reason refuse to register any transfer of a certificated share unless:

- a) it is in respect of a share which is fully paid up;
- b) it is in respect of a share on which the Company has no lien;
- c) it is in respect of only one class of shares;
- d) it is in favour of a single transferee or not more than four joint transferees;
- e) it is duly stamped (if so required);
- f) it is delivered for registration to the registered agent of the Company, or such other person as the Board may from time to time appoint, accompanied (except in the case of a transfer where a certificate has not been required to be issued) by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor and the due execution by him of the transfer or if the transfer is executed by some other person on his behalf, the authority of that person to do so; and
- g) the holding of such share would not, in the opinion of the Board, give rise to any circumstances, including the application of any legislation or regulation, wheresoever enacted, which would or might, in the opinion of the Board: (a) cause the Company's assets to be deemed, for the purpose of ERISA or the US Code, the assets of an "employee benefit plan", a "plan", or an entity whose underlying assets are considered to include "plan assets" by reason of investment in such entity by an "employee benefit plan" or "plan"; (b) cause the Company to be required to register as an "investment company" under the US Investment Company Act (including because the holder of the shares is not a "qualified purchaser" as defined in the US Investment Company Act) or similar legislation, or to lose an exemption or status thereunder to which it might otherwise be entitled; (c) cause the Company or any of its advisers to have to: register or qualify itself or any of the shares in the Company under the US Securities Act or the US Exchange Act or with any securities regulatory authority of any state or other jurisdiction of the United States, register as an "investment adviser" under the US Investment Advisers Act, or register or qualify itself or any of the shares in the Company under any similar legislation in any territory or jurisdiction; (d) cause the Company not to be considered a "Foreign Private Issuer" as such term is defined in rule 3b-4(c) under the US Exchange Act; (e) cause the Company to be a "controlled foreign corporation" for the purposes of the US Code; (f) cause the Company to become subject to any withholding tax or reporting obligation under FATCA or any similar legislation in any territory or jurisdiction (including any reporting obligation under the International Tax Compliance Regulations 2015), or to be unable to avoid or reduce any such tax or to be unable to comply with any such reporting obligation; or (g) cause a significant legal or regulatory issue for the Company under the US Bank Holding Company Act of 1956 (as amended) or any regulations or interpretations thereunder (an "**Onerous Obligation**"),

provided that where such share is listed on the Official List such discretion may not be exercised in such a way as to prevent dealings in such shares from taking place on an open and proper basis.

Notwithstanding the foregoing, the Board shall have the right to refuse (and cause the Company to refuse) to register any transfer of shares which is:

- a) not made (i) in accordance with Regulation S, (ii) pursuant to registration under the US Securities Act or (iii) pursuant to an available exemption from registration under the US Securities Act;
- b) made by members of the Company reasonably believed by the Company to be “qualified purchasers” (as defined in the US Investment Company Act) to US Persons who are not “qualified purchasers”; or
- c) in favour of any holder who (or whose holding of shares), as determined by the Board, would or might result in an Onerous Obligation.

The Board shall register a transfer of title to any uncertificated share or the renunciation or transfer of any renounceable right of allotment of a share which is a Participating Security held in uncertificated form in accordance with the CREST Regulations, except that the Board may refuse (subject to any relevant requirements applicable to the recognised investment exchange(s) to which the shares of the Company are admitted) to register any such transfer or renunciation which is in favour of more than four persons jointly or in any other circumstance permitted by the CREST Regulations.

5.9 **Distribution of assets on a winding-up**

If the Company is wound up, the surplus assets remaining after payment of all creditors are to be divided among the members in proportion to the capital which at the commencement of the winding up is paid up on the shares held by them respectively and, if such surplus assets are insufficient to repay the whole of the paid up capital, they are to be distributed so that as nearly as may be the losses are borne by the members in proportion to the capital paid up at the commencement of the winding up on the shares held by them respectively, subject to the rights attached to any shares which may be issued on special terms or conditions.

If the Company is wound up the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by law, divide among the members in specie the whole or any part of the assets of the Company and may for that purpose value any assets and determine how the division shall be carried out as between the members or different classes of members. Any such division may be otherwise than in accordance with the existing rights of the members but if any division is resolved otherwise than in accordance with such rights the members shall have the same right of dissent and consequential rights as if such resolution were a special resolution passed pursuant to section 222 of the Isle of Man Companies Act 1931 (which provision applies to the Company (with statutory modification) pursuant to the 2006 Act). The liquidator may with the like sanction vest the whole or any part of the whole of the assets in trustees on such trusts for the benefit of the members as he with the like sanction shall determine but no member shall be compelled to accept any assets on which there is a liability.

A special resolution sanctioning a transfer or sale to another company duly passed pursuant to section 222 of the Isle of Man Companies Act 1931 (which provision applies to the Company (with statutory modification) pursuant to the 2006 Act) may in the like manner authorise the distribution of any shares or other consideration receivable by the liquidator among the members otherwise than in accordance with their existing rights and any such determination shall be binding on all the members, subject to the right of dissent and consequential rights conferred by the said section.

5.10 **Untraced shareholders**

The Company shall be entitled to sell at the best price reasonably obtainable any share of a member or any share to which a person is entitled by transmission if and provided that:

- a) during the period of twelve years prior to the date of the publication of the advertisements referred to in paragraph (b) below (or if published on different dates, the earlier or earliest of them) no cheque, order or warrant in respect of such share sent by the Company through the post in a pre-paid envelope addressed to the member or to the person entitled by transmission to the share at his address on the Register or other last known address given by the member or person to which cheques, orders or warrants in respect of such share are to be sent has been

cash and the Company has received no communications in respect of such share from such member or person provided that during such period of twelve years at least three cash dividends (whether interim or final) in respect of the shares in question have become payable and no such dividend during that period has been claimed by the person entitled to it;

- b) on or after expiry of the said period of twelve years the Company has given notice of its intention to sell such share by advertisements in both a national daily newspaper published in the United Kingdom and in a newspaper circulating in the area in which the last known address of such member or person appeared;
- c) the said advertisements, if not published on the same day, shall have been published within thirty days of each other;
- d) during the further period of three months following the date of publication of the said advertisements (or, if published on different dates the later or latest of them) and prior to the exercise of the power of sale the Company has not received any communication in respect of such share from the member or person entitled by transmission; and
- e) the Company has given notice in accordance with the regulations of the relevant regulatory authority of its intention to make such sale and shall, if appropriate, have obtained the approval of the relevant regulatory authority to the proposed form of the said advertisement, if shares of the class concerned are admitted to a recognised investment exchange.

The Company shall account to the member or other person entitled to such share or shares for the net proceeds of such sale by carrying all moneys in respect of it to a separate account. The Company shall be deemed to be a debtor to and not a trustee for such member or other person in respect of such moneys. Moneys carried to such separate account may either be employed in the business of the Company or invested in such investments as the Board may from time to time think fit. No interest shall be payable to such member or other person in respect of such moneys and the Company shall not be required to account for any money earned on them.

5.11 Appointment of Directors

Unless and until otherwise determined by the Company by resolution the number of Directors (other than any alternate Directors) shall be not less than two or more than twelve. A majority of the Directors shall at all times be resident outside the United Kingdom.

Subject to the provisions of the New Articles, the Company may by resolution appoint a person who is willing to act to be a Director, either to fill a vacancy, or as an addition to the existing Board, and may also determine the rotation in which any additional Directors are to retire, but the total number of Directors shall not exceed any maximum number fixed in accordance with the New Articles.

Without prejudice to the power of the Company to appoint any person to be a Director pursuant to the New Articles the Board shall have power at any time to appoint any person who is willing to act as a Director, either to fill a vacancy or as an addition to the existing Board, but the total number of Directors shall not exceed any maximum number fixed in accordance with the New Articles. Any Director so appointed shall hold office only until the annual general meeting of the Company next following such appointment and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors who are to retire by rotation at that meeting. If not re-appointed at such annual general meeting, he shall vacate office at the conclusion thereof.

5.12 Powers of Directors

The Directors shall have power to do all acts and things as they consider necessary or expedient to give effect to the New Articles.

The management and control of the business of the Company shall be in and from the Isle of Man or such other place outside the United Kingdom as the Board may determine from time to time. Subject to the provisions of the 2006 Act, the memorandum of association of

the Company and the New Articles and to any directions given by special resolution of the Company, the business of the Company shall be managed by the Board, which may exercise all the powers of the Company whether relating to the management of the business or not. No alteration of the memorandum of association, or of the New Articles and no such direction given by the Company shall invalidate any prior act of the Board which would have been valid if such alteration had not been made or such direction had not been given. Provisions contained elsewhere in the New Articles as to any specific power of the Board shall not be deemed to limit the general powers given by the New Articles.

The Board may from time to time:

- a) delegate or entrust to and confer on any Director holding executive office (including a Managing Director) such of its powers, authorities and discretions (with power to sub-delegate) for such time on such terms and subject to such conditions as it thinks fit; and
- b) revoke, withdraw, alter or vary all or any of such powers.

5.13 Borrowings

Subject to the other provisions in the New Articles and to the provisions of the 2006 Act, the Directors may exercise all the powers of the Company to borrow money, to guarantee, to indemnify and to mortgage or charge its undertaking, property, assets (present and future) and uncalled capital or any part or parts thereof and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

5.14 Voting at board meetings

One Director may summon a Board meeting at any time on reasonable notice. Notice of a Board meeting shall be deemed to be properly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for that purpose. A Director may waive the requirement that notice be given to him of any Board meeting either prospectively or retrospectively.

The quorum necessary for the transaction of business may be determined by the Board and until otherwise determined shall be two persons, each being a Director or an alternate Director. A person who holds office only as an alternate Director shall only be counted in the quorum if his appointor is not present. A Director or other person who is present at a meeting of the Board in more than one capacity (that is to say as both Director and an alternate Director or as an alternate for more than one Director) shall not be counted as two or more for these purposes unless at least one other Director or alternate Director is also present. A duly convened meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions for the time being vested in or exercisable by the Board. Any Director who ceases to be a Director at a meeting of the Directors may continue to be present and to act as a Director and be counted in the quorum until the termination of the meeting of the Directors if no Director objects and if otherwise a quorum of Directors would not be present.

Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes the chairman of that meeting shall have a second or casting vote but only if the effect of the exercise of such a vote is not to render a decision or vote in question one which is reached or passed by a majority of Directors who are resident in the United Kingdom.

Any Director or his alternate may validly participate in a meeting of the Board or a committee of the Board through the medium of conference telephone or electronic mail or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting or are able to receive communications from each of the other Directors participating in the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be

deemed to take place at the location nominated by the chairman of the meeting, save that this must be in a location (other than the United Kingdom) where one of the participants is.

5.15 Restrictions on voting

Save as provided in the provision of the New Articles summarised in this paragraph, a Director shall not vote on or be counted in the quorum in relation to any resolution of the Board or of a committee of the Board concerning any contract, arrangement, transaction or any proposal whatsoever to which the Company is or is to be a party in which (together with any interest of any person connected with him within the meaning of sections 252 to 255 of the UK Companies Act 2006) he has (directly or indirectly) an interest which is material (other than by virtue of his interests in shares or debentures or other securities of, or otherwise in or through the Company) or a duty which conflicts with the interests of the Company unless his duty or interest arises only because the case falls within certain limited categories specified in the New Articles.

An interest of a person who is, for any purpose of the 2006 Act (excluding any such modification thereof not in force when the New Articles became binding on the Company), connected with a Director shall be treated as an interest of the Director and, in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director otherwise has.

A Director shall not vote or be counted in the quorum on any resolution of the Board or committee of the Board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or termination) of two or more Directors to offices or places of profit with the Company or any company in which the Company is interested, such proposals may be divided and a separate resolution considered in relation to each Director. In such case each of the Directors concerned (if not otherwise debarred from voting under the New Articles) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

5.16 Directors' interests

Subject to the provisions of section 104 of the 2006 Act and provided that certain provisions in respect of the disclosure of interests to Board in the New Articles are complied with, a Director, notwithstanding his office:

- a) may be a party to or otherwise be interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested, either in regard to his tenure of any office or place of profit or as vendor, purchaser or otherwise;
- b) may hold any other office or place of profit under the Company (except that of Auditor or of auditor of a subsidiary of the Company) in conjunction with the office of Director and may act by itself or through his firm in a professional capacity for the Company and in any such case on such terms as to remuneration and otherwise as the Board (or any remuneration committee of the Board) may arrange either in addition to or in lieu of any remuneration provided for by any other Article;
- c) may be a member of or a director or other officer, or employed by, or a party to any transaction or arrangement with or otherwise interested in, any body corporate promoted by or promoting the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment; and
- d) shall not, by reason of his office, be liable to account to the Company for any dividend, profit, remuneration, superannuation payment or other benefit which he derives from any such office, employment, contract, arrangement, transaction or proposal or from any interest in any such body corporate,

and no such contract, arrangement, transaction or proposal shall be avoided on the grounds of any such interest or benefit.

A Director who to his knowledge is in any way (directly or indirectly) interested in any contract, arrangement, transaction or proposal with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract, arrangement, transaction or proposal is first considered if he knows his interest then exists or, in any other case, at the first meeting of the Board after he knows that he is or has become so interested.

5.17 Indemnity

Subject to the provisions of the 2006 Act, the Company may indemnify every Director, alternate Director or other officer of the Company (other than an Auditor) to the fullest extent permitted by law.

Subject to the provisions of the 2006 Act, the Board may purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any time a Director or other officer or employee of the Company or of any other company which is a subsidiary, subsidiary undertaking or holding company of the Company or in which the Company has an interest whether direct or indirect or which otherwise is in any way allied to or associated with the Company or of any subsidiary undertaking or holding company of the Company or of any such company or who is or was at any time a trustee of any pension fund or employee benefits trust in which any employee of the Company or of any such other company or subsidiary undertaking is or has been interested indemnifying such person against any liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a Director, officer, employee or trustee.

5.18 General meetings

The Board shall convene in each year a general meeting of the members of the Company called the annual general meeting; any annual general meeting so convened shall be held at such time and by such means of attendance and participation as the Board may determine.

All general meetings other than annual general meetings, shall be called extraordinary general meetings. The Board may convene an extraordinary general meeting whenever it thinks fit. At any meeting convened by the Board or any meeting requisitioned pursuant to section 67(2) of the 2006 Act, no business shall be transacted except that stated by the requisition or proposed by the Board. If there are not sufficient members of the Board to convene a general meeting, any Director or any member of the Company may call a general meeting.

The Directors shall determine in relation to each general meeting the date, time and means of attendance at and participation in the meeting, including whether the persons entitled to attend and participate in the general meeting shall be entitled to do so by simultaneous attendance and participation at a physical place (or places) anywhere in the world determined by it, or by means of an electronic facility or facilities determined by it in accordance with the following provisions of the New Articles, or partly in one way and partly in another.

The Directors may resolve to enable persons entitled to attend and participate in a general meeting to do so by simultaneous attendance and participation at a satellite meeting place or places anywhere in the world. The members present in person or by proxy at satellite meeting places shall be counted in the quorum for, and entitled to participate in, the general meeting in question, and that meeting shall be duly constituted and its proceedings valid if the chairman of the meeting is satisfied in accordance with the New Articles.

The Directors may resolve to enable persons entitled to attend and participate in a general meeting to do so (wholly or partly) by simultaneous attendance and participation by means of an electronic facility and determine the means, or all different means, of attendance and participation used in relation to the general meeting. The members present in person or by proxy by means of an electronic facility (as so determined by the Directors) shall be counted in the quorum for, and be entitled to participate in, the general meeting in question, and that meeting shall be duly constituted and its proceedings valid if the chairman of the meeting is satisfied in accordance with the New Articles.

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business but the absence of a quorum shall not preclude the choice or appointment of a chairman of the meeting which shall not be treated as part of the business of the meeting. Subject to certain provisions of the New Articles regarding if a quorum is not present, two persons entitled to attend and to vote on the business to be transacted, each being a member present in person or a proxy for a member or a duly authorised representative of a corporation which is a member, or one person entitled to attend and to vote on the business to be transacted, being a member holding not less than one-tenth of the issued share capital of the Company and being present in person or by proxy, shall be a quorum. For this purpose a person shall be deemed present if they attend through electronic or telephonic means and/or in multiple locations, as the Board considers appropriate, provided that all shareholders participating in the meeting are able to communicate with each other and the chairman of the meeting.

If within fifteen minutes (or such longer interval not exceeding one hour as the chairman of the meeting in his absolute discretion thinks fit) from the time appointed for the holding of a general meeting a quorum is not present, or if during a meeting such a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, the meeting shall stand adjourned to later on the same day, to the same day in the next week at the same time and place, or to such other day and at such time and with such means of attendance and participation (including at such place or places and/or by means of such electronic facility) as the chairman of the meeting (or, in default, the Board) at all times acting reasonably, may determine. If at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting one member present in person or by proxy or (being a corporation) by a duly authorised representative shall be a quorum. If no such quorum is present or, if during the adjourned meeting a quorum ceases to be present, the adjourned meeting shall be dissolved. The Company shall give at least seven clear days' notice of any meeting adjourned through lack of quorum (where such meeting is adjourned to a day being not less than fourteen nor more than twenty-eight days thereafter).

At any general meeting a resolution put to a vote of the meeting shall be decided on a show of hands unless (before or immediately after the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded. Subject to the provisions of the 2006 Act, a poll may be demanded by:

- a) the chairman of the meeting; or
- b) by at least two members present in person or by proxy having the right to vote at the meeting; or
- c) a member or members present in person or by proxy representing not less than one tenth of the voting rights of all the members having the right to vote at the meeting; or
- d) a member or members present in person or by proxy holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all the shares conferring that right;

and a demand for a poll by a person as proxy for a member shall be as valid as if the demand were made by the member himself.

6 Takeovers

6.1 Mandatory bids

The Takeover Code applies to the Company.

Under the Takeover Code, if an acquisition of Ordinary Shares were to increase the aggregate holding of an acquirer and its concert parties to an interest in Ordinary Shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer and, depending upon the circumstances, its concert parties, would be required (except with the consent of the Panel) to make a cash offer for the outstanding Ordinary Shares in the Company at a price not less than the highest price paid for the Ordinary Shares in the

Company by the acquirer or its concert parties during the previous 12 months. A similar obligation to make such a mandatory offer would also arise on the acquisition of Ordinary Shares by a person holding (together with its concert parties) Ordinary Shares carrying between 30 to 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the voting rights.

6.2 Compulsory acquisition procedure

Section 160 of the 2006 Act sets out the steps required to be taken to effect a compulsory acquisition of shares in a company. Where a scheme or contract involving the transfer of shares to another person (the “**transferee**”) has been approved by the holders of not less than 90 per cent. in value of the shares effected within the 16 weeks after the offer being made, the transferee may, at any time within eight weeks after the transferee has acquired or contracted to acquire the relevant shares, give notice in the prescribed manner to any dissenting shareholder that it desires to acquire such dissenting shareholder's shares, and where such notice is given the transferee shall, unless (on application made by the dissenting shareholder within one month from the date on which the notice is given) the court thinks fit to order otherwise, be entitled and bound to acquire those shares on terms which under the scheme or contract the shares of the approving shareholders are to be transferred to the transferee (or on such terms as may be permitted by variation under the 2006 Act in certain circumstances).

Where such a notice has been given by the transferee and the court has not, on application made by the dissenting shareholder, ordered to the contrary or any pending application to the court by the dissenting shareholder has been disposed of, the transferee shall send a copy of the notice to the company and pay or transfer to the company the consideration representing the price payable for the shares which the transferee is entitled to acquire and the company shall thereupon register the transferee as the holder of those shares. The company will be required to hold such sums in a separate bank account on trust for the dissenting shareholder.

6.3 Lack of “sell-out” provisions

The 2006 Act does not contain equivalent provisions to the “sell-out” right available to minority shareholders under section 983 of the UK Companies Act 2006 (which gives minority shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer).

6.4 Rule 9

Rule 9 of the Takeover Code provides that, where any person who, together with persons acting in concert with him, holding over 50 per cent. of the voting rights of a company, acquires any further shares carrying voting rights, then they will not generally be required to make a general offer to the other shareholders to acquire the balance of their shares. Similarly, when any person or persons acting in concert already hold more than 30 per cent. but not more than 50 per cent. of the voting rights of such company, a general offer will normally be required if any further shares increasing that person's percentage of voting rights are acquired.

7 Material contracts of the Company

Save as described below, the Company has not: (i) been party to any material contracts (other than contracts in the ordinary course of business) within the two years immediately preceding the date of this Prospectus; or (ii) entered into any contracts that contain provisions under which the Company has any obligation or entitlement that is material to the Company as at the date of this Prospectus.

7.1 Sponsor and Placing Agreement

The Sponsor and Placing Agreement dated 29 October 2025 between the Company, the Directors, Janos Berghorn, the Sponsor and SCM Securities whereby SCM Securities has undertaken, as agent for the Company, to use its reasonable endeavours to procure subscribers for Ordinary Shares under the Placing Programme, and the Sponsor has agreed

to act as sponsor in relation to this Prospectus and Initial Admission for the purposes of the UK Listing Rules.

The Sponsor and Placing Agreement is subject to, *inter alia*, the Ordinary Shares being admitted to the equity shares (commercial companies) category of the Official List and to trading on the London Stock Exchange's Main Market by not later than 8.00 a.m. on 25 November 2025 (or such later date as the Company and Singer Capital Markets may agree but not later than 31 December 2025. SCM Securities is entitled to receive a commission pursuant to each Placing.

Under the Sponsor and Placing Agreement, which may be terminated by Singer Capital Markets in certain circumstances prior to Initial Admission and prior to the final date under the Placing Programme, the Company has given certain warranties and indemnities to Singer Capital Markets, and the Directors have given certain warranties to Singer Capital Markets. These warranties and indemnities are customary for an agreement of this nature.

Under the Sponsor and Placing Agreement, SCM Securities may at its discretion and out of its own resources at any time rebate to some or all investors, or to other parties, part or all of its fees relating to any Placing. SCM Securities is also entitled under the Sponsor and Placing Agreement to retain agents and may pay commission in respect of any Placing to any or all of those agents out of its own resources.

The Sponsor and Placing Agreement is governed by English law.

7.2 **Reflexivity Orderly Market Deed**

The deed dated 29 October 2025 between Reflexivity, SCM Advisory, SCM Securities and the Company, pursuant to which Reflexivity has agreed that it will, during the period of 365 days following Initial Admission, only dispose of any interest in the Ordinary Shares it holds (including selling, transferring or granting options over such shares) through Singer Capital Markets and in accordance with the reasonable requirements of Singer Capital Markets (for as long as Singer Capital Markets is appointed as broker to the Company), in order to maintain an orderly market in the Ordinary Shares. These restrictions are subject to certain customary exceptions, including any disposal of Ordinary Shares: (i) with the prior written consent of the Company and Singer Capital Markets; (ii) in connection with a takeover offer or a court-sanctioned arrangement or compromise; (iii) pursuant to an offer by the Company to purchase its own shares, made on identical terms to all Shareholders; (iv) to any subsidiary undertaking of Reflexivity, provided the transferee agrees to be bound by similar restrictions; or (v) following certain events such as the passing of a resolution to wind up the Company, the de-listing of the Company's shares, or pursuant to an intervening court order.

The Reflexivity Orderly Market Deed is governed by English law.

7.3 **Reflexivity Services Agreement**

The services agreement dated 30 June 2021 between the Company, Reflexivity Research Limited and the current members of the Management Team (being George McDonaugh, Keld van Schreven and Janos Berghorn (together, the "**Principals**")), as amended by side letters dated 5 July 2023 and 29 October 2025, pursuant to which Reflexivity has agreed to: (i) make the services of the Principals available to the Company; (ii) provide certain other consultancy services to the Company; and (iii) grant the Company a license in respect of certain intellectual property owned by Reflexivity.

Under the terms of the agreement, Reflexivity has agreed to provide various consultancy services to the Company, including: (i) making available the Principals (or such substitute(s) approved by the Company) to act as executive directors and/or employees and/or consultants to the Company (provided that the Company accepts their appointment); (ii) providing strategic support to the Principals to assist in achieving the objectives of the Company's business plan and strategy; (iii) delivering research to the Company with regard to its business opportunities; (iv) evaluating (but not advising upon) business opportunities for the Company; (v) providing general advice to the Company in relation to market movements, trends in the digital assets sector and other matters likely to affect the Company's business opportunities; and (vi) making periodic reports on the progress of the Company's staking operations and assets (not less frequently than once every three

months). Reflexivity and the Principals have also undertaken to dedicate sufficient time and resources that the Company reasonably believes is required from time to time to fulfil their obligations to the Company under the agreement.

Pursuant to the Reflexivity Services Agreement, Reflexivity has also granted the Company an exclusive worldwide, royalty-free, irrevocable licence to use certain intellectual property owned by Reflexivity during the term of the agreement, including the KR1 name, the KR1 website and certain connected social media accounts.

The Reflexivity Services Agreement is terminable by either the Company or Reflexivity giving to the other not less than 12 months' written notice, such notice not to be served earlier than 1 July 2029. The Reflexivity Services Agreement may also be terminated by the Company with immediate effect by giving written notice to Reflexivity upon the occurrence of certain events, including the insolvency of Reflexivity, in the event of a material breach by Reflexivity or a Principal which fails to be remedied within 30 days of receipt of notice, if Reflexivity ceases to be entitled to the services of one or more of the Principals or if the activities of Reflexivity or a Principal cause the Company to become tax resident in a jurisdiction other than the Isle of Man or to suffer any material adverse tax or regulatory issue. The Reflexivity Services Agreement may be terminated by Reflexivity with immediate effect by giving written notice to the Company upon the insolvency of the Company or a failure by the Company to pay any Performance Fee or Consultancy Fee owed to Reflexivity in accordance with the terms of the agreement.

Under the terms of the Reflexivity Services Agreement, Reflexivity is entitled to a monthly Consultancy Fee and, subject to the Company meeting certain performance criteria, a periodic Performance Fee, details of which are set out in Part 2 (*The Board, Management and Corporate Governance*) of this Prospectus under the sub-heading "Ongoing annual expenses". Reflexivity is also entitled to reimbursement of all expenses reasonably and properly incurred by it in the performance of its duties, save that aggregate annual expenses in excess of £50,000 must be pre-approved by the Non-Executive Directors.

Pursuant to the agreement, Reflexivity and the Principals have undertaken that they will not, during the term of the agreement, manage, advise or otherwise participate in any other corporate vehicle marketed to investors in the United Kingdom and/or the EEA that has a substantially similar business or activities to those of the Company without the prior written consent of the Company, save that they may continue to manage, advise or otherwise participate in any corporate vehicles that they are already involved with as at the date of the agreement. Reflexivity and the Principals have also undertaken to not participate in any pre-seed, seed, or Series A investment opportunities that align with the Company's business plan and strategy without first offering the Company a right of first refusal. However, this right does not apply to pre-seed or seed investments valued below 0.67 per cent. of the Company's most recently published Net Asset Value or to Series A investments valued below 1.0 per cent. of the most recently published Net Asset Value.

Pursuant to the Reflexivity Services Agreement, Reflexivity and the Principals shall only be liable for direct losses suffered by the Company in connection with their performance or non-performance of the agreement if such losses arise from their gross negligence, wilful misconduct, fraud, material breach of the agreement, or material breach of a material FCA rule. The Company has also agreed to indemnify and hold harmless Reflexivity and the Principals against all actions, claims, proceedings, costs, demands, and related expenses incurred due to the proper performance of their duties under the agreement, including reasonable legal and professional costs, except where losses arise directly from their fraud, wilful default, gross negligence, or material breach of the agreement.

The Reflexivity Services Agreement is governed by English law.

7.4 Engagement letter with AlbR Capital Limited

The engagement letter dated 1 October 2025 between the Company and AlbR Capital Limited ("**AlbR**"), pursuant to which AlbR has been appointed as the Company's Aquis Corporate Adviser.

Under the AlbR Agreement, AlbR is responsible for advising the Company on its obligations under the rules of the Aquis Growth Market and providing ongoing guidance to support compliance with regulatory requirements.

AlbR shall only be liable for any loss, damage, cost, charge or expense which the Company may suffer or incur by reason of the carrying out by AlbR of its obligations under the AlbR Agreement provided that such loss or damage arises from the judicially determined fraud, gross negligence or wilful default of AlbR or its employee, consultant or director (or similar) or a material breach by AlbR or its employee, consultant or director (or similar) of its duties or obligations under the AlbR Agreement or any applicable laws. Furthermore, the Company has provided a market standard indemnity to AlbR.

The AlbR Agreement may be terminated by either party with three months' prior written notice, or by AlbR immediately on the occurrence of certain specified events, including a material breach by the Company of its obligations under the agreement or a material adverse change in the business of the Company. The AlbR Agreement is governed by the laws of England and Wales.

7.5 Administration and Secretarial Agreement

The letter agreement signed on 24 August 2021 between the Company and IQ EQ (Isle of Man) Limited, pursuant to which IQ-EQ has agreed to provide certain administrative and secretarial services to the Company. The services provided by IQ-EQ pursuant to the agreement include the provision of the Company's registered office and registered agent, maintenance of the Company's register of directors and officers, filing of statutory returns, maintaining copies of accounts and audited financial statements, attending meetings and preparing minutes, liaising with auditors, handling day-to-day affairs, and other services agreed between the parties.

IQ-EQ has agreed to exercise all reasonable care, skill and diligence in the performance of its duties under the agreement to the best of its ability in a manner which is in accordance with the best interests of the Company. IQ-EQ is entitled to fees for the services it provides, which are invoiced annually or more frequently as IQ-EQ deems appropriate.

IQ-EQ's liability under the agreement is subject to a cap. Furthermore, the Company has provided indemnities to IQ-EQ and its affiliates in respect of any liabilities, costs or expenses incurred in connection with the engagement.

Either party may terminate the agreement at any time by giving at least three months' prior written notice to the other party, or immediately on the occurrence of certain specified events, including material breach that has not been remedied within 30 days of notice requiring remediation and certain insolvency events.

7.6 Transfer Agent Agreement

The transfer agent agreement dated 5 June 2018 between the Company and the Registrar, pursuant to which the Registrar has been appointed as the Company's registrar and transfer agent and has agreed to provide transfer agent registration services to the Company in accordance with applicable law and the rules of any market on which the Company's shares are traded.

The services provided by the Registrar include maintaining the Company's register of members, processing share transfers, issuing and cancelling share certificates, and handling dividend payments. The Registrar is entitled to fees for the services it provides, which are based on the number of shareholder accounts, the volume of transfers processed and specific activities such as dividend payments and shareholder meetings. Fees for standard services are payable quarterly and are subject to increases in line with inflation.

The Transfer Agent Agreement includes liability provisions that exclude the Registrar's liability for indirect or consequential loss, such as loss of profits or goodwill, and cap the Registrar's total liability. Furthermore, the Company has provided a market standard indemnity to the Registrar.

The Transfer Agent Agreement may be terminated by either party giving six months' written notice, or immediately upon written notice in certain circumstances, including in the event of

a winding up of the other party or a material breach by the other party that has not been remedied within 14 days of receiving notice requiring such remediation. The Registrar may also terminate the Transfer Agent Agreement with immediate effect in the event of a continuing non-payment by the Company of fees due under the Transfer Agent Agreement.

The Transfer Agent Agreement is governed in accordance with English law.

7.7 Formidium Master Services Agreement

The master services agreement dated 22 December 2021 between the Company and Formidium Corp. (“**Formidium**”), pursuant to which the Company has appointed Formidium to provide certain accounting and administration services to the Company, including maintaining full portfolio and accounting records, pricing of portfolio, and preparation of the monthly financial updates.

As compensation for the services it provides, Formidium is entitled to monthly fees, which are calculated according to a tiered structure based on the Company’s assets under management.

The Formidium Master Services Agreement renews for successive one-month periods and may be terminated by the Company giving written notice 90 days prior to the applicable renewal date or by Formidium giving 90 days’ prior written notice. Either party may also terminate the Formidium Master Services Agreement immediately by providing written notice in certain circumstances, including material breach by the other party that is not remedied within 30 days of written notice requiring remediation, breach by the other party of law or regulation, or insolvency of the other party.

The Company has provided indemnities to Formidium and any employee of Formidium who has been appointed to serve as an officer of the Company in connection with any losses, damages, costs and liabilities incurred by Formidium or any such employee.

The Formidium Master Services Agreement is governed by the laws of the State of Delaware.

8 Related party transactions

Save for the agreement between the Company and Rhys Davies, Mona Elisa and Aeron Buchanan relating to the payment of the Contingent Bonuses, there have been no related party transactions entered into by the Company since 30 June 2025, being the date to which the last financial statements of the Company were prepared.

9 Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the Company’s financial position or profitability.

10 Working capital

The Company is of the opinion that it has sufficient working capital for its present requirements, that is for at least 12 months from the date of this Prospectus.

11 General

- 11.1 No application is being made for the Ordinary Shares to be dealt with in or on any stock exchange or investment exchange other than the Main Market of the London Stock Exchange.
- 11.2 SCM Securities is acting as financial adviser and sole bookrunner to the Placing Programme and has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which they appear.
- 11.3 SCM Advisory is acting as Sponsor to the Company and has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which they appear.

- 11.4 PKF Littlejohn LLP has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which they appear.
- 11.5 Where third party information has been referenced in this Prospectus, the source of that third party information has been disclosed. All information in this Prospectus that has been sourced from third parties has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 11.6 Shareholders are obliged to comply, from Initial Admission, with the shareholding notification and disclosure requirements set out in Chapter 5 of the DTRs. Pursuant to the New Articles, the Company elects to apply Chapter 5 of the DTRs as if the Company is a “UK issuer”, as such term is defined in the DTRs. Accordingly, a Shareholder is required to notify the Company if, as a result of an acquisition or disposal of shares or financial instruments, the Shareholder’s percentage of voting rights of the Company reaches, exceeds or falls below, three per cent. of the Company’s voting rights or any one per cent. threshold above that.

12 Regulatory disclosures under the UK Market Abuse Regulation

- 12.1 The table below sets out a summary of the information disclosed by the Company under the UK Market Abuse Regulation over the last 12 months, which is relevant at the date of this Prospectus:

Date	Title of Announcement	Disclosure
30 September 2025	Interim Report for the Half Year Ended 30 June 2025	Half year results for the six months ended 30 June 2025
30 September 2025	Financial Update (August 2025)	Unaudited update on the Company's income from digital assets and its largest holdings as at 31 August 2025
29 September 2025	Holding Update: Anoma (“XAN”)	Update on the Company's Anoma (“XAN”) holding
29 August 2025	Financial Update (July 2025)	Unaudited update on the Company's income from digital assets and its largest holdings as at 31 July 2025
13 May 2025	Audited Results for the 12 months ended 31 December 2024	The Company's audited results for the 12 months ended 31 December 2024

13 Auditor

The Company’s auditor is PKF Littlejohn LLP of 15 Westferry Circus, London E14 4HD, United Kingdom. PKF Littlejohn LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

14 Documents incorporated by reference

This document should be read and construed in conjunction with the following documents, which have been previously published, which are available from the Company's website at <https://investors.KR1.io/investors/documents/> and which are available for inspection in accordance with paragraph 15 below:

Reference document	Information incorporated by reference	Page number(s) in the document
Audited annual report and financial statements for the year ended 31 December 2024	About KR1 plc	2
	Overview of KR1 plc	3
	Staking Activities	4
	Largest Holdings	5
	Chairman's Report	6
	Managing Director's Report	7-8
	Strategic Report	9-13
	Directors' Report	14-18
	Independent Auditor's report	19-23
	Statement of Comprehensive Income	24
	Statement of Financial Position	25
	Statement of Changes in Equity	26-27
	Statement of Cash Flows	28
	Notes to the Financial Statements	29-54
Unaudited interim report and financial statements for the half year ended 30 June 2025	About KR1 plc	2
	Overview of KR1 plc	3
	Staking Activities	4
	Largest Holdings	5
	Chairman's Report	6
	Managing Director's Report	7-8
	Strategic Report	9-13
	Managements' Report	14-16
	Statement of Comprehensive Income	17
	Statement of Financial Position	18
	Statement of Changes in Equity	19-21
	Statement of Cash Flows	22
	Notes to the Financial Statements	23-40

15 Documents available for inspection

- 15.1 The following documents will be available for inspection at the offices of Stephenson Harwood LLP, 1 Finsbury Circus, London, EC2M 7SH during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this Prospectus until the Final Date and shall be available on the Company's website <https://KR1.io/>:

15.1.1 the Company's memorandum of association;

15.1.2 the Existing Articles;

15.1.3 the New Articles;

15.1.4 this Prospectus;

15.1.5 the 2024 Annual Report and Financial Statements; and

15.1.6 the 2025 Unaudited Interim Report and Financial Statements.

Dated 29 October 2025

PART 8

TERMS AND CONDITIONS OF APPLICATION UNDER EACH PLACING

1 Introduction

- 1.1 Each Placee which confirms its agreement (whether orally or in writing) to SCM Securities to subscribe for Ordinary Shares under any Placing will be bound by these terms and conditions and will be deemed to have accepted them.
- 1.2 SCM Securities may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) sees fit and may require any such Placee to execute a separate placing letter ("**Placing Letter**").

2 Agreement to subscribe for Ordinary Shares

- 2.1 Conditional on, amongst other things: (i) the passing of the Migration Resolution and the Placing Programme Resolution to be proposed at the General Meeting; (ii) Admission of the Ordinary Shares issued pursuant to the relevant Placing occurring and becoming effective by 8.00 a.m. on or prior to the date agreed by the Company and SCM Securities in respect of that Placing, not being later than 28 October 2026; (iii) the Sponsor and Placing Agreement becoming otherwise unconditional in all respects in respect of the relevant Placing and not having been terminated on or before the date of the relevant Placing; and (iv) SCM Securities confirming to the Placees their allocation of Ordinary Shares, a Placee agrees to become a Shareholder of the Company and agrees to subscribe for those Ordinary Shares allocated to it by SCM Securities at the applicable Placing Programme Price. To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.
- 2.2 Applications under any Placing must be for a minimum subscription amount of £1,000.
- 2.3 Any commitment to acquire Ordinary Shares under any Placing agreed orally with SCM Securities, as agent for the Company, will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and SCM Securities, to subscribe for the number of Ordinary Shares allocated to it on the terms and subject to the conditions set out in this Part 8 and the contract note or oral or email placing confirmation as applicable (for the purpose of this Part 8, the "**Contract Note**" or the "**Placing Confirmation**") and in accordance with the Articles as in force at the date of Admission of the relevant Ordinary Shares. Except with the consent of SCM Securities, such oral commitment will not be capable of variation or revocation after the time at which it is made.
- 2.4 Each Placee's allocation of Ordinary Shares under any Placing will be evidenced by a Contract Note confirming: (i) the number of Ordinary Shares that such Placee has agreed to acquire; (ii) the aggregate amount that such Placee will be required to pay for such Ordinary Shares; and (iii) settlement instructions to pay SCM Securities, as agent for the Company. The provisions as set out in this Part 8 will be deemed to be incorporated into that Contract Note.

3 Payment for Ordinary Shares

- 3.1 Each Placee undertakes to pay the applicable Placing Programme Price for the Ordinary Shares issued to the Placee in the manner and by the time directed by SCM Securities. In the event of any failure by any Placee to pay as so directed and/or by the time required by SCM Securities, the relevant Placee's application for Ordinary Shares may, at the discretion of SCM Securities, either be accepted or rejected and, in the former case, paragraph 3.2 below shall apply.
- 3.2 Each Placee is deemed to agree that if it does not comply with its obligation to pay the relevant Placing Programme Price for the Ordinary Shares allocated to it in accordance with paragraph 3.1 of these terms and conditions and SCM Securities elects to accept that Placee's application, SCM Securities may sell all or any of the Ordinary Shares allocated to the Placee on such Placee's behalf and retain from the proceeds an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and it may be

required to bear any tax or other charges (together with any interest or penalties) which may arise upon the sale of such Ordinary Shares on such Placee's behalf.

4 Representations and warranties

By agreeing to subscribe for Ordinary Shares under a Placing, each Placee which enters into a commitment to subscribe for Ordinary Shares will (for itself and for any person(s) procured by it to subscribe for Ordinary Shares and any nominee(s) for any such person(s)) be deemed to undertake, represent and warrant to each of the Company, Singer Capital Markets and the Registrar that:

- 4.1 in agreeing to subscribe for Ordinary Shares under a Placing, it is relying solely on this document and any supplementary prospectus published by the Company prior to Admission of the relevant Ordinary Shares and not on any other information given, or representation or statement made at any time by any person concerning the Company, the Ordinary Shares or any Placing. It agrees that none of the Company, Singer Capital Markets or the Registrar, nor any of their respective officers, agents, employees or affiliates, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;
- 4.2 if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Ordinary Shares under a Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any such territory or jurisdiction and that it has not taken any action or omitted to take any action which will result in the Company, Singer Capital Markets or the Registrar or any of their respective officers, agents, employees or affiliates acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Placing;
- 4.3 it has carefully read and understands this document in its entirety and acknowledges that it is acquiring Ordinary Shares on the terms and subject to the conditions set out in this Part 8 and, as applicable, in the Contract Note or Placing Confirmation and the Articles as in force at the date of Admission of the relevant Ordinary Shares;
- 4.4 the price payable per Ordinary Share is payable to SCM Securities on behalf of the Company in accordance with the terms of these terms and conditions and in the Contract Note;
- 4.5 if it is subscribing for Ordinary Shares in cash, it has the funds available to pay, in full, for the Ordinary Shares for which it has agreed to subscribe and it will pay the total subscription amount in accordance with the terms set out in these terms and conditions and as set out in the Contract Note on the due time and date;
- 4.6 it has not relied on Singer Capital Markets or any person affiliated with Singer Capital Markets in connection with any investigation of the accuracy of any information contained in this document;
- 4.7 it acknowledges that the content of this document is exclusively the responsibility of the Company and the Directors, and neither Singer Capital Markets nor any person acting on its behalf nor any of its affiliates are responsible for or shall have any liability for any information, representation or statement contained in this document or any information published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in any Placing based on any information, representation or statement contained in this document or otherwise;
- 4.8 it acknowledges that no person is authorised in connection with any Placing to give any information or make any representation other than as contained in this document and any supplementary prospectus published by the Company prior to Admission of the relevant Ordinary Shares, and, if given or made, any information or representation must not be relied upon as having been authorised by Singer Capital Markets or the Company;
- 4.9 it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the UK Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 (depository receipts and clearance services) of the UK Finance Act 1986;

- 4.10 its commitment to acquire Ordinary Shares under any Placing will be agreed orally or in writing (which shall include by email) with SCM Securities as agent for the Company and that a Contract Note or Placing Confirmation will be issued by SCM Securities as soon as possible thereafter. That oral or written agreement will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and SCM Securities to subscribe for the number of Ordinary Shares allocated to it and comprising its placing commitment at the applicable Placing Programme Price on the terms and conditions set out in this Part 8 and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any) and in accordance with the Articles in force as at the date of Admission of the relevant Ordinary Shares. Except with the consent of Singer Capital Markets such oral or written commitment will not be capable of variation or revocation after the time at which it is made;
- 4.11 its allocation of Ordinary Shares under any Placing will be evidenced by a Contract Note or Placing Confirmation, as applicable, confirming: (i) the number of Ordinary Shares that such Placee has agreed to acquire; (ii) the aggregate cash amount that such Placee will be required to pay for such Ordinary Shares; and (iii) settlement instructions to pay SCM Securities the required cash consideration as agent for the Company. The terms of this Part 8 will be deemed to be incorporated into that Contract Note or Placing Confirmation;
- 4.12 settlement of transactions in the Ordinary Shares following their Admission will take place in CREST but SCM Securities reserves the right in its absolute discretion to require settlement in certificated form if, in its opinion, delivery or settlement is not possible or practicable within the CREST system within the timescales previously notified to the Placee (whether orally, in the Contract Note or Placing Confirmation, in the Placing Letter or otherwise) or would not be consistent with the regulatory requirements in any Placee's jurisdiction;
- 4.13 it accepts that none of the Ordinary Shares have been or will be registered under the securities laws, or with any securities regulatory authority of, the United States, any member state of the EEA, Australia, Canada, the Republic of South Africa or Japan (each a "**Restricted Jurisdiction**"). Accordingly, the Ordinary Shares may not be offered, sold, issued or delivered, directly or indirectly, within any Restricted Jurisdiction unless an exemption from any registration requirement is available;
- 4.14 if it is within the United Kingdom, it is: (a) a person who falls within (i) Articles 49(2)(A) to (D) or (ii) Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or is a person to whom the Ordinary Shares may otherwise lawfully be offered under such Order, or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, that it is a person to whom the Ordinary Shares may be lawfully offered under that other jurisdiction's laws and regulations; and (b) a qualified investor (as such term is defined in Article 2(e) of the Prospectus Regulation);
- 4.15 if it is a resident in a Relevant Member State, it is a qualified investor within the meaning of Article 2(e) of the EU Prospectus Regulation;
- 4.16 in the case of any Ordinary Shares acquired by an investor as a financial intermediary as that term is used in Article 5(2) of the EU Prospectus Regulation: (i) the Ordinary Shares acquired by it in the Placings have not been acquired on behalf of, nor have they been acquired with a view to their offer or re-sale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of SCM Securities has been given to the offer or re-sale; or (ii) where Ordinary Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Ordinary Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons;
- 4.17 it: (i) is entitled to subscribe for the Ordinary Shares under the laws of all relevant jurisdictions; (ii) has fully observed the laws of all relevant jurisdictions; (iii) has the requisite capacity and authority and is entitled to enter into and perform its obligations as a subscriber for Ordinary Shares and will honour such obligations; and (iv) has obtained all necessary consents and authorities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto;

- 4.18 if it is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the relevant Placing (for the purposes of this Part 8, each a **"Placing Document"**) constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Ordinary Shares pursuant to any Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Ordinary Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
- 4.19 it does not have a registered address in, and is not a citizen, resident or national of a Restricted Jurisdiction or any jurisdiction in which it is unlawful to make or accept an offer of the Ordinary Shares and it is not acting on a non-discretionary basis for any such person;
- 4.20 it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Ordinary Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and acknowledges and agrees that no Placing Document is being issued by Singer Capital Markets in its capacity as an authorised person under section 21 of FSMA and such documents may not therefore be subject to the controls which would apply if they were made or approved a financial promotion by an authorised person;
- 4.21 it is aware of and acknowledges that it is required to comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Ordinary Shares in, from or otherwise involving, the United Kingdom;
- 4.22 it is aware of the provisions of the Criminal Justice Act 1993 regarding insider dealing, the UK Market Abuse Regulation and the Proceeds of Crime Act 2002 and in the Isle of Man under the Proceeds of Crime Act 2008 and the Insider Dealing Act 1998, and confirms that it has and will continue to comply with any obligations imposed by such statutes;
- 4.23 unless it is otherwise expressly agreed with the Company and SCM Securities in the terms of any particular Placing, it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other Placing Document to any persons within the United States or to any US Persons, nor will it do any of the foregoing;
- 4.24 it represents, acknowledges and agrees to the representations, warranties and agreements as set out under the heading "United States Purchase and Transfer Restrictions" in paragraph 5 below;
- 4.25 no action has been taken or will be taken in any jurisdiction other than the United Kingdom that would permit a public offering of the Ordinary Shares or possession of this document (and any supplementary prospectus published by the Company prior to the Final Date), in any country or jurisdiction where action for that purpose is required;
- 4.26 it acknowledges that neither Singer Capital Markets nor any of its respective affiliates nor any person acting on its or their behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with any Placing or providing any advice in relation to any Placing and participation in any relevant Placing is on the basis that it is not and will not be a client of Singer Capital Markets and that Singer Capital Markets does not have any duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to any Placing;
- 4.27 that, save in the event of fraud on the part of Singer Capital Markets, none of Singer Capital Markets, its ultimate holding companies nor any direct or indirect subsidiary undertakings of such holding companies, nor any of their respective directors, members, partners, officers and employees, shall be responsible or liable to a Placee or any of its clients for any matter arising out of Singer Capital Markets' roles as sponsor, financial adviser and bookrunner or otherwise in connection with any Placing and that where any such responsibility or liability nevertheless arises as a matter of law the Placee and, if relevant, its clients, will immediately waive any claim against any of such persons which the Placee or any of its clients may have in respect thereof;

- 4.28 it acknowledges that where it is subscribing for Ordinary Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for the Ordinary Shares for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in this document; and (iii) to receive on behalf of each such account any documentation relating to the relevant Placing in the form provided by the Company and/or SCM Securities. It agrees that the provision of this paragraph shall survive any re-sale of the Ordinary Shares by or on behalf of any such account;
- 4.29 it irrevocably appoints any Director and any director of SCM Securities to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Ordinary Shares for which it has given a commitment under any Placing, in the event of its own failure to do so;
- 4.30 it accepts that if the relevant Placing does not proceed or the relevant conditions to the Sponsor and Placing Agreement are not satisfied as regards the relevant Placing or the Ordinary Shares for which valid applications are received and accepted are not admitted to trading on the Main Market of the London Stock Exchange for any reason whatsoever, then none of Singer Capital Markets or the Company, nor persons controlling, controlled by or under common control with either of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;
- 4.31 if it is acting as a "distributor" (for the purposes of UK Product Governance Requirements):
- 4.31.1 it acknowledges that the Target Market Assessment undertaken by SCM Securities does not constitute: (a) an assessment of suitability or appropriateness for the purposes of UK MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares and each distributor is responsible for undertaking its own Target Market Assessment in respect of the Ordinary Shares and determining appropriate distribution channels;
- 4.31.2 notwithstanding any Target Market Assessment undertaken by SCM Securities, it confirms that, other than where it is providing an execution-only service to investors, it has satisfied itself as to the appropriate knowledge, experience, financial situation, risk tolerance and objectives and needs of the investors to whom it plans to distribute the Ordinary Shares and that it has considered the compatibility of the risk/reward profile of such Ordinary Shares with the end target market; and
- 4.31.3 it acknowledges that the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom;
- 4.32 Singer Capital Markets and the Company are entitled to exercise any of their respective rights under the Sponsor and Placing Agreement or any other right in their absolute discretion without any liability whatsoever to it;
- 4.33 the representations, undertakings and warranties contained in this document are irrevocable. It acknowledges that Singer Capital Markets and the Company and their respective affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by its subscription of Ordinary Shares are no longer accurate, it shall promptly notify Singer Capital Markets and the Company;
- 4.34 where it or any person acting on behalf of it is dealing with SCM Securities, any money held in an account with SCM Securities on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the

FCA which therefore will not require SCM Securities to segregate such money, as that money will be held by SCM Securities under a banking relationship and not as trustee;

- 4.35 any of its clients, whether or not identified to SCM Securities, will remain its sole responsibility and will not become clients of SCM Securities for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;
- 4.36 it accepts that the allocation of Ordinary Shares shall be determined by SCM Securities, in its absolute discretion (following consultation with the Company) and that it may scale down any Placing commitments for this purpose on such basis as it may determine;
- 4.37 time shall be of the essence as regards its obligations to settle payment for the Ordinary Shares and to comply with its other obligations under the relevant Placing;
- 4.38 it authorises SCM Securities to deduct from the total cash amount subscribed under the relevant Placing the aggregate placing commission payable on the number of Ordinary Shares allocated under the relevant Placing;
- 4.39 in the event that a supplementary prospectus is required to be produced pursuant to section 87G FSMA and in the event that it chooses to exercise any right of withdrawal pursuant to Article 23(2) of the Prospectus Regulation, such Placee will immediately re-subscribe for the Ordinary Shares previously comprising its placing commitment;
- 4.40 the commitment to subscribe for Ordinary Shares on the terms set out in these terms and conditions will continue notwithstanding any amendment that may in the future be made to the terms of any Placing and that it will have no right to be consulted or require that its consent be obtained with respect to the Company's conduct of any Placing;
- 4.41 it is capable of being categorised as a person who is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook; and
- 4.42 it acknowledges that the Company does not consider itself to be an 'alternative investment fund' (AIF) within the scope of the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 (the "**EU AIFMD**") or the UK Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) and any other implementing measure which operated to transpose the EU AIFM Directive into UK law (the "**UK AIFMD**"), and accordingly the regulatory protections afforded to investors pursuant to the EU AIFMD and/or the UK AIFMD will not apply in respect of the Company.

5 United States purchase and transfer restrictions

Unless it is otherwise expressly agreed with the Company and Singer Capital Markets, by participating in the Placing, each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for Ordinary Shares and any nominee(s) for any such person(s)) be further deemed to represent and warrant to each of the Company, Singer Capital Markets and the Registrar that:

- 5.1 it is not a US Person, is not located within the United States, is acquiring the Ordinary Shares in an offshore transaction meeting the requirements of Regulation S and is not acquiring the Ordinary Shares for the account or benefit of a US Person;
- 5.2 it acknowledges that the Ordinary Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, subject to certain exceptions, may not be offered or sold in the United States or to, or for the account or benefit of, US Persons absent registration or an exemption from registration under the US Securities Act;
- 5.3 it acknowledges that the Company has not registered under the US Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the US Investment Company Act;
- 5.4 unless the Company expressly consents in writing otherwise, no portion of the assets used to purchase, and no portion of the assets used to hold, the Ordinary Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an "employee benefit plan" as

defined in section 3(3) of ERISA that is subject to Part 4 of subtitle B of fiduciary responsibility or prohibited transaction Title I of ERISA; (ii) a “plan” as defined in section 4975 of the US Code, including an individual retirement account, that is subject to section 4975 of the US Code; or (iii) an entity whose underlying assets include the assets of any such “employee benefit plan” or “plans” by reason of ERISA or the U.S. Department of Labor Regulations, 29 C.F.R. 2510.3-101, as and to the extent modified by section 3(42) of ERISA (the “**Plan Assets Regulation**”), or otherwise (including certain insurance company general accounts) for the purposes of section 4.6 of ERISA or section 4975 of the US Code. In addition, if an investor is a governmental, church, non-U.S. or other employee benefit plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the fiduciary responsibility or prohibited transaction provisions of Title I of ERISA or section 4975 of the US Code, its purchase, holding, and disposition of the Ordinary Shares must not constitute or result in a non-exempt violation of any such substantially similar law;

- 5.5 that if any Ordinary Shares offered and sold pursuant to Regulation S are issued in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect unless otherwise determined by the Company in accordance with applicable law:

“KR1 PLC (THE “**COMPANY**”) HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “**INVESTMENT COMPANY ACT**”). IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. ACCORDINGLY, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED, EXERCISED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE SECURITIES ACT OR AN EXEMPTION THEREFROM AND UNDER CIRCUMSTANCES WHICH WILL NOT REQUIRE THE COMPANY TO REGISTER UNDER THE INVESTMENT COMPANY ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS. FURTHER, NO PURCHASE, SALE OR TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY BE MADE UNLESS SUCH PURCHASE, SALE OR TRANSFER WILL NOT RESULT IN THE ASSETS OF THE COMPANY CONSTITUTING “PLAN ASSETS” WITHIN THE MEANING OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“**ERISA**”) OR THE PLAN ASSETS REGULATION;”

- 5.6 if in the future the investor decides to offer, sell, transfer, assign or otherwise dispose of the Ordinary Shares, it will do so only in compliance with an exemption from the registration requirements of the US Securities Act and under circumstances which: (a) will not require the Company to register under the US Investment Company Act; and (b) will not result in the assets of the Company constituting “plan assets” within the meaning of ERISA or the Plan Assets Regulation;
- 5.7 it is purchasing the Ordinary Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Ordinary Shares in any manner that would violate the US Securities Act, the US Investment Company Act or any other applicable securities laws;
- 5.8 it acknowledges that the Company reserves the right to make inquiries of any holder of the Ordinary Shares or interests therein at any time as to such person’s status under the US federal securities laws and to require any such person that has not satisfied the Company that the holding of Ordinary Shares by such person will not violate or require registration under the US securities laws to transfer such Ordinary Shares or interests in accordance with the Articles;
- 5.9 it is entitled to acquire the Ordinary Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any

jurisdiction of the Ordinary Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, Singer Capital Markets or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with its acceptance of participation in the relevant Placing;

5.10 it has received, carefully read and understands this document, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other presentation or offering materials concerning the Ordinary Shares to or within the United States or to any US Persons, nor will it do any of the foregoing; and

5.11 if it is acquiring any Ordinary Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

The Company, Singer Capital Markets and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements. If any of the representations, warranties, acknowledgements or agreements made by the investor are no longer accurate or have not been complied with, the investor must immediately notify the Company and Singer Capital Markets.

6 Supply of information

If SCM Securities, the Registrar or the Company or any of their agents request any information about a Placee's agreement to subscribe for Ordinary Shares under a Placing, such Placee must promptly disclose it to them.

7 Money laundering

Each Placee:

7.1 represents and warrants that, in connection with its participation in the relevant Placing, it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and terrorist financing and that its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person: (i) subject to the Money Laundering Regulations; or (ii) subject to the Money Laundering Directive on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing; or (iii) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive;

7.2 acknowledges and agrees that due to anti-money laundering requirements, SCM Securities, the Registered Agent, the Registrar and the Company may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, SCM Securities and the Company may refuse to accept the application and the subscription monies relating thereto. It holds harmless and will indemnify SCM Securities and the Company against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been requested has not been provided by it in a timely manner; and

7.3 represents and warrants that it is aware of, has complied with and will at all times comply with its obligations in connection with money laundering under the Money Laundering Regulations.

8 DATA PROTECTION

8.1 Each Placee acknowledges that it has been informed that, pursuant to Data Protection Legislation the Company and/or the Registrar will following Admission of the relevant Ordinary Shares, hold personal data (as defined in the Data Protection Legislation) relating to past and present Shareholders. Such personal data may include, without limitation, the name, contact information, nationality, national identity number, professional title, occupation, age, date of birth, marital status, financial information, tax status, bank account details and/or evidence of

ownership of financial assets of the Placee (or any individual on whose behalf shares are being subscribed). Personal data may be retained on record for a reasonable period after it is no longer used (subject to any limitations on retention periods set out in applicable law). The Registrar will process such personal data at all times in compliance with Data Protection Legislation and shall only process for the purposes set out in the Company's privacy notice (the "**Purposes**") which is available for review on the Company's website <https://KR1.io> (the "**Privacy Notice**") which include to:

- 8.1.1 process its personal data to the extent and in such manner as is necessary for the performance of its obligations under its respective service contracts, including as required by or in connection with the Placee's holding of Ordinary Shares, including processing personal data in connection with credit and anti-money laundering checks on it;
 - 8.1.2 communicate with it as necessary in connection with its affairs and generally in connection with its holding of Ordinary Shares;
 - 8.1.3 comply with the legal and regulatory obligations of the Company and/or the Registrar; and
 - 8.1.4 process its personal data for the Registrar's internal administration.
- 8.2 Where necessary to fulfil the Purposes, the Company will disclose personal data to:
- 8.2.1 third parties located either within, or outside of the Isle of Man, if necessary for the Registrar to perform its functions, or when it is within its legitimate interests, and in particular in connection with the holding of Ordinary Shares; or
 - 8.2.2 its affiliates, the Registrar and their respective associates, some of which may be located outside of the Isle of Man.
- 8.3 Any sharing of personal data between parties will be carried out in compliance with the Data Protection Legislation and as set out in the Company's Privacy Notice.
- 8.4 Where the Placee acts for or on account of an underlying data subject or otherwise discloses the personal data of an underlying data subject, the Placee hereby represents and warrants to the Company, the Registrar and the Registered Agent that, in providing the Registrar with information: (i) it complies in all material aspects with its data controller obligations under Data Protection Legislation, and in particular, it has notified any data subject of the Purposes for which personal data will be used and by which parties it will be used and it has provided a copy of the Company's Privacy Notice; and (ii) where consent is legally competent and/or required under Data Protection Legislation the Placee has obtained the consent of any data subject to the Company and Registrar and their respective affiliates and group companies, holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes).
- 8.5 Each Placee acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the Placee is a natural person he or she has read and understood the terms of the Company's Privacy Notice.
- 8.6 Each Placee acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the Placee is not a natural person it represents and warrants that:
- 8.6.1 it has brought the Company's Privacy Notice to the attention of any underlying data subjects on whose behalf or account the Placee may act or whose personal data will be disclosed to the Company as a result of the Placee agreeing to subscribe for Ordinary Shares under a Placing;
 - 8.6.2 the Placee has complied in all other respects with all applicable data protection legislation in respect of disclosure and provision of personal data to the Company; and
 - 8.6.3 it shall immediately on demand, fully indemnify each of the Company and the Registrar and keep them fully and effectively indemnified against all costs, demands, claims, expenses (including legal costs and disbursements on a full indemnity basis), losses (including indirect losses and loss of profits, business and reputation), actions,

proceedings and liabilities of whatsoever nature arising from or incurred by the Company and/or the Registrar in connection with any failure by the Placee to comply with the provisions of this paragraph 8.6.

9 Miscellaneous

- 9.1 The rights and remedies of the Company, Singer Capital Markets and the Registrar under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 9.2 On application, if a Placee is an individual, that Placee may be asked to disclose in writing or orally, his or her nationality. If a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with any Placings will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.
- 9.3 Each Placee agrees to be bound by the Articles once the Ordinary Shares, which the Placee has agreed to subscribe for pursuant to the relevant Placing, have been acquired by the Placee. The contract to subscribe for Ordinary Shares under the relevant Placing and the appointments and authorities mentioned in this document and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of Singer Capital Markets, the Company and the Registrar, each Placee irrevocably submits to the exclusive jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against the Placee in any other jurisdiction.
- 9.4 In the case of a joint agreement to subscribe for Ordinary Shares under the Placing, references to a Placee in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.
- 9.5 SCM Securities and the Company expressly reserve the right to modify any Placing (including, without limitation, their timetable and settlement) at any time before allocations are determined. Each Placing is subject to the satisfaction of the conditions contained in the Sponsor and Placing Agreement and the Sponsor and Placing Agreement not having been terminated. Further details of the terms of the Sponsor and Placing Agreement are contained in paragraph 7.1 of Part 7 (*Additional Information*) of this document.

PART 9

DEFINITIONS

The following definitions apply throughout this Prospectus unless the context requires otherwise:

“2006 Act”	the Isle of Man Companies Act 2006, as amended
“2017 Share Option Scheme”	the Share Option Scheme adopted by the Company on 8 June 2017
“2024 Annual Report and Financial Statements”	the Company’s annual report and financial statements for the financial year ended 31 December 2024
“2024 Audited Financial Statements”	the audited financial statements of the Company for the financial year ended 31 December 2024, which appear in the 2024 Annual Report and Financial Statements
“2025 Unaudited Interim Report and Financial Statements”	the Company’s unaudited interim report and financial statements for the half year ended 30 June 2025
“acting in concert”	has the meaning given to it under the Takeover Code
“Additional Scheme”	the KR1 plc 2025 Additional Share Option Plan adopted by the Company on 23 October 2025, details of which are set out in paragraph 3.2 of Part 7 (<i>Additional Information</i>) of this Prospectus
“Administration and Secretarial Agreement”	the letter agreement signed on 24 August 2021 between the Company and IQ-EQ, summarised in paragraph 7.5 of Part 7 (<i>Additional Information</i>) of this Prospectus
“Admission”	admission of Ordinary Shares issued pursuant to a Placing (and, in the case of Initial Admission, the existing Ordinary Shares) to: (i) listing on the equity shares (commercial companies) category of the Official List; and (ii) trading on the Main Market of the London Stock Exchange becoming effective in accordance with the LSE Admission Standards
“AlbR Agreement”	the engagement letter dated 1 October 2025 between the Company and AlbR Capital Limited, summarised in paragraph 7.4 of Part 7 (<i>Additional Information</i>) of this Prospectus
“AQSE”, “Aquis” or “Aquis Stock Exchange”	Aquis Stock Exchange Limited
“Aquis Growth Market”	the multilateral trading facility operated by the Aquis Stock Exchange that is registered as a UK SME Growth Market in accordance with Section 10 of Part 5 of the FCA Handbook’s Market Conduct Sourcebook
“Articles”	the articles of association of the Company from time to time
“Audit and Risk Committee”	the audit and risk committee of the Board
“Auditor” or “Auditors”	such auditor as the Company may appoint from time to time, being, as at the date of this Prospectus, PKF Littlejohn LLP
“Benefit Plan Investor”	a “benefit plan investor” as defined in Section 3(42) of ERISA and any regulations promulgated by the US Department of Labor thereunder, being “employee benefit plans” as defined in Section 3(3) of ERISA that are subject to Title I of ERISA, “plans” that are subject to the prohibited transaction provisions of Section 4975 of the US Code, and entities the assets of which are treated as “plan assets” under Section 3(42) of ERISA and any regulations promulgated thereunder
“Bitcoin Suisse”	Bitcoin Suisse AG

“Business Day”	a day (excluding Saturdays and Sundays, or public holidays in England and Wales or the Isle of Man) on which banks generally are open for business in London and the Isle of Man for the transaction of normal business
“certificated” or “in certificated form”	not in uncertificated form
“Coinbase”	Coinbase Custody International Limited, together with its affiliates
“Common Reporting Standard”	the Common Reporting Standard on Automatic Exchange of Information
“Company”	KR1 plc
“Consultancy Fee”	the consultancy fee payable by the Company to Reflexivity pursuant to the Reflexivity Services Agreement
“Contingent Bonuses”	has the meaning given to it in paragraph 14 of Part 1 (<i>Business Overview</i>) of this Prospectus
“Contract Note”	has the meaning given to it in paragraph 2.3 of Part 8 (<i>Terms and Conditions of Application under each Placing</i>) of this Prospectus
“CREST”	the relevant system as defined in the CREST Regulations in respect of which Euroclear is the operator (as defined in the CREST Regulations) in accordance with which securities may be held in uncertificated form
“CREST Regulations”	the Uncertificated Securities Regulations 2006 (as amended or replaced from time to time)
“CSOP Scheme”	the KR1 plc 2025 Company Share Option Plan adopted by the Company on 23 October 2025, details of which are set out in paragraph 3.2 of Part 7 (<i>Additional Information</i>) of this Prospectus
“CTA 2010”	The Corporation Tax Act 2010 and any statutory modification or re-enactment thereof for the time being in force
“Data Protection Legislation”	the laws governing the handling of personal data in the Isle of Man, the United Kingdom and any other applicable jurisdiction, including but not limited to: (i) in the United Kingdom, the EU General Data Protection Regulation 2016/679, as it forms part of the domestic law of the United Kingdom by virtue of the EUWA, and the Data Protection Act 2018 (as amended); and (ii) in the Isle of Man, the Data Protection (Application of GDPR) Order 2018, the Data Protection Act 2018, and the GDPR and LED Implementing Regulations 2018, along with related instruments and guidance
“DeFi”	decentralised finance
“Directors” or “Board”	the board of directors of the Company
“Disclosure Guidance and Transparency Rules” or “DTRs”	the disclosure guidance and transparency rules contained within the FCA Handbook
“EEA”	European Economic Area
“equity securities”	(i) ordinary shares in the Company, or (ii) rights to subscribe for, or to convert securities into, ordinary shares in the Company
“ERISA”	US Employee Retirement Income Security Act of 1974, as amended
“EU”	the European Union

“EU Prospectus Regulation”	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC
“Euroclear”	Euroclear UK & International Limited, being the operator of CREST
“EUWA”	European Union (Withdrawal) Act 2018 (as amended)
“Executive Directors”	the executive directors of the Company, being, as at the date of this Prospectus, George McDonaugh and Keld van Schreven
“Existing Articles”	the articles of association of the Company as at the date of this Prospectus
“FATCA”	the US Foreign Account Tax Compliance Act
“FCA”	the Financial Conduct Authority
“FCA Handbook”	the FCA handbook of rules and guidance as amended from time to time
“Final Date”	the earliest of: (i) 28 October 2026; (ii) the date on which the Placing Programme is terminated in accordance with the Sponsor and Placing Agreement or (iii) the date on which all the Ordinary Share available under the Placing Programme have been issued
“Fireblocks”	Fireblocks Ltd
“Formidium Master Services Agreement”	the agreement dated 22 December 2021, between the Company and the Formidium Corp., summarised in paragraph 7.7 of Part 7 (<i>Additional Information</i>) of this Prospectus
“FSMA”	the Financial Services and Markets Act 2000 (as amended) and any statutory modification or re-enactment thereof for the time being in force
“FTSE UK Index Series”	the series of equity indices maintained by FTSE Russell measuring the performance of companies listed on the London Stock Exchange based on market capitalisation and sector classifications, which includes the FTSE 100, FTSE 250, FTSE 350, FTSE All-Share, and FTSE SmallCap indices
“General Meeting”	the extraordinary general meeting of the Company convened for 10.15 a.m. on 20 November 2025 at which the Migration Resolution, the Placing Programme Resolution and certain other resolutions will be proposed
“HMRC”	His Majesty’s Revenue and Customs
“Initial Admission”	Admission of the existing Ordinary Shares
“IPO”	initial public offering
“IQ-EQ”	IQ EQ (Isle of Man) Limited
“ISA”	a UK individual savings account
“Kraken”	the digital asset exchange and trading platform operated by Payward Trading Ltd (or its affiliates) under the name “Kraken”
“Latest Practicable Date”	27 October 2025, being the latest practicable date prior to the date of this Prospectus for ascertaining certain information contained herein
“London Stock Exchange”	London Stock Exchange plc
“LSE Admission Standards”	the admission and disclosure standards published by the London Stock Exchange

“Main Market”	the main market for listed securities of the London Stock Exchange
“Management Team”	the management team that is responsible for managing the Company’s day-to-day operations (subject to the overall policies and directions of the Board), being, as the date of this Prospectus, George McDonaugh, Keld van Schreven and Janos Berghorn
“Member State”	any member state of the European Economic Area
“Migration Resolution”	Resolution 1 in the Notice of General Meeting, which seeks authority to adopt the New Articles in substitution for the Existing Articles, as set out in paragraph 2.3.1 of Part 7 (<i>Additional Information</i>) of this Prospectus
“Money Laundering Directive”	the Council Directive on prevention of the use of the financial system for the purposes of money laundering or terrorist financing (EU/2015/849) as amended by the Money Laundering Directive (EU) 2018/843 of the European Parliament and of the Council of the Europe Union of 9 July 2018 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing
“Money Laundering Regulations”	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) 2017 Regulations S.I. 2017/692, as amended
“Net Asset Value” or “NAV”	the value of the assets of the Company less its liabilities, determined in accordance with the accounting principles adopted by the Company from time to time
“Net Asset Value per Ordinary Share” or “NAV per Ordinary Share”	at any time the Net Asset Value attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue (other than Ordinary Shares held in treasury) at the date of calculation
“New Articles”	the proposed new articles of association of the Company to be adopted with effect from Initial Admission conditional on the passing of the Migration Resolution at the General Meeting, which are summarised in paragraph 5 of Part 7 (<i>Additional Information</i>) of this Prospectus
“Non-Executive Directors”	the non-executive directors of the Company, being, as at the date of this Prospectus, Rhys Davies, Mona Elisa and Aeron Buchanan
“Notice of General Meeting”	the notice of extraordinary general meeting sent by the Company to Shareholders on 29 October 2025 to convene the General Meeting
“Official List”	the Official List of the Financial Conduct Authority
“Onerous Obligation”	has the meaning set out at paragraph 5.8 of Part 7 (<i>Additional Information</i>) of this Prospectus
“Ordinary Shares”	ordinary shares of £0.0019 each in the capital of the Company
“Overseas Shareholders”	Shareholders with registered addresses outside the United Kingdom or the Isle of Man or who are citizens or residents of countries outside the United Kingdom or the Isle of Man
“Participating Security”	a share or class of shares or a renounceable right of allotment of a share, title to which is permitted to be transferred by means of an Uncertificated System in accordance with the CREST Regulations
“P2P.org”	the staking platform operated by P2P Staking and accessible at www.P2P.org
“P2P Staking”	P2P Staking, a Cayman Islands company

“Performance Fee”	the performance fee payable by the Company to Reflexivity (or as it may direct) in Ordinary Shares pursuant to the Reflexivity Services Agreement (subject to the Company meeting certain performance criteria), details of which are set out in paragraph 6 of Part 2 (<i>The Board, Management and Corporate Governance</i>) of this Prospectus
“Placee”	a person subscribing for Ordinary Shares under any Placing
“Placing”	any placing of Ordinary Shares pursuant to the Placing Programme described in Part 4 (<i>The Placing Programme</i>) of this Prospectus
“Placing Confirmation”	has the meaning given to it in paragraph 2.3 of Part 8 (<i>Terms and Conditions of Application under each Placing</i>) of this Prospectus
“Placing Programme”	the proposed programme of Placings as described in this Prospectus, in particular in Part 4 (<i>The Placing Programme</i>) of this Prospectus
“Placing Programme Price”	the price at which Ordinary Shares will be issued pursuant to a Placing under the Placing Programme as described in Part 4 (<i>The Placing Programme</i>) of this Prospectus
“Placing Programme Resolution”	Resolution 2 in the Notice of General Meeting, which seeks authority to allot up to 125,000,000 new Ordinary Shares for cash on a non-pre-emptive basis in connection with the Placing Programme, as set out in paragraph 2.3.2 of Part 7 (<i>Additional Information</i>) of this Prospectus
“PLUS Markets”	the UK-based stock exchange providing a trading platform for small and medium-sized enterprises, which was rebranded as the ICAP Securities & Derivatives Exchange (ISDX) in 2012 following the sale of its market operations to ICAP, later becoming NEX Exchange in 2016 after its acquisition by NEX Group, and rebranded as the Aquis Stock Exchange (AQSE) in 2019 after its acquisition by Aquis Exchange PLC
“PoS”	proof-of-stake
“PoW”	proof-of-work
“the Prospectus” or “this Prospectus”	this document which is a prospectus prepared in accordance with the UK Prospectus Regulation
“Prospectus Regulation Rules”	the rules and regulations made by the FCA under Part VI of FSMA
“Reflexivity”	Reflexivity Research Limited, a company incorporated in the British Virgin Islands (registered number 2055853) and whose registered office is at Craigmuir Chambers, Road Town, Tortola, VG 1110, British Virgin Islands
“Reflexivity Orderly Market Deed”	the orderly market deed dated 29 October 2025 between the Company, the Sponsor, SCM Securities and Reflexivity, a summary of which is set out in paragraph 7.2 of Part 7 (<i>Additional Information</i>) of this Prospectus
“Reflexivity Services Agreement”	the services agreement dated 30 June 2021 between the Company, Reflexivity Research Limited and the current members of the Management Team, as amended by side letters dated 5 July 2023 and 29 October 2025, a summary of which is set out in paragraph 7.3 of Part 7 (<i>Additional Information</i>) of this Prospectus
“Register”	the register of members of the Company

“Registered Agent”	IQ EQ (Isle of Man) Limited of First Names House, Victoria Road, Douglas, Isle of Man IM2 4DF
“Registrar”	Share Registrars Limited
“Regulation S”	Regulation S promulgated under the US Securities Act
“Regulatory Information Service” or “RIS”	a regulatory information service authorised by the FCA to release regulatory announcements to the London Stock Exchange
“Relevant Member State”	each Member State which is bound by the EU Prospectus Regulation
“Restricted Jurisdiction”	each of Australia, Canada, Japan, the Republic of South Africa, any member state of the EEA and the United States
“SCM Securities”	Singer Capital Markets Securities Limited, the Company's financial adviser and sole bookrunner
“SDRT”	stamp duty reserve tax
“Share Option”	an option to subscribe for Ordinary Shares granted by the Company pursuant to the relevant Share Option Scheme
“Share Option Schemes”	the CSOP Scheme and the Additional Scheme, details of which are set out in paragraph 3.2 of Part 7 (<i>Additional Information</i>) of this Prospectus
“Shareholder”	a holder of Ordinary Shares
“SIPP”	a UK self-invested personal pension scheme
“Singer Capital Markets”	SCM Advisory and/or SCM Securities as the context requires
“Sponsor” or “SCM Advisory”	Singer Capital Markets Advisory LLP, the Company's sponsor
“Sponsor and Placing Agreement”	the sponsor and placing agreement between the Company, the Directors, Janos Berghorn, the Sponsor and SCM Securities, a summary of which is set out in paragraph 7.1 of Part 7 (<i>Additional Information</i>) of this Prospectus
“Sterling”, “£”, “pence” or “p”	the lawful currency of the UK
“Subsequent Admission”	Admission of any Ordinary Shares issued pursuant to a Placing
“Supervisory Committee”	the supervisory committee established by the Board, details of which are set out in paragraph 4 of Part 2 (<i>The Board, Management and Corporate Governance</i>) of this Prospectus
“Takeover Code”	the UK City Code on Takeovers and Mergers
“Target Market Assessment”	has the meaning given to it on page 30 of this Prospectus
“Transfer Agent Agreement”	the agreement dated 5 June 2018, between the Company and the Registrar, summarised in paragraph 7.6 of Part 7 (<i>Additional Information</i>) of this Prospectus
“Transfer of Listing”	the proposed Admission, and the proposed withdrawal of the existing Ordinary Shares from trading on the AQUIS Growth Market
“UK Corporate Governance Code”	the UK Corporate Governance Code as published by the Financial Reporting Council from time to time
“UK Market Abuse Regulation”	Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse as it forms part of the domestic law of the United Kingdom by virtue of the EUWA
“UK MiFID II”	the UK's implementation of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and

	Directive 2011/61/EU (MiFID), together with the UK version of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (MiFIR), which forms part of the domestic law of the United Kingdom by virtue of the EUWA
“UK Product Governance Requirements”	has the meaning set out on page 29 of this Prospectus
“UK Prospectus Regulation”	the EU Prospectus Regulation, as it forms part of the domestic law of the United Kingdom by virtue of the EUWA
“uncertificated” or “in uncertificated form”	a share recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“Uncertificated System”	a relevant system as defined in the CREST Regulations (and including, in particular, the CREST);
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“UK Listing Rules”	the UK listing rules made by the FCA pursuant to Part VI of the FSMA
“United States” or “US” or “U.S.”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
“US Code”	US Internal Revenue Code of 1986, as amended
“US Exchange Act”	US Securities Exchange Act of 1934, as amended
“US Investment Advisers Act”	US Investment Advisers Act of 1940, as amended
“US Investment Company Act”	US Investment Company Act of 1940, as amended
“US Person”	a US Person as defined for the purposes of Regulation S
“US Securities Act”	US Securities Act of 1933, as amended
“VAT”	value added tax

PART 10

GLOSSARY OF KEY TERMS

asset-backed token	One of the seven categories of digital assets set out in the March 2025 article titled <i>Defining Tokens</i> published by American Venture Capital firm Andreessen Horowitz (a16z). Asset-backed tokens are tokens pegged to real-world assets (e.g. commodities, fiat currency, or securities) or digital assets (such as cryptocurrencies or liquidity pool interests). Examples include stablecoins tied to fiat currencies or commodities.
Bitcoin (BTC)	A decentralised digital currency, launched in 2009, which operates on a public blockchain and uses proof-of-work to validate transactions. Bitcoin is often regarded as the first cryptocurrency and is primarily used as a store of value or medium of exchange.
blockchain	A type of distributed ledger technology (DLT) that records data in a decentralised, chronological and cryptographically secured format. A blockchain consists of a growing list of records, known as 'blocks', which are linked together using cryptographic methods that ensure the data cannot be altered without detection. Each block contains a batch of validated transactions, a timestamp and a reference to the previous block, forming a continuous and tamper-resistant chain. Rather than being stored in a single location, the blockchain is maintained across a network of computers, all of which hold an up-to-date copy. Any attempt to alter data retrospectively typically requires consensus from the network's participants according to its rules (e.g. by requiring the agreement of the majority of the network), making the system highly resistant to tampering. Blockchains can be public (open to anyone) or private (restricted to selected participants). The technology is best known for powering digital assets such as Bitcoin and Ethereum, but it is also increasingly used for other purposes, including supply chain tracking, digital identity, property records and smart contracts.
Celestia (TIA)	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. Depending on the context, references to 'Celestia' may also refer to TIA, the native token used within the Celestia ecosystem.
collectible token	One of the seven categories of digital assets set out in the March 2025 article titled <i>Defining Tokens</i> published by American Venture Capital firm Andreessen Horowitz (a16z). Collectible tokens are non-fungible tokens (NFTs) representing ownership of unique digital or physical items, such as digital art or in-game assets.
Company-Backed Token	One of the seven categories of digital assets set out in the March 2025 article titled <i>Defining Tokens</i> published by American Venture Capital firm Andreessen Horowitz (a16z). Company-Backed Tokens are tokens linked to centralised entities, deriving value from off-chain products or services controlled by a company.
Cosmos (ATOM)	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. Depending on the context, references to 'Cosmos' may also refer to ATOM, the native token used within the Cosmos ecosystem.

cryptocurrency	A digital asset designed to function as a medium of exchange, secured by cryptographic techniques and typically operating on a decentralised blockchain. Cryptocurrencies can be native to a network (e.g. Bitcoin, Litecoin or Zcash) or issued as tokens on top of other blockchains.
decentralised network	A system architecture in which control and decision-making are distributed across a network rather than held by a central authority. In blockchain, this typically means that no single party controls the ledger or validates transactions.
decentralised application	A software application that runs on a decentralised network, typically using smart contracts deployed on a blockchain. Decentralised applications are not controlled by a central entity and often interact directly with users' wallets to facilitate transactions or other interactions.
digital asset	In its broadest sense, a digital asset can be any item of value that exists in digital form. However, for the purposes of this Prospectus, a reference to a 'digital asset' means an intangible asset that exists in digital form and can be owned or transferred electronically using blockchain technology. Examples of digital assets include cryptocurrencies, digital representations of real-world assets and other blockchain-based representations of value, rights or access. In March 2025, American Venture Capital firm Andreessen Horowitz (a16z) published an article titled <i>Defining Tokens</i> , categorising digital tokens into the following seven distinct types to aid in understanding their functionalities and regulatory considerations: network tokens, security tokens, company-backed tokens, utility tokens/arcade tokens, collectible tokens, asset-backed tokens and memecoins. Further information is provided in paragraph 4 of Part 1 (<i>Business Overview</i>) of this Prospectus (under the heading " <i>What are digital assets and how do they work</i> ").
distributed ledger technology (DLT)	A system for recording and sharing data across multiple sites, institutions or participants, where each participant maintains their own copy of the ledger. Unlike traditional centralised databases, a distributed ledger does not rely on a central authority, and all updates to the ledger are agreed upon through a consensus mechanism. DLT provides a transparent and tamper-resistant way to record data, with each copy of the ledger containing the same validated information. Blockchain is a well-known type of distributed ledger, but not all DLTs use block structures or cryptographic chaining.
Ethereum (ETH)	A decentralised blockchain platform that supports smart contracts and enables the creation of decentralised applications. Launched in 2015, Ethereum originally used a proof-of-work consensus mechanism and transitioned to a proof-of-stake consensus mechanism in 2022. Depending on the context, references to 'Ethereum' may also refer to ETH, the native digital asset used within the Ethereum ecosystem.
Lido (LDO)	A decentralised liquid staking platform that facilitates users' participation in the staking of digital assets (such as Ethereum). Users deposit assets into the Lido protocol and, in return, receive a token representing their staked assets (such as stETH for Ethereum). This token can be freely used in decentralised finance (DeFi) applications while the underlying assets continue to earn staking rewards through Lido's pooled operator set. Lido is Ethereum's largest liquid staking protocol. Depending on the

	context, references to 'Lido' may also refer to LDO, the governance token of the Lido protocol.
Lido Staked ETH (stETH)	A liquid staking token on the Ethereum blockchain, representing a user's share of their staked ETH within the Lido protocol.
memecoin	One of the seven categories of digital assets set out in the March 2025 article titled <i>Defining Tokens</i> published by American Venture Capital firm Andreessen Horowitz (a16z). Memecoins are tokens without intrinsic utility or value, often driven by internet memes, celebrities or community trends, primarily influenced by speculative market dynamics.
Moonbeam (GLMR)	An Ethereum-compatible smart contract platform that is deployed as a parachain on Polkadot. Moonbeam extends the base Ethereum feature set with additional elements such as on-chain governance and cross-chain integrations. Depending on the context, references to 'Moonbeam' may also refer to GLMR, the native token used within the Moonbeam ecosystem.
network token	One of the seven categories of digital assets set out in the March 2025 article titled <i>Defining Tokens</i> published by American Venture Capital firm Andreessen Horowitz (a16z). Network tokens are native assets integral to blockchain protocols, such as Bitcoin (BTC) and Ethereum (ETH), facilitating network operations and consensus mechanisms. These are also used as a medium of exchange to transfer value between parties.
non-fungible token (NFT)	A unique digital token that represents ownership of a specific item or asset, such as digital art, music or in-game items. NFTs are typically issued on blockchains like Ethereum and are not interchangeable on a one-to-one basis with other tokens.
Polkadot (DOT)	A decentralised network that facilitates interoperability, scalability and security for a growing ecosystem of specialised blockchains, known as 'parachains', that are built on top of Polkadot's core technology. Depending on the context, references to 'Polkadot' may also refer to DOT, the native token used within the Polkadot ecosystem.
proof-of-stake (PoS)	A consensus mechanism used by certain blockchain networks to verify new transactions, add them to the blockchain and issue new tokens. Unlike proof-of-work (PoW), which relies on miners using significant computational power and energy to solve complex mathematical problems, PoS selects 'validators' to process transactions and help maintain the network—a process commonly referred to as 'staking'. Validators are chosen based on the amount of digital assets they commit as collateral (their 'stake'), and in return for participating honestly, they receive staking rewards, typically paid in the network's native token. PoS consumes significantly less energy than PoW and aims to offer improved scalability and cost-efficiency, while still maintaining sufficient levels of security and decentralisation for the network's intended purpose.
proof-of-work (PoW)	A consensus mechanism used by certain blockchain networks that requires network participants, known as 'miners', to solve complex mathematical puzzles in order to validate transactions and create new blocks. It is energy-intensive and forms the basis for blockchains such as Bitcoin.
RedStone (RED)	A modular oracle network that delivers fast, reliable and cost-efficient data to smart contracts. It enables decentralised applications to access off-chain information, such as asset

	prices or weather data, in a transparent and verifiable way. Depending on the context, references to 'Redstone' may also refer to RED, the native token used within the RedStone ecosystem.
security token	One of the seven categories of digital assets set out in the March 2025 article titled <i>Defining Tokens</i> published by American Venture Capital firm Andreessen Horowitz (a16z). Security tokens are digital representations of traditional securities, offering holders rights like equity or profit shares.
slashing	A mechanism used in proof-of-stake blockchains to penalise validators for misbehaviour or poor performance. This may include double-signing (validating conflicting blocks), going offline or failing to validate correctly. Slashed validators lose a portion of their staked assets, which serves to deter malicious activity and encourage reliable participation in the network.
smart contract	A self-executing contract written in code and deployed on a blockchain, which automatically enforces the terms of an agreement based on predefined rules. Smart contracts are commonly used in decentralised applications to manage transactions, permissions and other automated functions.
staking	The process by which owners of digital assets can lock up their holdings (i.e. their 'stake') in a sophisticated technical system to support the security and operations of a decentralised proof-of-stake network, in return for which they receive staking rewards, as described more fully in paragraph 4 of Part 1 (<i>Business Overview</i>) of this Prospectus (under the heading " <i>What is staking and how does it work?</i> ").
staking assets	Digital assets that are actively staked, have the capability to be staked, or are directly adjacent to staking activities, including those that facilitate, support or are linked to the staking ecosystem.
staking rewards	Payments or incentives earned by participants who lock up ('stake') their digital assets in a proof-of-stake network to help validate blocks and maintain the network. Rewards are generally paid in the native digital asset of the network and are typically proportional to the amount staked, although they may also be influenced by validator performance, network conditions or protocol-specific rules.
token	While the precise usage of this term varies within the digital asset space, for the purposes of this Prospectus, a reference to a 'token' should be construed broadly to mean a 'digital asset'.
utility token or arcade token	One of the seven categories of digital assets set out in the March 2025 article titled <i>Defining Tokens</i> published by American Venture Capital firm Andreessen Horowitz (a16z). Utility Tokens/ Arcade Tokens are designed for specific functions within a closed ecosystem, providing access to particular services or products without investment intent.
validation	The process by which transactions are checked and confirmed before being added to the blockchain. In proof-of-work systems, this is done by miners solving cryptographic puzzles. In proof-of-stake systems, validators confirm blocks based on their stake and adherence to protocol rules.
validator	A network participant in a proof-of-stake blockchain responsible for proposing and validating new blocks. Validators are selected based on the amount of digital assets they have staked and can

earn staking rewards or face penalties (e.g. slashing) depending on their performance.

wallet

A digital tool that allows users to store, send and receive digital assets. Wallets may be custodial or non-custodial and typically consist of a public address and a private key, which together enable secure control over digital assets.

