

KR1 PLC

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KR1 nets tidy profit from investments as portfolio firms increase in value amid blockchain revolution

KR1 Plc (NEX:KR1) has netted some tidy sums from some of its investment exits in recent months, while the ones it keeps on the book are being boosted as cash continues to be poured in by firms looking to be at the forefront of the blockchain revolution.

In October, the investment firm sold out two of its investments in companies Golem and Qtum for healthy sums.

First investment exits yield strong returns

The last of KR1's holding in Golem (GNT) was sold for 22 cents per token, raising US\$134,000, while its holding of Qtum tokens was sold at US\$6.24 each, generating US\$126,000.

That is more than twenty times the cost of its original investment in Qtum tokens, while the GNT tokens were sold for about seventeen times their purchase price.

Both projects had reached very mature and self-sufficient stages, which fulfils KR1's key business model to provide capital and support to early-stage projects.

George McDonough, KR1's chief executive, said it was the first time that KR1 has exited from projects in their entirety.

Both projects employ large teams, have thriving communities, and early versions of their protocols are deployed and working well, but competition from TrueBit, Dfinity or other platforms is increasing, he added.

Vo1t stake energised

One of KR1's investments still on the books, Vo1t, has also surged in value following a fundraising from other investors in November.

Vo1t netted US\$2mln from the funding round, which saw a highly-regarded family office and "strategic individuals" in the finance industry pour in more cash, valuing the firm at US\$17mln.

This all worked out nicely for KR1, which as a result of the latest financing saw its 7.94% stake in Vo1t rise in value to US\$1.4mln.

Just over a year ago, KR1 paid around US\$260,000 for a 5% stake in Vo1t.

Wide portfolio and positive outlook

The three aforementioned investments aren't the only ones KR1 has its eye on, with its portfolio covering around 31 different companies and cryptocurrencies including Ethereum.

Price: 9p

Market Cap: £0M

1 Year Share Price Graph



May 2018 November 2018 May 2019

Share Information

Code: KR1

Listing: NEX

Sector: Investment Funds & Companies

Website: www.kryptonite1.co

Company Synopsis:

KR1 Plc is a publicly listed investment company focused on the blockchain ecosystem. We invest in early stage projects and blockchain-based digital assets. These assets power the decentralised platforms and protocols that form the emerging Web3 infrastructure.

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The company is also confident in the outlook for the space despite a recent decline in the price of the original cryptocurrency Bitcoin.

In September, McDonough said that the market would "undoubtedly consolidate at a 'higher low' in the near future as we will enter a new part of the adoption cycle", adding that the difference at this point in time was the "major moves into the space by some of the world's largest financial institutions and because crypto assets are influenced by events and narratives, we see no reason why the market won't catch up again as these institutions will allow greater access and spark a new wave of adoption".

KR1 currently carries a market cap of around £6.1 mln.

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