

**PAYWARD LTD**  
CRYPTO ASSET RISK DISCLOSURE  
B3

**B3 (B3)**

Last updated on 08 August, 2025

**Disclaimer**

*Please note that this risk disclosure is not exhaustive of all risks associated with trading B3. Investors should perform their own assessment to determine the appropriate level of risk for their personal circumstances. Be sure to do your own research and due diligence while taking into account your own financial situation and risk tolerance. Please review the [Risk Summary](#) for additional discussion of general risks associated with the assets made available in the platform. These materials are for general information purposes only and are not investment advice or a recommendation or solicitation to buy, sell or hold any crypto asset or to engage in any specific trading strategy. The information contained in this risk disclosure is based on publicly available information that may be inaccurate, incomplete, or change at any time.*

**What is B3 (B3) and how does it work?**

B3 is a gaming-focused blockchain ecosystem built on Base. It provides an infrastructure for developers to create and launch dedicated GameChains that integrate with the B3 network. These chains are designed to support interoperability and user-owned digital assets. B3 utilizes Base's Layer 3 architecture to enable lower-cost transactions and scalability for gaming applications.

The B3 token serves three main functions within the ecosystem: staking, governance, and access to features. Users can stake B3 to engage with future GameChains, participate in governance decisions that shape the platform, and unlock certain games and functionalities within the B3 network.

**Who is behind the project?**

B3 is a project developed under the Player1 Foundation, an organization dedicated to advancing Web3 gaming infrastructure and ecosystem development. The project's team is **Daryl Xu**, who serves as Chief Executive Officer, **Viktoriya Hying** serves as Chief Operating Officer, and **Sean Geng** serves as Chief Technology Officer.

**Tokenomics of B3**

B3 is a project developed under the Player1 Foundation, an organization dedicated to advancing Web3 gaming infrastructure and ecosystem development. B3 follows a **fixed-supply model of 100 billion tokens**. Percentages refer to the total supply as of **February 19 2025**.

Category	Percentage
Community & Ecosystem	34.2 %
Foundation	22.5 %
Team & Advisors	23.3 %
Investors	20.0 %

## General Risks

Like all other digital assets, there are some general risks to investing in PRO. These include short history risk, volatility risk, liquidity risk, demand risk, forking risk, code defects, cryptography risk, regulatory risk, concentration risk, electronic trading risk and cyber security risk. For more information on general risks associated with smart contracts and digital assets, see Kraken's Risk Statement.

## Risks specific to B3 (B3)

### *Competition*

The B3 network faces competition from other gaming-focused blockchain platforms such as Gala (GALA), Immutable X (IMX), and Axie Infinity (AXS). B3's value derives from its broader adoption in the market. If the B3 network fails to achieve sufficient adoption compared to other options, this could negatively impact the value of the B3 token.

### Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on B3 and determined that Kraken was permitted to make B3 available for trading to UK users, in compliance with UK law. This process generally consists of reviewing publicly available information on the following:

- The creation, governance, usage and design of B3, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created B3;
- The supply, demand, maturity, utility and liquidity of B3;
- Material technical risks associated with B3, including any code defects, security breaches and other threats concerning B3 and its supporting blockchain (such as the susceptibility to hacking and impact of forking), or the practices and protocols that apply to them; and
- Legal and regulatory risks associated with B3, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of B3, and (ii) consideration of statements made by any regulators or securities regulatory authorities in the UK, other regulators of the International Organization of Securities Commissions, or the

regulator with the most significant connection to B3 about whether B3, or generally about whether the type of crypto asset, is a security and/or derivative.

**Don't invest unless you're prepared to lose all the money you invest. This is a high-risk investment and you should not expect to be protected if something goes wrong. [Take 2 mins to learn more.](#)**

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