PAYWARD LTD

CRYPTO ASSET RISK DISCLOSURE

KiiChain (KII)

Last updated on February 26, 2026

Disclaimer

Please note that this risk disclosure is not exhaustive of all risks associated with trading KII. 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 KII and how does it work?

KiiChain is a layer-1 blockchain created on the Cosmos Hub that's designed to support onchain FX trading and payments that use stablecoins and RWAs. It aims to let applications move value across borders and access liquidity across many connected blockchain networks, while keeping transactions fast and low-cost for smaller payments.

The KII token has not yet been released but is planned to be used as the utility token for the KiiChain network and participate in it. It is expected to be used to pay transaction fees, and will be required for validators and delegators who help run and secure the chain; it is also intended to be used for voting on governance protocols in the future.

Who is behind KII

KII was founded and is led by Danyel Arenas (CEO) and Alex Cavallero (Co-founder & COO).

Tokenomics of KII

KII has a maximum supply of 1.8 billion tokens, they are allocated as follows:

Category	Amount
Community (Staking & Rewards Pool)	44.4444%
Ecosystem & Liquidity	6.6667%
Airdrop – Community	5.0000%

Foundation	15.9056%
Kii Global – Team (Founders & Employees)	9.5000%
Advisors – Team	2.0000%
Contractors – Team	0.6667%
SAFE – Investors	4.3723%
Presale 1 – Investors	0.8525%
Presale 2 – Investors	3.3409%
Nimbus Capital	3.5000%
Presale 3 – Investors	2.0844%
Public Sale	1.6667%
Total	**100%**

General Risks

Like all other digital assets, there are some general risks to investing in KII. 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 KII

Competition

KiiChain faces competition from other broader "on-chain FX settlement layer for stablecoins/RWAs" including Stellar (XLM), CELO (CELO), KAVA (KAVA) and Berachain (BERA). KII's value derives from its broader adoption in the market. If KiiChain fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of KII.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on KII and determined that KII is unlikely to be a security or derivative under UK securities legislation. Our analysis generally includes, but is not limited to, reviewing publicly available information on the following:

- The creation, governance, usage and design of KII, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created KII;
- The supply, demand, maturity, utility and liquidity of KII;

- Material technical risks associated with KII, including any code defects, security breaches and other threats concerning KII 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 KII, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of KII, 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 KII about whether KII, 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.