PAYWARD LTD
CRYPTO ASSET RISK DISCLOSURE
Soda (SODA)

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Disclaimer

Please note that this Crypto Asset Statement is not exhaustive of all risks associated with trading SODA. 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 Crypto Asset Statement is based on publicly available information that may be inaccurate, incomplete, or change at any time.

What is Soda (SODA) and how does it work?

SODAX is a decentralized finance (DeFi) platform developed by the ICON Foundation. It offers services including cross-chain swaps, lending, borrowing, and liquidity tools across multiple blockchains. The platform has transitioned from the ICON Layer 1 network to the Sonic blockchain, an EVM-compatible network designed for faster interoperability and smart contract execution. This shift allows SODAX to focus on interoperability and DeFi infrastructure rather than operating its own Layer 1 network.

At the time of writing, the token is not live. The team plans for the SODA token to be used for governance and liquidity functions within the SODAX platform. It will replace the former ICX and BALN tokens from the ICON ecosystem.

Who is behind the project?

The project is backed by the ICON Foundation, founded by Min Kim.

Tokenomics of SODA

The total supply of SODA is 1.5 billion tokens, which is distributed as follows:

Category	Percentage
TGE Address	28%
DAO Treasury Wallet	72%

Total	**100%**

General Risks

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

Competition

The SODAX network faces competition from other DeFi platforms such as Uniswap (UNI), Aave (AAVE) and many others. SODA's value derives from its broader adoption in the market. If the SODAX network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of SODA.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on SODA and determined it was permitted to make SODA available for trading to UK users. Our analysis generally includes, but is not limited to, reviewing publicly available information on the following:

- The creation, governance, usage and design of SODA, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created SODA;
- The supply, demand, maturity, utility and liquidity of SODA;
- Material technical risks associated with SODA, including any code defects, security breaches and other threats concerning SODA 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 SODA, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of SODA, 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 SODA about whether SODA, or generally about whether the type of crypto asset, is a security and/or derivative.

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