PAYWARD LTD

CRYPTO ASSET RISK DISCLOSURE

GAL

Galxe (GAL)
Last updated on August 11, 2025

Disclaimer

Please note that this risk disclosure is not exhaustive of all risks associated with trading GAL. 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 Galxe and how does it work?
Galxe is a decentralized super-app focused on digital identity, community growth, and on-chain user engagement. Galxe operates a credential-data network in Web3 that enables projects to transform user activity, wallet history, social interactions, and NFT holdings into verifiable credentials. These are used in Galxe products such as Quest, Passport, Score, and the AI assistant Alva.

In 2024, Galxe introduced Gravity, a blockchain infrastructure initiative designed to expand its ecosystem and support its credential-based products. To unify activity across both the credential products and the new chain, the project introduced a token migration from GAL to G. Through community-approved governance proposals (GP-25 and GP-30), GAL holders could redenominate their holdings into the new G token at a 1:60 ratio.

G is the upgraded governance and utility token used across Galxe's application layer and the Gravity chain. It replaces GAL in all new product integrations. Migration began on July 9, 2024, through a dedicated portal. GAL tokens are burned upon conversion to G.

Who is behind the project?
Charles Wayn serves as Co-Founder, while Harry Zhang serves as Co-Founder and Chief Executive Officer.

Tokenomics of GAL
GAL has a fixed maximum supply of 200,000,000 tokens. Beginning in 2024, these tokens have been subject to a community-approved migration to the new G token at a 1:60 ratio. The initial allocation of GAL was distributed as follows:

Category	Allocation (%)
Community	20%

Team	15%
Marketing	15%
Seed Sale	10.63%
Foundation	10%
Strategic Sale 1	6.64%
Advisors & Partners	6.23%
CoinList Public Sale	5%
Ecosystem	4.50%
Strategic Sale 2	3.50%
Early Adopters Rewards	2%
Launchpool	1.50%
Total	**100%**

General Risks
Like all other digital assets, there are some general risks to investing in GAL. These include short history risk, volatility, and 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 GAL

Competition
The Galxe network faces competition from other platforms that provide similar services, such as The Graph, Mask Network, API3, and many others. Galxe's value derives from its broader adoption in the market. If the Galxe network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of GAL (and its successor token, G).

Due Diligence
Prior to listing on the Kraken platform, Kraken performed due diligence on GAL and determined that Kraken was permitted to make GAL 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 GAL, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created GAL;
- The supply, demand, maturity, utility and liquidity of GAL;

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

Payward Ltd (trading as Kraken) is registered as a cryptoasset firm with the Financial Conduct Authority (FRN: 928768) registered office at 6th Floor, One London Wall, London, EC2Y 5EB. Cryptoasset services offered by Payward Ltd are unregulated and not covered by the Financial Services Compensation Scheme as well as the FCA's consumer protection regulations. Note the value of cryptoassets can go down as well as up, gains may be subject to Capital Gains Tax and there may be extra charges when paying via credit card from your provider.