

# PAYWARD LTD

## CRYPTO ASSET RISK DISCLOSURE

### AKT

#### **Akash (AKT)**

Last updated on 07 August, 2025

#### **Disclaimer**

***Please note that this risk disclosure is not exhaustive of all risks associated with trading AKT. 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 Akash (AKT) and how does it work?**

Akash is an open-source, Cosmos-SDK-based marketplace where users lease under-utilised compute from independent data-centre operators worldwide. The network's on-chain order book matches "tenants" seeking containerised workloads with "providers" offering CPU or GPU capacity, settling payments in AKT. Since the Mainnet 6 "Supercloud" upgrade (August 2023) the marketplace also lists high-end GPUs such as Nvidia H100 and A100, enabling AI inference and training jobs at prices the team claims are materially lower than centralised clouds.

Consensus security relies on Tendermint-based Delegated Proof-of-Stake: validators stake AKT and are selected proportionally to delegated stake to propose and confirm blocks, while tenants and providers post settlement funds in the same token. Governance proposals—from inflation-rate reductions to launch of an on-chain services marketplace—are passed by weighted validator voting; eight such proposals were approved in Q1 2025, including an autonomous "AI-agent deployment" framework that lets software agents provision compute without human intervention.

#### **Who is behind the project?**

Akash Network was launched in March 2018 by Greg Osuri and Adam Bozanich. Osuri serves as Chief Executive Officer, Bozanich serves as Chief Technology Officer, and the current leadership team also includes Cheng Wang as Chief Financial Officer.

## Tokenomics of AKT

AKT's monetary design combines a capped maximum supply of 388,539,008 AKT with exponential-decay inflation that halves every two to four years, funding both block rewards and a community pool that subsidises network growth.

Category	Percentage
Mining rewards	70.9 %
Investors	10.0 %
Team & Advisors	7.8 %
Foundation	5.7 %
Ecosystem incentives	2.3 %
Testnets	1.5 %
Vendors & Marketing	1.2 %
Public Sale	0.5 %

## General Risks

Like all other digital assets, there are some general risks to investing in AKT. 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 Akash (AKT)

### *Competition*

The Akash Network faces competition from other decentralised-computer projects such as Ankr, Golem, and Livepeer. Akash's value derives from its broader adoption in the market. If the Akash Network fails to achieve sufficient adoption compared to other options in the market, this could negatively impact the value of AKT.

### *Developer Dependence*

While there are many developers who contribute to Akash, there are no guarantees that they will continue to contribute. AKT, Akash's native asset, could be negatively affected by an inability to retain and/or attract developers to keep up with market needs and improve its decentralised-cloud tooling when necessary.

## Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on AKT and determined that Kraken was permitted to make AKT 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 AKT, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created AKT;
- The supply, demand, maturity, utility and liquidity of AKT;
- Material technical risks associated with AKT, including any code defects, security breaches and other threats concerning AKT 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 AKT, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of AKT, 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 AKT about whether AKT, 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.