

PAYWARD LTD

CRYPTO ASSET RISK DISCLOSURE

GALA

Gala Games (GALA)
Last updated on August 11, 2025

Disclaimer

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

Gala Games is a blockchain-based gaming platform that gives players true ownership of in-game assets. By integrating non-fungible tokens (NFTs), it addresses the common limitation of traditional gaming where items remain locked within a publisher's ecosystem. Gala hosts diverse titles across genres, such as RTS, MOBA, RPG, and strategy, developed by both its internal team and partners like Ember Entertainment, Kung Fu Factory, GAMEDIA, Certain Affinity, and 22cans.

Initially built on Ethereum, Gala later launched GalaChain (formerly Project GYRI), its proprietary Layer-1 designed for gaming to reduce fees and improve efficiency. The network is supported by Founder's Nodes, which provide infrastructure and governance and are rewarded in GALA tokens and sometimes NFTs. Licenses for these nodes can be purchased with GALA or other currencies.

Current flagship games include Common Ground World, Mirandus, Spider Tanks, Fortitude, and Echoes of Empire, each incorporating play-to-earn mechanics that reward players with tradable digital assets.

GALA is the platform's native utility token, originally issued as an ERC-20 asset. It serves as the primary medium of exchange within the ecosystem, used for purchasing in-game items, unlocking features, and interacting with decentralized services. Beyond payments, GALA underpins the incentive system for Founder's Nodes. Governance is conducted by Founder's Node operators, who can vote on proposals related to platform development and ecosystem decisions, rather than by all GALA token holders.

Who is behind the project?

Gala Games was co-founded in 2019 by Eric Schiermeyer, Wright Thurston, and Michael McCarthy.

Tokenomics of GALA

GALA has a fixed maximum supply of 50 billion tokens. The token was initially distributed as follows:

Category	Allocation (%)
----------	----------------

Founder's Node Rewards	50%
Gala Games Conservatorship (includes Team Reserves ~4%)	50%
Total	100%

As of August 2025, the circulating supply of GALA is approximately 45.6 billion tokens.

General Risks

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

Competition

The Gala Games platform faces competition from other blockchain-based gaming and entertainment platforms such as Axie Infinity, The Sandbox, Decentraland, Enjin, and many others. GALA's value derives from its broader adoption in the gaming and entertainment market. If the Gala Games platform fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of GALA.

Due Diligence

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