

PAYWARD LTD
CRYPTO ASSET RISK DISCLOSURE
SHIB

Shiba Inu (SHIB)

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Disclaimer

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

Shiba Inu is a community-driven, meme-inspired cryptocurrency launched in August 2020. The SHIB token is an ERC-20 asset on Ethereum and originally billed itself as a “Dogecoin killer,” adopting the same Shiba Inu dog breed as its mascot. Created as a decentralized experiment by the pseudonymous founder “Ryoshi,” SHIB became the native token of the broader ShibaSwap ecosystem.

SHIB functions as a decentralized, community-led medium of exchange within ShibaSwap and beyond. On ShibaSwap, holders can trade SHIB against other assets or deposit it into liquidity pools to earn protocol fees. In August 2023 the project introduced Shibarium, an Ethereum Layer-2 network that processes transactions off-chain while settling back to Ethereum, using the separate BONE token for gas. Bridging contracts now allow SHIB to move between Ethereum and Shibarium, where each transaction permanently burns a small amount of SHIB, reinforcing the token’s deflationary design. SHIB therefore derives utility from payments, liquidity provision, and a burn-driven scarcity model across both Ethereum and Shibarium.

Who is behind the Project?

The identity of the person or group behind the SHIB project is not publicly known. The project was launched as a decentralized and community-driven effort; its founder, known as ‘Ryoshi,’ remains anonymous.

Tokenomics of SHIB

As of September 2025, the circulating supply of SHIB is 589,245,949,847,957 tokens.

General Risks

Like all other digital assets, there are some general risks to investing in SHIB. 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 Shiba Inu

Competition

Shiba faces competition from different projects such as Dogecoin, Floki, and many others. SHIB's value derives from ShibaSwap's broader adoption in the market. If ShibaSwap fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of SHIB.

Due Diligence

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

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