

PAYWARD LTD

CRYPTO ASSET RISK DISCLOSURE

AIOZ Network (AIOZ)

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Disclaimer

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

AIOZ Network is a Cosmos-SDK Layer-1 blockchain that is also Ethereum-Virtual-Machine compatible. The team positions the network as a decentralized physical infrastructure network (DePIN) that supplies distributed bandwidth, storage and GPU compute to Web 3 applications spanning video streaming, AI inference and object storage.

Instead of centralized data centres, thousands of “edge nodes” run the open-source aiozd software. Participants contribute idle disk space, bandwidth and processing power, in return, they earn AIOZ tokens, which serve as (i) gas for on-chain transactions, (ii) a medium of payment for DePIN services and (iii) a staking asset that secures consensus via delegated Proof-of-Stake.

The protocol continues to evolve through on-chain governance. Recent network upgrades (v1.7.0 in April 2025 and v1.7.1 in July 2025) migrated the chain to Cosmos-SDK v0.50 and introduced enhanced burn mechanics, temporarily pausing transfers, staking and bridging while validators updated their clients.

Who is behind the Project?

AIOZ Network was founded by Erman Tjiputra, who also serves as the CEO. The team includes key members such as Trieu Nguyen, the Chief Technology Officer, and Quang Tran, the Head of Artificial Intelligence.

Tokenomics of AIOZ Network:

There is no capped maximum supply of AIOZ. Following a tokenomics revision published in December 2023, on-chain inflation decreases by one percentage point every December 25 from 8% (2023) to a long-term rate of 5% (2026 onward).

The circulating supply on August 7 2025 is around 1.2 billion AIOZ.

The initial distribution of AIOZ was as follows:

Category	Allocation
Private sale	7.3%
Public sale	1.7%
Team	25%
Advisors	5%
Marketing	5%
Exchange liquidity	3%
Ecosystem growth	53%
Total	100%

General Risks

Like all other digital assets, there are some general risks to investing in AIOZ. 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 AIOZ*Competition*

The AIOZ Network faces competition from other cryptocurrencies related to decentralized content, including Theta, Livepeer, and others. AIOZ's value derives from its broader adoption in the market. If the AIOZ Network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of AIOZ.

Due Diligence

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