

# PAYWARD LTD

## CRYPTO ASSET RISK DISCLOSURE

### POWR

#### Powerledger (POWR)

Last updated on August 27, 2025

#### Disclaimer

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

Powerledger is software that helps utilities, businesses, and communities prove where their electricity comes from and trade renewable energy and certificates. It offers ready-made modules: xGrid for local, on-grid energy trading; Vision for choosing energy by type, place, and time; PPA Vision for metering and billing under power-purchase agreements; and TraceX, a marketplace where renewable energy certificates (RECs) can be bought and sold—including a “Forwards” feature that lets buyers and sellers lock in prices ahead of time. Behind the scenes, Powerledger now runs its blockchain components on Solana while keeping compatibility where needed; the company previously operated its own chain but has moved to using public networks.

POWR is a utility token that platform operators obtain to access Powerledger’s software. Operators can lock POWR in a “Smart Bond,” which then allows their customers to trade using Sparkz—an internal unit tied to local electricity prices—so end users buy and sell energy in Sparkz, not POWR. POWR now exists on both Ethereum and Solana, and holders can move it between the two chains using Powerledger’s native transfer setup.

#### Who is behind the project?

Powerledger was founded in Perth, Australia in 2016 by Dr. Jemma Green, Dave Martin, and John Bulich. Today, the leadership publicly identified by the company includes Dr. Jemma Green (Executive Chairman & Co-founder) and John Bulich (Technical Director & Co-founder), along with other senior managers.

#### Tokenomics of POWR

The POWR token supply is fixed at 1 billion tokens. At the time of the Token Generation Event (TGE), the full supply was minted, though only the portions allocated to public investors, private investors, and the bounty program were immediately released, while the remaining allocations were reserved or escrowed for gradual distribution. The tokens were allocated as follows:

Allocation Category	Percentage (%)	Release Status at TGE
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Public Investors (ICO)	26%	Released
Private Investors	9%	Released
Community Incentives	25%	Reserved / Gradual
Growth Pool	24.85%	Reserved / Gradual
Project Team	15%	Locked / Vested
Bounty Program	0.15%	Released
<b>Total</b>	<b>100%</b>	—

As of August 2025, the circulating supply of POWR is approximately 529.7 million tokens.

### General Risks

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

#### *Competition*

The Powerledger platform faces competition from other blockchain-based energy projects such as Energy Web Token (EWT), WePower (WPR), and SunContract (SNC). POWR's value derives from Powerledger's broader adoption by utilities, energy producers, and trading platforms. If Powerledger fails to achieve sufficient adoption compared to these alternatives, this could negatively impact the value of POWR.

### Due Diligence

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