

PAYWARD LTD

CRYPTO ASSET RISK DISCLOSURE

OCEAN

Ocean (OCEAN)

Last updated on August 13, 2025

Disclaimer

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

Ocean Protocol is an open-source framework that enables data owners to tokenize, exchange and monetize datasets and AI services without relinquishing direct control. Built on Ethereum, the protocol turns each off-chain dataset into an ERC-20 “datatoken.” Data providers mint these datatokens and set pricing in the Ocean Market, an automated-market-maker (AMM) that uses on-chain liquidity pools rather than a traditional order book. Consumers purchase the datatokens to decrypt and download the underlying data directly from the linked source, while liquidity providers and curators can stake OCEAN to signal dataset quality and earn fees.

Since 2024 the protocol has expanded through Data Farming reward campaigns, the “Predictoor” forecasting product line, and Ocean Nodes that allow third-party operators to serve datasets from their own infrastructure. In 2025 Ocean joined Fetch.ai and SingularityNET in the Artificial Superintelligence (ASI) Alliance; a phased token merger is scheduled, but OCEAN remains transferable and functional until the swap window formally closes (date still pending regulatory clearance).

Who is behind the project?

Ocean Protocol was conceived by BigChainDB GmbH and DEX Pte Ltd. It was co-founded in 2017 by Bruce Pon (CEO, BigChainDB) and Dr. Trent McConaghy (AI researcher). The protocol is stewarded by the non-profit Ocean Protocol Foundation (Singapore) and governed on-chain by OceanDAO. Day-to-day development is carried out by distributed core contributors coordinated through these entities.

Tokenomics of OCEAN

Ocean Protocol’s on-chain total supply is 271,274,847 OCEAN, the balance remaining after a 2024 burn of roughly 1.14 billion tokens; the contractual maximum supply remains hard-capped at 1.41 billion.

Category	Percentage
Block rewards (data-mining, staking & node incentives)	51%
Acquirers (public sales 2017-2019)	24%
Founding entities (Newton Circus & BigChainDB)	20%
Ocean Protocol Foundation	5%
Total	100%

As of August 2025, the circulating supply is \approx 200 million OCEAN.

General Risks

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

Developer Dependence

Although there are many developers working on the Ocean protocol, there are no guarantees that they will continue to contribute. OCEAN could be negatively affected by an inability to retain and/or attract developers to continue to maintain and build out its decentralized exchange platform.

Regulatory Scrutiny

A regulatory crackdown on decentralized finance (DeFi) could have a negative impact on DeFi and the value of OCEAN.

Adoption by Protocols & Users

OCEAN's value derives from protocols building on Ocean Protocol. If Ocean Protocol fails to attract sufficient adoption, this could negatively impact the value of OCEAN.

Competition

The Ocean Protocol network faces competition from other cryptocurrencies such as Nevermined, FLock.io, and many others. Ocean Protocol's value derives from its broader adoption in the market. If the Ocean Protocol network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of OCEAN.

Due Diligence

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