PAYWARD CANADA INC.

CRYPTO ASSET STATEMENT

Propy (PRO)

Last updated on August 27, 2026

Disclaimer

Payward Canada Inc. (Kraken) is registered under Canadian securities laws as a restricted dealer and is offering Crypto Contracts on crypto assets in reliance on a prospectus exemption contained in the exemptive relief decision Re Payward Canada Inc. dated 04/01/2025 (the Decision). The statutory rights in section 130.1 of the Securities Act (Ontario), and, if applicable, similar statutory rights under the securities legislation of each other province and territory in Canada, do not apply in respect of the Crypto Asset Statement to the extent a Crypto Contract is distributed under the prospectus relief in the Decision.

No securities regulatory authority has expressed an opinion about the Crypto Contracts or any Crypto Assets (as defined in the Risk Statement) made available on the Kraken platform, including an opinion that PRO is not itself a security and/or derivative. Changes to applicable law may adversely affect the use, transfer, exchange, or value of any of your crypto assets, and such changes may be sudden and without notice.

Please note that this Crypto Asset Statement may not be exhaustive of all risks associated with trading PRO. Please review the Risk Statement and Fee Schedule for additional discussion of general risks and transaction fees associated with the Crypto Contracts and Crypto Assets made available through the Canadian 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 Crypto Asset Statement is based on publicly available information provided by third parties.

What is Propy and how does it work?

Propy is a blockchain-based real estate transaction platform designed to facilitate electronic transfers and recording of real estate transactions. It allows buyers, sellers, deal partners, and agents to close real estate transactions online by leveraging blockchain technology to facilitate electronic transfers and recording of property deeds. The platform generates a property's purchase and sale agreement automatically and verifies ownership through a third party. Once all parties have signed, the purchase agreement is encrypted and recorded on the blockchain. The platform operates on the Ethereum blockchain, leveraging its smart contract capabilities to execute transactions.

Propy's native token, PRO, facilitates secure, trustless property transactions, supports tokenized ownership of real estate, and enables decentralized finance (DeFi) lending activities. It is utilized for completing real estate deals, managing escrow and title settlements, and creating or upgrading NFTs that represent property rights recorded on-chain. By integrating blockchain technology, Propy aims to enhance transparency, security, and efficiency in real estate dealings.

Who is behind the project?

The team behind Propy consists of the following individuals: Natalia Karayaneva: Founder and Chief Executive Officer Denitza Tyufekchieva: Co-founder and Vice President of Business Development Maria Angelova: Chief Financial Officer

Tokenomics of Propy

Propy has a total supply of 100M tokens with a distribution as follows according to their MiCA whitepaper:

Category	Percentage
Sales pool	35
Network growth pool	35
Company pool	15
Donation pool	15

General Risks

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

Competition

The Propy network faces competition from other blockchain-based real estate transaction platforms such as RealT, Lofty.ai, and others. PRO's value derives from its broader adoption in the market. If the Propy network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of PRO.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on PRO and determined that PRO is unlikely to be a security or derivative under Canadian securities legislation. Our analysis generally includes, but is not limited to, reviewing publicly available information on the following:

- The creation, governance, usage and design of PRO, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created PRO;
- The supply, demand, maturity, utility and liquidity of PRO;
- Material technical risks associated with PRO, including any code defects, security breaches and other threats concerning PRO 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 PRO, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of PRO, and (ii) consideration of statements made by any regulators or securities regulatory authorities in Canada, other regulators of the International Organization of Securities Commissions, or the regulator with the most significant connection to PRO about whether PRO, or generally about whether the type of crypto asset, is a security and/or derivative.