

PAYWARD CANADA INC.
CRYPTO ASSET STATEMENT
ACH

Alchemy Pay (ACH)

Last updated on August 08, 2025

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 Alchemy Pay (ACH) 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 Alchemy Pay (ACH). 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 Alchemy Pay (ACH) and how does it work?

Alchemy Pay is a hybrid crypto-fiat payment network designed to connect traditional payment rails with blockchain-based assets. Operating primarily on Ethereum and other compatible chains, the platform supplies point-of-sale plugins, payment gateways, and white-label APIs that let merchants accept a broad range of local currencies and more than 30 digital assets. ACH functions as the unit of account for network fees, settlement discounts, and incentive rewards for both merchants and consumers. Partners pledge ACH to qualify for reduced processing fees, and end-users can earn ACH rebates on eligible purchases.

Settlement occurs automatically through Alchemy Pay's smart-contract architecture, which converts incoming funds to the payee's preferred currency at the time of the transaction while recording the payment data on-chain for auditability.

Who is behind the Project?

Alchemy Pay was launched in 2017 by John Tan and Shawn Shi. Tan serves as Chief Executive Officer, Shi serves as Chairman. Alchemy Pay operates through Alchemy GPS Europe UAB and its affiliates and subsidiaries in order to provide services to its customers.

Tokenomics of *Alchemy Pay (ACH)*:

ACH has a fixed cap of 10 billion tokens. Percentages refer to the total supply as of August 8 2025.

Category	Percentage
Transaction rewards (merchant + payer)	40 %
DeFi incentives	11 %
Project team	18 %
Early investors	18 %
Transaction mobility fund	6 %
Enterprise partners	5 %
Advisors	2 %

General Risks

Like all other digital assets, there are some general risks to investing in ACH. 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 Alchemy Pay (ACH)

Competition

The Alchemy Pay network faces competition from other cryptocurrencies such as Ripple and Stellar. Alchemy Pay's value derives from its broader adoption in the market. If the Alchemy Pay network fails to achieve sufficient adoption compared to other options, this could negatively impact the value of ACH.

Regulatory Scrutiny

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

Adoption by Protocols & Users

ACH's value depends on protocols and merchants building on Alchemy Pay infrastructure. If Alchemy Pay fails to attract sufficient adoption, this could negatively affect ACH's value.

Due Diligence

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