PAYWARD CANADA INC.

CRYPTO ASSET STATEMENT

cmETH

Last updated on August 04, 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 cmETH 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 cmETH. 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 Acurast and how does it work?

Acurast is a decentralized compute network built on a Substrate based blockchain with Polkadot interoperability that turns ordinary smartphones into permissionless “Processors” able to run verifiable off chain workloads. It coordinates hundreds of thousands of devices worldwide to execute and validate compute jobs through on-chain scheduling, confidential compute enclaves, and a suite of SDKs that let developers submit tasks and retrieve results without relying on centralized servers.

At the time of writing the token is not live. The team plans for ACU token to be used for paying network fees, securing the network by being locked and delegated to Processors to help maintain security and earn rewards, settling compute job payments, and enabling holders to vote on protocol proposals on governance framework.

Who is behind the project?

Acurast is developed by the Acurast Association, and it is co-founded by Pascal Brun and Alessandro de Carli.

Tokenomics of ACU

The total supply of ACU is 1 billion tokens, which is distributed as follows:

ACU Allocation	ACU tokens	% of Total supply
Early Backers	65 million	6.5%
Team and Advisors	240 million	24%
Community Activation	240 million	24%
Community Treasury	240 million	24%
Operational Funds	115 million	11.5%
Liquidity Provision	100 million	10%
Total	**1 billion**	**100%**

General Risks

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

Competition

The Acurast network faces competition from other decentralized compute platforms such as Akash Network, Render Network, and many others. Acurast's value derives from its broader adoption in the market. If the Acurast network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of ACU.

Due Diligence

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

cmETH, 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 cmETH about whether cmETH, or generally about whether the type of crypto asset, is a security and/or derivative.