PAYWARD CANADA INC.

CRYPTO ASSET STATEMENT

PortalToBitcoin (PTB)

Last updated on September 7, 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 PTB 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 PTB. 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 PortalToBitcoin and how does it work?

Portal to Bitcoin (PTB) is the native asset of a cross‑chain protocol that the team describes as a "custody‑less path to Bitcoin from other chains and Layer‑2s." Portal claims it enables native‑to‑native atomic swaps between Bitcoin and assets on other networks. Atomic Swaps represent peer-to-peer trades transferring cryptocurrencies between distinct blockchains without bridges, wrapping, or relying on trusted third parties

Portal runs its own coordination layer, the Portal Attestation Chain (PAC), while executing Layer‑2 swap contracts on Bitcoin and Ethereum. Liquidity is coordinated by a subsystem called BitScaler, which the team says creates multiple peer‑to‑peer channels from a single on‑chain transaction, using Taproot and policy scripting to keep swaps fast and private. The Portal (PTB) token is the primary economic asset of the ERC-20–based Portal Notary Chain. Validators—functioning as a decentralized network of "watchtowers" that non-custodially execute cross-chain atomic swaps—must stake PTB as collateral and compete in an auction each epoch for one of 42 validator positions, with the bonded stake subject to slashing for protocol violations. Beyond validator collateralization, PTB operates as the chain's native gas token settling transaction fees.

Who is behind the project?

The core team includes co-founder and CEO, Dr Chandra Duggirala, co-founder and Head of Business Development, George Burke and co-founder and CTO, Manoj Duggirala.

Tokenomics of PortalToBitcoin

PTB has a total supply of 8.4 billion tokens. In August 2025 the project published a tokenomics refinement that revised how that supply is allocated across categories including community incentives, the foundation reserve, liquidity, and validator, lite node and liquidity provider rewards, and introduced a buyback and burn mechanism under which swap fees are used to buy back and burn PTB. The refinement was announced on Portal's official X account.

General Risks

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

Competition

PortalToBitcoin faces competition from other trust-minimized cross-chain liquidity protocols such as Chainflip, Komodo AtomicDEX, and many others. and traditional digital ad networks. PortalToBitcoin’s value derives from the project’s broader adoption in the market. If PortalToBitcoin fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of PortalToBitcoin.

Due Diligence

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