

# PAYWARD CANADA INC.

## CRYPTO ASSET STATEMENT

G

### Gravity (G)

Last updated on August 11, 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 Gravity (G) 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 Gravity (G). 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 Gravity and how does it work?

Gravity is a Layer 1 omnichain smart contract platform developed by Galxe, designed for mass adoption and seamless cross-chain interactions. The platform leverages Zero-Knowledge Proofs, staking-powered architecture, restaking via Babylon and EigenLayer, and advanced consensus mechanisms (such as Jolteon, AptosBFT) aiming to deliver high performance, security, and cost-efficiency, all while retaining full EVM compatibility. Gravity abstracts multichain complexity, enabling developers to build applications with cross-chain settlement and identity-centric Web3 user experiences. G is the native utility token, functioning as the gas token for transactions, a staking instrument for network security, and a governance token powering both Gravity and the Galxe ecosystem.

#### Who is behind the project?

Gravity is developed by the Galxe Foundation, which leads the management and expansion of both the Gravity platform and the broader Galxe ecosystem. The project was co-founded by Charles Wayn and Harry Zhang when Galxe (initially Project Galaxy) was launched in March 2021. Additionally, Gravity was specifically developed by Charles Wayn, Harry Zhang, and Xinlu C as the founders of the Galxe ecosystem.

### Tokenomics of G

The G token is the renamed and migrated version of the Galxe (GAL) token, approved via DAO proposals GP-25 and GP-30, with GAL tokens burned and exchanged for new G tokens at a 1 GAL to 60 G ratio. Gravity has a fixed maximum supply of 12 billion G tokens, with an initial Genesis distribution split between Ethereum and Gravity's Alpha Mainnet.

Category	Percentage of Total Supply
Ethereum (ERC-20 initial)	83.3%
Bridged to Gravity L2 (Alpha)	16.7%

The initial token supply was 10 billion G on Ethereum and 2 billion G bridged to Gravity's L2 Alpha Mainnet, totaling the 12 billion fixed supply.

The following table reflects the intended functional allocation of the total supply at launch:

Allocation	% of total supply
Community	20%
Team	15%
Foundation	10%
Marketing	15%
Advisors & Partners	6.23%
Growth Backer Round 1	10.63%
Growth Backer Round 2	10.14%
Coinlist Public Sale	5%
Ecosystem	4.5%
Early Adopters Rewards	2%
Launchpool	1.5%

### General Risks

Like all other digital assets, there are some general risks to investing in G. 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 Gravity**

#### **Competition**

Gravity faces competition from other omnichain layer 1 services such as ZetaChain and Dojima. Gravity's value derives from its broader adoption in the market. If the Gravity Network fails to achieve sufficient adoption compared to other options in the market, this could negatively impact the value of G.

#### **Due Diligence**

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