

PAYWARD CANADA INC.

CRYPTO ASSET STATEMENT

PUPS

PUPS (PUPS)

Last updated on August 21, 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 PUPS 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 PUPS. 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 PUPS and how does it work?

PUPS is a community led memecoin that takes inspiration from the culture of the early O.P.I.U.M (Ord Puppet Inu Undoxxed Millionaire) holder community to shape its identity on the Bitcoin blockchain. Described as “born in the shed,” the project references shared history with the Bitcoin Puppets collection. It reflects a focus on collective expression, meme culture, and community driven participation.

Who is behind the Project?

PUPS is described as a community-driven cryptocurrency project without a formal team or company overseeing its operations. Its activities rely on community participation for development, fundraising, and promotion. The project uses platforms like X (formerly Twitter) for updates and engagement.

Tokenomics of PUPS:

The total supply of PUPS is 1 billion tokens.

General Risks

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

Competition

The PUPS faces competition from other meme-based cryptocurrencies such as Dogecoin, dogwifhat, PEPE and many others. PUPS's value derives from its broader adoption in the market. If the PUPS meme fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of PUPS.

Due Diligence

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