

# PAYWARD CANADA INC.

## CRYPTO ASSET STATEMENT

### Mask Network (MASK)

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Last updated on August 13, 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 MASK 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 MASK. 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 Mask Network and how does it work?

Mask Network is a decentralised application and browser extension that bridges Web 2.0 social platforms, such as X (formerly Twitter), Discord and Telegram, with Web 3.0 functionality. Built originally on Ethereum and later expanded to BNB Smart Chain, Polygon and other EVM-compatible chains, it lets users send peer-to-peer encrypted messages that only an intended recipient can decrypt; transfer ETH, ERC-20 tokens and other supported assets directly within social feeds; share, mint and monetise digital content (images, video, music) through NFTs and access embedded DApplets including decentralised exchanges, fundraising tools (Initial Twitter Offerings), file-storage integrations (e.g., Arweave) and cross-chain smart wallets.

A user installs the Mask Network extension, connects a compatible wallet (e.g., MetaMask), and interacts with social-media posts that the extension transforms on-the-fly. All message payloads and on-chain actions are encrypted locally before being broadcast; settlement occurs via the underlying blockchain, preserving privacy while retaining public verifiability. Active users can earn MASK incentives, and certain premium functions (such as creating DApplets or advanced wallets) require a stake or fee

paid in MASK. Because the protocol is open-source, third-party developers may deploy their own smart-contract modules, with governance decisions coordinated through MASK DAO sub-DAOs.

### **Who is behind the Project?**

The founder of the Mask Network is Suji Yan, a technology entrepreneur and investor. Yan is the CEO of Dimension, a blockchain-focused venture studio.

### **Tokenomics of MASK**

MASK has a maximum supply of 100,000,000 tokens. As of August 2025, the circulating supply is approximately 100,000,000 MASK, meaning the maximum supply has effectively been reached.

At genesis, the token's distribution was as follows:

<b>Category</b>	<b>Allocation</b>
Foundation reserve	39.55%
Multiple private sales	28.45%
Team	23%
Public sale	7%
Airdropped	1%
Liquidity	1%
<b>Total</b>	<b>100%</b>

### **General Risks**

Like all other digital assets, there are some general risks to investing in MASK. 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 Mask Network**

#### *Competition*

The Mask Network faces competition from other decentralised social-media projects such as Minds, Farcaster and Lens Protocol. Mask Network's value derives from wider adoption by users and developers. If the network fails to achieve sufficient adoption relative to alternatives, the value of MASK could be negatively affected.

**Due Diligence**

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