

PAYWARD CANADA INC.
CRYPTO ASSET STATEMENT
PLAY

Last updated on 4 September 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 PLAY 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 PLAY. 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 PLAY and how does it work?

PlaysOut is a mini-game infrastructure platform designed for embedding lightweight games into apps (like Telegram, Discord, WeChat, YouTube) and content platforms. It offers a software development kit (SDK) that standardises mini-game deployment across Web2 and Web3. Developers build once using engines like Unity or Phaser, then distribute through bots, widgets, or overlays—eliminating the need for app stores or downloads.

The PLAY token serves as the native utility and governance token within the PlaysOut ecosystem. It is used in multiple core functions: (1) Governance, where token holders will be able to vote on product upgrades, treasury allocation, and revenue distribution mechanisms; (2) Platform utility, where PLAY is required to access features like NFT minting, platform SDKs/APIs, and advertising tools; (3) In-game utility, powering transactions such as item purchases, upgrades, exclusive content access, and marketplace trades; (4) Advertising settlement, functioning as the bidding and payment currency for in-game ad slots and campaign payouts; and (5) Ecosystem incentives, where users, developers, and partners earn PLAY through staking, contributions, and engagement.

Who is behind the project?

PLAY was founded by Jassem Osseiran and Jimmie Jeremejev.

Tokenomics of PLAY

PLAY has a total supply of 5 billion tokens. The distribution of PLAY tokens is as follows:

Category	Percentage
Seed Round	7%
Strategic Round	10%
Marketing and Cooperation	15%
Team	15%
Ecosystem and User Incentives	50%
Advisors	3%
Total	100%

General Risks

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

Competition

PlaysOut faces competition from other embedded gaming solutions and blockchain platforms such as Tencent mini-games, TikTok mini-apps, and emerging Web3 gaming protocols. PLAY's value derives from the project's broader adoption in the market. If PlaysOut fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of PLAY.

Due Diligence

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