PAYWARD CANADA INC.
CRYPTO ASSET RISK DISCLOSURE
ASTER

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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 ASTER 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 ASTER. 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 ASTER and how does it work?
Aster is a decentralized exchange (DEX) that offers both spot and perpetual trading. It operates in two modes: Pro, an order-book-based perpetual contracts platform deployed on chains such as BNB Chain, Ethereum, Solana, and Arbitrum; and 1001x (Simple), a fully on-chain perpetuals platform offering high leverage and liquidity via the ALP pool. The platform also incorporates collateral models using yield-bearing assets such as BNB and USDF to enhance capital efficiency.

In March 2026, Aster launched the mainnet of Aster Chain, its own privacy-focused Layer-1 blockchain, which uses zero-knowledge cryptography to keep order and position data private while remaining verifiable on-chain. With this launch, ASTER has expanded from a DEX token into the native asset of a dedicated Layer-1 network.

ASTER is the ecosystem’s core token. It is used for trading fee payments on the Aster exchange, allowing users to access reduced fees when transacting on the platform. Following the Layer-1 launch, ASTER’s utility has expanded to include network gas fees, staking, protocol revenue sharing, and on-chain governance. Staking is live, and on-chain governance functionality has been rolling out during 2026.

Who is behind the project?
The project has publicly identified its chief executive as Leonard, who is described as having a traditional finance background, with Ember leading partnerships and business development. The project is backed by YZi Labs (the investment firm formerly known as Binance Labs), and Binance founder Changpeng Zhao ("CZ") is described as an advisor. Detailed public information about the broader development team remains limited.

Tokenomics of ASTER
The token's total supply is 8 billion ASTER, the token distribution is as follows:

Category	**Allocation**
Airdrop	53.5%
Ecosystem and Community	30%
Treasury	7%
Team	5%
Liquidity and Listing	4.5%
Total	**100%**

*Approximately 92% of the total supply is held across six wallets, indicating a high level of concentration among a small number of holders which doesn't align with the publicly indicated distribution

In 2026, Aster introduced significant supply-side changes. In June 2026, the protocol began directing approximately 99% of daily platform fees to open-market ASTER buybacks, with an equal amount of ASTER burned from project reserves (beginning with the team allocation) on a bi-weekly basis, with a stated goal of reducing the total supply from 8 billion toward 3 billion tokens. Tokens acquired through the buyback are distributed to ASTER stakers. In addition, from March 2026 the protocol replaced its scheduled monthly ecosystem unlock with a staking-only emission model, substantially reducing the amount of new ASTER entering circulation.

General Risks
Like all other digital assets, there are some general risks to investing in ASTER. These include short history risk, volatility risk, 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 ASTER

Token concentration

As of the most recent available data, approximately 92% of the total ASTER token supply is held across six wallets. This indicates a high level of concentration among a small number of holders, which may result in increased exposure to holder-related risks such as reduced liquidity or potential price volatility if large transfers or sales occur.

Competition

Aster protocol faces competition from other decentralized trading protocols, such as Hyperliquid (HYPE) and many others. ASTER's value derives from its broader adoption in the market. If Aster protocol fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of ASTER.

Due Diligence

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