

PAYWARD CANADA INC.

CRYPTO ASSET STATEMENT

WOO

Woo Network (WOO)

Last updated on September 2, 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 WOO 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 WOO. 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 Woo Network (WOO) and how does it work?

Woo Network is a platform that provides liquidity for both centralized finance (CeFi) and decentralized finance (DeFi). Its main products are WOO X, a centralized exchange, and WOOFi, a decentralized exchange. The network uses a model called Synthetic Proactive Market Making (sPMM) to deliver deep liquidity and low trading costs. Services include swapping, staking, yield earning, and proof-of-reserves for transparency. Liquidity is supported by Kronos Research, and governance is gradually shifting to community involvement through initiatives like WOO Force.

The WOO token is the utility token of the network. It can be staked to unlock trading fee discounts, zero-fee tiers, higher API limits, referral rewards, and access to features such as launchpads and yield vaults. Staking also gives holders a share of platform revenue and participation in governance decisions. The token is deflationary, with about 50% of platform revenue used each month to buy back and permanently burn WOO, reducing supply over time.

Who is behind the project?

Woo Network was founded in 2019 by Jack Tan and Mark Pimentel, who are also the co-founders of Kronos Research, a quantitative trading firm established in 2018. Kronos Research provides expertise in

high-frequency trading and liquidity provision, which supports the development and operation of Woo Network.

Tokenomics of WOO

WOO was launched in October 2020 with a total fixed supply of 3,000,000,000 tokens. The tokens were allocated at launch as follows:

Category	Percentage (%)
Ecosystem Rewards	50%
Team	20%
Seed & Private Sales	20%
Advisors	5%
Liquidity Management	5%
Total	100%

At the Token Generation Event (TGE), only a portion of these tokens was made available on the market. The initial circulating supply was 91,200,000 WOO (~3.04% of the total), with the remainder subject to vesting and lock-up schedules.

WOO follows a deflationary model through a monthly buyback and burn program, where approximately 50% of platform revenue is used to repurchase tokens and permanently remove them from circulation. As a result of these burns, the supply has decreased over time.

As of September 2025, the total and maximum supply is approximately 2.21 billion WOO, with around 1.9 billion in circulation (~86% of the current supply).

General Risks

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

Competition

The Woo Network faces competition from other liquidity-focused platforms such as dYdX, GMX, and Injective, among others. WOO's value derives from its broader adoption in the market. If the Woo Network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of WOO.

WOO X Platform

The WOO X trading platform is currently unavailable to Canadian residents.

Due Diligence

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