

PAYWARD CANADA INC.

CRYPTO ASSET STATEMENT

GARI

Gari Network (GARI)

Last updated on August 11, 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 GARI 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 GARI. 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 Gari Network (GARI) and how does it work?

Gari Network is a blockchain-based ecosystem integrated within the Chingari app, a short-form video social platform. It enables creators to monetize content, engage users, and participate in governance via the GARI token. The GARI token functions as an in-app currency, facilitating tipping, access to exclusive content, staking mechanisms, and DAO-based governance decision-making. Gari Network supports NFTs, multi-chain interoperability, and staking pools, and is built on the Solana blockchain (SPL standard).

Who is behind the project?

Sumit Ghosh serves as CEO and Chief of Product. Deepak Salvi serves as Co-Founder and COO, bringing significant media industry experience. Biswatma Nayak serves as Co-Founder and CTO, having previously developed numerous social media tools, and Aditya Kothari serves as Co-Founder and Chief of Strategy.

Tokenomics of GARI

GARI has a fixed maximum supply of 1 billion tokens. It serves as the native utility and governance token of the Gari Network, supporting activities such as tipping, content monetization, staking, and DAO participation. The initial token distribution was allocated across defined categories at launch, including

private and public sales, team and advisor allocations, community incentives, and staking rewards.

Category	Percentage	Token Amount
Private / Pre-sale	20%	200,000,000 GARI
Public Sale	20%	200,000,000 GARI
Community Reserves	25%	250,000,000 GARI
Team & Advisors	15%	150,000,000 GARI
Airdrop	5%	50,000,000 GARI
Staking Rewards	15%	150,000,000 GARI
Total	100%	1,000,000,000 GARI

As of August 2025, the circulating supply of GARI is approximately 660 million tokens.

General Risks

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

Competition Risk

GARI faces competition from other decentralized social media such as Mastodon, LBRY, and many others. GARI's value derives from the Gari Network's broader adoption in the market. If the Gari Network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of GARI.

Network Outages

The Solana blockchain has halted on numerous occasions over its lifetime. Future network outages could negatively impact the Gari Network and consequently the perceived value of GARI in the market.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on GARI and determined that GARI 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 GARI, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created GARI;

- The supply, demand, maturity, utility and liquidity of GARI;
- Material technical risks associated with GARI, including any code defects, security breaches and other threats concerning GARI 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 GARI, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of GARI, 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 GARI about whether GARI, or generally about whether the type of crypto asset, is a security and/or derivative.