

PAYWARD CANADA INC.
CRYPTO ASSET STATEMENT
MULTI

Multichain (MULTI)

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 Multichain (MULTI) 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 Multichain (MULTI). 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 Multichain and how does it work?

Multichain (formerly Anyswap) is a cross-chain infrastructure protocol that enables assets and data to move between otherwise independent blockchains. It relies on a network of secure multi-party computation (SMPC) nodes that collectively manage vault contracts on each supported chain.

Historically, the protocol provided two core transfer paths. The Bridge model locks an asset on its origin chain while minting a pegged representation on the destination chain, later burned for redemption. The Router model instead holds liquidity pools on every chain, allowing native-to-native swaps without issuing wrapped tokens. An auxiliary framework called anyCall allows arbitrary cross-chain contract invocation, and a dedicated NFT bridge extends similar functionality to non-fungible tokens. The Multichain team has advised users to refrain from using the bridging service until further notice while technical issues are addressed.

Who is behind the project?

Multichain was launched in 2020 by the Fusion Foundation under the name Anyswap. Key public figure “Zhaojun He” served as CEO. Day-to-day communication is now handled by a volunteer community group on X (Twitter) and Discord.

Tokenomics of *Multichain (MULTI)*

The maximum supply is fixed at 100 million MULTI. The initial allocation was distributed as follows.

Category	Percentage
Circulating following ANY→MULTI swap	14.54 %
Locked (subject to future DAO allocation; veMULTI model)	85.46 %

MULTI holders may lock tokens to mint veMULTI NFTs, which confer governance voting power and a share of protocol fee revenues (currently suspended with bridge operations).

General Risks

Like all other digital assets, there are some general risks to investing in Multichain. 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 Multichain (MULTI)

Competition

The MULTI network faces competition from other meme-based cryptocurrencies such as Baby Doge Coin and Floki. MULTI’s value derives from its broader adoption in the market. If the MULTI network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of MULTI.

Operational continuity

On 21 May 2023 Multichain’s chief executive, Zhaojun He, was detained by Chinese authorities. With sole access to key infrastructure, his absence preceded an exploit on 6–7 July 2023 that drained more than \$125 million from several Multichain bridges. The protocol has since suspended bridging and router services, and the team has asked users to stop using Multichain and revoke contract approvals until further notice. If operations do not resume, or if locked assets cannot be recovered, the value of MULTI could decline materially.

Due Diligence

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