



Canton
STRATEGIC HOLDINGS

+ CANTON NETWORK

Q3 2026 Ecosystem Report

As of 9.30.26

© 2026 Canton Strategic Holdings. All Rights Reserved.



Table of Contents

<u>Executive Summary</u>	02
Q3 Highlights	02

<u>The State of the Canton Network</u>	03
Burn-Mint Equilibrium	03

<u>Institutional Network Adoption</u>	04
---------------------------------------	----

<u>Canton's Global Footprint</u>	06
----------------------------------	----

<u>Building the Network</u>	07
-----------------------------	----

<u>Iterative Governance</u>	09
-----------------------------	----

<u>Outlook for Q4 2026</u>	11
About the Authors	12

<u>Disclaimer</u>	13
-------------------	----



Executive Summary

The third quarter built on momentum established during the first half of 2026, demonstrating continued conversion of institutional commitment into real-world infrastructure and network participation. Six new Super Validators were approved this quarter: a16z crypto, London Stock Exchange Group, Marex, Paxos, Shinhan Asset Management, and TreasurySpring. Each deepens Canton's governance presence across global capital markets.

The quarter also marked a significant expansion of the network's asset layer: sovereign bonds, stablecoins, and institutional money market instruments each came onchain or are expected soon, culminating in the first fully onchain repo collateralized by a natively issued sovereign digital bond. Most notably, the DTCC successfully completed its pilot, with anticipation of a full rollout in Q4. Additionally, Canton Improvement Proposal (CIP) 0104's phased MainNet activation (while not complete as of the time of writing) is intended to align eligible rewards with measured onchain network activity, helping close the structural gap that allowed self-reported activity via the marker system.

As an investor and active participant in the Canton ecosystem, Canton Strategic Holdings provides both capital and insights to expand the integration of the Canton Network into modern financial systems. The following report outlines the most significant milestones in Q3 for the Canton Network.

Q3 Highlights

- **Institutional Participation Deepens:** Six new Super Validators were approved this quarter, venture capital, exchange infrastructure, asset managers, and regulated stablecoin issuance. Additionally, several Super Validators including Zenith, LayerZero, Wormhole, and Chainlink achieved their CIP milestones, collectively advancing Canton's cross-chain interoperability infrastructure. On the validator side, HSBC and RBC Capital Markets' new nodes each point toward production-scale application activity ahead. Beyond individual institutions, the quarter saw a structural shift in how the broader industry is engaging with Canton: both the International Securities Lending Association (ISLA) and the International Swaps and Derivatives Association (ISDA) joined the Canton Foundation, taking an active role in shaping legal and operational standards for Canton Network activity.
- **Asset Issuance Accelerates:** The quarter began with the completion of DTCC's pilot with transactions involving more than 30 firms. Canton's digital money layer expanded materially in Q3 as Circle secured Featured Application status ahead of USYC's native issuance, World Liberty Financial launched USD1 on Canton, and USDM1 (the natively issued digital bond of the Republic of the Marshall Islands) served as collateral in an August repo transaction. Trading venues accounted for nearly 50% of all \$CC burned this quarter, indicating that newly issued assets are generating transactional demand.
- **Infrastructure and Security Tooling Matures:** Institutions require sophisticated infrastructure before committing to production workflows. Broadridge's DLX platform creates a connected operating layer for financial institutions across tokenized and traditional market activity. BitSafe's Decentralization Manager provides pre-built custody, multi-signature and governance infrastructure that reduces the engineering lift required to launch compliant applications on the network. The Development Fund crossed 60 million \$CC distributed, with allocations that reflect the Canton Foundation's emphasis on institutional-grade infrastructure and security.

Q3 Highlights (continued) →



Q3 Highlights (continued)

- **Governance and Protocol Progression:** CIP-0104's phased MainNet activation is in the process of replacing self-reported application traffic markers with rewards tied to verified network traffic — a structural correction that enhances the reliability of the reward system. Additionally, the creation of the Super Validator Accountability Committee established a formal process to review Super Validator compliance and recommend remediations for the first time. Together, these initiatives strengthen network governance and drive trust among participants.
- **Continued Regulatory Momentum and Q4 Outlook:** While legislative progress on digital asset market structure stalled in the Senate, the SEC moved independently to create conditional exemptive relief that advances the modernization of capital markets. Momentum is building globally as the U.K. announces sovereign issuance plans and Mitsubishi UFJ Financial Group (MUFG) plans to build on its August proof of concept for onchain Japanese Government Bond (JGB) repo.

The State of the Canton Network

	Q1 2026	Q2 2026	Q3 2026
Average Transactions Per Second (TPS)	16	26	15
Burn-Mint-Equilibrium (BME)	0.55	0.65	0.69

Source: The Tie, as of September 30, 2026

Activity on Canton declined as the Network transitions to CIP-0104 mechanics. Q3 fees fell to \$157 million, an 18% decrease from Q2¹. Potential drivers of this decline are tightened enforcement of Featured Application activity standards through the Accountability and Tokenomics Committees, as well as application adaptation to more efficient onchain verification by reducing marker-based overhead. The implementation of more efficient processes may indicate that the Q3 contraction was a transition cost rather than structural decline.

Burn-Mint Equilibrium

Considered one of the core metrics on Canton for \$CC, burn-mint equilibrium (BME) further strengthened in Q3 with the burn-to-mint ratio increasing to 0.69 from 0.65 at the end of the third quarter¹. This is a positive indicator of network health as participants work towards alignment between application activity and real utility. Separately, network-wide activity decreased, logging over 1,300,000 daily transactions on average between all public and private networks². As the network continues to evolve through implementation of CIP-0104, some volatility across network metrics is to be expected.



Institutional Network Adoption

New Super Validators for Q3

Six additional Super Validator approvals rounded out Q3. Many of these firms have been active participants in the DTCC Tokenization Working Group and their applications to become Super Validators reflect a deliberate deepening of their commitment to Canton as production-scale activity approaches³.

Paxos brings regulated stablecoin infrastructure with milestones tied directly to issuance volume and mint/redeem activity. Paxos' approved milestones include the construct of a weight decrease if volumes decline, making this one of the more accountability-forward CIP structures to date. Its existing products, PYUSD and USDG (Global Dollar Network), as well as its relationships with Mastercard and Stripe create deeper connectivity into established payment rails⁴.

Shinhan Asset Management brings an important South Korean institution to the Canton Network as a Super Validator in anticipation of domestic legislative and regulatory guidelines for tokenization⁵. The Financial Services Commission (FSC) in South Korea is targeting a phased rollout of its tokenized securities regulatory framework in early 2027. It is expected to start with private money-market funds and corporate bonds, before expanding into equities and stablecoins⁶.

TreasurySpring's Fixed-Term Funds are already active on Canton's application layer, so its approval as a Super Validator formalizes the governance role of this established contributor. TreasurySpring steps in as the cash and collateral instrument specialist, bringing tokenized, short-duration cash instruments onchain for use as real-time collateral in treasury and repo workflows. These instruments serve institutional holders including asset managers, large corporations, multinationals, family offices, endowments, and charities across the U.K., Europe, and the United States⁷.

a16z crypto, London Stock Exchange Group (LSEG), and Marex were also approved to be Super Validators in the third quarter. Due to the confidential nature of these firms' business operations, terms and milestone deliverables in the applications are mostly undisclosed. However, each is expected to strengthen the institutional composition of the Super Validator set⁸.

SUPER VALIDATOR MILESTONES

The quarter's milestone deliveries from existing Super Validators highlighted cross-chain interoperability, making Canton more accessible to users and assets on other blockchains. LayerZero, Chainlink, and Wormhole raced to demonstrate the ability to natively bridge assets to Canton, with full production rollouts subject to further implementation^{9,10}. Zenith completed its second technical milestone under CIP-0091 with a successful atomic swap of an EVM asset for a native Canton asset and proving the viability of Zenith's EVM-native environment¹¹. Additionally, Société Générale (SocGen) reached its first CIP-0115 milestone, accepting tokenized assets on Canton as eligible collateral. The \$10 million of tokenized U.S. Treasuries on Canton builds on SocGen's role in the U.S. Treasury Financing Working Group.

- a16z crypto
- LSEG
- Marex
- Paxos
- Shinhan Asset Management
- TreasurySpring

Canton Foundation Membership →



CANTON FOUNDATION MEMBERSHIP

ISLA joined the Canton Foundation as an associate member this quarter, marking one of the first instances of an industry trade association engaging formally with Canton's governance structure. ISLA's participation on the Collateral Subcommittee and within the Technology Working Group signals that the securities lending market is moving to take an active role in setting the market practices on a network it is likely to adopt. Additionally, ISDA's membership extends that logic into derivatives markets, representing a coordinated effort to build unified digital standards on Canton by the associations that set legal and operational convention across the largest segments of global capital markets.

These efforts have already produced tangible results. International Capital Market Association (ICMA) and ISLA, advised by global law firm Clifford Chance, published an update to its 2024 Digital Bonds Annexes for the Global Master Securities Lending Agreement (GMSLA) and the Global Master Repurchase Agreement (GMRA). These annexes provide standardized legal templates for securities financing transactions involving natively issued digital bonds¹². Moreover, the annexes establish a common industry benchmark and starting point for transaction documentation to streamline negotiations and reducing the time and costs associated with documenting and implementing repo and securities lending transactions involving digital bonds.

In September 2026, Tokenovate announced that it had joined the Canton Foundation and settled an intraday repo on Canton using the Common Domain Model (CDM). Developed by ISDA and distributed by the Fintech Open-Source Foundation (FINOS), CDM is the machine-readable blueprint for the lifecycle events for financial trades. Many global banks already use CDM for regulatory reporting, so native support may reduce the custom work needed to connect legacy institutional systems to Canton¹³. The U.K. Wholesale Digital Markets Champion's report, published in July 2026, identifies the Common Domain Model (CDM) as one of the industry standards that could support interoperability across tokenized financial markets¹⁴. The report's emphasis on common data models and standardized transaction processes is consistent with ongoing market initiatives on the Canton Network, including the use of CDM in securities financing transactions.

101

CANTON FOUNDATION MEMBERS

19

PREMIER MEMBERS

Highest level of membership.
Offers direct Board
representation and strategic
governance influence.

76

GENERAL MEMBERS

Commercial membership enabling
participation in Foundation
committees and ecosystem
initiatives.

6

ASSOCIATE MEMBERS

Complimentary membership for
industry associations, nonprofits,
regulators and academia to foster
collaboration and standards
development.

Source: The Canton Foundation

Canton's Global Footprint →



Canton's Global Footprint

Canton increased its presence across Asia, Europe, the United Kingdom, and the United States in Q3, with each region at a different stage of the transition from pilot to production. In the U.S., the DTCC's pilot on July 15, 2026 marked the most significant milestone to date. More than 30 firms participated in the first batch of tokenized production-environment transactions based on DTC-custodied assets, covering collateral pledging, securities lending, U.S. Treasury repo DvP transactions and equity token transfers¹⁵. The full rollout is expected in late October, establishing a pathway for institutional participants to integrate DTC-custodied securities into recurring on-chain collateral, financing, and settlement workflows.

Canton ecosystem participants have contributed to several U.K. tokenization initiatives and industry working groups. In January 2026, Canton's Industry Working Group completed the first tokenized intraday Gilt repo on Canton, alongside the first cross-currency repo using tokenized gilts against non-GBP tokenized deposits¹⁶. These transactions underpin the U.K. Government's sovereign issuance program, with HM Treasury committing to a Digital Gilt Instrument (DIGIT) pilot issuance no later than Q1 2027 and the Bank of England's commitment to make DIGIT eligible as collateral in its market operations^{17, 18}.

Canton Network participants including LSEG, TreasurySpring, and HSBC are well positioned in the region. In July, LSEG and HSBC signed a memorandum of understanding to deliver a bilateral Digital Securities Depository¹⁹. Additionally, HSBC Orion was designated the first platform approved by the Bank of England to go live in the U.K.'s Digital Securities Sandbox for DIGIT issuance²⁰. Digital Asset's inclusion in the Wholesale Digital Markets Champion's Orchestration Group, tasked with coordinating the delivery of an end-to-end repo use case on blockchain, further reinforces that Canton is an integral part of the U.K.'s digital markets delivery infrastructure²¹.

In August, MUFG launched a proof-of-concept with Digital Asset, Progmatt, and Secured Finance to bring Japanese Government Bonds (JGBs) onchain using Canton²². The initiative targets greater operational efficiency through automation of the full repo transaction lifecycle as well as improved funding and capital efficiency through real-time intraday settlement. Expected to be conducted as part of a series of pilot projects under the Financial Services Agency of Japan's Payment Innovation Project, this precursor to the broader JSCC, Mizuho, and Nomura tokenized-JGB collateral work positions Japan as a near-term APAC growth jurisdiction for the Canton Network²³.





Building the Network

Application Layer Growth

The Canton Network’s application layer expanded in Q3, with total Featured Applications growing from 107 as of June 30, 2026, to 129 by September 30, 2026. The pace of new Featured Application approvals moderated relative to Q2, reflecting deliberate work around CIP-0104’s implementation and new Featured Application guidance²⁴.

TOP APPS BY TRAFFIC BURN

FEATURED APPLICATION	Q3 BURN (\$CC)
Temple	609.4M
Cantor8 Digik/Cache	216.9M
Kora	112.1M
PixelPlex	92.6M
Cantex	58.6M
Send	38.1M

Source: Digital Asset, as of September 30, 2026

Top applications on Canton continued to drive network activity, as reflected by their total \$CC burned during Q3. Temple Digital, Canton’s first native trading platform, remains the most active application on the network. Trading venues accounted for nearly half of all \$CC burned this quarter, while wallet infrastructure accounted for roughly one fifth of the burn. As new assets are issued on the network, trading venues are likely to remain a significant source of activity. Additionally, Canton's first consumer-facing payment transaction demonstrated that the network's addressable market extends beyond institutional settlement into everyday commerce and self-custody.

CONSUMER APPLICATIONS

The Console Wallet card cleared its first real-world transaction on September 1, 2026 with Visa, marking Canton’s first consumer-facing payment transaction²⁵. The card is integrated with a self-custodial wallet and converts \$CC to fiat at checkout, removing the need to route through an exchange or off-ramp beforehand. This transaction illustrates the use case for Canton to support consumer spending, in addition to institutional settlement workflows — a different addressable market to the B2B repo and treasury transactions that have been a large focus to date.



CUSTODY AND LIQUIDITY

Ledger, a global leader across institutions and retail in self-custody solutions, extended native \$CC support across both Ledger Wallet and Ledger Enterprise in August, marking the first hardware wallet, self-custody path for Canton Coin²⁶. With this move, large \$CC holders can now secure locked positions without relying on an exchange or custodian. Interstice Digital launched a non-custodial, compliant focused swap engine connecting Canton with Ethereum, Solana, and Robinhood Chain, with liquidity provided from FalconX. Every swap settles against a known counterparty instead of an anonymous pool, bringing an additional layer of compliance and control that institutions expect²⁷.

DIGITAL MONEY RAILS

- USDM1, a USD-denominated sovereign digital bond issued on Canton by the Republic of the Marshall Islands and backed 1:1 by short-dated U.S. Treasuries, served as the collateral leg in the first fully onchain repo in which the securities leg was a natively-issued sovereign digital bond²⁸. The transaction was executed bilaterally between M1X Global and Virtu Financial on Tradeweb's platform.
- Circle secured Featured Application approval to issue USYC, its tokenized money market fund holding short-term U.S. Treasuries and repo positions²⁹. The approval gives Canton an additional native cash-adjacent asset for institutional capital management.
- World Liberty Financial's USD1 went live natively on Canton with BitGo Bank & Trust as issuer, becoming the second major native dollar rail on the Network alongside USDCx³⁰.
- The phased rollout of JPM Coin natively on Canton is underway. In January 2026, J.P. Morgan's blockchain unit, Kinexys, announced that it would deploy JPM Coin natively on the Canton Network³¹. Onchain data shows that J.P. Morgan validators went live in August³².

INFRASTRUCTURE

Infrastructure developments reduced the engineering lift required to build and connect to the network, lowering the barrier for the next wave of applications. In September 2026, Broadridge launched DLX, an end-to-end tokenization and digital asset infrastructure platform spanning issuance, trading, settlement, servicing, custody, and distribution of assets including bonds, equities, funds, and private assets, with the ability to connect to the DTCC's upcoming tokenization service³³. DLX positions Broadridge's institutional client base of banks, broker-dealers, asset managers, and wealth platforms to easily plug into DTCC's rollout through the infrastructure they already use. The launch of DLX highlights the role that established financial technology providers can play to further facilitate institutional adoption of tokenized assets.

BitSafe's Decentralization Manager launched in public beta on July 28, 2026 and is now backed by Canton Foundation Development Fund grants totaling 21.54 million \$CC. Built from the infrastructure behind CBTC, one of the top assets on Canton Network, the open-source tooling lets institutions and builders deploy resilient applications with co-validation across multiple nodes and auditable multi-sig control over custody and administrative permissions, reducing operational and counterparty risk without substantial engineering. The framework has multiple ecosystem adoptions, including Palladium's lending protocol Alpend and a large network of node operators, including Launchnodes, Nethermind, DSRV, and Validation Cloud³⁴.

²⁶ <https://www.ledger.com/newsroom/interstice-digital-launches-cross-chain-swap-engine-on-canton-network-with-falconx-connecting-institutional-asset-holders-between-robinhood-chain-etereum-and-the-canton-network-302851497.html>
²⁷ <https://www.tradeweb.com/newsroom/interstice-digital-launches-first-fully-onchain-repo-transacting-between-usdm1-and-usyc-302851497.html>
²⁸ <https://www.tradeweb.com/newsroom/interstice-digital-launches-first-fully-onchain-repo-transacting-between-usdm1-and-usyc-302851497.html>
²⁹ <https://www.circle.com/en/news/circle-secured-featured-application-approval-to-issue-usyc>
³⁰ <https://www.worldlibertyfinancial.com/news/world-liberty-financial-launches-usd1-on-canton-network>
³¹ <https://www.jpmorgan.com/news/press-releases/2026/jpmorgan-launches-jpm-coin-on-canton-network>
³² <https://www.kinexys.com/news/press-releases/2026/kinexys-launches-jpm-coin-on-canton-network>
³³ <https://www.broadridge.com/newsroom/broadridge-launches-dlx-on-canton-network>
³⁴ <https://www.broadridge.com/newsroom/broadridge-launches-dlx-on-canton-network>



Iterative Governance

CIP-0104: TRAFFIC-BASED APPLICATION REWARDS

Progress continued toward CIP-0104 implementation. At its core, CIP-0104 replaces the Network's self-reported "Featured Application Marker" system with rewards calculated from measured traffic on the Global Synchronizer³⁵. The shift closes a structural gap in the reward system and better aligns \$CC issuance with product demand. Under the marker model, builders self-certify their own reward-qualifying usage, creating potential dislocations between activity and real utility. As of the end of Q3, the marker model is still in use. The Accountability Committee is responsible for monitoring and enforcing Tokenomics guidance.

Most notable is the designation of Delivery vs. Payment (DvP) status for qualifying venues. DvP refers to the settlement pattern in which the exchange of an asset and its corresponding payment occurs atomically. In DvP, either both legs settle or neither does, which mitigates counterparty and settlement risk in a transfer. DvP activity is strategically aligned with Canton's foundational vision and is distinct from other transaction types like Free-of-Payment (FOP) transfers and one-step or two-step transfers. As such, Featured Applications with DvP status are eligible for more rewards, subject to their activity.

The bar for DvP status is intentionally high. The designation requires demonstrable business value from atomic settlement rather than technical transaction structuring. Current DvP designation is based on preliminary guidance, with applications in an active review queue. Formal evaluation is pending on the finalization of CIP-0104 and the companion application guidance that will carry DvP designation forward into the new reward regime.

Overall, CIP-0104 and the evolving designation framework aim to reward each application for the settlement work it does rather than the application that fronts the transaction, tying rewards directly to verified network usage while reducing the engineering burden on application builders.

SUPER VALIDATOR ACCOUNTABILITY COMMITTEE

Q3 also saw the creation of the Super Validator Accountability Committee (SVAC), a new governance body tasked with enforcing the guidance and agreements into which the network has entered with its Super Validators. Its scope is broad: SVAC reviews SV compliance across the full range of obligations tied to that status and can request reasonable information directly from SV operators to evaluate that compliance. Rather than holding enforcement power itself, SVAC operates as a recommending body. It can propose governance actions, remediation plans, weight adjustments, suspensions, or reinstatements to the Tokenomics Committee, the Canton Foundation Board, and other applicable governance bodies, as well as recommend new guidance or clarifications in response to network conditions. The creation of the SVAC is critical for long-term incentive alignment for Super Validators and, given the economic stakes and growing adoption, structured accountability is required.



DEVELOPMENT FUND

Established via CIP-0100 on January 14, 2026, the Development Fund (the Dev Fund) allocates 5% of network rewards to ecosystem development and crossed 60 million \$CC distributed this quarter. The Dev Fund allocates \$CC based on a roadmap published by the Foundation³⁶. The 2026-2028 roadmap lays out 28 Request for Proposal (RFP) opportunities focused in five core focus areas:

- Protocol, Infrastructure, Scalability, Resilience
- Governance, Identity, Network Coordination
- Financial Markets, Standards, Verification
- Developer Experience, Tooling, Education
- Security, Assurance, Incident Readiness

Security, the single largest category, accounts for 28.6% of all RFP areas, demonstrating how heavily the Foundation weights institutional-grade assurance as the network scales. Grants awarded to Hacken and BootNode this quarter underscore that emphasis in practice, with Hacken bringing dedicated blockchain security audit and compliance expertise, and BootNode contributing full-stack Canton engineering and smart contract development capabilities³⁷.

The vast majority (80%) of the Dev Fund's budget is allocated to RFPs, while the remaining 20% is reserved for individual initiatives outside the scope of the RFPs. Notably, any approved CIP requiring technical implementation automatically qualifies as its own RFP, which is why CIP-0104's Traffic-Based App Rewards and CIP-0105's Super Validator locking work both show up as funded examples under the roadmap's "Canton Coin Tokenomics" and "Governance Automation" categories, respectively.

The roadmap also outlines where the Foundation expects the state of the network by 2028: 2,500+ transactions per second on the Global Synchronizer, 100+ interoperable dedicated synchronizers, 1,000+ applications, 10,000+ Validator nodes, and 100+ million parties and wallets, signaling priorities for the Foundation and the Network.

CANTON NETWORK: 2028 TARGETS



Source: [Canton Foundation Development Fund](#)

Regulatory Framework →



REGULATORY FRAMEWORK

The regulatory backdrop for digital assets was a critical focus for the broader blockchain industry, with shifts on a few fronts in Q3. First, on September 1, 2026, the SEC proposed its first substantive overhaul of transfer agent rules since the late 1970s and early 1980s, explicitly incorporating blockchain and distributed ledger technology into how registered transfer agents can record and process securities ownership³⁸. This landmark update is an acknowledgment that market participants are actively pursuing "onchain" transfer-agent models. The proposal opens a 60-day public comment period following Federal Register publication.

Separately, and more consequentially for near-term market structure clarity, the CLARITY Act's Senate cloture vote failed 49-50 on September 15, 2026, despite months of negotiation. While the bill could resurface, 2026 passage is unlikely, pushing comprehensive federal market-structure legislation for digital assets into 2027 at the earliest.

Two days after the CLARITY Act failed in the Senate, the SEC moved on its own. On September 17, 2026, the SEC issued an "Innovation Exemption," giving Tokenized Securities Venues a five-year conditional exemption from exchange registration for eligible tokenized NMS stocks, and AMM liquidity providers relief from dealer-registration requirements³⁹. This effectively opens a legal path for eligible tokenized U.S. equities to trade onchain. For Canton, the development aligns with use cases for several network participants.

Outlook for Q4 2026

As we consider the upcoming quarter, the defining event will be the late October launch of the DTCC's Tokenization Services. DTC, DTCC's central securities depository, holds more than \$100 trillion in assets and processes approximately \$4.7 quadrillion in securities transactions annually⁴⁰. Once live, DTCC Tokenization Service will allow firms to convert securities held at the DTC between traditional and tokenized forms and freely move them between approved wallets. Q4 is expected to bring the commercial launch, a milestone with far-reaching implications for institutional adoption of the network.

Outside of capital markets, Digital Asset, and the American Idea Foundation (founded by former U.S. House Speaker Paul Ryan) announced the RISE (Resources for Independence, Stability, and Employment) Benefits Pilot, under which three U.S. states are expected to test combined food, childcare, and cash benefits distribution on Canton. This initiative would mark Canton's first public-sector use-case, expanding the Network beyond the institutional and consumer applications that have defined its growth this year⁴¹.

On governance, we closely watch the implementation of CIP-0104. Additionally, several significant proposals are in discussion and could be voted on in the coming months. Two notable CIP drafts have been put forward as of the time of writing: "Weighted CIP Voting" proposes an evolution to the Super Validator Governance model and "Universal Burn and Synchronizer Pricing" addresses network fees and rewards across private and public synchronizers^{42,43}. These CIPs have the potential to greatly impact Canton's economics and governance standards and will be monitored carefully.



About the Authors

Canton Strategic Holdings, Inc. (NASDAQ: CNTN) is the first publicly traded company to leverage Canton Coin and support the Canton Network to advance institutional blockchain adoption and the digitization of financial markets. Canton Strategic Holdings executes a differentiated digital asset strategy that seeks to create long-term shareholder value through initiatives including \$CC acquisition, operation of a Super Validator, and continued investment in applications that support network utilization and expand institutional adoption of the Canton Network. The Company established this strategy through a \$545 million private placement in November 2025. As a Super Validator on the Canton Network, Canton Strategic Holdings helps secure the more than one million daily transactions on the network, while also actively participating in governance through membership on the Canton Foundation Board of Directors.

For more information, visit: cantonstrategic.com



Disclaimer

This document, and the information contained herein, has been provided to you by Canton Strategic Holdings, Inc. and its affiliates ("Canton Strategic Holdings") solely for informational purposes. This document may not be reproduced or redistributed in whole or in part, in any format, without the express written approval of Canton Strategic Holdings. Neither the information, nor any opinion contained in this document, constitutes an offer to buy or sell, or a solicitation of an offer to buy or sell, any advisory services, securities, futures, options, digital assets, or other financial instruments or to participate in any advisory services or trading strategy. Nothing contained in this document constitutes investment, legal, or tax advice or is an endorsement of any of the digital assets, tokens, or protocols mentioned herein, including Canton Coin (\$CC). You should make your own investigations and evaluations of the information herein. Any decisions based on information contained in this document are the sole responsibility of the reader. Readers should consult with their own advisors and rely on their independent judgment when making financial or investment decisions.

Canton Strategic Holdings, along with its affiliates, directors, officers, and employees, may hold financial interests in certain assets referenced in this content, including Canton Coin (\$CC) and validator positions on the Canton Network. Canton Strategic Holdings operates as a Super Validator on the Canton Network and regularly engages in network participation activities for its own account. Canton Strategic Holdings also provides services to, and invests in, projects and protocols within the Canton Network ecosystem. If the value of such assets increases, Canton Strategic Holdings and its affiliates may benefit accordingly. The information and analysis in this communication are based on technical, fundamental, and market considerations and do not represent a formal valuation. For more information, please refer to Canton Strategic Holdings' public filings and statements.

Certain asset classes discussed in this document, including digital assets such as Canton Coin (\$CC), may be highly volatile and involve a substantial degree of risk, including the risk of total loss. The digital asset markets are subject to evolving regulatory frameworks. Actual market outcomes may differ materially from perspectives expressed herein.

Certain statements in this document reflect Canton Strategic Holdings' views, estimates, opinions, or predictions, which may be based on proprietary models and assumptions, including Canton Strategic Holdings' views on the current and future market for certain digital assets and the Canton Network ecosystem. There is no guarantee that these views, estimates, opinions, or predictions are currently accurate or that they will be ultimately realized. To the extent these assumptions or models are not correct or circumstances change, the actual performance may vary substantially from, and be less than, the estimates included herein. None of Canton Strategic Holdings nor any of its affiliates, shareholders, partners, members, directors, officers, management, employees, or representatives makes any representation or warranty, express or implied, as to the accuracy or completeness of any of the information or any other information (whether communicated in written or oral form) transmitted or made available to you. Each of the aforementioned parties expressly disclaims any and all liability relating to or resulting from the use of this information.

Certain information contained herein, including network performance metrics, transaction volumes, and ecosystem data, has been obtained from published and non-published sources, including data generated by the Canton Network and third-party validators. Such information has not been independently verified by Canton Strategic Holdings, and Canton Strategic Holdings does not assume responsibility for the accuracy of such information. Canton Strategic Holdings may have owned, hedged and sold, or may own, hedge, and sell, investments in some of the digital assets, protocols, or other financial instruments discussed in this document. The economic interests of Canton Strategic Holdings and its affiliates in the Canton Network ecosystem may create conflicts of interest with respect to the information presented herein.

Except where otherwise indicated, the information in this document is based on matters as they exist as of the date of preparation and not as of any future date, and will not be updated or otherwise revised to reflect information that subsequently becomes available or circumstances existing or changes occurring after the date hereof. This document provides links to other websites that we think might be of interest to you. Please note that when you click on one of these links, you may be moving to a provider's website that is not associated with Canton Strategic Holdings. These linked sites and their providers are not controlled by us, and we are not responsible for the contents or the proper operation of any linked site. The inclusion of any link does not imply our endorsement or our adoption of the statements therein. We encourage you to read the terms of use and privacy statements of these linked sites as their policies may differ from ours.

This document does not constitute a "research report" as defined by FINRA Rule 2241 or a "debt research report" as defined by FINRA Rule 2242. For all inquiries, please email ir@cantonstrategic.com.

This report contains forward-looking statements. Such statements include, without limitation, statements regarding anticipated network adoption, implementation of Canton Improvement Proposals, expected institutional participation, technological capabilities, and projected or targeted network activity. These statements reflect current expectations and assumptions and involve risks and uncertainties that could cause actual events or results to differ materially. Such risks include changes in applicable laws and regulations; delays or changes in third-party development and implementation plans; network performance, security and governance risks; changes in the demand for tokenized assets and digital asset infrastructure; the volatility of Canton Coin; and other risks described in Canton Strategic Holdings' filings with the SEC. Forward-looking statements speak only as of the publication date, and the Company undertakes no obligation to update them except as required by law.

For additional risks related to Canton Strategic Holdings, its business, and digital assets, please refer to the risk factors contained in filings Canton Strategic Holdings, Inc. makes with the SEC from time to time, including in its Annual Report on Form 10-K and its most recent Quarterly Report on Form 10-Q, available at www.sec.gov.