

PAYWARD CANADA INC.

CRYPTO ASSET STATEMENT

Enso (ENSO)

Last updated on August 15, 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 ENSO 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 ENSO. 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 Enso and how does it work?

Enso is a tendermint-based layer-1 blockchain that acts as a coordination layer for smart contract interactions across multiple ecosystems. Instead of requiring developers to manually write integrations for each smart contract, Enso introduces the concept of intents. Intents allow developers and users to express the desired outcome of a transaction, and the Enso network participants generate executable bytecode to achieve that outcome. This approach aims to solve the fragmentation and usability challenges of the blockchain ecosystem, enabling composability across different blockchains, rollups, and appchains

At the time of writing, the token is not live. The team plans for the ENSO token to be used for several core functions within the network. It will serve as gas for transaction and network fees on the Enso blockchain, as a governance token allowing holders to participate in protocol upgrade decisions, and as a staking mechanism for validators who secure the network. Validators and other participants will need to lock ENSO as collateral to ensure correct behavior, with the possibility of slashing if they act maliciously. Token holders may also delegate their stake to validators in return for a share of validation revenue.

Who is behind the project?

Enso was founded by Connor Howe, who serves as CEO.

Tokenomics of ENSO

The total supply of ENSO is 100 million. The initial allocation was distributed as follows:

Category	Allocation (%)
Foundation	16.605%
Team	25%
Advisor	1.5%
CoinList	4%
Investors	31.305%
Ecosystem	19.59%
Liquidity	2%
Total	100%

General Risks

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

Competition

Enso network faces competition from other Layer-1 blockchain platforms such as Ethereum, Solana, and many others. ENSO's value derives from its broader adoption in the market. If Enso network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of ENSO.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on ENSO and determined that ENSO 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 ENSO, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created ENSO;
- The supply, demand, maturity, utility and liquidity of ENSO;

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