PAYWARD LTD

CRYPTO ASSET RISK DISCLOSURE

Mantle Staked Ether (mETH)

Last updated on August 27, 2026

Disclaimer

Please note that this risk disclosure is not exhaustive of all risks associated with trading mETH. Investors should perform their own assessment to determine the appropriate level of risk for their personal circumstances. Be sure to do your own research and due diligence while taking into account your own financial situation and risk tolerance. Please review the Risk Summary for additional discussion of general risks associated with the assets made available in the 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 risk disclosure is based on publicly available information that may be inaccurate, incomplete, or change at any time.

What is Mantle Staked Ether and how does it work?

mETH Protocol is a permissionless liquid staking protocol built on Ethereum and forming part of the Mantle ecosystem, and it does not take custody of user assets. It lets users stake Ether and continue to use their staked position while it earns rewards. The protocol also offers a restaking product that seeks additional rewards through third party restaking networks.

mETH is a value accumulating receipt token that a user receives when they stake Ether through the protocol, and it represents the staked principal together with the staking rewards that accrue over time. Holders can redeem mETH for the underlying Ether and accrued rewards, and can use mETH across decentralized finance applications while it continues to earn rewards.

Who is behind the project?

mETH is part of the Mantle ecosystem. Mantle, formerly known as BitDAO, is a decentralized autonomous organization (DAO). The Mantle DAO community oversees the development of Mantle products, including the Mantle Network (an Ethereum Layer-2 blockchain) and the mETH liquid staking protocol.

Tokenomics of Mantle Staked Ether

The supply of mETH is not fixed and expands or contracts as users stake and redeem, so there is no preset allocation. As of August 2026, the circulating supply is approximately 216,356 mETH according to CoinMarketCap, which equals the total supply because mETH is minted only when Ether is staked with the protocol and is burned on redemption.

General Risks

Like all other digital assets, there are some general risks to investing in *mETH*. These include short history risk, volatility risk, 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 Mantle Staked Ether

Competition
The Mantle Staked Ether protocol faces competition from other liquid staking protocols such as Lido, Rocket Pool, and others. mETH's value derives from its broader adoption in the market. If the Mantle Staked Ether protocol fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of mETH.

Due Diligence
Prior to listing on the Kraken platform, Kraken performed due diligence on mETH and determined that mETH is unlikely to be a security or derivative under UK 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 mETH, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created mETH;
- The supply, demand, maturity, utility and liquidity of mETH;
- Material technical risks associated with mETH, including any code defects, security breaches and other threats concerning mETH 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 mETH, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of mETH, and (ii) consideration of statements made by any regulators or securities regulatory authorities in the UK, other regulators of the International Organization of Securities Commissions, or the regulator with the most significant connection to mETH about whether mETH, or generally about whether the type of crypto asset, is a security and/or derivative.