

# PAYWARD LTD

## CRYPTO ASSET RISK DISCLOSURE

### MLN

#### Enzyme Finance (MLN)

Last updated on 12 August, 2025

#### Disclaimer

*Please note that this risk disclosure is not exhaustive of all risks associated with trading MLN. 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 Enzyme Finance (MLN) and how does it work?

Enzyme Finance—renamed from Melon in 2020—is a protocol on the Ethereum blockchain that provides on-chain infrastructure for creating, managing, and auditing tokenised investment strategies. Through Enzyme’s web application users deploy smart-contract “Vaults” that hold assets, execute trades, and apply custom rules around fees, asset universe, slippage, ownership, and lock-up periods. All portfolio actions settle on Ethereum, giving investors transparent, real-time proof of performance.

MLN is a utility token which gives you access to the protocol. Users pay fees in MLN to access the platform. The number of MLN you need to access the network is equivalent to 25 basis points of the AUM linked to your usage of the protocol. Once collected, these tokens are automatically burned.

#### Who is behind the project?

Enzyme Finance was created by Melonport AG, co-founded in 2016 by former Goldman Sachs vice-president Mona El Isa and Rito Trinkler. Upon the v1 main-net launch in 2019 Melonport dissolved and stewardship transitioned to the Melon Council DAO (now the Enzyme Council DAO), which manages protocol upgrades, treasury, and token issuance.

#### Tokenomics of MLN

MLN employs a disinflationary issuance model governed by the Enzyme Council DAO. Each year the DAO may mint up to 300,600 MLN for ecosystem development; unallocated tokens are typically burned, placing downward pressure on supply. The circulating supply on August 12 2025 is 2,990,146 MLN.

Category	Percentage
Public crowdsale investors	40 %
Founders & project treasury	40 %
Ecosystem rewards & airdrops	20 %

## General Risks

Like all other digital assets, there are some general risks to investing in PRO. 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 Enzyme Finance (MLN)

### *Competition*

The Enzyme Finance network faces competition from other asset-management and yield platforms such as Yearn Finance, Index Coop, and Sommelier. Enzyme's value derives from its broader adoption in the market. If the Enzyme Finance network fails to achieve sufficient adoption compared to other options in the market, this could negatively impact the value of MLN.

### *Developer Dependence*

While there are many developers who contribute to Enzyme Finance, there are no guarantees that they will continue to contribute. MLN, Enzyme's native asset, could be negatively affected by an inability to retain and/or attract developers to keep up with market needs and improve its on-chain asset-management tooling when necessary.

## Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on MLN and determined that Kraken was permitted to make MLN available for trading to UK users, in compliance with UK law. This process generally consists of reviewing publicly available information on the following:

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

**Don't invest unless you're prepared to lose all the money you invest. This is a high-risk investment and you should not expect to be protected if something goes wrong. [Take 2 mins to learn more.](#)**

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