PAYWARD CANADA INC.
CRYPTO ASSET STATEMENT
MLN

Enzyme Finance (MLN)

Last updated on August 12, 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 Enzyme Finance (MLN) 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 Enzyme Finance (MLN). 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 Enzyme Finance 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 Enzyme Finance. 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 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 Enzyme Finance and determined that Enzyme Finance 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 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 Canada, 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.