PAYWARD LTD

CRYPTO ASSET RISK DISCLOSURE

Treehouse (TREE)

Last updated on August 30, 2026

Disclaimer

Please note that this risk disclosure is not exhaustive of all risks associated with trading TREE. 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 Treehouse and how does it work?

Treehouse is a decentralized "fixed-income layer" built on Ethereum. Its protocol issues tAssets, liquid-staking tokens such as tETH and publishes on-chain benchmark rates known as Decentralized Offered Rates (DOR). By aggregating lending yields and staking rewards, Treehouse aims to unify fragmented interest-rate markets and make a standardized data feed available to DeFi applications and institutions.

The TREE token launched on July 29, 2025 through the Gaia Token Generation Event and is now live and trading. TREE is used to pay DOR query fees, to be staked by holders to earn rewards, and as the governance token that lets holders vote through the Treehouse DAO. In November 2025 the Treehouse DAO approved a buyback program that commits 50% of Market Efficiency Yield fees generated by tETH to recurring open market purchases of TREE, with purchased tokens held in DAO reserves.

Who is behind the project?

Treehouse was founded by Brandon Goh, Bryan Goh, and Benji Lomond.

Tokenomics of Treehouse

The total supply of TREE is 1 billion tokens. As of early 2026, the circulating supply is approximately 156.1 million TREE according to CoinMarketCap. Since November 2025, the Treehouse DAO has directed 50% of tETH Market Efficiency Yield fees toward recurring open market TREE buybacks, with purchased tokens held in DAO reserves.

General Risks

Like all other digital assets, there are some general risks to investing in *TREE*. 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 Treehouse

Competition
The Treehouse network faces competition from oracle and fixed-income data providers such as Chainlink and Pyth Network. TREE's value derives from its broader adoption in the market. If the Treehouse network fails to achieve sufficient adoption compared to other options, this could negatively impact the value of TREE.

Due Diligence
Prior to listing on the Kraken platform, Kraken performed due diligence on TREE and determined that TREE 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 TREE, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created TREE;
- The supply, demand, maturity, utility and liquidity of TREE;
- Material technical risks associated with TREE, including any code defects, security breaches and other threats concerning TREE 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 TREE, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of TREE, 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 TREE about whether TREE, or generally about whether the type of crypto asset, is a security and/or derivative.