NASSAU VAULT LIMITED 2025 ANNUAL REPORT & CONSOLIDATED FINANCIAL STATEMENTS

1. Macroeconomic Environment & Strategic Positioning: Fiscal Year 2025 was characterized by persistent inflationary pressures across G7 economies, prompting sustained hawkish monetary policies from major central banks. In this environment of macroeconomic tightening and heightened geopolitical friction, Nassau Vault Limited ("The Bank") maintained its defensive posture. By eschewing uncollateralized lending and operating a 100% reserve-backed custody model, the Bank effectively insulated its client base from systemic contagion events that impacted the broader commercial banking sector during the third quarter. Our strategic pivot toward robust digital asset rails—specifically the integration of TRC20 USDT infrastructure—resulted in a 42% reduction in cross-border settlement friction compared to legacy SWIFT operations.

2. Consolidated Balance Sheet Analysis: As of December 31, 2025, Total Assets Under Management (AUM) reached a record $4.2 Billion USD, representing a 22% Year-over-Year increase. This growth was predominantly driven by net-new inflows from single-family offices transitioning capital from European jurisdictions.

- **Cash and Cash Equivalents:** $3.8 Billion, held exclusively in sovereign-backed instruments and Tier-1 correspondent central bank accounts.
- **Digital Asset Custody:** $400 Million in verified Tether (USDT), maintained in mathematically provable, air-gapped cold storage. The Bank carries zero non-performing loans (NPLs) as a direct result of our mandate prohibiting fractional reserve lending and speculative proprietary trading.

3. Regulatory Capital & Basel III Compliance: The Bank continues to maintain a capital position that vastly exceeds the statutory requirements set forth by the Central Bank of The Bahamas. The Tier 1 Capital Ratio stands at 24.8%, against a regulatory minimum of 8.0%. The Liquidity Coverage Ratio (LCR) is maintained at 310%, ensuring that the Bank holds sufficient high-quality liquid assets (HQLA) to survive a severe, 30-day simulated stress scenario. The Net Stable Funding Ratio (NSFR) comfortably exceeds 150%.

4. Independent Auditor's Statement: The consolidated financial statements of Nassau Vault Limited have been audited in accordance with International Standards on Auditing (ISAs). In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as of December 31, 2025, and its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS).