NASSAU VAULT LIMITED Q4 2025 EARNINGS RELEASE & MANAGEMENT DISCUSSION
FOR IMMEDIATE RELEASE: January 20, 2026

Nassau, The Bahamas – Nassau Vault Limited ("The Bank") today reported financial results for the fourth quarter and full fiscal year ended December 31, 2025. The Bank demonstrated robust growth in cross-border settlement volumes, net-new institutional accounts, and sustained capital adequacy in a complex macroeconomic environment.

Safe Harbor Statement Regarding Forward-Looking Information: This earnings release, and accompanying supplemental financial information, contains forward-looking statements within the meaning of international securities laws and the regulatory frameworks of the Commonwealth of The Bahamas. These statements are based on current management expectations, quantitative risk models, and prevailing macroeconomic indicators, all of which involve inherent risks and uncertainties. Forward-looking statements may include, but are not limited to, projections of net interest income, operating margins, digital asset settlement volumes, and capital adequacy ratios. Actual results may differ materially from those projected due to factors including, but not limited to: unforeseen changes in global interest rates by major central banks (including the U.S. Federal Reserve and the ECB); sudden shifts in the regulatory landscape governing digital assets and stablecoins; systemic liquidity shocks in the correspondent banking network; and broader geopolitical instability affecting cross-border capital flows and offshore wealth structuring. The Bank undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new material information, future events, or otherwise.

Executive Commentary: Letter from the Managing Director: "The fourth quarter of 2025 was a defining period for Nassau Vault Limited. As legacy commercial banking institutions faced unprecedented pressure from duration risk and localized liquidity crunches, our unwavering commitment to a 100% reserve-backed, zero-leverage business model proved to be our greatest asset. High-net-worth individuals and multi-family offices require absolute certainty. By combining the unyielding privacy and stability of Bahamian jurisprudence with the frictionless execution of TRC20 digital asset rails, we have engineered a sanctuary for institutional capital. We close 2025 with record Assets Under Management (AUM), zero non-performing loan exposure, and a Tier 1 Capital Ratio that makes us one of the most solvent financial institutions globally."

Consolidated Q4 2025 Financial Highlights

- **Net Income:** $48.5 Million for the quarter, representing an 18% sequential increase from Q3 2025, and a 34% increase year-over-year.
- **Assets Under Management (AUM):** Reached a record $4.2 Billion USD across all fiat and digital custody accounts.
- **Operating Margin:** Improved to 42%, reflecting the scalability of our core banking architecture and a strategic reduction in reliance on high-fee legacy correspondent banking rails.
- **Efficiency Ratio:** 38.4%, an improvement of 120 basis points from the prior quarter, driven by the automation of KYC/AML onboarding protocols and straight-through processing (STP) of digital asset settlements.

Macroeconomic Backdrop and Strategic Positioning: The global macroeconomic environment in Q4 2025 remained challenging for traditional yield-seeking capital. Persistent inflationary pressures across G7 economies prompted sustained restrictive monetary policies. Nassau Vault, operating outside the traditional fractional-reserve lending model, is uniquely insulated from the duration risk that plagued regional banks in 2024 and 2025. Because the Bank does not issue commercial real estate loans, consumer credit, or engage in uncollateralized lending, our balance sheet remains impervious to traditional credit default cycles. Our revenue generation remains heavily weighted toward fee-based services, escrow facilitation, and digital custody, providing highly predictable, non-cyclical cash flows.

Segment Performance: Private Wealth & Fiduciary Services: The Private Wealth division reported gross revenues of $22.4 Million in Q4.

- **Trusts and Foundations:** We successfully executed 28 new Bahamian trust structures for ultra-high-net-worth families transitioning capital from European and North American jurisdictions. Demand was primarily driven by clients seeking to insulate generational wealth from escalating domestic tax regimes and localized geopolitical instability.
- **Escrow and Settlement:** The M&A escrow desk facilitated $850 Million in closed transactions during the quarter, generating $9.2 Million in execution fees. The neutral jurisdictional status of The Bahamas continues to make Nassau Vault the preferred settlement agent for complex, cross-border corporate acquisitions.

Segment Performance: Digital Assets & Blockchain Infrastructure: The Digital Asset division was the primary growth engine for the Bank in Q4, fundamentally validating our

thesis that stablecoins (specifically USDT) are the inevitable successor to the SWIFT network for institutional capital movement.

- **Settlement Volume:** Digital Asset Settlement Volume exceeded $1.5 Billion in Q4 alone.
- **Network Efficiency:** The Bank's proprietary integration with the Tron (TRC20) network reduced average global settlement times to a verified 2.8 seconds, operating 24/7/365 without reliance on clearinghouse operating hours.
- **Custody Metrics:** Net-new digital asset deposits increased by $350 Million. 100% of client digital assets remain physically segregated in geographically distributed, multi-signature cold storage vaults. Hot wallet exposure is strictly limited to intraday clearing requirements, perpetually capped at 0.5% of total digital AUM.

Balance Sheet and Asset Quality Review: As of December 31, 2025, Total Assets stood at $4.35 Billion.

- **Cash and Cash Equivalents:** $3.8 Billion. The Bank's fiat reserves are held exclusively in short-duration U.S. Treasury bills and overnight deposits at Tier-1 global correspondent central banks.
- **Asset Quality:** The Bank carries $0 in Non-Performing Assets (NPAs) and $0 in Non-Performing Loans (NPLs). Consequently, the Provision for Credit Losses (PCL) is mathematically zero.

Regulatory Capital & Basel III Compliance: Nassau Vault Limited maintains a highly conservative capital management framework, prioritizing depositor security over aggressive yield generation. The Bank's capital adequacy ratios significantly exceed the statutory requirements set forth by the Central Bank of The Bahamas and the international Basel III framework.

- **Common Equity Tier 1 (CET1) Capital Ratio:** 24.8% (Regulatory minimum: 8.0%).
- **Tier 1 Leverage Ratio:** 14.2%, indicating that the Bank's core capital is exceptionally robust relative to its total consolidated assets.
- **Liquidity Coverage Ratio (LCR):** 310%. The LCR mandates that financial institutions hold sufficient High-Quality Liquid Assets (HQLA) to survive a 30-day stress scenario. Nassau Vault holds more than triple the required liquidity, ensuring absolute run-on-the-bank immunity.
- **Net Stable Funding Ratio (NSFR):** 165%, well above the 100% minimum standard, reflecting highly stable, long-term funding sources across our institutional depositor base.

Enterprise Risk Management & Cyber Resilience: During Q4, the Risk Management Committee concluded its annual cybersecurity stress test, conducted by an independent, global offensive-security firm.

- **Penetration Testing:** The Bank's Client Portal, API gateways, and internal treasury dashboards underwent continuous simulated attacks. Zero material vulnerabilities were identified.
- **Data Sovereignty:** All client PII (Personally Identifiable Information) remains encrypted at rest using AES-256 standards on servers physically located within the Commonwealth of The Bahamas, protected under the Bahamian Data Protection (Privacy of Personal Information) Act.
- **AML/KYC Enhancements:** The Bank increased its compliance headcount by 15% in Q4 and deployed upgraded heuristic monitoring algorithms to track on-chain stablecoin provenance, ensuring strict adherence to the Financial Action Task Force (FATF) guidelines regarding digital asset travel rules.

Corporate Governance & ESG Initiatives: Nassau Vault Limited remains committed to the highest standards of corporate governance. In Q4, the Board of Directors approved a revised Corporate Ethics Charter, mandating enhanced anti-bribery training for all global relationship managers. Furthermore, the Bank successfully achieved its goal of offsetting 100% of the carbon footprint generated by its physical data centers through the purchase of verified Caribbean blue-carbon credits.

Investor Contact Information: For detailed financial supplements, Pillar 3 risk disclosures, or to schedule a meeting with the Investor Relations team, approved stakeholders may contact: Nassau Vault Limited - Corporate Finance Desk Nassau Financial Centre, One Parliament Street P.O. Box N-4892, Nassau, The Bahamas.