

# TETHER INTERNATIONAL, S.A. DE C.V.

INDEPENDENT AUDITORS' REPORT ON THE  
FINANCIALS FIGURES AND RESERVES REPORT

## INDEPENDENT AUDITORS' REPORT ON THE FINANCIALS FIGURES AND RESERVES REPORT

To the Sole Administrator of  
TETHER INTERNATIONAL, S.A. de C.V.

We have been engaged to perform a reasonable assurance engagement on the Financials Figures and Reserves Report of Tether International, S.A. de C.V. (the "Company") as at 31 March 2025, a copy of which has been attached to this report.

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### Management's Responsibility for the Financials Figures and Reserves Report

Management is responsible for the preparation of the Financials Figures and Reserves Report in compliance with the criteria, including Management's Key Accounting Policies, set out in the Financials Figures and Reserves Report and for such internal control as management determines is necessary to enable the preparation of the Financials Figures and Reserves Report that is free from material misstatement, whether due to fraud or error.

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### Auditors' Independence and quality control

We have complied with the independence and all other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our company applies *International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements (ISQM1)* and, accordingly, maintains a system of quality control that includes directives and procedures concerning compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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### Auditors' responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the Financials Figures and Reserves Report with the criteria, including Management's Key Accounting Policies, set out therein.

We carried out our work in accordance with the criteria established in the International Standard on Assurance Engagements 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for reasonable assurance engagements. This standard requires that we plan and perform the engagement to obtain reasonable assurance whether the Financials Figures and Reserves Report is free from material misstatement.

The procedures performed on the Financials Figures and Reserves Report are based on our professional judgement and include inquiries, primarily of the company's personnel responsible for the preparation of the information presented in the Financials Figures and Reserves Report, analysis of documents, recalculations and other procedures aimed to obtain evidence, as appropriate.

Specifically, we carried out the following procedures:

- obtain a comprehension of internal control system;

- perform enquiries with the Management on the business operation of the last quarter, identifying material changes;
- compare financial data between the current Financials Figures and Reserves Report and the ones of the previous periods and discussion of possible significant differences;
- obtain confirmation letters directly from banks and depositaries and verify the reconciliations performed by management between the amounts in the accounting ledger/system and the bank statement to confirm the existence of the assets disclosed in the Financials Figures and Reserves Report;
- obtain reports from a specialized provider relating to inventory and quality testing, on sample basis, of precious metals and performing inventory procedures in order to confirm the existence of assets disclosed in the Financials Figures and Reserves Report;
- verify, for a significant sample, the correct valuation of the assets disclosed in the Financials Figures and Reserves Report in accordance with the criteria described in the Management's Key accounting policies;
- verify the reconciliations performed by management between the accounting ledger/system and the ledgers on the various blockchains relating to assets and liabilities at 31 March 2025;
- verify, for a sample of outstanding secured loans, the existence of the collateral through the analysis of the contract and of the transactions;
- verify the correctness of the disclosures included in the Financials Figures and Reserves Report, excluding the Notes.

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## Conclusion

In our opinion, the Financials Figures and Reserves Report, as prepared by the management of the Company as of 31 March 2025, is, in all material respects, fairly presented in accordance with the criteria, including Management's Key Accounting Policies, set out therein.

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## Emphasis of Matter

We draw attention to the following in the accompanying Financials Figures and Reserves Report:

- The reporting date is limited to a point in time as of 31 March 2025. We did not perform procedures or provide any assurance at any other date or time in this report.
- Management's accounting policies provide the following:
  - financial investments are valued at fair value in line with IFRS 9;
  - investments in precious metals are valued at fair value;
  - intangible digital assets are valued at fair value;
  - secured loans are fully collateralized by liquid assets and regularly monitored and are measured at amortised cost (notional value for short-term secured loans) and adjusted for any expected credit loss allowance in line with IFRS 9;
  - Tether tokens issued have been classified as refund liabilities in line with IFRS 9, which are repayable on demand, and are recorded at the contractual redemption value of the tokens;
  - other assets and other liabilities are valued at amortised cost (notional value for short-term assets and liabilities) less any expected credit losses.

- Management has applied a going concern basis of accounting to value the Company's assets. The going concern assessment requires significant management judgment with regards to the Company's liquidity, market and credit risks. We do not provide any assurance in respect of such assessment.
- The valuation of the assets of the Company is based on normal trading conditions and does not reflect unexpected and extraordinary market conditions, or the case of key custodians or counterparties experiencing substantial illiquidity, which may result in delayed realisable values. No provision for expected credit losses was identified by management at the reporting date.
- At the reporting date, Tether International, S.A. de C.V. is defendant in three ongoing civil litigation proceedings, the outcome of which cannot yet be reasonably reliably estimated by management and its counsel. No provision is recognised by management.
- The digital tokens issued by Tether International, S.A. de C.V. allow holders to transact and settle transactions in a rapid manner, which may be pseudonymous, and may be verified by the sender and the recipient. The digital asset industry is nascent and innovating rapidly. Accordingly, any users of digital assets, including those tokens issued by the Company, should first inform themselves of the general risks and uncertainties of the industry, including as to evolving legal and regulatory requirements. Users of Tether tokens should familiarize themselves with the risk disclosures, as they may be changed and updated from time to time.

Our opinion is not modified in respect of these matters.

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### Basis of Accounting

Without modifying our conclusion, we draw attention to the Management's Key Accounting Policies included in the Financials Figures and Reserves Report, which describe the basis of accounting. The Financials Figures and Reserves Report is prepared by management of Tether International, S.A. de C.V. for transparency purposes. As a result, the Financials Figures and Reserves Report may not be suitable for another purpose.

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### Scope limitations

Our opinion is limited solely to the Financials Figures and Reserves Report and the corresponding total assets and total liabilities as of 31 March 2025. Activity prior to and after this time and date was not considered when testing the balances and information described above. In addition, we have not performed any procedures or provided any level of assurance on the financial or non-financial activity on dates or times other than that noted within this report.

The Notes to the Financials Figures and Reserves Report are provided by management of the Company for additional information only, and this information has not been subject to the scope of our assurance engagement and, accordingly, we do not express an opinion or provide any assurance on it. Our responsibility is to read the other information in the Notes, and, in doing so, consider whether the other information is materially inconsistent with the Financials Figures and Reserves Report or our knowledge obtained in the course of the engagement, or otherwise appears to be materially misstated.

Milan, 30 April 2025

BDO Italia S.p.A.  
  
Andrea Mezzadra  
Partner



# **Financial Figures & Reserves Report**



This report<sup>1</sup> includes financial information for and in respect of **Tether International, S.A. de C.V.** (the “**Company**”). This report does not represent the financial statements of the Company but discloses financial information extracted from its accounting records.

The assets owned by the Company are considered to be reserves backing the fiat-denominated Tether tokens in circulation (the “**Reserves**”). Additional details are provided about the Reserves in the dedicated section below.

Key financial figures as of 31 March 2025 and its comparative as of 31 December 2024 at 11:59 PM UTC are:

FINANCIAL FIGURES	31 March 2025			31 December 2024		
	Total Assets	Total Liabilities	Equity	Total Assets	Total Liabilities	Equity
<i>In USD Millions</i>						
Tether International, S.A. de C.V. <sup>2</sup>	149,275	(143,683)	5,592	143,705	(136,618)	7,087

The value of the assets composing the Reserves as of 31 March 2025, exceeds the value of the liabilities of the company issuing fiat-denominated Tether tokens by US\$ 5,591,842,400.

CHANGE IN NET EQUITY	As of beginning of the period: 31.12.2024	During the period			As of end of the period: 31.03.2025
		Financial result	Dividend Distributions	Capital injections	
<i>In USD Millions</i>					
Tether International, S.A. de C.V.	7,087	852	(2,347)	-	5,592

<sup>1</sup> As described in the “Notes to the Financial Figures and Reserves Report” Tether International, S.A. de C.V. successfully relocated from the British Virgin Islands to El Salvador in January 2025. This report refers to Company using its name, role and jurisdiction as at the reporting date. References to “is” in respect of the Company refer to the Company as at the reporting date.

<sup>2</sup>Tether International, S.A. de C.V. (El Salvador) is the Company which issues Tether tokens pegged to fiat currencies such as USD₮ and others, and manages the Reserves backing those Tether tokens. On 31 December 2024, both Company and Tether Limited (Hong Kong) issued Tether tokens pegged to fiat currencies and held and managed the reserves backing those Tether tokens. The “Total Assets”, “Total Liabilities” and “Equity” reported for 31 December 2024 are therefore the “Total Assets”, “Total Liabilities” and “Equity” of both Company and Tether Limited.

## Management's Key Accounting Policies:

- This report is prepared using the recognition and measurement principles of IFRS as issued by the IASB but does not contain sufficient information in terms of general presentation, required primary statements, and disclosures to comply with IFRS.
- Management has applied a going concern basis of accounting to value the Company's assets.
- Financial investments are valued at fair value in line with IFRS 9.
- Investments in precious metals are valued at fair value.
- Intangible digital assets are valued at fair value.
- Secured loans are fully collateralized by liquid assets and regularly monitored and are measured at amortised cost (notional value for short-term secured loans) and adjusted for any expected credit loss allowance in line with IFRS 9.
- Tether tokens issued have been classified as refund liabilities in line with IFRS 9, which are repayable on demand, and are recorded at the contractual redemption value of the tokens.
- Other assets and other liabilities are valued at amortised cost (notional value for short-term assets and liabilities) less any expected credit losses.
- The valuation of the assets of the Company is based on normal trading conditions and does not reflect unexpected and extraordinary market conditions, or the case of key custodians or counterparties experiencing substantial illiquidity, which may result in delayed realisable values. No provision for expected credit losses was identified by management at the reporting date.

## Fiat denominated Tether tokens Reserves report

- *Reporting Date:* The reporting date is limited to a point in time as of 31 March 2025 at 11:59 PM UTC.
- The Reserves for Tether tokens in circulation amount to US\$ 149,274,515,988.
- The liabilities of the Company amount to US\$ 143,682,673,588 of which US\$ 143,678,070,759 relates to digital tokens issued<sup>3</sup>.
- **The value of the assets composing the Reserves as of 31 March 2025 exceed the value of the liabilities of the Company by US\$ 5,591,842,400.**
- *Key accounting policies:* The policies disclosed above are applicable for the Reserves' reporting.
- *Outstanding Litigation:* At the date stated above, Tether International, S.A. de C.V. is a defendant in three ongoing civil litigation proceedings, the outcome of which cannot yet be reasonably reliably estimated by Company's management and its counsel. No provision is recognised in the Financial Figures and Reserves Report.  
Two cases are in the courts of New York and the third is before a court in Ontario, Canada. The first is a class action alleging a variety of claims relating to the drop in the price of bitcoin in 2017 and 2018. The second case arises from the Celsius bankruptcy. The third case relates to a dispute between two parties in respect of USD₯ held in a non-Tether controlled wallet.

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<sup>3</sup> The liabilities related to digital tokens issued comprises the amount related to the total digital tokens issued less digital tokens held by the Company but not in its treasury wallet. Digital tokens in the treasury wallet are authorized but not yet issued and are not considered liabilities. The total gross contractual redemption value related to all digital tokens issued is equal to US\$ 143,986,155,349. The amount related to digital tokens held by the Company but not in its treasury wallet is equal to US\$ 308,084,590. The digital tokens held by the Company do not form any part of the assets or liabilities of the Company. As per its definition, contractual redemption value of the token takes into consideration the redemption fee of 10 basis points.

- **Asset Breakdown:** At the reporting date, the breakdown of the Reserves backing the fiat-denominated Tether tokens in circulation is as follows:

<b>Asset Category</b>	<b>Amount in USD</b>
<b>1. Cash &amp; Cash Equivalent &amp; Other Short-Term Deposits:</b>	
U.S. Treasury Bills <sup>4</sup>	98,523,657,338
Overnight Reverse Repurchase Agreements <sup>5</sup>	15,093,981,718
Term Reverse Repurchase Agreements <sup>6</sup>	1,613,610,695
Money Market Funds <sup>7</sup>	6,285,638,008
Cash & Bank Deposits <sup>8</sup>	64,302,555
Non-U.S. Treasury Bills <sup>9</sup>	65,886,184
<b>Subtotal</b>	<b>121,647,076,498</b>
<b>2. Corporate Bonds<sup>10</sup></b>	<b>14,354,777</b>
<b>3. Precious Metals<sup>11</sup></b>	<b>6,663,205,657</b>
<b>4. Bitcoin<sup>12</sup></b>	<b>7,662,210,442</b>
<b>5. Other Investments<sup>13</sup></b>	<b>4,462,144,209</b>
<b>6. Secured Loans<sup>14</sup></b>	<b>8,825,524,405</b>
<b>Total (1+2+3+4+5+6)</b>	<b>149,274,515,988</b>

<sup>4</sup> The "U.S. Treasury Bills" category comprises U.S. Treasury Bills with a residual average maturity of less than 90 days.

<sup>5</sup> The "Overnight Reverse-Repurchase Agreements" category comprises Reverse-Repurchase Agreements with a maturity of 1 day fully collateralized by US Treasuries, where the ultimate issuer or guarantor has a rating of A-2.

<sup>6</sup> The "Term Reverse-Repurchase Agreements" category comprises fully collateralized Reverse-Repurchase Agreements with a residual average maturity of less than 90 days, where the ultimate issuer or guarantor has a rating of A-2.

<sup>7</sup> The "Money Market Funds" category comprises funds investing in highly liquid, short-term money market instruments, including but not limited to deposits, treasury bills, and reverse-repurchase agreements.

<sup>8</sup> The "Cash & Bank Deposits" category comprises cash deposits at financial institutions.

<sup>9</sup> The "Non-U.S. Treasury Bills" have a residual average maturity of less than 270 days.

<sup>10</sup> The "Corporate Bonds" have a residual average maturity of less than 120 days.

<sup>11</sup> The "Precious Metals" category comprises LBMA standard physical gold bars owned by Tether International, S.A. de C.V. (El Salvador).

<sup>12</sup> The "Bitcoin" category comprises Bitcoins held on-chain in wallets controlled by Tether International, S.A. de C.V. The value of Bitcoin has been calculated using BTC price USD 82,704 available at 11:59 PM UTC.

<sup>13</sup> The "Other Investments" category comprises other investments within the Reserves that do not meet any of the criteria set out in the other categories.

<sup>14</sup> The "Secured Loans" category comprises loans over-collateralized by liquid assets subject to margin call and liquidation mechanisms.

- *Cash and Cash Equivalent and other short-term deposits:*

At the reporting date, the value of US treasuries in which Money Market Funds are invested (indirect exposure) is as follows:

<i>In USD</i>	<b>Fair value</b>	<b>Fair value of the US Treasuries bills indirect exposure</b>
Money Market Funds	6,285,638,008	4,884,739,940

At the reporting date, the value of US treasuries provided as collateral for the Overnight Reverse Repurchase Agreement activity, is as follows:


<i>In USD</i>	<b>Fair value</b>	<b>Fair value of the US Treasuries Collateralizing the exposure<sup>15</sup></b>
Overnight Reverse Repurchase Agreement	15,093,981,718	15,086,683,187

## Other Information

- *Risks Associated with Digital Tokens:* The digital tokens issued by Tether International, S.A. de C.V. allows holders to transact and settle transactions in a rapid manner, which may be pseudonymous, and may be verified by the sender and the recipient. The digital asset industry is nascent and innovating rapidly. Accordingly, any users of digital assets, including those tokens issued by the Company, should first inform themselves of the general risks and uncertainties of the industry, including as to evolving legal and regulatory requirements. Users of Tether tokens should familiarize themselves with the risk disclosures, as they may be changed and updated from time to time, available at the “Risk Disclosure Statement” tabs at <https://tether.to/legal/>.

<sup>15</sup>Overnight Reverse Repurchase agreements are marked to market every morning, with adjustment to collateral as needed. Any difference is due to intraday movements in collateral value.

Authorized and approved by the Sole Administrator, Giancarlo Devasini on 30 April 2025:



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Giancarlo Devasini

## Notes to the Financial Figures and Reserves Report

(no assurance provided by the independent auditor on these notes)

### 1. Responsibilities of Management:

Management is responsible for the preparation and fair presentation of this Financial Figures and Reserves Report, and for such internal control as management determines is necessary to enable its preparation free from material misstatement.

### 2. Background Information:

- 2.1. Tether International, S.A. de C.V. is an El Salvador Sociedad Anónima de Capital Variable. The Company is registered as a Money Services Business with the Financial Crimes Enforcement Network of the U.S. Department of the Treasury. Following its relocation to El Salvador, the Company reports to the Financial Investigation Unit of El Salvador pursuant to applicable law.
- 2.2. The Company successfully relocated from the British Virgin Islands to El Salvador in January 2025. Tether International S.A. de C.V. became the sole issuer of Fiat denominated tokens. Tether International S.A. de C.V. has obtained authorisation as a Stablecoin Issuer and Digital Assets Service Provider under the Digital Asset Issuance Law of El Salvador, and is subject to the regulatory requirements specified by the National Commission of Digital Assets of El Salvador.
- 2.3. Tether tokens are stablecoin utility tokens that facilitate commercial transactions and activity in various marketplaces. As of the reporting date, Tether tokens are available on 17 discrete blockchains,<sup>16</sup> all as approved by the Company. The total number of authorized and issued tokens is made publicly available by the Company. All Tether tokens are backed by an equivalent amount of assets held in Reserves. The use of fiat-denominated Tether tokens is governed by Tether's terms of service, as they may be changed and updated from time to time, available at <https://tether.to/legal/>.

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<sup>16</sup> Tether tokens are currently issued on the Ethereum, Tron, Ton, EOS, Liquid, Algorand, SLP, Solana, Avalanche, Tezos, Near, Kusama Asset Hub, Cosmos, Celo, Aptos, Polkadot Asset Hub, and Omni layer (Bitcoin) blockchains. Starting September 1, 2025 Tether will no longer be obligated to accept redemption of and will freeze all remaining USD₮ or EUR₮ on the Kusama, Bitcoin Cash SLP, Omni layer (Bitcoin), EOS and Algorand blockchains.