

# BlackRock Saudi Arabia

(A Saudi Closed Joint Stock Company)

Financial Statements  
with Independent Auditor's Report

for the Year Ended 31 December 2025

## **BlackRock Saudi Arabia**

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## INDEPENDENT AUDITOR'S REPORT

To the shareholder of  
**BlackRock Saudi Arabia**  
(A Closed Joint Stock Company)  
Riyadh, Kingdom of Saudi Arabia

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of BlackRock Saudi Arabia (the "Company"), which comprise the statement of financial position as at 31 December, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) as endorsed in the Kingdom of Saudi Arabia ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the requirements of the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, the Companies Law and the Company's Bylaws and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, i.e. the Board of Directors, are responsible for overseeing the Company's financial reporting process.

**Independent Auditor’s Report to the shareholders of BlackRock Saudi Arabia (Continued)**

**Auditor’s Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, these could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Deloitte and Touche & Co.  
Chartered Accountants**





Abdul Rahman Al Suwayegh  
License No. 461  
Shawwal 10, 1447  
March 29, 2026

## BlackRock Saudi Arabia

### Income Statement for the Year Ended 31 December 2025

	Note	2025 SAR 000	2024 SAR 000
Revenue	4	121,233	97,733
Cost of sales		<u>(33,665)</u>	<u>(17,231)</u>
Gross profit		87,568	80,502
Administrative expenses		(102,636)	(68,860)
Other operating expenses		<u>(2,530)</u>	<u>(2,318)</u>
Operating (loss)/profit	5	(17,598)	9,324
Finance costs	6	<u>(280)</u>	<u>(285)</u>
(Loss)/profit before tax		(17,878)	9,039
Income tax receipt/(expense)	9	<u>2,096</u>	<u>(2,752)</u>
(Loss)/profit for the year		<u><u>(15,782)</u></u>	<u><u>6,287</u></u>

The notes on pages 10 to 37 form an integral part of these financial statements.

## BlackRock Saudi Arabia

### Statement of Comprehensive Income for the Year Ended 31 December 2025

	Note	2025 SAR 000	2024 SAR 000
(Loss)/profit for the year		<u>(15,782)</u>	<u>6,287</u>
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Actuarial losses on employee end of service benefit	19	(517)	(78)
Deferred taxes on actuarial gains on defined benefit schemes		<u>100</u>	<u>12</u>
		(417)	(66)
<b>Items that may be reclassified subsequently to profit or loss</b>			
Foreign currency translation (losses)/gains		<u>(147)</u>	<u>160</u>
Total comprehensive income for the year		<u><u>(16,346)</u></u>	<u><u>6,381</u></u>

The notes on pages 10 to 37 form an integral part of these financial statements.

## BlackRock Saudi Arabia

### Statement of Financial Position as at 31 December 2025

	Note	31 December 2025 SAR 000	31 December 2024 SAR 000
<b>Assets</b>			
<b>Non-current assets</b>			
Property and equipment	10	14,650	7,952
Right-of-use assets	11	9,178	5,221
		23,828	13,173
<b>Current assets</b>			
Trade and other receivables	12	82,343	76,808
Income tax assets		2,369	1,938
Deferred tax asset	9	2,618	711
Cash and cash equivalents	13	73,013	42,015
		160,343	121,472
Total assets		184,171	134,645
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	14	68,000	35,000
Statutory reserve	15	-	5,032
Foreign currency translation reserve		(16)	131
Other reserves	16	(698)	(181)
Share-based payment reserve	16	15,843	8,700
Retained earnings		39,609	51,059
		122,738	99,741
<b>Non-current liabilities</b>			
Long-term lease liabilities	17	4,709	4,074
End of service benefits	19	2,255	1,104
Provisions	20	1,376	651
		8,340	5,829
<b>Current liabilities</b>			
Trade and other payables	21	50,353	27,848
Lease liabilities	17	2,740	1,227
		53,093	29,075
Total liabilities		61,433	34,904
Total equity and liabilities		184,171	134,645

The notes on pages 10 to 37 form an integral part of these financial statements.

**BlackRock Saudi Arabia**

**Statement of Financial Position as at 31 December 2025**

Approved by the Board on 26 March 2026 and signed on its behalf by:

  
\_\_\_\_\_  
Y AlmuBarak  
Director

The notes on pages 10 to 37 form an integral part of these financial statements.

**BlackRock Saudi Arabia**

**Statement of Changes in Equity for the Year Ended 31 December 2025**

	Share capital SAR 000	Statutory reserve SAR 000	Foreign currency translation reserve SAR 000	Other reserves SAR 000	Share-based payment reserve SAR 000	Retained earnings SAR 000	Total SAR 000
At 1 January 2025	35,000	5,032	131	(181)	8,700	51,059	99,741
Loss for the year	-	-	-	-	-	(15,782)	(15,782)
Other comprehensive loss	-	-	(147)	(517)	-	100	(564)
Total comprehensive income	-	-	(147)	(517)	-	(15,682)	(16,346)
Transfer from statutory reserve	-	(5,032)	-	-	-	5,032	-
Share capital issued during the year	33,000	-	-	-	-	-	33,000
Share-based payment transactions	-	-	-	-	7,143	(800)	6,343
At 31 December 2025	68,000	-	(16)	(698)	15,843	39,609	122,738

The notes on pages 10 to 37 form an integral part of these financial statements.

**BlackRock Saudi Arabia**

**Statement of Changes in Equity for the Year Ended 31 December 2025**

	Share capital SAR 000	Statutory reserve SAR 000	Foreign currency translation reserve SAR 000	Other reserves SAR 000	Share-based payment reserve SAR 000	Retained earnings SAR 000	Total SAR 000
At 1 January 2024	35,000	5,032	(29)	(103)	4,711	44,879	89,490
Profit for the year	-	-	-	-	-	6,287	6,287
Other comprehensive income	-	-	160	(78)	-	12	94
Total comprehensive income	-	-	160	(78)	-	6,299	6,381
Share-based payment transactions	-	-	-	-	3,989	(119)	3,870
At 31 December 2024	35,000	5,032	131	(181)	8,700	51,059	99,741

The notes on pages 10 to 37 form an integral part of these financial statements.

## BlackRock Saudi Arabia

### Statement of Cash Flows for the Year Ended 31 December 2025

	Note	2025 SAR 000	2024 SAR 000
<b>Cash flows from operating activities</b>			
(Loss)/profit for the year		(15,782)	6,287
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	2,530	2,318
Depreciation on right of use assets	5	1,697	1,294
End of service benefit provision		1,236	493
Foreign exchange (gain)/loss	5	(102)	272
Finance costs	6	280	285
Share based payment transactions	7	7,143	3,989
Income tax expense	9	(2,096)	2,752
		<u>(5,094)</u>	<u>17,690</u>
Working capital adjustments			
Increase in trade and other receivables	12	(5,535)	(25,128)
Increase in trade and other payables	21	22,505	12,092
Increase in other reserves		(470)	(181)
Increase in provisions	20	725	651
Cash generated from operations		12,131	5,124
Benefits paid directly	19	(85)	(36)
Income taxes paid		<u>(243)</u>	<u>(7,871)</u>
Net cash flow from operating activities		<u>11,803</u>	<u>(2,783)</u>
<b>Cash flows from investing activities</b>			
Additions of property and equipment	10	<u>(9,220)</u>	<u>(645)</u>
<b>Cash flows from financing activities</b>			
Finance costs	6	(280)	(285)
Share capital		33,000	-
Payments on lease liabilities	17	(3,505)	(1,797)
Equity-settled share-based payment recharge		<u>(800)</u>	<u>(119)</u>
Net cash flows from financing activities		<u>28,415</u>	<u>(2,201)</u>
Net increase/(decrease) in cash and cash equivalents		30,998	(5,629)
Cash and cash equivalents at 1 January		<u>42,015</u>	<u>47,644</u>
Cash and cash equivalents at 31 December	13	<u><u>73,013</u></u>	<u><u>42,015</u></u>

The notes on pages 10 to 37 form an integral part of these financial statements.

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 1 General information

The Company is a single shareholder closed joint stock company registered under commercial registration number 1010479419 dated 19 Rabi I, 1440H (27 November 2018). The Company is owned 100% by BlackRock Group Limited.

The address of its registered office is:  
7976 Salim Ibn Abi Bakr Shaikan  
2223 West Umm Al Hamam Dist.  
Riyadh  
12329

These financial statements were authorised for issue by the Board on 26 March 2026.

#### Principal activity

Since 2018, the Company has been licenced to conduct securities arranging and advising services, pursuant to the Ministry of Investment ("MISA") license number 10211391284420 dated 5 Thul-Hijja 1439H (16 August 2018) and the Capital Market Authority ("CMA") license number 18-192-30 dated 4 Thu-Qida 1439H (17 July 2018). On 17 February 2022, it received an additional license to manage investment funds and client portfolios. On 2 May 2024, the CMA approved the requested amendment to the Company's business profile, authorising it to conduct Managing Investments and Operating Funds and Advising activities in the Securities Business.

#### 2 Accounting policies

##### Summary of material accounting policies and key accounting estimates

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Basis of preparation

The financial statements have been prepared in accordance with IFRS, as endorsed by the Saudi Organisation for Chartered and Professional Accountants ("SOCPA") in the Kingdom of Saudi Arabia as well as other standards and pronouncements issued by SOCPA.

The financial statements have been prepared on the historical cost basis, except where IFRS as endorsed in the Kingdom of Saudi Arabia requires an alternative basis of accounting.

##### Consideration of climate risk

In preparing the financial statements, the directors have considered the implications of climate related risk and have concluded that there has been no material impact identified on the financial reporting judgements and estimates or on the valuation of the Company's assets and liabilities.

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 2 Accounting policies (continued)

##### Going concern

After making appropriate enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of this report. Accordingly, the Company continues to adopt the going concern basis of accounting in preparing the financial statements.

##### Changes in accounting standards

###### *New standards, interpretations and amendments adopted*

None of the standards, interpretations and amendments issued by the International Accounting Standards Board ("IASB") which are effective for the first time from 1 January 2025 have had a material effect on the financial statements.

###### *New standards, interpretations and amendments not yet adopted*

With the exception of IFRS 18 Presentation and Disclosure in Financial Statements, none of the standards, interpretations and amendments issued by the IASB which are effective for periods beginning after 1 January 2025 and which have not been adopted early are expected to have a material effect on the financial statements.

IFRS 18 is effective for periods commencing on or after 1 January 2027. It aims to improve communication and comparability in financial statements. The adoption of IFRS 18 will not change the recognition or measurement policies of the Company, but will result in changes to the presentation and disclosure of information in the primary financial statements and the notes to the financial statements. The impact is currently being assessed.

##### Revenue recognition

###### *Recognition*

The Company earns revenue from the provision of services relating to advisory services. Revenue is recognised upon transfer of control of promised services to customers, i.e. when (or as) a performance obligation is satisfied, in an amount that reflects consideration to which the Company expects to be entitled in exchange for those services (the "transaction price"), net of value added tax. The Company enters into contracts that can include multiple services and, in certain instances, may charge a unitary fee to cover these services. Such fees are accounted for separately if they are determined to be distinct. Consideration for the Company's services is generally in the form of variable consideration because the amount of fees is subject to market conditions that are outside the Company's influence. The Company includes variable consideration as part of its transaction price when it is highly probable that a significant reversal will not occur, i.e. when the associated uncertainty is resolved. For some contracts with customers, the Company involves third parties and related parties in providing services to the customer. Generally, the Company is deemed to be the principal in these arrangements because the Company controls the promised services before they are transferred to customers, and accordingly presents the revenue gross of related costs.

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 2 Accounting policies (continued)

##### *Fee arrangements*

Revenue from the provision of services comprises:

- **Advisory service fees:** Advisory service fees represent the aggregate fees and may include fixed-rate and performance fees. Advisory fixed-rate fees are recognised over time as the related services are performed. Fees are generally invoiced quarterly in arrears. Advisory performance fees are dependent upon meeting agreed criteria. They are recognised when it is highly probable that a significant reversal will not occur. Significant judgement is involved in making such a determination at each reporting date. A portion of the fees the Company recognises may be partially related to the services performed in prior periods that meet the recognition criteria in the current period.
- **Fees from group companies:** The Company provides support services and investment management services to other BlackRock entities. Such services are undertaken in accordance with legal agreements in place between the relevant entities, and the associated fees are determined in accordance with the arm's length principle. Fees from group companies are recognised as the services are performed.

##### **Foreign currency transactions and balances**

The financial statements are presented in Saudi riyal. The currency of the primary economic environment in which the Company operates is US dollars (its functional currency). The directors of the Company have approved the adoption of Saudi riyal as the presentation currency in order to provide a better understanding of the Company.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items are recognised in the income statement in the period in which they arise. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Exchange differences on non-monetary items measured at fair value through profit or loss ("FVTPL") are reported as part of the fair value gain or loss in the income statement in the period in which they arise. Exchange differences on non-monetary items measured at fair value through other comprehensive income ("FVTOCI") are reported as part of the fair value gain or loss in other comprehensive income in the period in which they arise.

The assets and liabilities of the Company's operations are translated into the Company's presentation currency, which is Saudi riyal, using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising are recognised in other comprehensive income and accumulated in equity.

##### **Tax**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 2 Accounting policies (continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in the income statement, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### Property and equipment

Property and equipment is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and impairment losses.

The cost of property and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write-off the cost less estimated residual value of non-current assets over their estimated useful lives as follows:

<i>Asset class</i>	<i>Depreciation method and rate</i>
Furniture, fittings and equipment	Straight-line basis over three to seven years
Short-term leasehold property	Straight-line bases over the shorter of the estimated useful life or term of the lease
Right-of-use assets	Straight-line basis over the shorter of estimated useful life or the term of the lease

## **BlackRock Saudi Arabia**

### **Notes to the Financial Statements for the Year Ended 31 December 2025**

#### **2 Accounting policies (continued)**

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property or equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property or equipment is determined by the difference between sale proceeds and the carrying amount of the asset and is recognised in the income statement.

#### **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources embodying economic benefits will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flows required to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

#### **Share-based payments**

The ultimate parent company, BlackRock, Inc., issues equity-settled share-based payments to certain employees of the Company. The fair values of equity-settled schemes are determined at the grant date and expensed on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in substance, multiple awards, based on the group's estimate of awards that will eventually vest and adjusted for the effect of non-market based vesting conditions. Details of the share-based payment schemes in existence are provided in note 18 and the expense arising from share-based compensation is disclosed in note 7.

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 2 Accounting policies (continued)

##### **Defined benefit retirement plans**

A provision is made for the full amount of end of service benefits due to employees in accordance with the Company's policy, which is at least equal to the benefits payable in accordance with Saudi Arabian Labour Law, for their period of service up to the date of each reporting period. This provision is disclosed as a non-current liability.

The cost of providing benefits is determined using the projected unit credit method. All actuarial gains and losses on the defined benefit obligation are recognised immediately in other comprehensive income. Past service cost is recognised in the income statement in the period of a plan amendment.

The retirement benefit obligation recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service cost, and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the unrecognised actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

Curtailments or settlement gains and losses on the defined benefit plan are recognised when the curtailment or settlement occurs.

##### **Leases**

###### *Initial recognition and measurement*

At lease commencement date, the Company recognises a lease liability for the obligation to make lease payments and a right-of-use asset for the right to use the underlying asset for the lease term.

The lease liability is measured at the present value of lease payments not yet paid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Variable lease payments not included in the measurement of the lease liability are included in administrative expenses. The Company has elected not to separate non-lease components and therefore lease payments include associated non-lease payments.

The right-of-use asset is initially measured at the amount of the lease liability adjusted for lease prepayments (net of any lease incentives received), the Company's initial direct costs and an estimate of restoration, removal and dismantling costs.

###### *Subsequent measurement*

After the commencement date, the liability will be reduced for payments made and increased for the unwind of interest. It is remeasured to reflect any reassessment or modification, or if there are changes to fixed payments. The corresponding adjustment is reflected in the carrying value of the right-of-use asset.

The right-of-use asset is depreciated as disclosed in the accounting policy for property and equipment. The Company also assesses the right-of-use asset for impairment when such indicators exist.

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 2 Accounting policies (continued)

##### *Short-term and low value leases*

The Company has elected not to recognise liabilities for leases of low-value assets or for leases with a term of 12 months or less. Lease payments on short-term and low value leases are accounted for on a straight-line basis over the term of the lease and are included in administrative expenses in the income statement.

##### **Financial instruments**

##### *Recognition and derecognition*

Financial assets and financial liabilities are recognised on the trade date when the Company becomes party to the contractual provisions.

Financial assets are derecognised when the contractual rights to the cash flows expire, or when the financial asset and substantially all the risks and rewards are transferred. Financial liabilities are derecognised when the obligation is extinguished, discharged, cancelled or expired.

##### *Classification and initial measurement of financial assets*

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable), except for trade receivables that do not contain a significant financing component which are measured at transaction price.

Financial assets are classified and subsequently measured, based on business model and contractual cash flow characteristics, at: amortised cost; FVTPL; or FVTOCI.

In the periods presented the Company does not have any financial assets categorised as FVTOCI or FVTPL.

All income and expenses relating to financial assets that are recognised in the income statement are presented within finance costs.

Foreign exchange gains or losses arising on financial assets at amortised cost are presented in the income statement within administrative expenses and disclosed in note 5.

##### *Subsequent measurement of financial assets*

##### *Financial assets at amortised cost*

Financial assets are measured at amortised cost when their contractual cash flows are solely payments of principal and interest and they are held within a business model designed to hold the asset and collect its cash flows (and are not designated as FVTPL).

The Company's cash and cash equivalents and trade and other receivables are measured at amortised cost using the effective interest method and income is recognised on this basis.

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 2 Accounting policies (continued)

##### *Impairment of financial assets*

All debt-type financial assets not measured at FVTPL are assessed for impairment at each reporting date using a forward-looking approach by identifying expected credit losses ("ECLs").

Impairment provisions for trade receivables are recognised based on the simplified approach using the lifetime ECLs and the single loss-rate approach.

For other financial assets, where credit risk has not increased significantly since initial recognition, twelve month ECLs are recognised. For those where credit risk has increased significantly, lifetime ECLs are recognised.

For assets held at amortised cost any ECL is recognised in the income statement with a corresponding adjustment to the asset's carrying value through a provision account.

##### *Classification and measurement of financial liabilities*

Financial liabilities are initially measured at fair value and, where applicable, adjusted for transaction costs unless designated at FVTPL.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

The Company's financial liabilities at amortised cost are trade and other payables. The Company has no financial liabilities at FVTPL.

In the income statement interest-related charges are included within finance costs.

Foreign exchange gains or losses arising on financial liabilities at amortised cost are presented in the income statement within administrative expenses and disclosed in note 5.

##### *Equity instruments*

Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. The Company's ordinary shares are classified as equity instruments.

#### 3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 3 Critical accounting judgements and key sources of estimation uncertainty (continued)

##### *Critical accounting judgements*

There are no critical accounting judgements.

##### *Key sources of estimation uncertainty*

The key assumptions concerning the future, and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are set out below.

##### *Deferred tax assets*

Judgement is required by management to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

Full details are set out in note 9.

#### 4 Revenue

The analysis of the Company's revenue for the year from continuing operations is as follows:

	<b>2025</b>	<b>2024</b>
	<b>SAR 000</b>	<b>SAR 000</b>
Advisory fees	59,631	49,676
Fees from group companies (Note 24)	<u>61,602</u>	<u>48,057</u>
	<u>121,233</u>	<u>97,733</u>

##### **Contract assets**

Contract assets relate to the Company's conditional rights to consideration for services, primarily relating to accrued income for unbilled services. These are disclosed as accrued income in note 12. Contract assets are transferred to receivables when the rights become unconditional and billed to the client. These are disclosed as trade receivables in note 12.

The following table provides information about receivables and contract assets from contracts with customers.

	<b>2025</b>	<b>2024</b>
	<b>SAR 000</b>	<b>SAR 000</b>
Trade receivables	57,337	1,939
Contract assets	<u>7,249</u>	<u>56,465</u>
	<u>64,586</u>	<u>58,404</u>

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 5 Operating (loss)/profit

Arrived at after charging/(crediting)

	<b>2025</b>	<b>2024</b>
	<b>SAR 000</b>	<b>SAR 000</b>
Depreciation on right-of-use assets	1,697	1,294
Depreciation on property and equipment	2,530	2,318
Audit fees	344	299
Foreign exchange (gains)/losses	(102)	272
	<b>2,469</b>	<b>4,183</b>

#### 6 Finance income and costs

	<b>2025</b>	<b>2024</b>
	<b>SAR 000</b>	<b>SAR 000</b>
<b>Finance costs</b>		
Other finance costs	280	285
	<b>280</b>	<b>285</b>

#### 7 Staff costs

The aggregate payroll costs were as follows:

	<b>2025</b>	<b>2024</b>
	<b>SAR 000</b>	<b>SAR 000</b>
Wages and salaries	39,028	30,702
Other employee expense	7,048	9,342
Equity-settled share-based payment expense	9,642	3,989
Social security costs	1,422	855
	<b>57,140</b>	<b>44,888</b>

The Company makes contributions for a defined contribution retirement benefit plan to the General Organization for Social Insurance in respect of its Saudi employees. The total amount expensed during the year in respect of this plan was SAR 199.3k (2024: SAR 85.3k).

#### 8 Directors' remuneration

The directors' remuneration for the year was as follows:

	<b>2025</b>	<b>2024</b>
	<b>SAR 000</b>	<b>SAR 000</b>
Aggregate emoluments	7,724	5,043
Company contributions in respect of defined contribution pension schemes	2	2
	<b>7,726</b>	<b>5,045</b>

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 8 Directors' remuneration (continued)

The amounts included above are based on an allocation of the directors' time on the Company in addition to the salary costs of those employed directly by the Company.

During the year, no director (2024: no director) exercised BlackRock, Inc. share options.

#### 9 Income tax

Tax charged/(credited) in the income statement:

	<b>2025</b>	<b>2024</b>
	<b>SAR 000</b>	<b>SAR 000</b>
<b>Current taxation</b>		
Corporation tax	-	3,447
Corporation tax adjustments to prior periods	(289)	(264)
<b>Deferred taxation</b>		
Arising from origination and reversal of temporary differences	(1,852)	(328)
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	45	(103)
Total deferred taxation	<u>(1,807)</u>	<u>(431)</u>
Tax (receipt)/expense in the income statement	<u>(2,096)</u>	<u>2,752</u>

The tax on profit before tax for the year is higher than (2024: higher than) the standard rate of corporation tax in Saudi Arabia of 20% (2024: 20%).

The differences are reconciled below:

	<b>2025</b>	<b>2024</b>
	<b>SAR 000</b>	<b>SAR 000</b>
(Loss)/profit before tax	<u>(17,878)</u>	<u>9,039</u>
Corporation tax at standard rate	(3,576)	1,808
Decrease in current tax from adjustment for prior periods	(289)	(264)
Increase from effect of expenses not deductible in determining taxable profit (tax loss)	1,724	1,311
Deferred tax expense/(credit) from unrecognised temporary difference from a prior period	45	(103)
Total tax (credit)/charge	<u>(2,096)</u>	<u>2,752</u>

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 9 Income tax (continued)

##### *Deferred tax assets and liabilities*

	Asset	Liability	Net deferred tax
	SAR 000	SAR 000	SAR 000
<b>2025</b>			
Accelerated tax depreciation	524	-	524
Other post-employment benefits	451	-	451
Tax losses carry-forwards	1,745	-	1,745
Other items	-	(102)	(102)
	<u>2,720</u>	<u>(102)</u>	<u>2,618</u>
	Asset	Liability	Net deferred tax
	SAR 000	SAR 000	SAR 000
<b>2024</b>			
Accelerated tax depreciation	348	-	348
Other post-employment benefits	221	-	221
Other items	142	-	142
	<u>711</u>	<u>-</u>	<u>711</u>

Deferred tax movement during the year:

	At 1 January 2025 SAR 000	Recognised in income SAR 000	Recognised in other comprehensive income SAR 000	At 31 December 2025 SAR 000
Accelerated tax depreciation	348	176	-	524
Other post-employment benefits	221	130	100	451
Tax losses carry-forwards	-	1,745	-	1,745
Other items	142	(244)	-	(102)
	<u>711</u>	<u>1,807</u>	<u>100</u>	<u>2,618</u>

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 9 Income tax (continued)

Deferred tax movement during the prior year:

	At 1 January 2024 SAR 000	Recognised in income SAR 000	Recognised in other comprehensive income SAR 000	At 31 December 2024 SAR 000
Accelerated tax depreciation	22	326	-	348
Other post-employment benefits	129	80	12	221
Other items	117	25	-	142
	<u>268</u>	<u>431</u>	<u>12</u>	<u>711</u>

#### 10 Property and equipment

	Leasehold improvements SAR 000	Furniture, fittings and equipment SAR 000	Construction in progress SAR 000	Total SAR 000
<b>Cost</b>				
At 1 January 2024	7,960	2,493	-	10,453
Additions	1,082	192	44	1,318
Adjustments	(675)	2	-	(673)
At 31 December 2024	<u>8,367</u>	<u>2,687</u>	<u>44</u>	<u>11,098</u>
At 1 January 2025	8,367	2,687	44	11,098
Additions	5,716	1,349	2,155	9,220
At 31 December 2025	<u>14,083</u>	<u>4,036</u>	<u>2,199</u>	<u>20,318</u>
<b>Depreciation</b>				
At 1 January 2024	497	331	-	828
Charge for year	1,597	721	-	2,318
At 31 December 2024	<u>2,094</u>	<u>1,052</u>	<u>-</u>	<u>3,146</u>
At 1 January 2025	2,094	1,052	-	3,146
Charge for the year	1,871	659	-	2,530
Adjustments	-	(8)	-	(8)
At 31 December 2025	<u>3,965</u>	<u>1,703</u>	<u>-</u>	<u>5,668</u>
<b>Carrying amount</b>				
At 31 December 2025	<u>10,118</u>	<u>2,333</u>	<u>2,199</u>	<u>14,650</u>
At 31 December 2024	<u>6,273</u>	<u>1,635</u>	<u>44</u>	<u>7,952</u>
At 1 January 2024	<u>7,463</u>	<u>2,162</u>	<u>-</u>	<u>9,625</u>

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 11 Right-of-use assets

	SAR 000
<b>Cost</b>	
At 1 January 2024	7,062
Additions	677
Disposals	<u>(47)</u>
At 31 December 2024	<u>7,692</u>
At 1 January 2025	7,722
Additions	<u>5,624</u>
At 31 December 2025	<u>13,346</u>
<b>Depreciation</b>	
At 1 January 2024	1,177
Charge for year	<u>1,294</u>
At 31 December 2024	<u>2,471</u>
At 1 January 2025	2,471
Charge for the year	<u>1,697</u>
At 31 December 2025	<u>4,168</u>
<b>Carrying amount</b>	
At 31 December 2025	<u>9,178</u>
At 31 December 2024	<u>5,221</u>

See note 17 for further information on leases.

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 12 Trade and other receivables

	<b>31 December 2025 SAR 000</b>	<b>31 December 2024 SAR 000</b>
Trade receivables	57,337	1,939
Accrued income	7,249	56,465
Amounts due from group companies (Note 24)	15,347	12,459
Other receivables	803	3,452
Prepayments	1,607	2,493
	<b>82,343</b>	<b>76,808</b>

The fair value of those trade and other receivables classified as financial instrument loans and receivables is disclosed in note 22.

The Company's exposure to credit and market risks, including impairments and allowances for credit losses, relating to trade and other receivables is disclosed in note 23.

#### 13 Cash and cash equivalents

	<b>31 December 2025 SAR 000</b>	<b>31 December 2024 SAR 000</b>
Cash at bank	73,013	42,015

The interest rate on the cash at bank is 0% (2024: 0%).

#### 14 Share capital

##### Allotted, called up and fully paid shares

	<b>No. 000</b>	<b>31 December 2025 SAR 000</b>	<b>No. 000</b>	<b>31 December 2024 SAR 000</b>
Ordinary shares of SAR 10 each	6,800	68,000	3,500	35,000

During the year, the Company issued 33,000 new shares to its immediate parent at an issue price of SAR 10 per share, resulting in an increase in share capital of SAR 33,000,000.

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 15 Statutory reserve

During the year, the Company's By-Laws were amended, removing the requirement to maintain a statutory reserve. As a result, the reserve was transferred to retained earnings.

	<b>2025</b>	<b>2024</b>
	<b>SAR 000</b>	<b>SAR 000</b>
At 1 January	5,032	5,032
Transferred to retained earnings	(5,032)	-
At 31 December	-	5,032

#### 16 Reserves

##### *Other reserve*

The Company records the accumulated equity component of the end of service benefits it offers to its employees as a separate component of equity as allowed under IAS 19 'Employee Benefits'.

##### *Share-based payment reserve*

The Company records the accumulated equity component of the share-based payment schemes it offers to its employees as a separate component of equity as allowed under IFRS 2 'Share-based Payment'.

#### 17 Leases

	<b>31 December</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
	<b>SAR 000</b>	<b>SAR 000</b>
Non-current	4,709	4,074
Current	2,740	1,227

The Company has a lease for its office building. The remaining lease term is 3 years (2024: 4 years). Payments which are variable in nature and do not depend on an index or rate may include common area maintenance charges and are expensed on the basis that they are not recognised as a lease liability. In the year the Company took on a new floor for its office building.

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 17 Leases (continued)

##### Lease liabilities maturity analysis

A maturity analysis of lease liabilities based on undiscounted gross cash flow is reported in the table below:

	<b>31 December 2025 SAR 000</b>	<b>31 December 2024 SAR 000</b>
Less than one year	3,061	1,432
1 - 5 years	<u>4,905</u>	<u>4,297</u>
Total lease liabilities (undiscounted)	<u><u>7,966</u></u>	<u><u>5,729</u></u>

Total cash outflow for leases for the year ended 31 December 2025 was SAR 3,061,000 (2024: SAR 1,432,000).

#### 18 Share-based payments

##### *Standard Restricted Stock Units*

Employees of the Company may be granted share-based compensation in the form of restricted stock unit ("RSU") award schemes. RSUs are an unsecured promise to pay value in the form of BlackRock, Inc. shares. They do not carry voting rights until they are converted to shares. An RSU is deemed equivalent in fair market value to one common share. Substantially all awards are settled in common shares. Under these plans, such RSUs are restricted from sale, transfer or assignment until the end of the restricted period. Such shares and units are subject to forfeiture during the vesting period. All schemes are accounted for on an equity-settled basis.

RSUs are issued by the ultimate parent company, BlackRock, Inc., and are converted into shares of BlackRock, Inc. on each of the vesting dates. Substantially all RSUs vest over periods ranging from one to three years, although conditions vary between different types of award. Dividend equivalents on RSU awards granted are subject to forfeiture prior to vesting of the award, and as such are not paid to employees until that date.

All RSU awards are granted with a service condition only. These awards are valued at their grant-date fair value as measured by the BlackRock, Inc. common stock price. The total fair value amortised over the vesting period is adjusted for future forfeitures based on management's best estimate of restrictions and behavioural considerations. The resulting expense was disclosed in note 7.

During the period, the Company awarded 2,906 (2024: 2,705) service condition awards with a weighted average fair value of SAR 3,749.69 (2024: SAR 3,042.78).

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 19 End of service benefits

The movement in provision for end of service benefits is as follows:

	<b>2025</b>	<b>2024</b>
	<b>SAR 000</b>	<b>SAR 000</b>
At 1 January	1,104	647
Benefits paid directly	(85)	(36)
Total expense recognised in the income statement	719	415
Total amount recognised in OCI	517	78
At 31 December	2,255	1,104

#### *Principal actuarial assumptions (in respect of the employee benefit scheme)*

	<b>31 December</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
Discount rate (%)	5.7	5.61
Expected rate of salary increase (%)	3.5	3.5
Normal retirement age (years)	65	60
Plan duration (years)	15.56	14.48

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience in the region.

#### *Sensitivity analysis of significant actuarial assumptions*

The impact on profit of a change in assumptions is as follows:

	<b>31 December</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
	<b>SAR 000</b>	<b>SAR 000</b>
Discount rate - 0.5% higher	149	67
Discount rate - 0.5% lower	(165)	(74)
Expected salary increase rate - 0.5% higher	(167)	(75)
Expected salary increase rate - 0.5% lower	151	68

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 20 Provisions

	<b>SAR 000</b>
At 1 January 2024	-
Creation of provision	677
Decrease due to passage of time or unwinding of discount	(26)
At 31 December 2024	<u>651</u>
At 1 January 2025	651
Creation of provision	746
Decrease due to passage of time or unwinding of discount	(21)
At 31 December 2025	<u><u>1,376</u></u>

Provisions comprise of dilapidations for the Laysen Valley property.

#### 21 Trade and other payables

	<b>31 December 2025 SAR 000</b>	<b>31 December 2024 SAR 000</b>
Accrued expenses	26,533	17,663
Amounts due to group companies (Note 24)	18,201	10,185
Other payables	<u>5,619</u>	<u>-</u>
	<u><u>50,353</u></u>	<u><u>27,848</u></u>

All amounts due to group companies are unsecured, interest free and repayable on demand.

The Company's exposure to market and liquidity risks, including maturity analysis, related to trade and other payables is disclosed in note 23.

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 22 Classification of financial and non-financial assets and financial and non-financial liabilities

The classification of financial assets and financial liabilities by accounting categorisation for the year ending 31 December 2025 was as follows:

	<b>Financial assets &amp; liabilities at amortised cost SAR 000</b>
<b>Assets</b>	
<b>Current assets</b>	
Trade and other receivables	80,736
Cash and cash equivalents	73,013
	<u>153,749</u>
<b>Liabilities</b>	
<b>Current liabilities</b>	
Trade and other payables	50,353
Current portion of long term lease liabilities	2,740
	<u>53,093</u>

The classification of financial assets and financial liabilities by accounting categorisation for the year ending 31 December 2024 was as follows:

	<b>Financial assets &amp; liabilities at amortised cost SAR 000</b>
<b>Assets</b>	
<b>Current assets</b>	
Trade and other receivables	74,315
Cash and cash equivalents	42,015
	<u>116,330</u>
<b>Liabilities</b>	
<b>Current liabilities</b>	
Trade and other payables	27,848
Current portion of long term lease liabilities	1,227
	<u>29,075</u>

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 22 Classification of financial and non-financial assets and financial and non-financial liabilities (continued)

##### **Financial instruments not measured at fair value**

Financial instruments not measured at fair value include cash and cash equivalents, trade and other receivables and trade and other payables.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, and trade and other payables approximates their value after taking into account ECLs. At the statement of financial position date, no allowance has been recognised for impairment of trade and other receivables as ECLs are considered to be immaterial.

#### 23 Financial risk review

This note presents information about the Company's exposure to financial risks and management of capital.

##### **Credit risk**

Credit risk arises in relation to trade receivables, cash held in bank accounts. The risk of default in relation to trade receivables arising from fee income receivables is considered low and the Company minimises exposure to credit risk with respect to trade receivables by actively pursuing settlement of outstanding invoices within the terms and conditions of the underlying agreement. Intercompany balances are managed centrally and agreed upon and settled on a regular basis.

Most receivables that are overdue are not considered to be impaired. A receivable will not be impaired unless the expected cash flows, discounted at the original effective interest rate, are less than the carrying value. For trade receivables, the Company adopts the simplified single loss rate approach to determine its average historical loss rate, building into this calculation future events and the likelihood that debt will be recovered in the future. The resulting ECL rate and allowance recognised is immaterial to the Company.

The Company applies a practical expedient to its assessment of ECLs for intercompany receivables. Given the lack of intercompany defaults in the past and future projected results, the Company does not propose recognising an ECL allowance on any of its intercompany positions. The ECLs on other receivables are considered to be immaterial and no allowance has been recognised in the financial statements.

The carrying amount of the financial assets disclosed in note 22 represents the Company's maximum exposure to credit risk as no collateral or credit enhancement are held.

##### *Credit rating analysis*

Standard & Poor's short-term credit ratings have been used to determine the credit quality of the entity's cash and cash equivalents and trade and other receivables. Cash held at banks is rated at least A-1+ and trade and other receivables are not rated.

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 23 Financial risk review (continued)

##### Liquidity risk

The Company defines liquidity risk as the risk that the Company's cash and committed facilities may be insufficient to meet its payment obligations as they fall due.

The Company monitors cash flow projections and has regard to forthcoming liquidity when determining the amounts available for distribution to its shareholder.

The Company seeks to manage funds and liquidity requirements on a pooled basis and as such ensures that sufficient liquid assets and standby facilities are maintained to meet a prudent estimate of its net cash outflows.

##### Maturity analysis

The following tables set out the remaining contractual maturities of the Company's financial liabilities by type:

<b>2025</b>	<b>Within 1 year</b>
<b>Non-derivative liabilities</b>	<b>SAR 000</b>
Current financial liabilities	<u>50,353</u>

<b>2024</b>	<b>Within 1 year</b>
<b>Non-derivative liabilities</b>	<b>SAR 000</b>
Current financial liabilities	<u>27,848</u>

Lease liabilities maturity analysis is disclosed in note 17.

##### Market risk

Market risk is the risk that the Company's capital and/or earnings may be impacted by changes in foreign exchange rates.

##### Foreign exchange risk

Foreign exchange risk arises where the Company's foreign currency assets are not matched by liabilities denominated in the same currency. In addition, foreign exchange exposures arise on a transactional basis largely in relation to fee income which is denominated in non-functional currencies. The Company derives revenues from advisory services in Saudi riyal and fees from group companies in US dollar. Expenses are mainly denominated in Saudi riyal and as a consequence the Company's revenues may fluctuate as a result of US dollar exchange movements.

Foreign currency exposures are monitored regularly and minimised. Foreign currency exposures that arise in relation to non-operational items are usually large in nature and are managed on a case-by-case basis.

## **BlackRock Saudi Arabia**

### **Notes to the Financial Statements for the Year Ended 31 December 2025**

#### **23 Financial risk review (continued)**

##### ***Sensitivity analysis***

The sensitivity analysis covers the financial instruments at each of the statement of financial position dates and assumes changes in market variables. It should however be noted that due to the inherent uncertainty in financial markets the actual outcome may differ significantly from the assumptions made particularly as market risks tend to be interdependent and are therefore unlikely to move in isolation.

US dollar exchange rates are assumed to increase or decrease by 20%. 20% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of a reasonably possible change in foreign exchange rates. Saudi riyal is pegged to US dollar.

If the US dollar exchange rate increased by 20%, loss would increase by SAR 2,990,000 and equity would increase by SAR 3,192,000.

If the US dollar exchange rate decreased by 20%, loss would decrease by SAR 2,990,000 and equity would decrease by SAR 3,192,000.

##### **Capital risk management**

The Company's objectives when managing capital are:

- to safeguard the Company's ability to continue as a going concern;
- to satisfy the requirements of its regulators; and
- to maintain financial strength to support new business growth.

The Company has made no significant changes to its policies and processes in respect of its capital structure during the year. The Company's policy is to maintain an appropriate level of capital resources above regulatory requirements. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

#### **24 Related party transactions**

##### **Summary of transactions with other related parties**

Other group companies provide support to certain investment management functions of the Company.

The Company and its related parties transact with each other in the ordinary course of business. The transactions with related parties are undertaken at mutually agreed terms which are approved by the management.

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 24 Related party transactions (continued)

##### Income and receivables from related parties

	<b>Other related parties SAR 000</b>
<b>2025</b>	
International retail revenue	22,586
Client business revenue	18,526
Real assets revenue	10,473
FMA revenue	6,088
Performance fee revenue	3,929
	61,602
	61,602

Amounts receivable from related parties 15,347

Amount receivable from related parties is detailed below:

	<b>SAR 000</b>
BlackRock Financial Management, Inc.	6,481
BlackRock Investment Management (UK) Limited	6,271
BlackRock France SAS	1,418
BlackRock (Netherlands) B.V.	793
BlackRock International Limited	86
Global Energy and Power Infrastructure II Advisors, L.L.C.	85
BlackRock Fund Managers Limited	82
BlackRock Alternatives Management, LLC	54
BlackRock Asset Management Ireland Limited	42
BlackRock Fund Advisors	15
BlackRock (Netherlands) B.V. - Paris Branch	14
BlackRock Institutional Trust Company, N.A.	6
	15,347
	15,347

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 24 Related party transactions (continued)

	<b>Other related parties SAR 000</b>
<b>2024</b>	
International retail revenue	21,218
Client business revenue	12,331
Real assets revenue	10,282
FMA revenue	4,225
	48,056

Amounts receivable from related parties	<u>12,459</u>
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Amount receivable from related parties is detailed below:

	<b>SAR 000</b>
BlackRock France SAS	6,629
BlackRock Investment Management (UK) Limited	3,201
BlackRock Alternatives Management, LLC	1,325
BlackRock Fund Managers Limited	359
BlackRock Asset Management Schweiz AG	296
BlackRock Financial Management, Inc.	274
Global Energy & Power Infrastructure II Advisors, L.L.C.	250
BlackRock International Limited	75
BlackRock Asset Management Ireland Limited	24
BlackRock Advisors (UK) Limited - Dubai Branch	17
BlackRock (Netherlands) B.V. - Paris Branch	8
BlackRock Fund Services Group, LLC	1
	12,459

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 24 Related party transactions (continued)

##### Expenditure with and payables to related parties

	<b>Other related parties SAR 000</b>
<b>2025</b>	
Cost of sales	33,665
Infrastructure charges	19,689
	53,354

Amounts payable to related parties 18,201

Amount payable to related parties is detailed below:

	<b>SAR 000</b>
BlackRock Investment Management (UK) Limited	5,427
BlackRock Advisors (UK) Limited - Dubai Branch	5,425
BlackRock Financial Management, Inc.	1,893
Prestadora de Servicios Integrales BlackRock Mexico, S.A. de C.V.	1,094
BlackRock (Netherlands) B.V. - Frankfurt Branch	910
BlackRock Advisors (UK) Limited - Abu Dhabi Branch	827
BlackRock Alternatives Management, LLC	756
BlackRock Asset Management North Asia Limited	731
BlackRock Institutional Trust Company, N.A.	493
BlackRock Regional Headquarters Company	418
BlackRock Advisors (UK) Limited	109
BlackRock Fund Managers Limited	28
BlackRock Investment Management, LLC	27
Global Energy and Power Infrastructure II Advisors, L.L.C.	16
BlackRock France SAS	13
BlackRock (Netherlands) B.V. - Paris Branch	13
BlackRock Asset Management Schweiz AG	11
BlackRock (Netherlands) B.V. - Copenhagen Branch	8
BlackRock Fund Advisors	2
	18,201

## BlackRock Saudi Arabia

### Notes to the Financial Statements for the Year Ended 31 December 2025

#### 24 Related party transactions (continued)

	<b>Other related parties SAR 000</b>
<b>2024</b>	
Cost of sales	17,231
Infrastructure charges	10,313
	<u>27,544</u>

Amounts payable to related parties	10,185
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Amount payable to related parties is detailed below:

	<b>SAR 000</b>
BlackRock Alternatives Management, LLC	4,815
Prestadora de Servicios Integrales BlackRock Mexico, S.A. de C.V.	2,108
BlackRock Advisors (UK) Limited - Dubai Branch	1,877
BlackRock Financial Management, Inc.	972
BlackRock Investment Management (UK) Limited	226
BlackRock Institutional Trust Company, N.A.	99
BlackRock Fund Advisors	72
BlackRock Asset Management Schweiz AG	10
BlackRock Asset Management North Asia Limited	3
BlackRock (Netherlands) B.V. - Copenhagen Branch	2
BlackRock (Netherlands) B.V. - Paris Branch	1
	10,185

#### 25 Parent and ultimate parent undertaking

The Company's immediate holding company is BlackRock Group Limited. The ultimate parent company and controlling party is BlackRock, Inc., a company incorporated in the State of Delaware in the United States of America. The parent company of the largest and smallest group that includes the Company and for which group accounts are prepared is BlackRock, Inc. Copies of the group financial statements are available upon request from the Investor Relations website at [www.blackrock.com](http://www.blackrock.com) or requests may be addressed to Investor Relations at 50 Hudson Yards, New York, NY10001, USA or by email at [invrel@blackrock.com](mailto:invrel@blackrock.com).

#### 26 Events subsequent to the reporting date

There were no events subsequent to the date of 31 December 2025 and occurring before the date of the approval of the financial statements report that are expected to have a significant impact on these financial statements.

## **BlackRock Saudi Arabia**

### **Notes to the Financial Statements for the Year Ended 31 December 2025**

#### **27 Commitments**

As of 31 December 2025, the Company had outstanding letters of guarantee of SR 1.0 million (2024: SR 3.3 million) in favour of customers.

#### **28 Approval of financial statements**

These financial statements were approved by the Board on 26 March 2026.