



# Earnings Presentation

2Q 2024

MBC Group is forging a global media group that enriches people's lives through information, interaction and entertainment.

The Group commits to being the leading multi-platform provider of innovative information and entertainment, produced by professionals performing in a culture of excellence.

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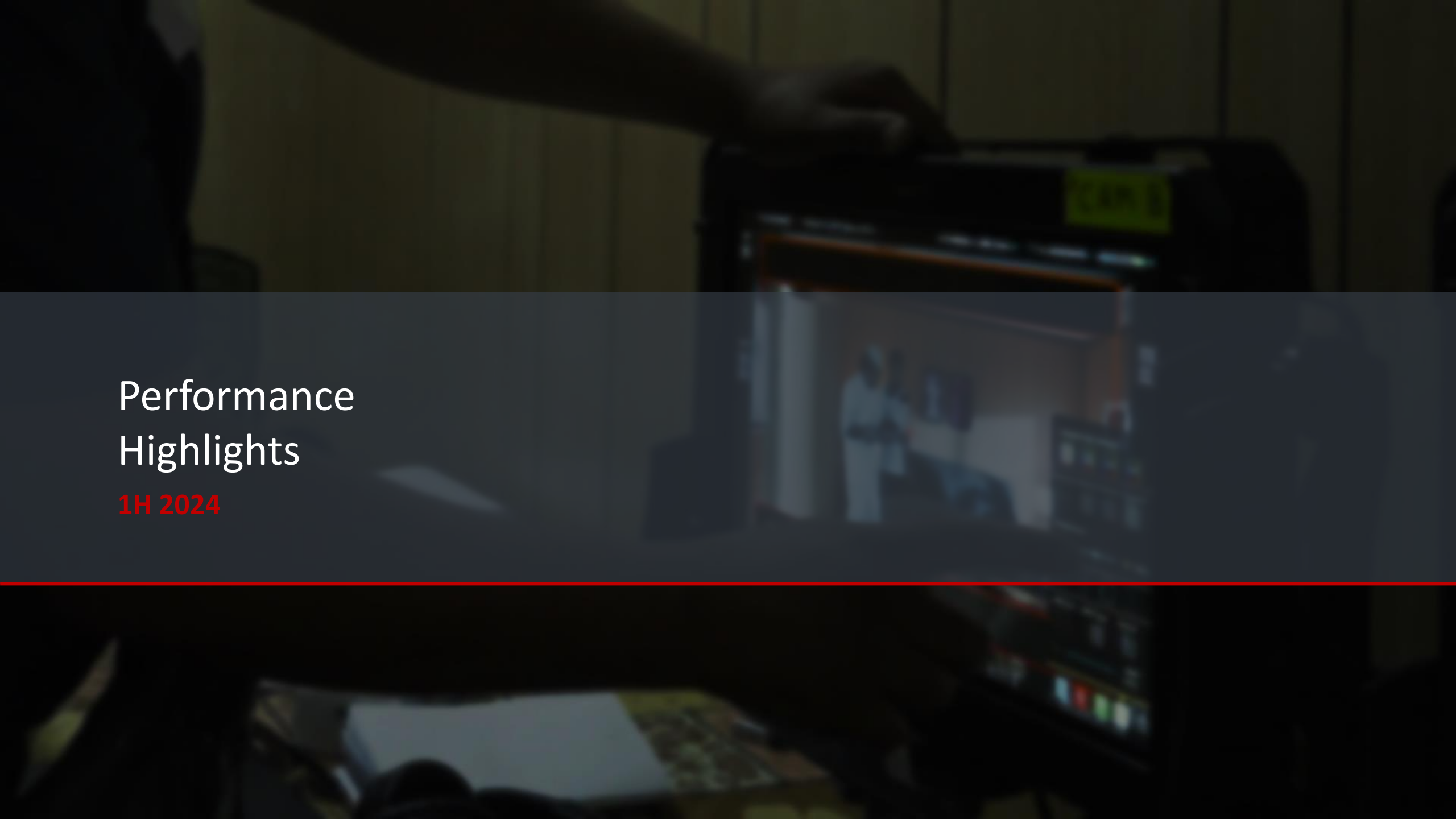
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# Performance Highlights

1H 2024

# 1H 2024 Financial Highlights

Following a strong close to FY 2023, MBC continued to deliver robust growth heading into the new year, driven by a strong performance across its core segments.

<sup>1</sup> Broadcasting & other commercial activities include primarily advertising and other broadcasting-related ancillary activities and excludes Shahid and revenues linked to Media & Entertainment initiatives.

Group Revenue	Gross Profit	Net Profit
SAR 2,199.6 M +10.0% YoY	SAR 698.9 M +55.9% YoY 31.8% GP margin	SAR 237.8 M +359.8 YoY 10.8% NI margin
Broadcasting & Other Commercial Activities <sup>1</sup>	Shahid OTT Platform	Media & Entertainment Initiatives
(ex Shahid) Revenue SAR 1,340.5 M +20.4% YoY	Revenue SAR 557.3 M +40.8% YoY	Revenue SAR 301.8 M -38.5% YoY
Net Profit SAR 254.1 M +23.9% YoY 19.0% NI margin	Net Loss SAR -23.5 M -84.7% YoY -4.2% NI margin	Net Profit SAR 6.9 M 40.6x YoY 2.3% NI margin

# 1H 2024: Key Performance Highlights

Group total revenues up 10% to SAR 2,199.6 M in 1H 2024, driven by a healthy recovery in TV Revenue and sustained Shahid subscriber growth, coupled with increased revenues from broadcast and technical services.

**1** Group revenue growth of 10.0% year-on-year in 1H 2024 was driven primarily by strong results in the Broadcasting & Other Commercial Activities (BOCA) and SHAHID segments, which saw 20.4% and 40.8% YoY revenue growth, respectively, in 1H 2024.

**2** The growth in BOCA was mainly driven by broadcasting and technical services, which doubled due to agreements with SSC and Al Thakafiya. TV revenues, which includes advertising, distribution, and program revenues, grew 5.2% year-on-year to SAR 751.4 M. Advertising revenue increased by 3.5% in 1H 2024- to SAR 697.3 M

**3** SHAHID's AVOD revenue more than doubled YoY to SAR 116 M in 1H 2024, with subscribers up 36.0% to 4.61 M by 30 June 2024. This strong performance offset a 38.5% YoY revenue decline in M&E due to revenue recognition variances and project timelines.

**4** Content has been a key driver for SHAHID in 1H 2024. During Ramadan, MBC focused on premium regional content, featuring popular titles like Al Atawla, Nema El Avvocato, Khan Al Thahab, and Wlad Badee'a. To maintain post-Ramadan viewership, three new titles were also launched in Q2.

**5** The Group achieved significant profitability improvements across all segments in 1H 2024. SHAHID's bottom-line losses narrowed by 84.7% YoY. The M&E segment also saw blended margins improve to 2%-4% with new projects. These factors, among others, drove a 359.8% YoY surge in net profit.

**6** In 1H 2024, MBC delivered on all M&E initiatives. MBC STUDIOS produced 'The Lamb' and 'Autumn in My Heart,' both set in Saudi Arabia. MBC Narjis Studio is set to open in 3Q 2024, with expansions into 2025. MBC ACADEMY trained over 8,200 individuals, nurturing Saudi based talent in the entertainment industry.

# Our Group Segments

MBC has continued to grow its presence and reach in the MENA region through three primary verticals



## Broadcasting & Other Commercial Activities

The commercial activities of MBC Group derive solid and sustainable revenues from broadcasting and its adjacencies including a diversified portfolio of entertainment verticals

- 13 FTA Channels
- MMS
- Radio
- Social Media
- Gaming
- Music
- Events
- Others

Our Foundation



## Shahid - OTT

A dual revenue approach, capitalizing on subscription and advertising revenue, bolstered by favorable market dynamics, and increasing OTT penetration in the region.

Subscription Video On Demand (SVOD)  
&  
Advertising Video On Demand (AVOD)

Our Growth



## Media & Entertainment Initiatives

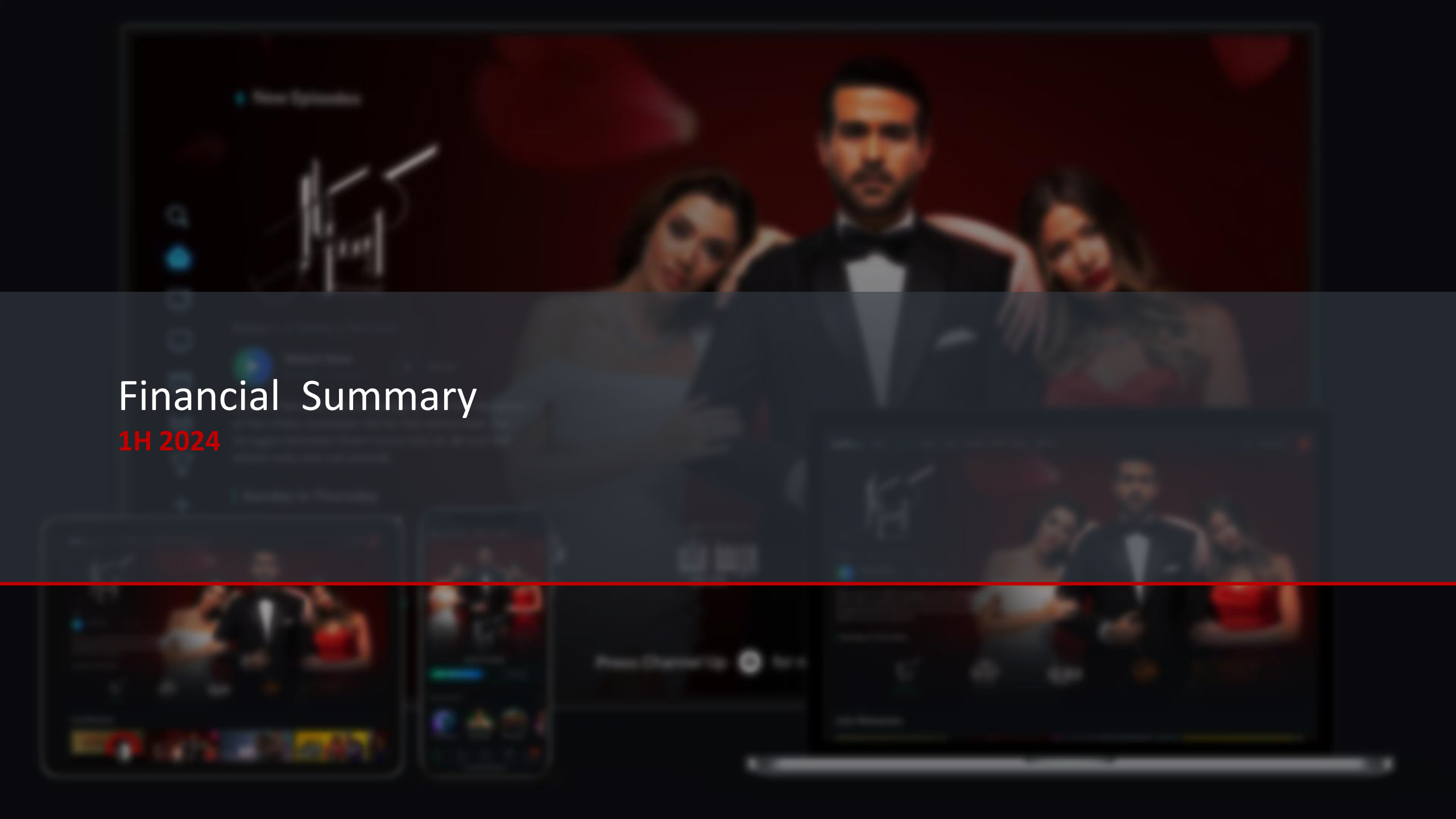
The governments' media partner of choice, entrusted with the development of the media ecosystem in KSA driving large scale entertainment projects

- MBC Studios
- MBC Academy
- MBC Talent
- MBC IRAQ, MBC PERSIA, MBC CINQ

Our Partnership

# Financial Summary

1H 2024

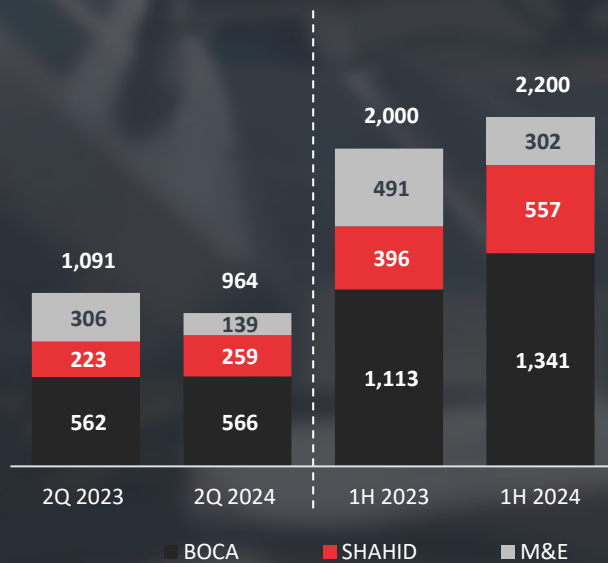


# Group Financial Performance

MBC has experienced strong revenue growth across its core business segments, with positive bottom-line performance

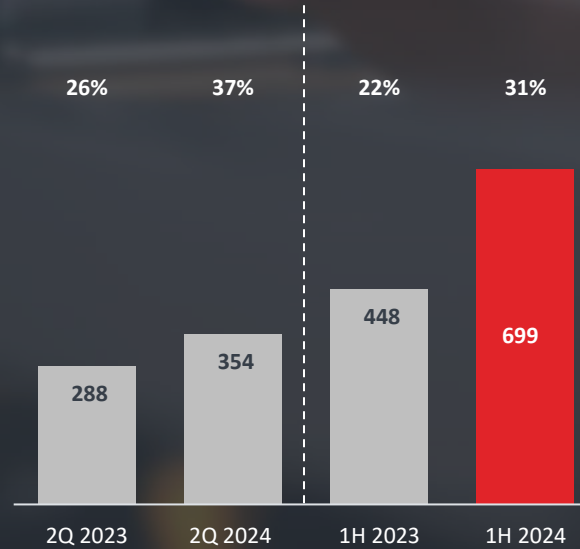
## REVENUE BREAKDOWN

(SAR Millions)



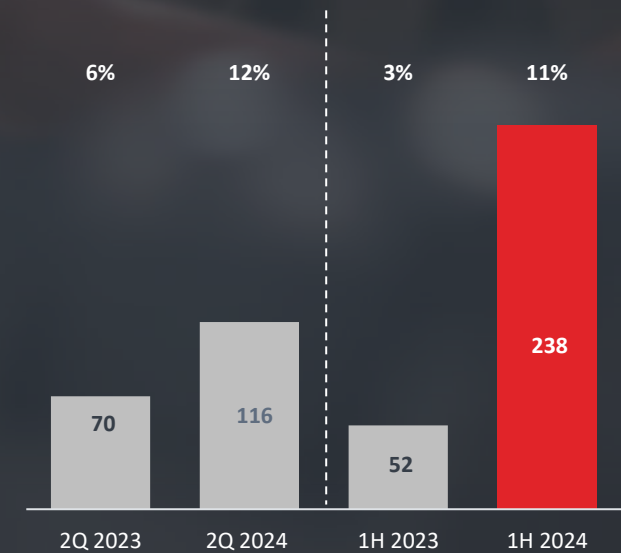
## GROUP GROSS PROFIT

(SAR Millions / GPM %)



## GROUP Net Profit

(SAR Millions / NPM %)

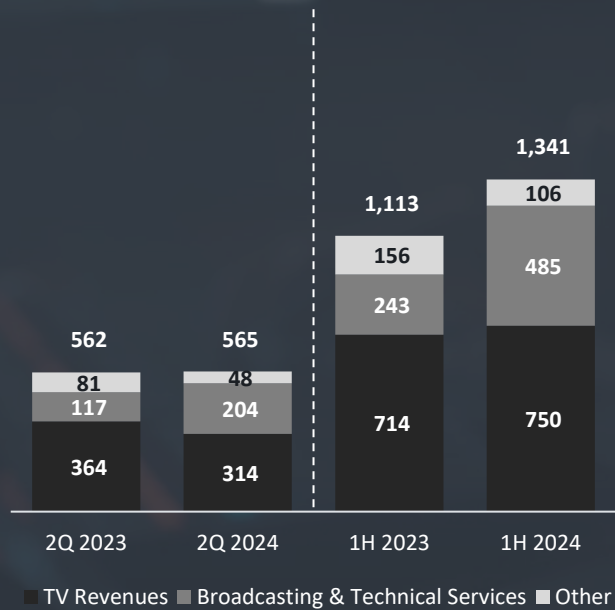


# Broadcasting & Other Commercial Activities Performance

MBC's Broadcasting & Other Commercial Activities experienced consistent topline growth with a stable cost structure

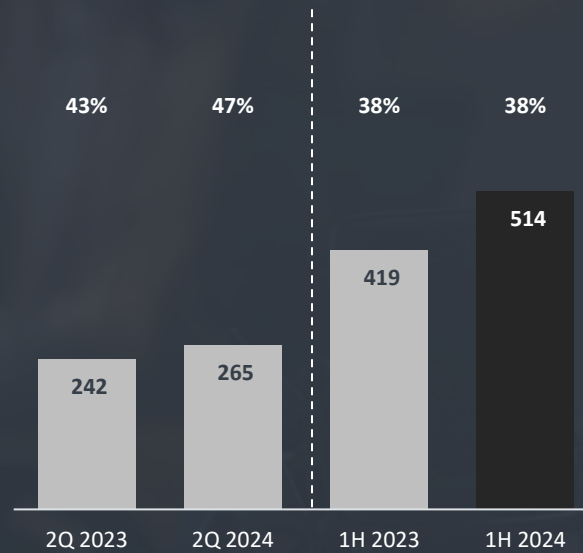
## REVENUE BREAKDOWN

(SAR Millions)



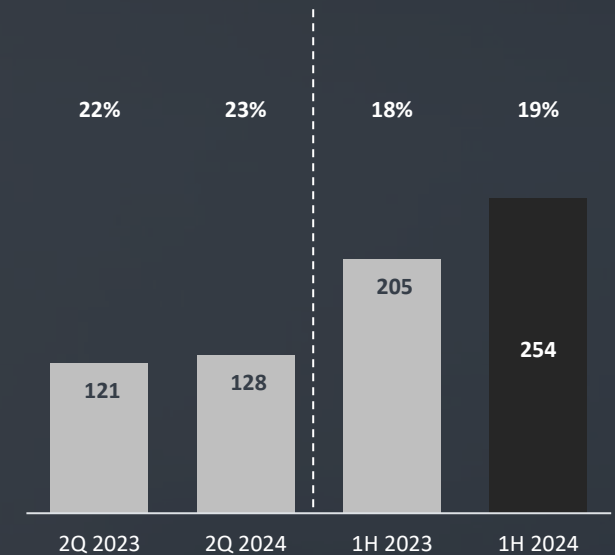
## GROSS PROFIT

(SAR Millions / GPM %)



## Net Profit

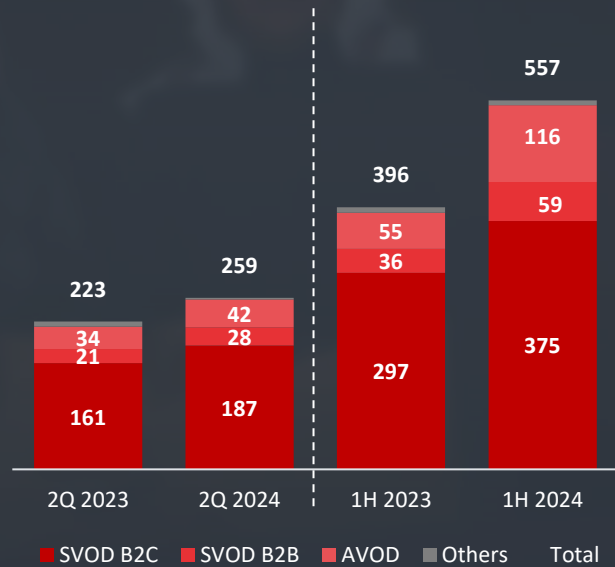
(SAR Millions / NPM %)



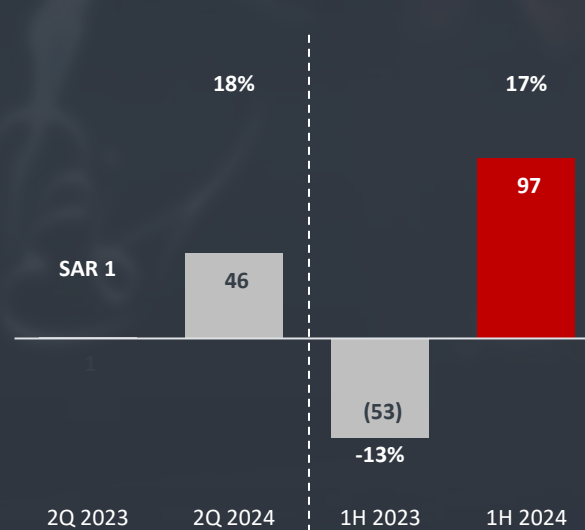
# Shahid (OTT) Performance

Shahid has experienced exceptional revenue growth across all its operations with a stable cost structure

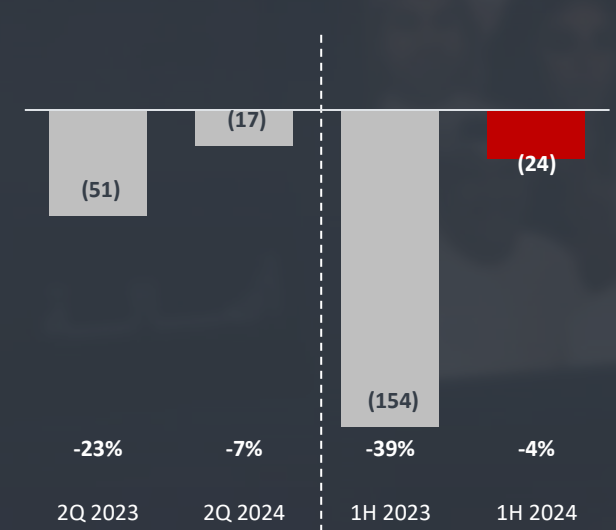
REVENUE BREAKDOWN  
(SAR Millions)



GROSS PROFIT  
(SAR Millions / GPM %)



Net Profit  
(SAR Millions / NPM %)

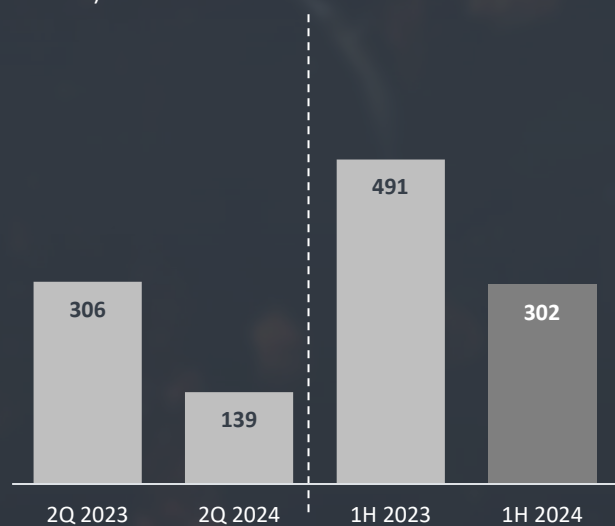


# Media & Entertainment Initiatives Performance

Media & Entertainment Initiatives continue to be a strong value-add for MBC and the media ecosystem in KSA, with strong partnerships fostering growth and development

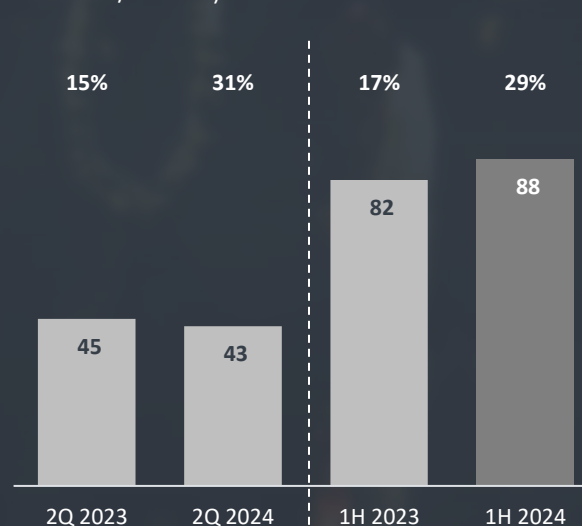
## REVENUE BREAKDOWN

(SAR Millions)



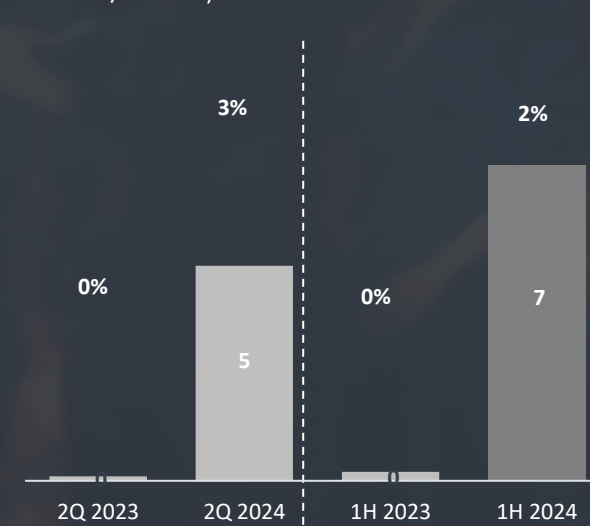
## GROSS PROFIT

(SAR Millions / GPM %)



## Net Profit

(SAR Millions / NPM %)



# Guidance



## Broadcasting & Other Commercial Activities

### FY 2024E

Revenue (% Growth)

**Mid-single digit growth**

Net Profit Margin

**16%-18%**

### FY 2025E

Revenue (% Growth)

**Low-double digit growth**

Net Profit Margin

**18-20%**

### Medium Term

Revenue (% Growth)

**Mid-single digit growth**

Net Profit Margin

**18-20%**



## Shahid - OTT

### FY 2024E

Revenue (% Growth)

**25%-35%**

Net Profit Margin

**(25%)-(30%)**

Subscribers

**Low-double digit growth**

### Medium Term

Revenue (% Growth)

**Low-double digit growth**

Net Profit Margin

**Breakeven within 5 years**

Subscribers

**High-single digit growth**



## Media & Entertainment Initiatives

### FY 2024E

Revenue

**SAR 750-940 MN**

Net Profit Margin

**2%-4%**

### Medium Term

Revenue (% Growth)

**c. SAR 1,125 MN**

Net Profit Margin

**c.5%**

A woman with long dark hair, wearing a dark suit, is looking towards a man on the left. The man is holding a small, dark, rectangular object in his hands. The scene is dimly lit, with a warm, orange glow. A semi-transparent dark blue horizontal band is overlaid across the middle of the image, containing the word "Outlook" in white text. A thin red horizontal line is visible at the bottom of the image.

Outlook

# Growth Opportunities

Significant opportunities for growth acceleration



## Content

Build broad multi-platform superior content that caters to a diverse audience tailored across geographies, while focusing on original content creation and unique categories like sports to drive subscriber and bottom-line growth



## Advertising

Refocus on the AVOD model with optimized and transparent pricing, and increase inventory sell rate to drive growth and bridge the market share gap between FTA and AVOD



## SVOD

Focused retention strategy to reduce subscriber churn, while capitalizing on growing MENA OTT penetration and generate subscribers in Egypt and the rest of Africa



## Geographic Expansion

Leverage leadership position and brand to penetrate new markets and provide quality content on local channels; monetize existing content in Morocco and Iraq with relevant shows to generate ad and subscriber growth, while also exploring B2B deals



## New Verticals

Diversify revenue streams with the launch of new verticals such as gaming, music and events



Underpinned by a trusted brand that can grow across platforms and regions





# Investment Highlights

# Investment Highlights

Leveraging our unique value proposition to capitalize on attractive market opportunities and deliver sustainable growth.

- 1 **Highly attractive macro fundamentals** supporting long-term, sustainable growth across Media and Entertainment verticals
- 2 **Leading broadcasting company in the MENA region** with unparalleled reach
- 3 **Leading video streaming platform in the region** delivering strong growth
- 4 Home to the **highest quality** and most **engaging content**, featuring **distinctive in-house production capabilities**
- 5 **Multiple organic growth levers** in the core business and best positioned to continue to **invest in high growth entertainment verticals**
- 6 **Robust financial profile** combining **profitable broadcasting** and **high growth digital businesses**
- 7 **Highly respected** and **experienced management** team, backed by **strong and supportive Board of Directors**

Q&A

mbc  
GROUP