

Earnings Presentation

4Q/FY 2024

CONTENTS

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.

01

MBC GROUP
OVERVIEW



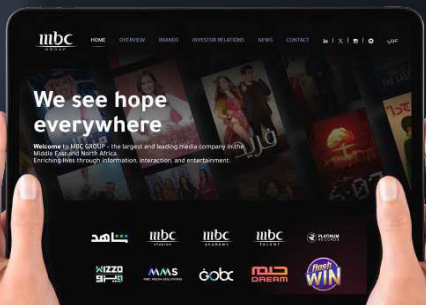
02

PERFORMANCE
HIGHLIGHTS



03

OUTLOOK



01

**PERFORMANCE
HIGHLIGHTS**

FY 2024



FY 2024 FINANCIAL HIGHLIGHTS

GROUP REVENUE

SAR
4,196.4
MN

+13.1% YoY

GROSS PROFIT

SAR
1,204.2
MN

+30.7% YoY
28.7% GP margin

NET PROFIT

SAR
426.1
MN

+515.2% YoY
10.2% NP margin

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 and broadcasting and technical services contracts

- 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

02

**FINANCIAL
SUMMARY**

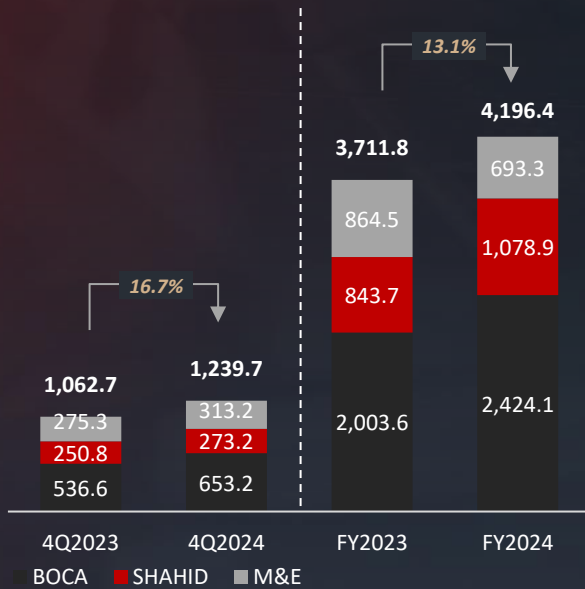
FY 2024

GROUP FINANCIAL PERFORMANCE

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

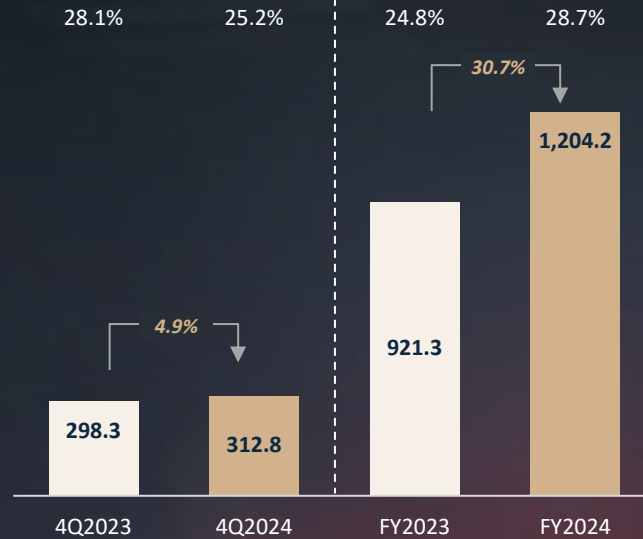
REVENUE BREAKDOWN

(SAR Millions)



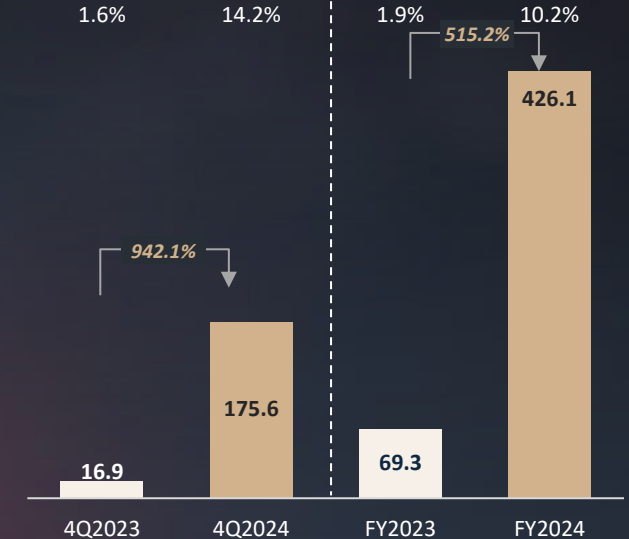
GROSS PROFIT

(SAR Millions / GPM %)



NET PROFIT

(SAR Millions / NPM %)

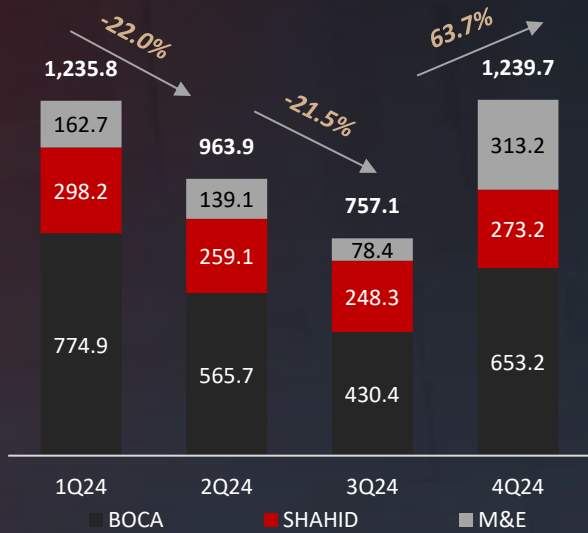


GROUP QUARTERLY FINANCIAL PERFORMANCE

MBC's quarterly results reflect the typical seasonality of our business, showing how performance varies throughout the year

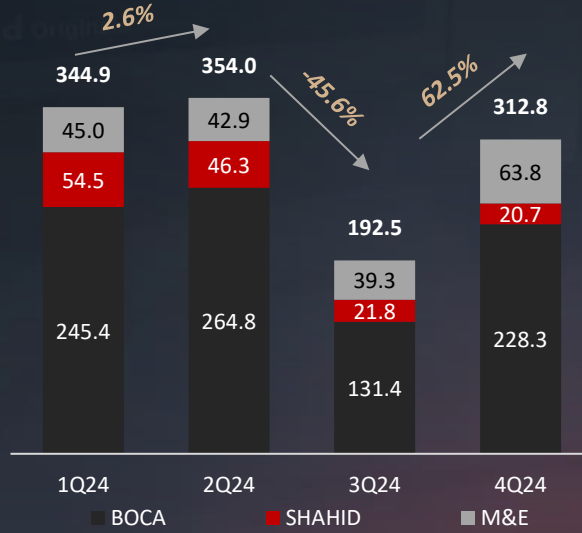
REVENUE BREAKDOWN

(SAR Millions)



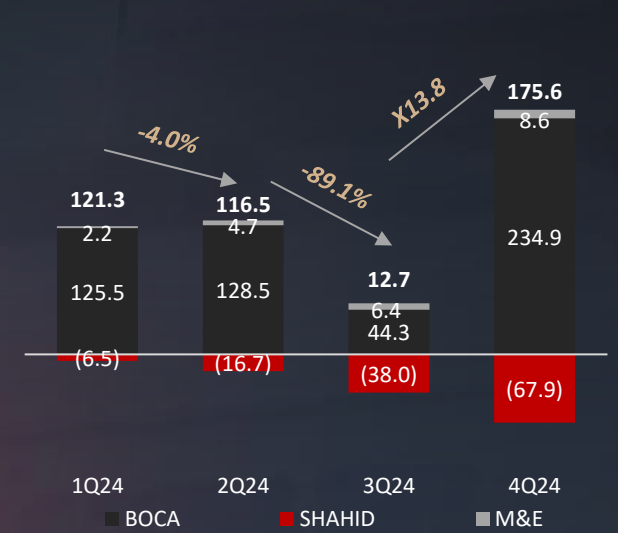
GROUP GROSS PROFIT

(SAR Millions)



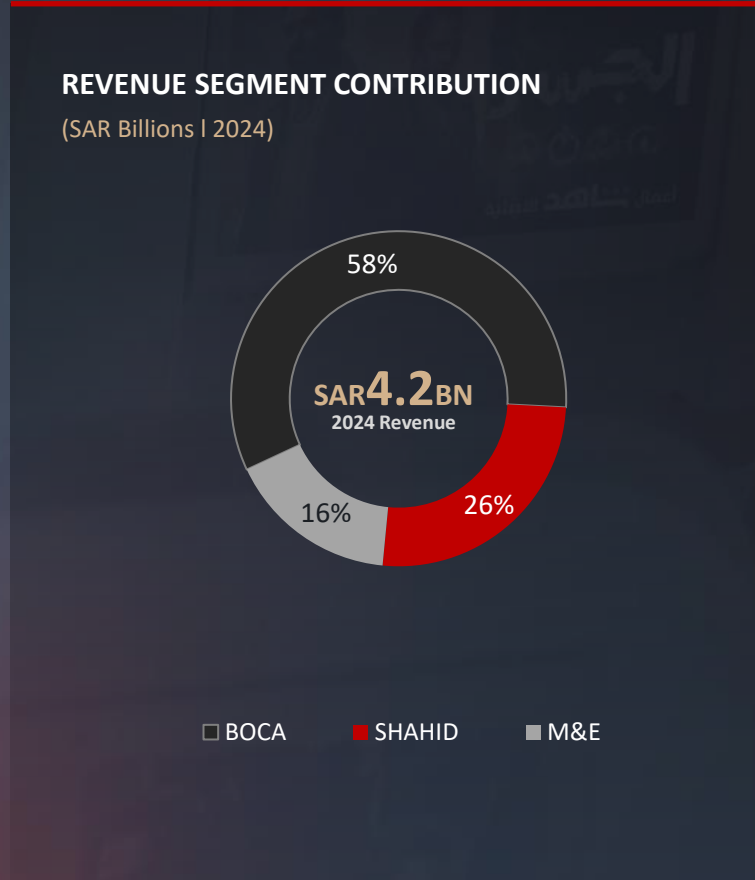
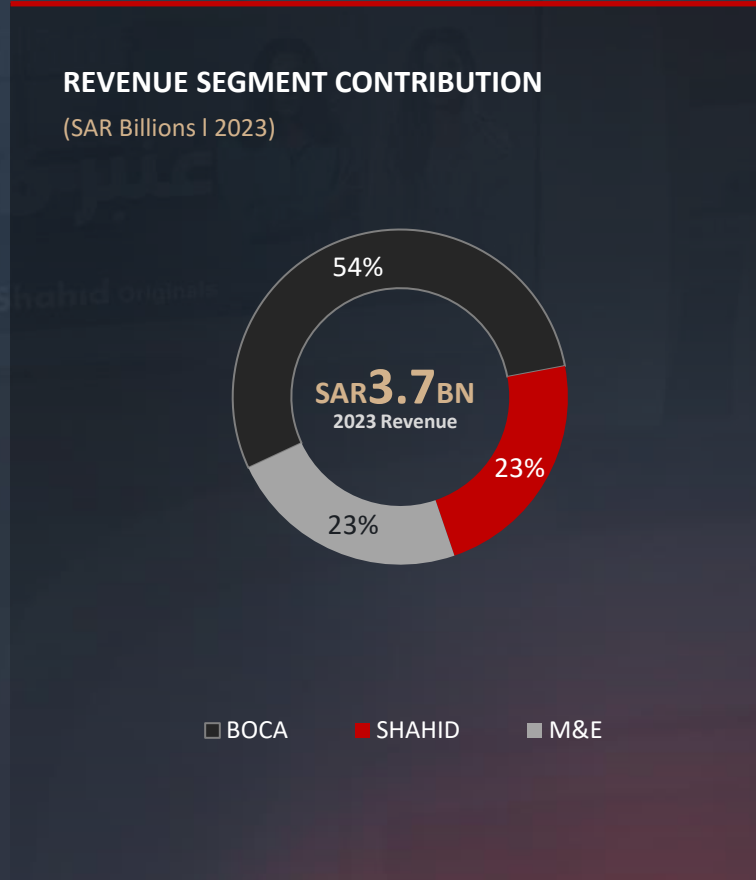
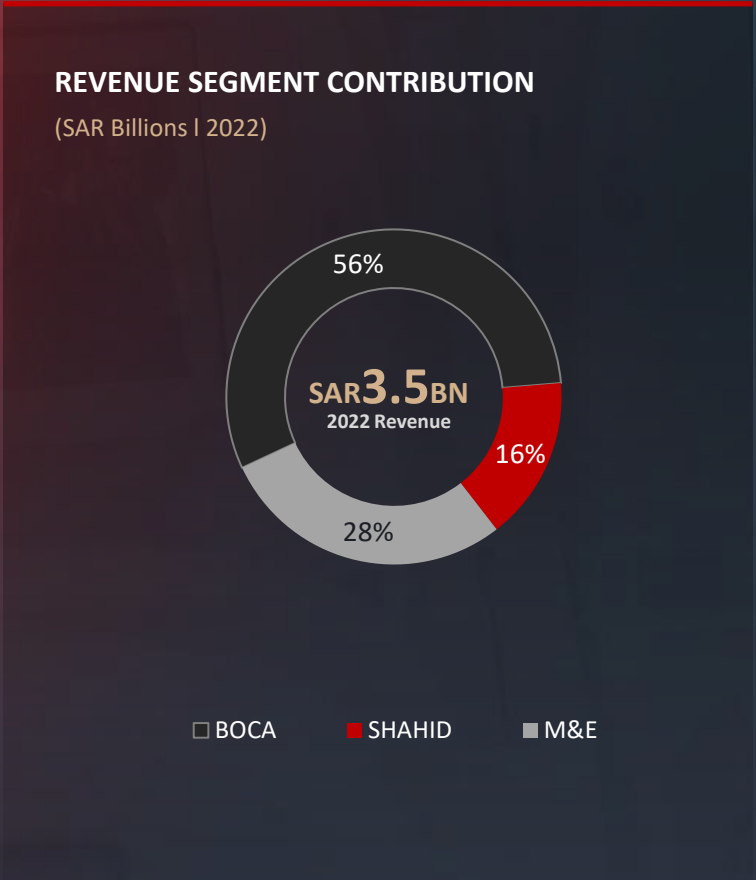
GROUP NET PROFIT

(SAR Millions)



GROUP FINANCIAL PERFORMANCE | REVENUE

MBC's revenue breakdown for 2022, 2023, and 2024 highlights the contribution of each segment over these years.

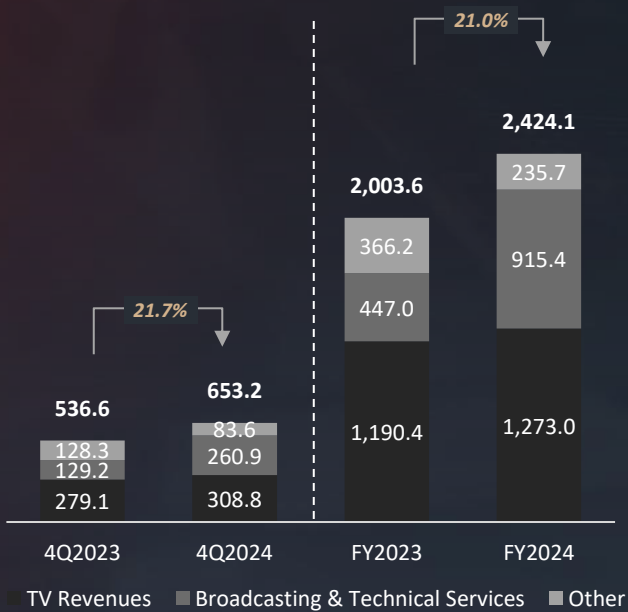


BROADCASTING & OTHER COMMERCIAL ACTIVITIES PERFORMANCE

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

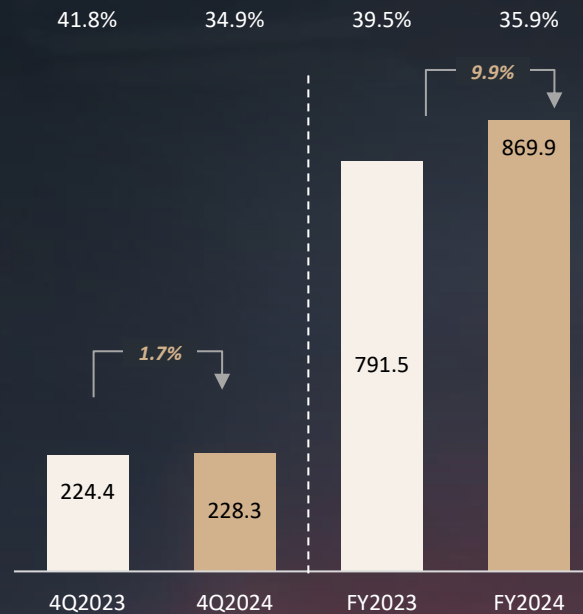
REVENUE BREAKDOWN

(SAR Millions)



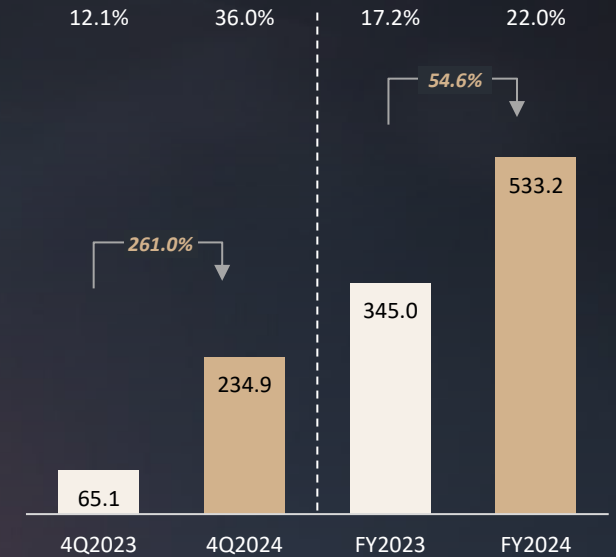
GROSS PROFIT

(SAR Millions / GPM %)



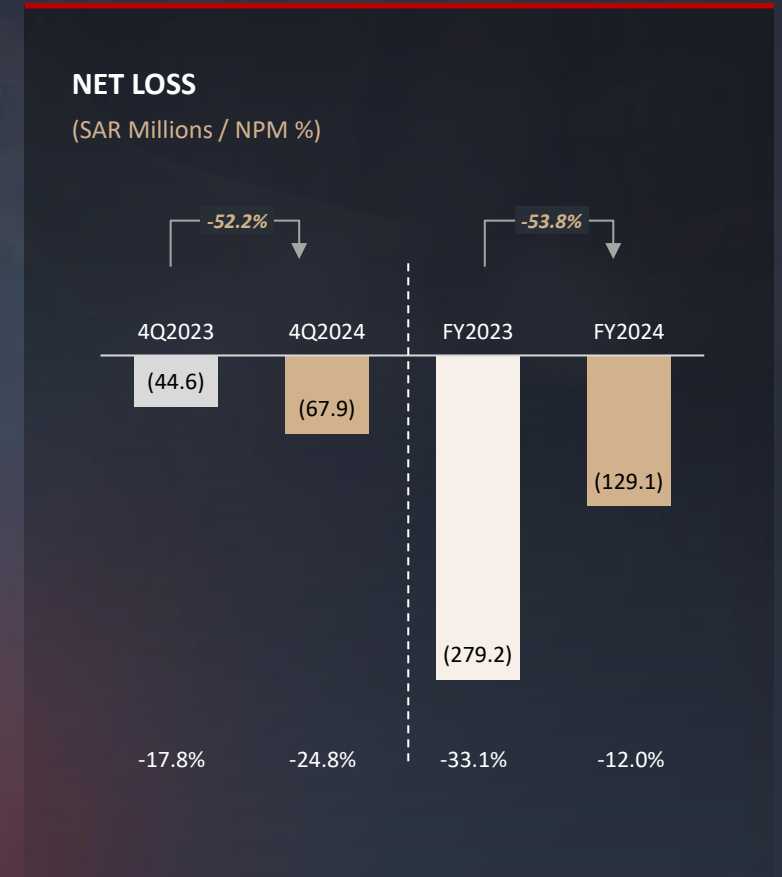
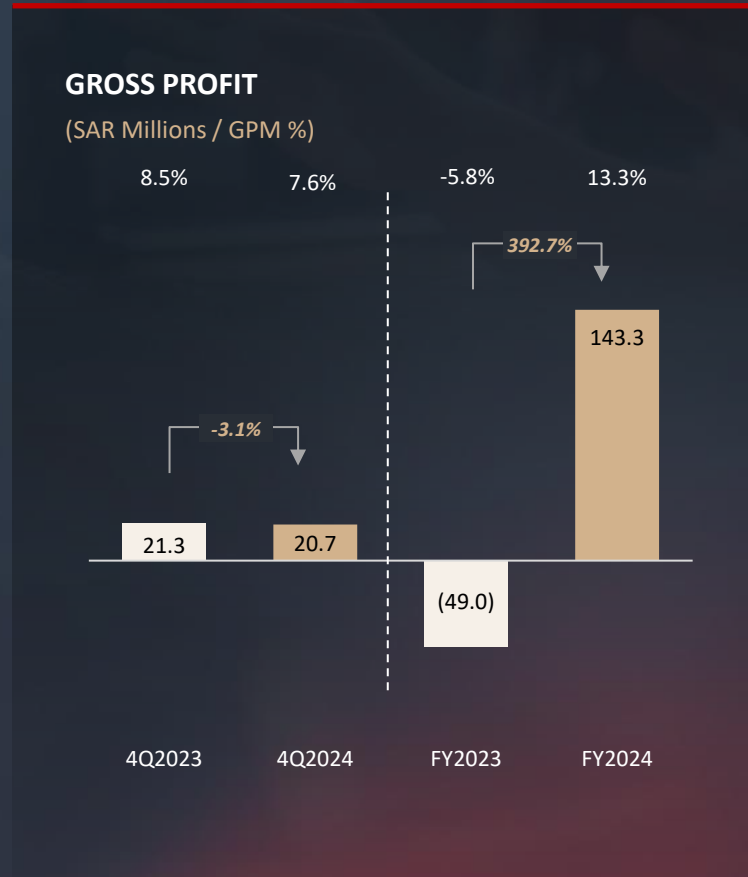
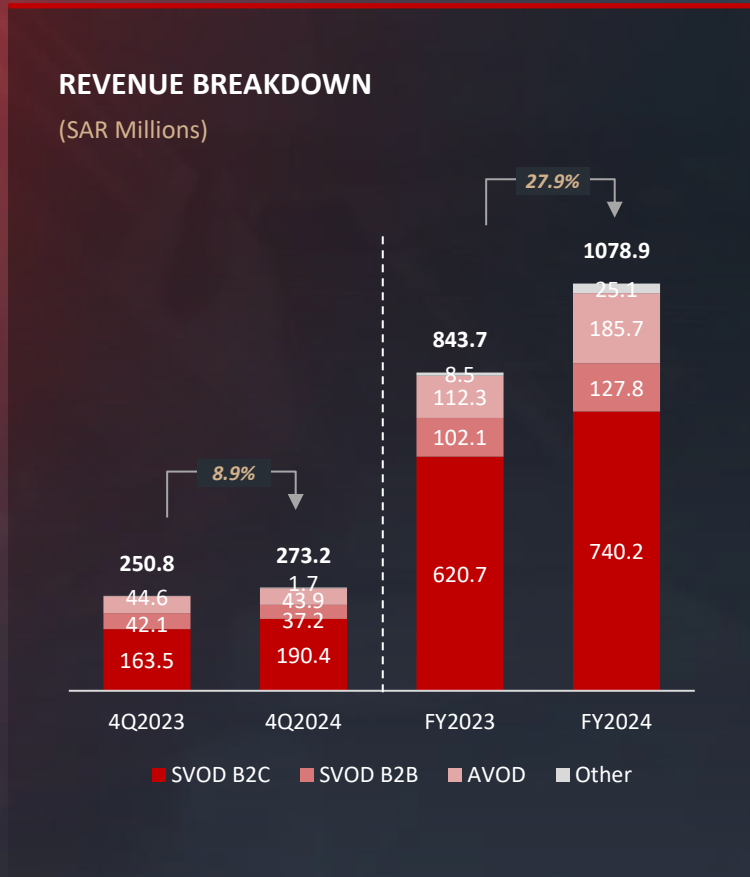
NET PROFIT

(SAR Millions / NPM %)



SHAHID (OTT) PERFORMANCE

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

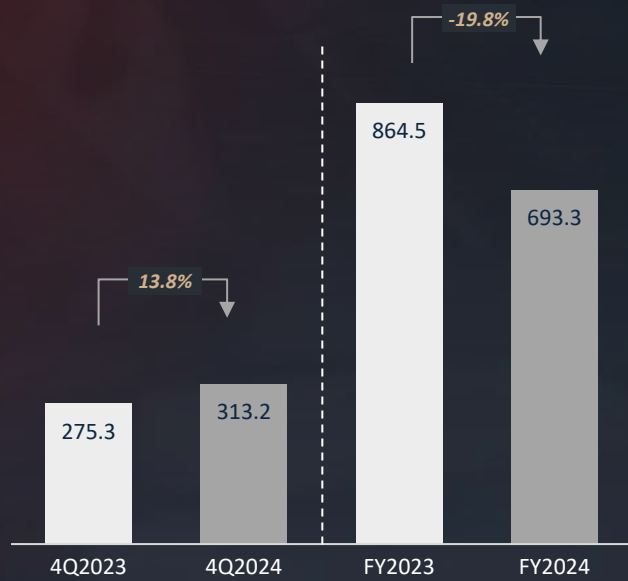


MEDIA & ENTERTAINMENT INITIATIVES PERFORMANCE

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

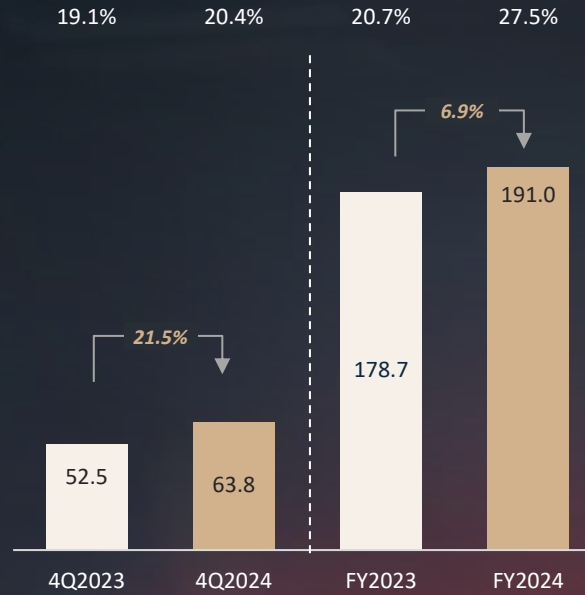
REVENUE BREAKDOWN

(SAR Millions)



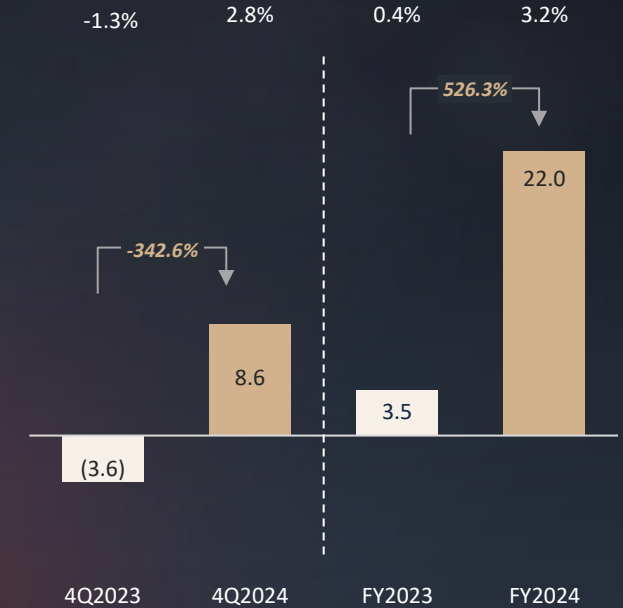
GROSS PROFIT

(SAR Millions / GPM %)



NET PROFIT

(SAR Millions / NPM %)



GUIDANCE



BROADCASTING & OTHER COMMERCIAL ACTIVITIES

FY 2025E

Revenue (% Growth)

Low-double digit growth

Net Profit Margin

16-18%

Medium Term

Revenue (% Growth)

Mid-single digit growth

Net Profit Margin

16-18%



SHAHID - OTT

FY 2025E

Revenue (% Growth)

10%-20%

Net Profit Margin

(10%)-(20%)

Medium Term

Revenue (% Growth)

Low-double digit growth

Net Profit Margin

Breakeven by 2027



MEDIA & ENTERTAINMENT INITIATIVES

FY 2025E

Net Profit Margin

2%-4%

Medium Term

Net Profit Margin

c.5%

03

Outlook



MARKET OVERVIEW

Thriving in the Global Epicenter of Entertainment

MACRO DRIVERS

- 1** Young and growing population
- 2** Growing regional affluence

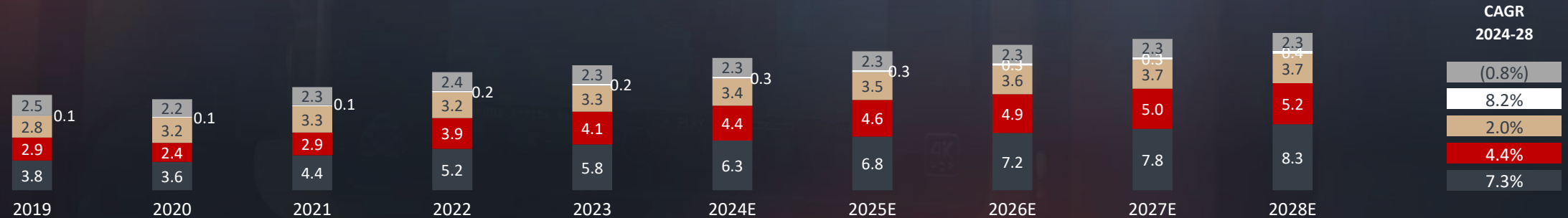
MARKET DRIVERS

- 3** Increasing connectivity
- 4** Digitally-savvy consumer base
- 5** Large and diverse content libraries
- 6** Support from government initiatives

MENA MEDIA & ENTERTAINMENT MARKET¹

MARKET DRIVERS

■ Advertising ■ Paid Video ■ Video Games & E-Sports ■ Music, Radio & Podcasts ■ Other



WITH OUR DIVERSE OFFERINGS, MBC IS SET TO CAPITALIZE ON THE HEALTHY PROJECTED GROWTH ACROSS VARIOUS SEGMENTS

Source: Databis Research, PwC Global Entertainment & Media Outlook 2022-2026, Omdia, Company information, Mordor intelligence 2022, STATEX, Experts inputs, Arab Media Outlook, Statista, Euromonitor as of April 2023, Fitch & World Bank,

MARKET OVERVIEW (CONTD.)

Large Arabic speaking population beyond the MENA region constitutes an extended addressable market



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

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

Thank you

