



# Investor Presentation

1Q 2024

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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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# MBC Group Overview

# Our Group at a Glance

MBC is the leading provider of entertainment to the Arabic speaking world and a leading producer of premium Arabic content

## A Track Record of Growth & Innovation

Since inception, the Group has established itself as the leading media company for free-to-air (“FTA”) TV in the MENA region, especially in KSA, UAE, Egypt, and Iraq in terms of audience share, and owns Shahid, the leading over-the-top (“OTT”) video streaming platform in the MENA region in terms of subscribers and active users.



### UNPARALLELED SCALE & REACH

**150M**

Viewers per week

**c.90%**

Potential household reach in the MENA region

**# 1**

SVOD and AVOD platform in MENA and KSA



### UNIQUE CAPABILITIES

**85%**

Arabic content, produced by MBC Studios or acquired

**500+**

MMS advertisers across MENA

**9,000+**

Titles in content library including acquired content



### STRONG FINANCIAL PERFORMANCE

**SAR 1.2B**

Revenues in 1Q 2024, up 36% YoY

**28%**

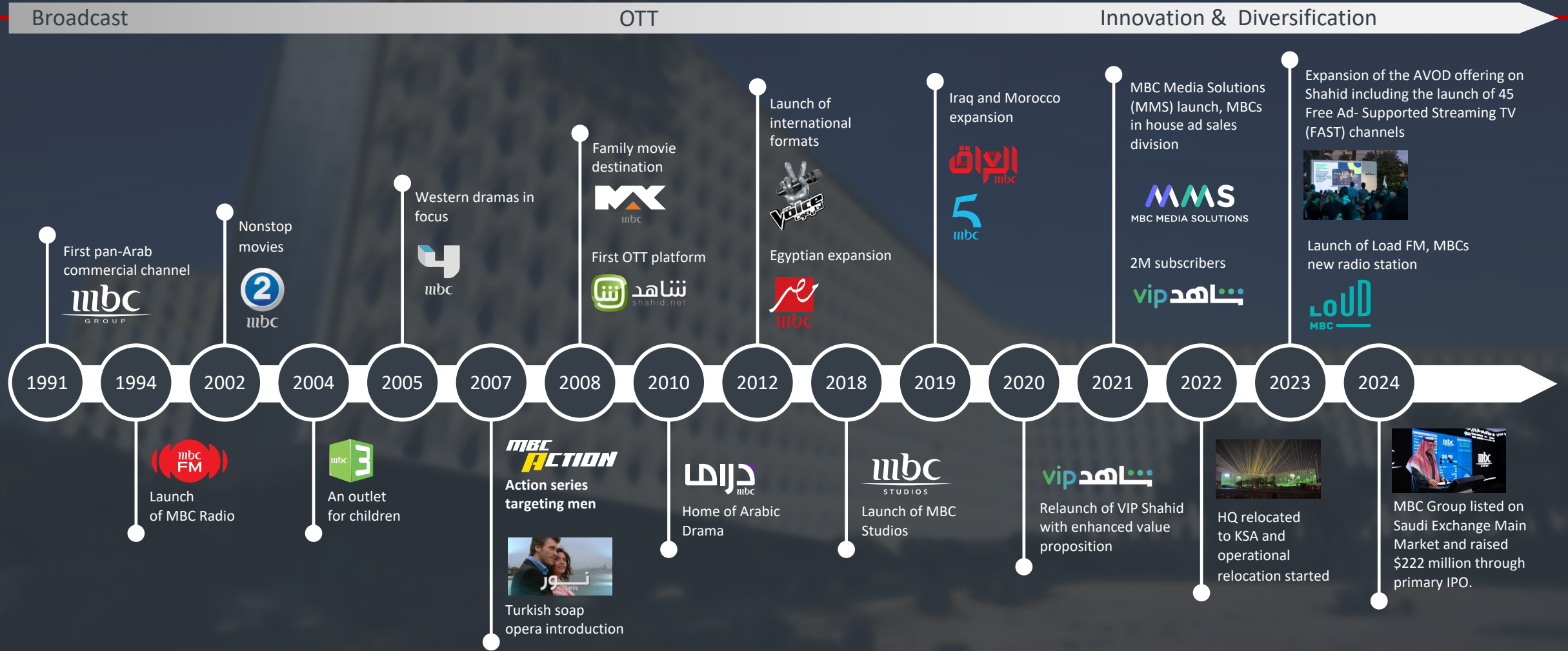
Gross Profit Margin, +10pts YoY

**SAR 8.3B**

Total Assets as of 31 March 2024

# MBC's Evolution

With a history of over 30 years, MBC has built a strong and trusted relationship with its pan-Arab audience, transitioning together as the sector evolved



# 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
- E-media

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

# 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**



# Business Segments

# Broadcasting & Other Commercial Activities: Overview

Pan-Arab broadcasting leader for over 30 years reaching over 150M viewers every week

## Broadcasting & Other Commercial Activities: Our Foundation

Our commercial activities serve as the foundational pillar of our operations, representing the core services upon which our business was established over 30 years ago. This encompasses a spectrum of offerings, including Free-To-Air channels, advertising, and other entertainment verticals.

## Financial Highlights (SAR million)

1Q 2024		1Q 2024	
<b>775</b>	<b>+41%</b>	<b>125</b>	<b>+48%</b>
Total Revenue	YoY Change	Net Income	YoY Change

MBC's commercial activities include:

### Household Names of FTA Channels



### Growing Presence in Radio



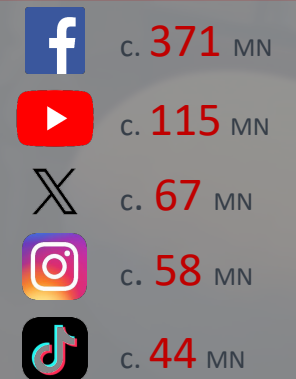
### Music, Gaming & Events



### Roster of Sports Rights



### 670M+ Social Media Followers



# Broadcasting & Other Commercial Activities: Growth

MBC stands to benefit from strong MENA market growth across advertising, music, gaming and events



## Market Opportunity

- The radio advertising market in the region is projected to grow at a **6.5% CAGR** to 2025
- Advertising spend in MENA is growing at a **7% CAGR** from **\$841M** in 2022 to 1B in 2025
- MENA's digital and recorded music market is growing at a CAGR of **9%** to reach **\$231M** in 2025
- The personal spend in gaming is growing at **5%** to reach **\$2B** in 2025
- The KSA events market is poised to grow at a CAGR of **10%** to reach **\$729M**



## Advertising (MMS)

- Provide the **best ad inventory** across all MBC platforms
- **Best tools and personnel** to create the most impactful ad campaigns
- **Pan-MENA** reach
- Leverage **data and analytics** for ad and audience measurement
- Drive **volume and pricing** for MBC inventory

# Broadcasting & Other Commercial Activities: Reach

MBC is the partner of choice for advertisers given its trusted position and massive reach in the Arab world



## Market Share



by audience share in KSA: **40%**



by audience share in Egypt: **48%**



by audience share in Iraq: **27%**



by audience share in Morocco: **19%**



in MENA followers across social media platforms



Worldwide followers across social media platforms



## Market Reach

- **92%** weekly reach in Gulf satellite households
- **91%** weekly reach in Egypt & Sudan satellite households
- **68%** weekly reach in North Africa satellite households
- **77%** weekly reach in Levant satellite households

# Shahid OTT: Overview

Shahid is the leading OTT platform in MENA

## OTT – Shahid : Our Growth Engine

MBC’s OTT platform and growth engine, Shahid, is a key pillar of our strategy. Shahid encompasses both subscription video-on-demand (SVOD) and advertising video-on-demand (AVOD) revenue streams, reflecting our commitment to deliver engaging content through advanced digital platforms.

## Financial Highlights (SAR million)

1Q 2024		1Q 2024	
298	+72%	-6	-94%
Total Revenue	YoY Change	Net Loss	YoY Change

MBC’s Shahid OTT platforms include:



### AVOD (advertising video-on-demand)

Free digital platform for wide reach



### SVOD (subscription video-on-demand)

Paid platform to access premium content



**646k**

Concurrent Views during Live Matches



**+1bn**

Data Points Collected Daily



**+695M**

Plays per Month



**+880M**

Ad Inventory Created Monthly



**40+**

Billing Integrations

# SHAHID OTT: Growth

Shahid is well positioned to capture the significant growth expected in the regional OTT market



## Market Opportunity

- **OTT subscribers set to more than double by 2025** to reach **\$23.5B** in subscriber revenue in MENA
- **OTT personal spend in MENA is growing at 7%** to reach **\$2.1B** in 2025
- **MENA AVOD OTT market is expected to grow at a 25% CAGR** to reach **\$362M** in 2025.
- **Growing digitalization, smartphone adoption and curbing Piracy**



## SHAHID Growth Drivers

- **Market growth** with additional tailwinds
- **Expanding AVOD** audience base
- **Targeting Arab** diaspora
- **Improving efficiency** in marketing & user acquisition
- Improvements in **user experience**
- Maintaining **competitive pricing**
- **Reducing churn**

# Shahid OTT: Reach

Shahid continues to grow its monthly active user base and is the #1 SVOD and AVOD platform in the region



## Market Share

#1

Premium SVOD service **with 24.9% market share in MENA**

#1

AVOD with **20M average monthly active users**

#1

subscriber market share in MENA **with 4.8M subscribers**

35%

**Growth** YoY in number of **subscribers**



## OTT Penetration (2022)



81%



79%



60%

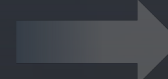


45%

MENA



4%



# Media & Entertainment Initiatives: Overview

MBC is developing the broader media ecosystem in the region and in KSA in line with Vision 2030

## Media & Entertainment Initiatives: Our Partnerships

We prioritize our partnership with the Saudi government through our media and entertainment initiatives, aligning with Vision 2030 objectives. While distinct from our core commercial operations, these initiatives underscore our commitment to societal advancement and align with our overarching mission.

MBC’s Media & Entertainment Initiatives include:



## Financial Highlights (SAR million)

1Q 2024		1Q 2024	
163	-12%	2	+19x
Total Revenue	YoY Change	Net Income	YoY Change

## Why MBC?

- **30 years** of successful innovation
- High **brand affinity**
- **Trusted relationship** with consumer
- **Deep insights** into consumer behavior
- **Strong capabilities** and know-how

# Media & Entertainment Initiatives: Benefits & Growth

Best positioned to capture further growth from investments in high-growth entertainment verticals



## Vision 2030 Initiatives

- **Support national champions** consolidate their leadership globally
- Increase localization of **non-oil sectors**
- Develop the **digital economy**
- **Develop economic ties** with global partners
- Uphold the Arabic language
- **Expand vocational training** to provide for labor market needs



## Indirect Benefits

- Local TV channels play a key role in establishing a **foothold in and penetrating new markets**
- **Continued growth of Shahid user base** on the back of marketing through the local channels driving AVOD and SVOD business
- By establishing leading positions in new markets, MBC **expands its global reach and brand recognition**
- Local knowledge and insights gained in new markets can be used to **optimize mature operations**



## Market Opportunity

- **Household spend** on entertainment activities to increase **from 1.7% in 2017 to 6%** by 2030
- **\$64B to be invested in the entertainment sector** for show creation, start-up accelerators and venue development funding

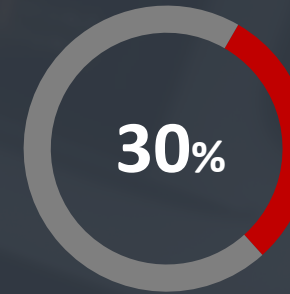
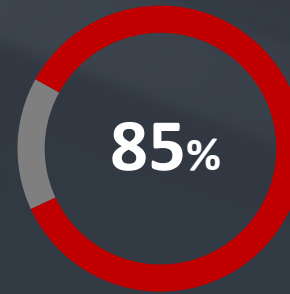
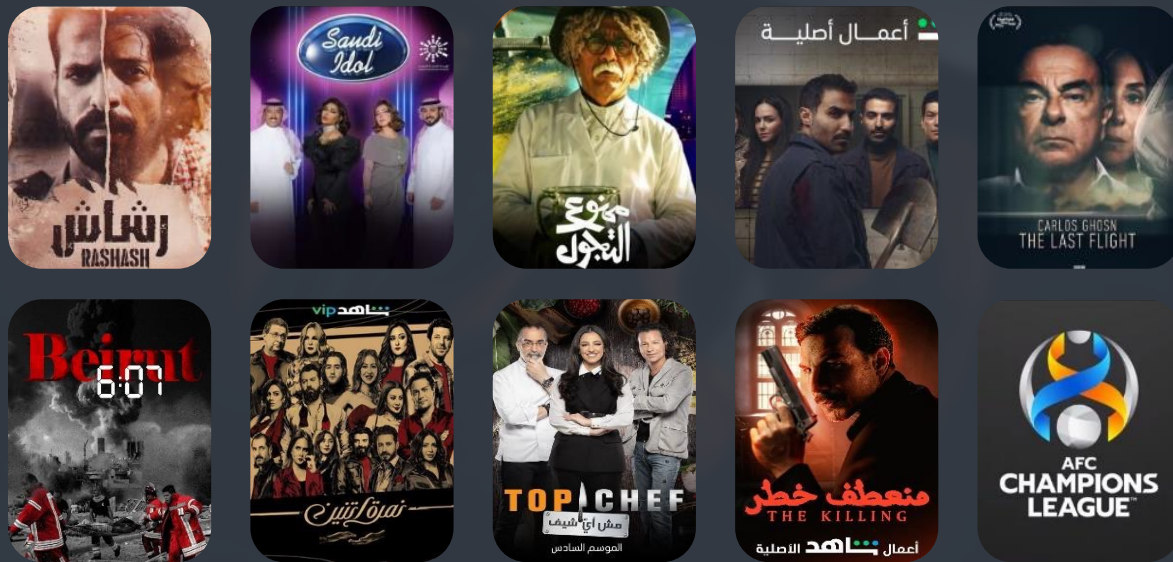


## Business Opportunity

- Produce **high-quality differentiated content** that speaks to audiences
- Identify, **develop and promote local talent** to drive growth in studios and broader entertainment sector
- Fuel growth in MBC with potential to **commercialize externally**
- **Leverage MBC's extensive capabilities** and powerful brand to pursue exciting initiatives

# Content: At the Core of our Business Segments

The key customer value proposition is to consistently deliver new, engaging, and compelling content.



The Group offers a diverse array of content categories on its TV channels and OTT streaming platform



Drama



Entertainment



Comedy



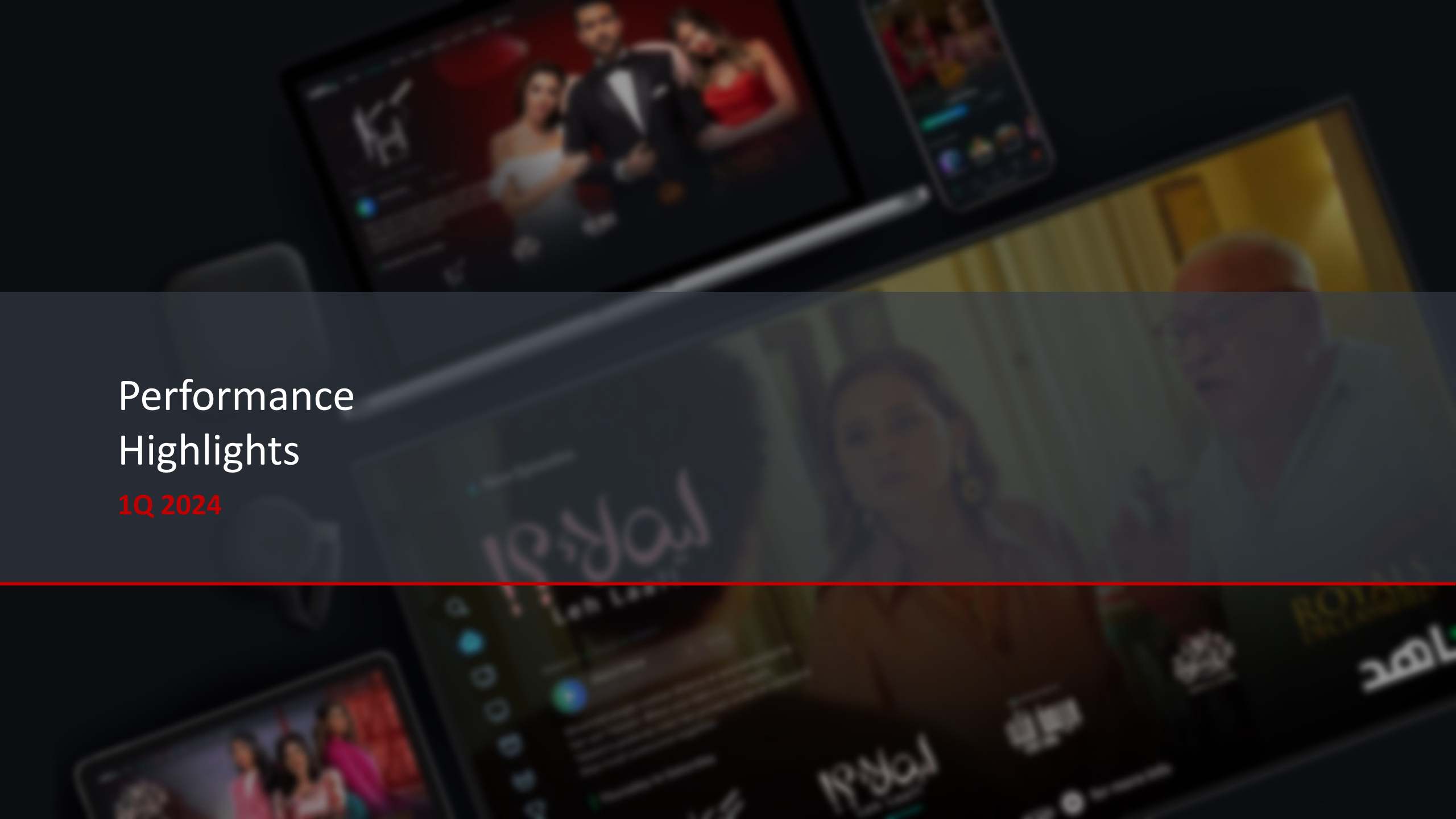
Action



Documentaries



Sports

The background of the slide features a collage of several mobile devices, including smartphones and tablets, arranged in a perspective view. The screens of these devices display various content, such as social media posts, news articles, and images of people. The overall aesthetic is modern and digital, with a dark, muted color palette. A semi-transparent dark grey horizontal band is overlaid across the middle of the image, serving as a backdrop for the text.

# Performance Highlights

1Q 2024

# 1Q 2024 Key Corporate Highlights

MBC Group raised SAR 831 million (USD 222 million) through primary IPO, listed on 8 Jan 2024 on Saudi Exchange Main Market.

1

Strategic focus on AVOD; capturing the growing AVOD market with an increase in inventory sell rates and successfully bridging the gap between the FTA & AVOD market share.

2

Significant growth in the number of SVOD subscribers, notably during the peak Ramadan. Shahid subscriber numbers reached 4.83 million in the first quarter, with the platform adding over 800,000 new subscribers since year end, and a solid 35% year-on-year increase of 1.25 million subscribers.

3

Shahid gaining market share in SVOD and AVOD by focusing primarily on locally relevant content. The success of shows such as Thanawiyat Al-Naseem and Al Kha'en reflects how our content strategy successfully yields subscribers and active users.

4

Broadcasting and Other Commercial activities segment continues to hold its leading position across all verticals. During 1Q 2024, the Holy Month of Ramadan was a key period for MBC, and this year the season commenced in early March. The focus was on premium regional content alongside a diverse line-up of multi-genre series and shows.

5

Testament to MBC's content strategy and global outreach, the company has begun to successfully penetrate the South American market through the Turkish adoption of 'Al-Thaman' (entitled Sara). The show has been dubbed in Spanish, and Ecuador was the first country to air it in early March.

6

In 1Q 2024, the Company appointed Samar Akrouk as Managing Director of MBC Studios. Samar also retains her position as Group Director of Production. In her new role, she will lead MBC Studios' international outreach program, taking MBC's original local content to new audiences around the world.

# 1Q 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 Income
<p><b>SAR 1,236 M</b> +36% YoY</p>	<p><b>SAR 345 M</b> +115% YoY 28% GP margin</p>	<p><b>SAR 121 M</b> vs. -18 M in 1Q 2023 10% NI margin</p>
<p><b>Broadcasting &amp; Other Commercial Activities<sup>1</sup></b></p> <p>(ex Shahid)</p> <p><b>Revenue</b> <b>SAR 775 M</b> +41% YoY</p>	<p><b>Shahid OTT Platform</b></p> <p><b>Revenue</b> <b>SAR 298 M</b> +72% YoY</p>	<p><b>Media &amp; Entertainment Initiatives</b></p> <p><b>Revenue</b> <b>SAR 163 M</b> -12% YoY</p>
<p><b>Net Income</b> <b>SAR 125 M</b> +48% YoY 16% NI margin</p>	<p><b>Net Loss</b> <b>SAR -6 M</b> -94% YoY -2% NI margin</p>	<p><b>Net Income</b> <b>SAR 2 M</b> 19x YoY 1% NI margin</p>

# 1Q 2024 Key Performance Highlights

Group total revenues up 36% to SAR 1,236 million (US\$ 330 million) compared to 1Q 2023 driven by a healthy recovery in TV advertising and Shahid subscriber growth maintaining its solid trajectory, coupled with the increase in revenues from broadcast and technical services.

1

MBC experienced solid revenue growth across its core business segments: Broadcasting & Other Commercial Activities and Shahid.

2

Growth in the Broadcasting & Other Commercial Activities segment was mainly driven by a continued uptick in television advertising revenue, which grew 22% year-on-year, despite the unsettled geopolitical backdrop at the end of last year. Broadcasting and technical services revenue has also increased by c.8x attributable to services agreements.

3

Revenue from Shahid recorded a 72% growth in revenue to SAR 298 million (US\$ 80 million) in 1Q 2024 compared to 1Q 2023, attributable to a significant growth in the number of SVOD subscribers, notably during the peak Ramadan season as anticipated.

4

Shahid subscriber numbers reached 4.83 million in the first quarter, a solid 35% year-on-year, while advertising revenue more than tripled year-on-year to SAR 73.9 million as the Company continues to focus on expanding its content line-up available on the AVOD platform.

5

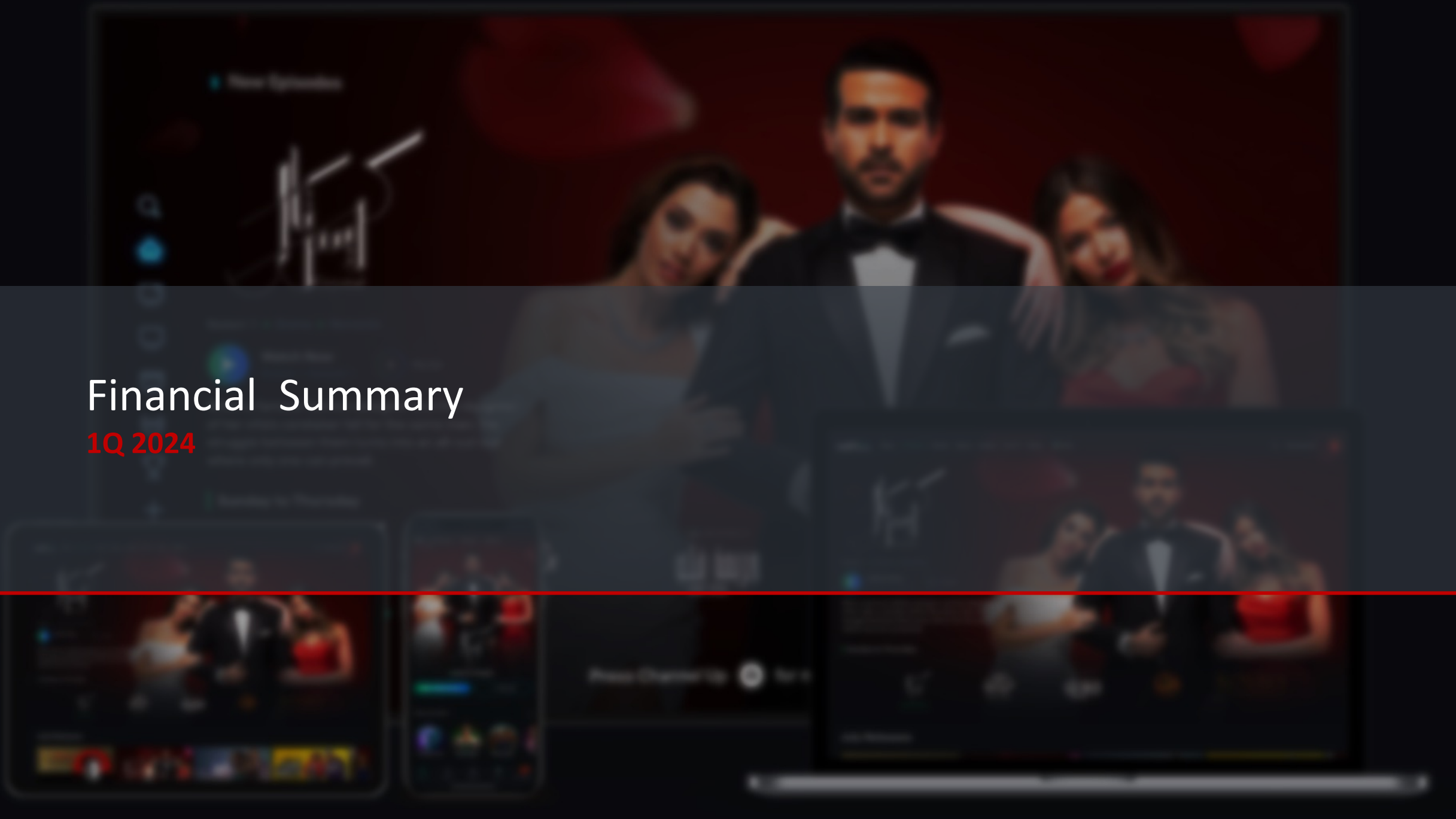
Group net income grew nearly eightfold to SAR 121 million YoY in 1Q 2024, reflecting the significantly narrowed losses at Shahid from SAR 102 million in 1Q 2023 to SAR 6 million in 1Q 2024.

6

In 1Q 2024 MBC successfully delivered on all its ongoing government project initiatives. MBC continues to witness a modest improvement in blended margins as new projects start including production fees, allowing the Company to deliver a margin of 2% to 4% in the short-to-medium term.

# Financial Summary

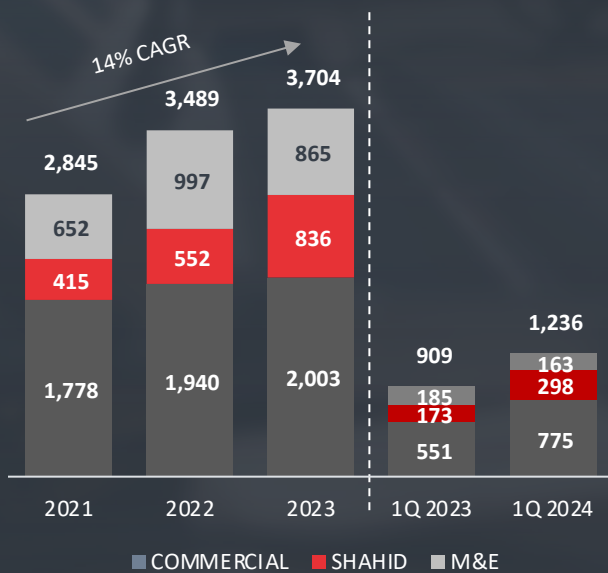
1Q 2024



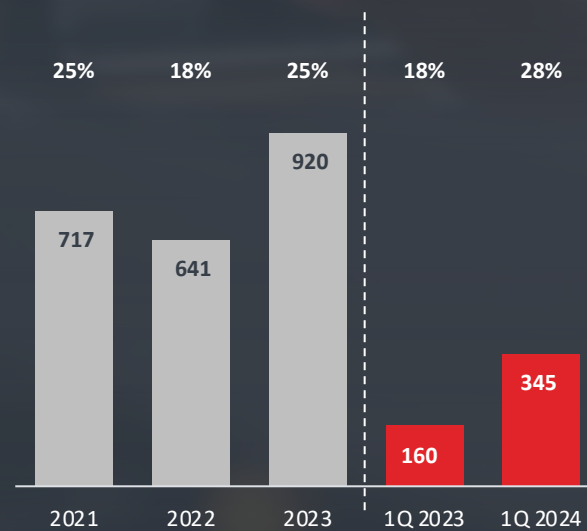
# Group Financial Performance

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

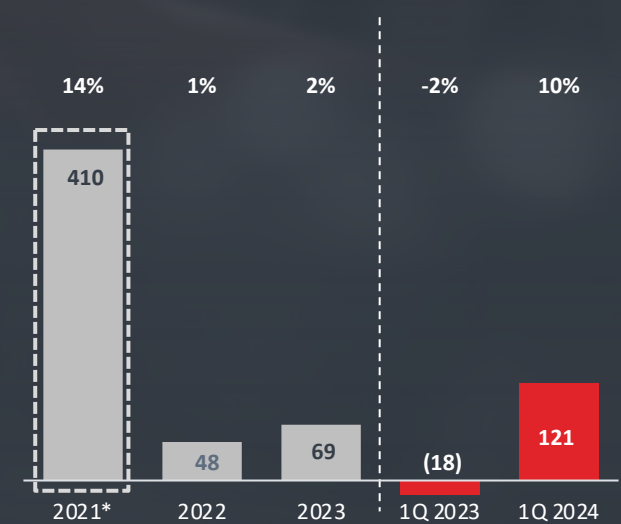
REVENUE BREAKDOWN  
(SAR Millions)



GROUP GROSS PROFIT  
(SAR Millions / GPM %)



GROUP NET INCOME  
(SAR Millions / NPM %)

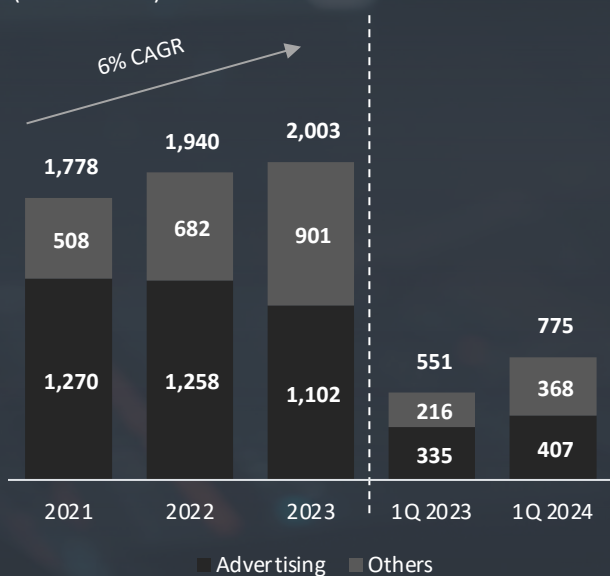


\*One-off Adjustments in 2021

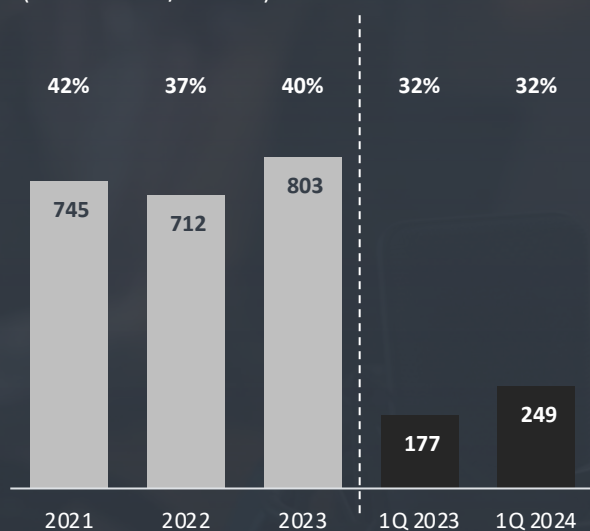
# Broadcasting & Other Commercial Activities Performance

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

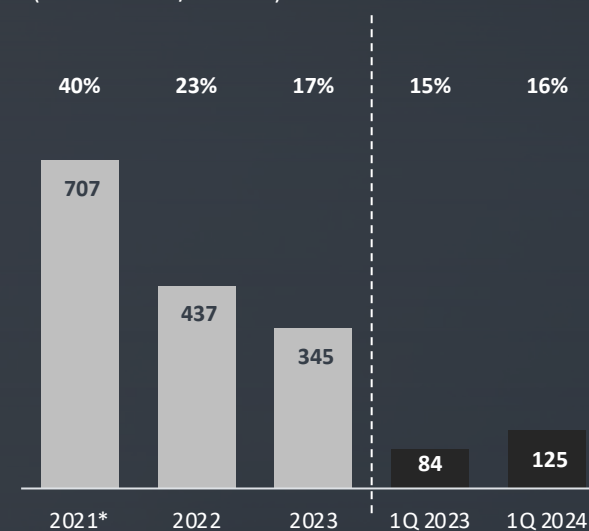
REVENUE BREAKDOWN  
(SAR Millions)



GROSS PROFIT  
(SAR Millions / GPM %)



NET INCOME  
(SAR Millions / NPM %)



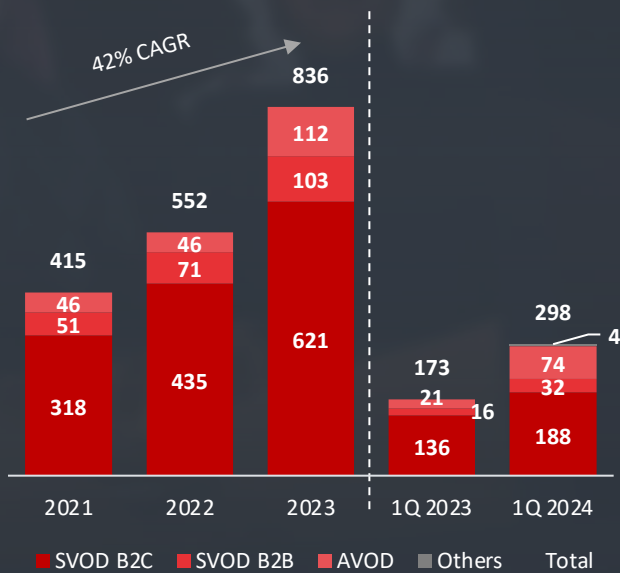
\*One-off Adjustments in 2021

# Shahid (OTT) Performance

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

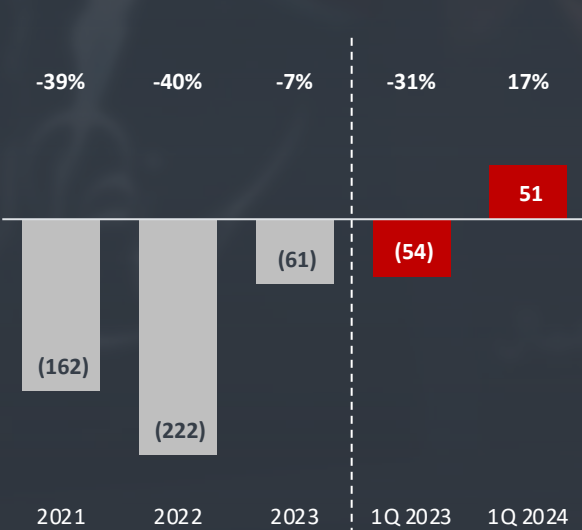
## REVENUE BREAKDOWN

(SAR Millions)



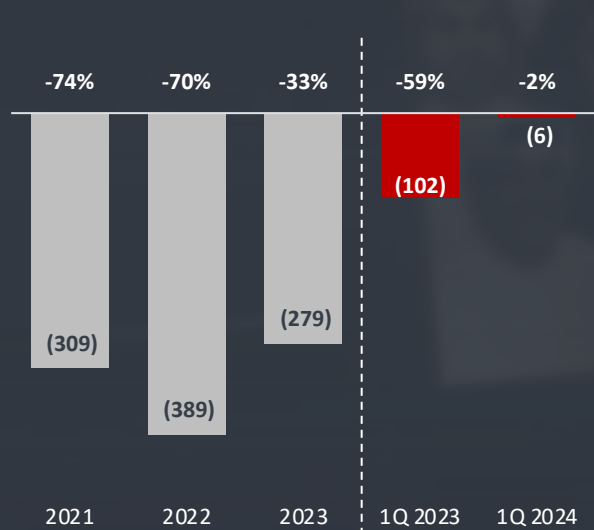
## GROSS PROFIT

(SAR Millions / GPM %)



## NET INCOME

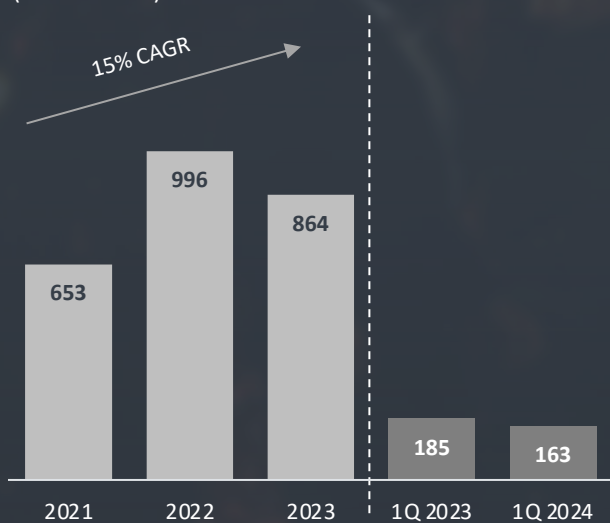
(SAR Millions / NPM %)



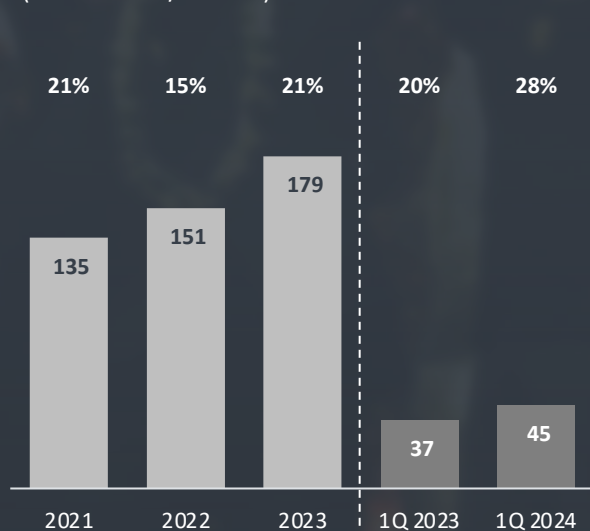
# Media & Entertainment Initiatives Performance

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

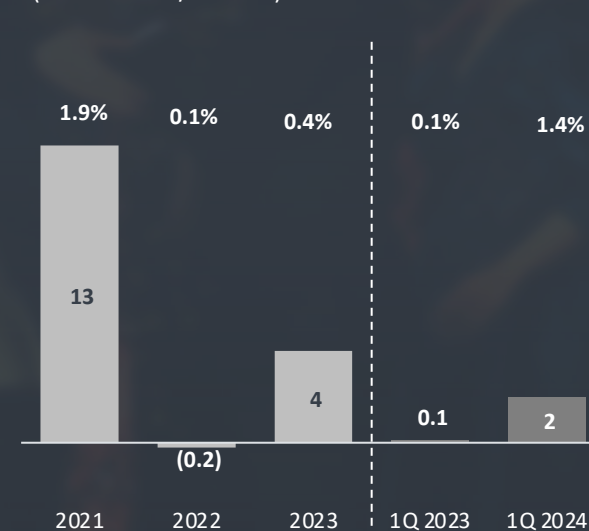
REVENUE BREAKDOWN  
(SAR Millions)



GROSS PROFIT  
(SAR Millions / GPM %)



NET INCOME  
(SAR Millions / NPM %)



# Guidance



## Broadcasting & Other Commercial Activities

### FY 2024E

Revenue (% Growth)  
**Mid-single digit growth**

Net Income Margin  
**16%-18%**

### FY 2025E

Revenue (% Growth)  
**Low-double digit growth**

Net Income Margin  
**18-20%**

### Medium Term

Revenue (% Growth)  
**Mid-single digit growth**

Net Income Margin  
**18-20%**



## Shahid - OTT

### FY 2024E

Revenue (% Growth)  
**25%-35%**

Net Income Margin  
**(25%)-(30%)**

Subscribers  
**Low-double digit growth**

### Medium Term

Revenue (% Growth)  
**Low-double digit growth**

Net Income Margin  
**Breakeven within 5 years**

Subscribers  
**High-single digit growth**



## Media & Entertainment Initiatives

### FY 2024E

Revenue  
**SAR 750-940 MN**

Net Income Margin  
**2%-4%**

### Medium Term

Revenue (% Growth)  
**c. SAR 1,125 MN**

Net Income Margin  
**c.5%**

# Leadership



# Executive Management Team & IR

A highly experienced and respected **management team** with deep expertise in media and entertainment.

A team with decades of media sector experience and a deep understanding of local and regional market dynamics that has guided the Group to its current **market leadership** position in the MENA region.



**Sam Barnett**  
Chief Executive Officer  
21 years at MBC  
30 years of total experience



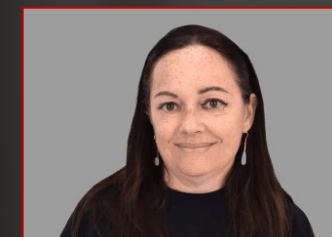
**Hussam Alnouri**  
Chief Financial Officer  
21 years at MBC  
32 years of total experience



**Joseph Igoe**  
Chief Operating Officer  
7 years at MBC  
29 years of total experience



**Omar El - Barrage**  
General Counsel  
13 years at MBC  
15 years of total experience



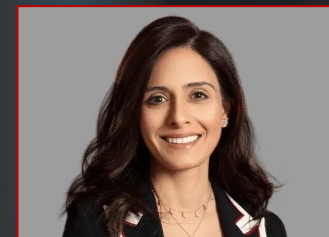
**Stephanie Holden**  
Corporate Director for Strategy & Business Development  
18 years at MBC  
28 years of total experience



**Natasha Matos-Hemingway**  
Chief Commercial & Marketing Officer - Shahid  
2 years at MBC  
15 years of total experience



**Ali Jaber**  
Group Director of TV  
12 years at MBC  
36 years of total experience



**Samar Akrouk**  
Group Director of Production  
28 years at MBC  
28 years of total experience



**Maryam Babgi**  
Investor Relations Manager  
2 year at MBC  
7 years of total experience

# Board of Directors

MBC's **Board of Directors** is dedicated to upholding the principles of corporate governance, driving sustainable growth, and maintaining the highest levels of corporate responsibility.



**Waleed Ibrahim Al Ibrahim**  
Chairman



**H.E. Hindi Al Sohimi**  
Vice Chairman



**Abdullah Al Dawood**



**Abdulrahman Ibrahim Al Rowaita**



**Khaled Abdullah Almolhem**  
Independent Board Member



**Majed Al Ibrahim**  
Independent Board Member



**Mosa Al Omran**



**Nasser Albiqami**



**Mansoor Abdulaziz Almansoor**  
Independent Board Member



**Ali Al Hedeithy**  
Board Secretary

# 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 exploring B2B deals like Orange in Morocco



## 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



# Market Overview

Thriving in the Global Epicenter of Entertainment

## Macro Drivers

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

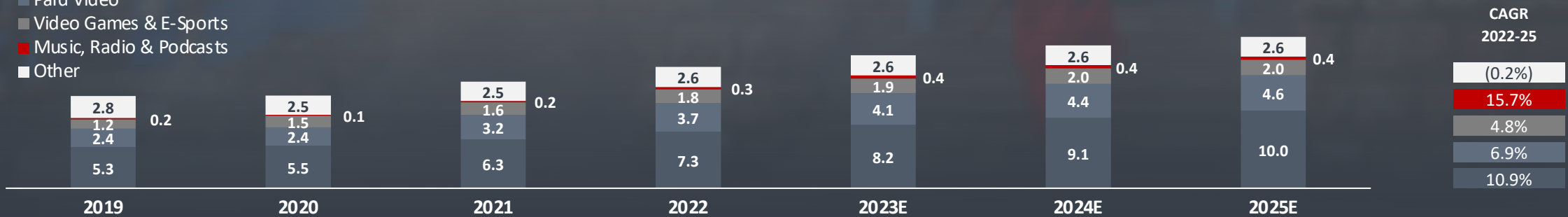
## Market Drivers

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

## MENA Media & Entertainment Market<sup>1</sup>

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

## Market Drivers



With our diverse offerings, MBC is set to capitalize on the healthy projected growth across various segments

Source: Dataxis 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

**40M+**

Arab speaking diaspora outside MENA

**300M+**

Total Arab-speaking population

Selected countries with the largest Arab diaspora





# Appendix

# Income Statement (SAR Millions)

Description	1Q 2024	1Q 2023	Change YoY
<b>Total Revenue</b>	<b>1,236</b>	<b>909</b>	<b>36%</b>
<i>Broadcasting &amp; Other Commercial Activities</i>	775	551	41%
<i>Shahid (OTT)</i>	298	173	72%
<i>Media &amp; Entertainment Initiatives</i>	163	185	-12%
Total Direct Costs	(891)	(749)	19%
<b>Gross Profit</b>	<b>345</b>	<b>160</b>	<b>115%</b>
<i>Gross Profit Margin</i>	28%	18%	10%
General and Administrative	(281)	(210)	34%
<b>Operating Income (Loss)</b>	<b>64</b>	<b>(50)</b>	<b>-2x</b>
Other Income	21	20	6%
Net Finance Income (Expense)	8	(1)	-10x
Investment & Financial Instruments Performance	29	16	83%
<b>Profit (Loss) Before Tax</b>	<b>122</b>	<b>(15)</b>	<b>-9x</b>
Income Tax and Zakat	(1)	(3)	-61%
<b>Net Profit (Loss) After Tax</b>	<b>121</b>	<b>(18)</b>	<b>-8x</b>
<i>Net Profit (Loss) Margin</i>	10%	-2%	12%

## Commentary

Broadcasting growth in line with broader market's trends

- Revenue growth primarily driven by a continued uptick in television advertising revenue, despite the unsettled geopolitical backdrop, coupled with an increase in revenues from broadcast and technical services.

- The Holy Month of Ramadan is a key period for MBC and this year the season commenced in early March.

Growth in OTT supported by the expansion in subscriber base and higher advertising revenues

- Subscriber numbers reached 4.83 million in the first quarter, up a solid 35% year-on-year.
- Advertising revenue more than tripled year-on-year as the Company continues to focus on enhancing its content line-up.

Group net income grew nearly eightfold to SAR 121 million YoY in 1Q 2024

- Mainly driven by the significantly narrowed losses at Shahid from SAR 102 million in 1Q 2023 to SAR 6 million in 1Q 2024.

# Balance Sheet (SAR Millions)

Description	31 March 2024	31 December 2023	% Change
<b>Assets</b>			
<b>Non-current assets</b>			
Property and equipment	132	116	14%
Intangible Assets	72	67	8%
Right of Use Assets	53	59	-11%
Investments in JVs, associates and AFS	1,246	1,217	2%
Employees' fund assets	109	109	-
Deferred tax asset and other assets	2	1	53%
<b>Total non-current assets</b>	<b>1,614</b>	<b>1,569</b>	<b>3%</b>
<b>Current assets</b>			
Inventories	2,642	2,590	2%
Trade and other receivables	2,169	2,733	-21%
Due from related parties	581	434	34%
Cash And Cash Equivalents	1,278	827	55%
Derivative Financial Instruments	6	6	-
<b>Total current assets</b>	<b>6,677</b>	<b>6,590</b>	<b>1%</b>
<b>Total Assets</b>	<b>8,291</b>	<b>8,159</b>	<b>2%</b>
<b>Liabilities &amp; Equity</b>			
<b>Non - current liabilities</b>			
Lease liabilities	36	33	9%
Provision for employees' gratuity	160	158	1%
Loan from a related party	64	64	-
<b>Total non-current liabilities</b>	<b>260</b>	<b>255</b>	<b>2%</b>
<b>Current liabilities</b>			
Lease liabilities	13	30	-57%
Trade and other payables	3,599	3,350	7%
Due to related parties	37	48	-23%
Loan from a shareholder	497	497	-
Borrowings	-	188	-100%
<b>Total current liabilities</b>	<b>4,146</b>	<b>4,113</b>	<b>1%</b>
<b>Total Liabilities</b>	<b>4,406</b>	<b>4,368</b>	<b>1%</b>
<b>Equity</b>			
Equity attributable to equity holders of the parent	3,884	3,779	3%
Non-controlling interests	1	12	-92%
<b>Total Equity</b>	<b>3,885</b>	<b>3,791</b>	<b>2%</b>
<b>Total liabilities and equity</b>	<b>8,291</b>	<b>8,159</b>	<b>2%</b>

## Commentary

### ASSETS

- **Non-current Assets:**  
The increase was mainly due to increase in property and equipment and intangible assets inline with expansion in Saudi offices and enhancements on the OTT platform development.

Investments also increased due to increase in value of Anghami's shares as of Mar-24 coupled with the Group's share of results in ACSC for 1Q 2024.

- **Current Assets:**  
Increase in cash and cash Equivalents is mainly due to the receipt of the net IPO proceeds in January 2024. Correspondingly, the receipt of the net proceeds, which was included in the receivable balance as of Dec-23, resulted to a decrease in trade and other receivables as of Mar-24.

### LIABILITIES

- **Current Liabilities:** The increase in trade and other payables is inline with growth across business segments In 1Q 2024.
- **Current Liabilities:** Decrease in the borrowing is due to the repayment of the bank facility which was outstanding as of Dec-23.

# Cash Flow Summary (SAR Millions)

Description	1Q 2024	1Q 2023	Change YoY	Commentary
<b>Operating Activities</b>				
Profit (Loss) before tax	122	-15	-9x	<ul style="list-style-type: none"> <li>Working Capital Changes: Working capital changes includes YoY variance in the Group's current assets and liabilities. Increase of 35x in 1Q-24 compared to 1Q-23 is mainly driven by receipt of the net IPO proceeds which was reflected as receivables as of Dec-23</li> </ul>
Non-cash adjustments	-1	12	-108%	
Working capital changes	574	16	35x	
Net cash flows used in investing activities	-34	-13	162%	<ul style="list-style-type: none"> <li>Investing Activities: Cash flow used in investing activities is higher in 1Q-24 compared to 1Q-23 mainly because of capital expenditures on the Group's studios in KSA</li> </ul>
Net cash flows (used in) generated from financing activities	-203	185	-2x	
<b>Net increase in bank balances and cash</b>	<b>458</b>	<b>185</b>	<b>148%</b>	<ul style="list-style-type: none"> <li>Financing Activities: Cashflow used in financing activities represents repayment of bank facility which was outstanding as of Dec-23</li> </ul>
Net foreign exchange difference	-7	-6	17%	
Bank balances and cash at the beginning of the period	828	693	19%	
<b>Bank balances and cash at the end of the period</b>	<b>1,278</b>	<b>872</b>	<b>47%</b>	

Thank You

*mbc*  
GROUP