



Investor
Presentation

2Q 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

30+

Years experience in creating premium content

500+

MMS advertisers across MENA

9,000+

Titles in content library including acquired content



STRONG FINANCIAL PERFORMANCE

SAR 2.2B

Revenues in 1H 2024, up 10% YoY

10.8%

Net Profit Margin in 1H 2024, +8.2pp YoY

SAR 8.3B

Total Assets as of 30 June 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
- 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

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)

1H 2024	1H 2024	2Q 2024	2Q 2024
1,341	254	566	128
Total Revenue (+20.4% YoY)	Net Profit (+23.9% YoY)	Total Revenue (+0.7% YoY)	Net Profit (+5.8% YoY)

MBC's commercial activities include:

Household Names of FTA Channels



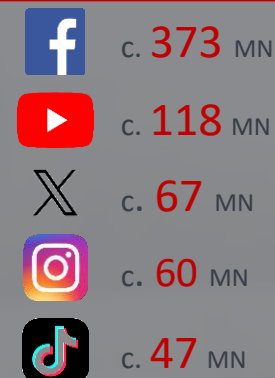
Growing Presence in Radio



Music, Gaming & Events



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)

- Provides 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



Market Share

- **#1 in KSA** with a **40%** audience market share
- **#1** in MENA by followers across social media platforms with **670M+ followers** across platforms
- **80%+** reach in key MENA markets

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)

1H 2024	1H 2024	2Q 2024	2Q 2024
557	24	259	17
Total Revenue (+40.8% YoY)	Net Loss (-84.7% YoY)	Total Revenue (+16.1% YoY)	Net Loss (-66.7% YoY)

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



+1bn

Data Points
Collected Daily



+685M

Plays per
Month



+820M

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**



Market Share

- **#1 Premium SVOD** service with **26.7% market share** in MENA
- **#1 AVOD** with 18M average monthly active users
- **#1 Subscriber market share in MENA** with 4.61M subscribers, **+ 36.0% YoY**
- **4.4% OTT penetration in MENA** (vs. 81% in USA)

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)

1H 2024	1H 2024	2Q 2024	2Q 2024
302	6.9	139	4.7
Total Revenue (-38.5% YoY)	Net Profit (40.7x YoY)	Total Revenue (-54.5% YoY)	Net Profit (80.3x YoY)

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

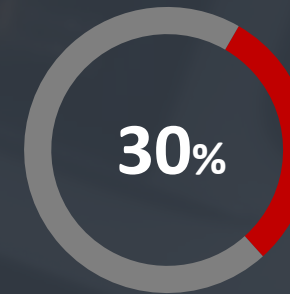
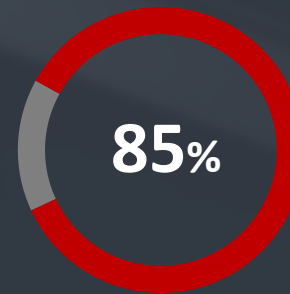


Business Opportunity

- 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



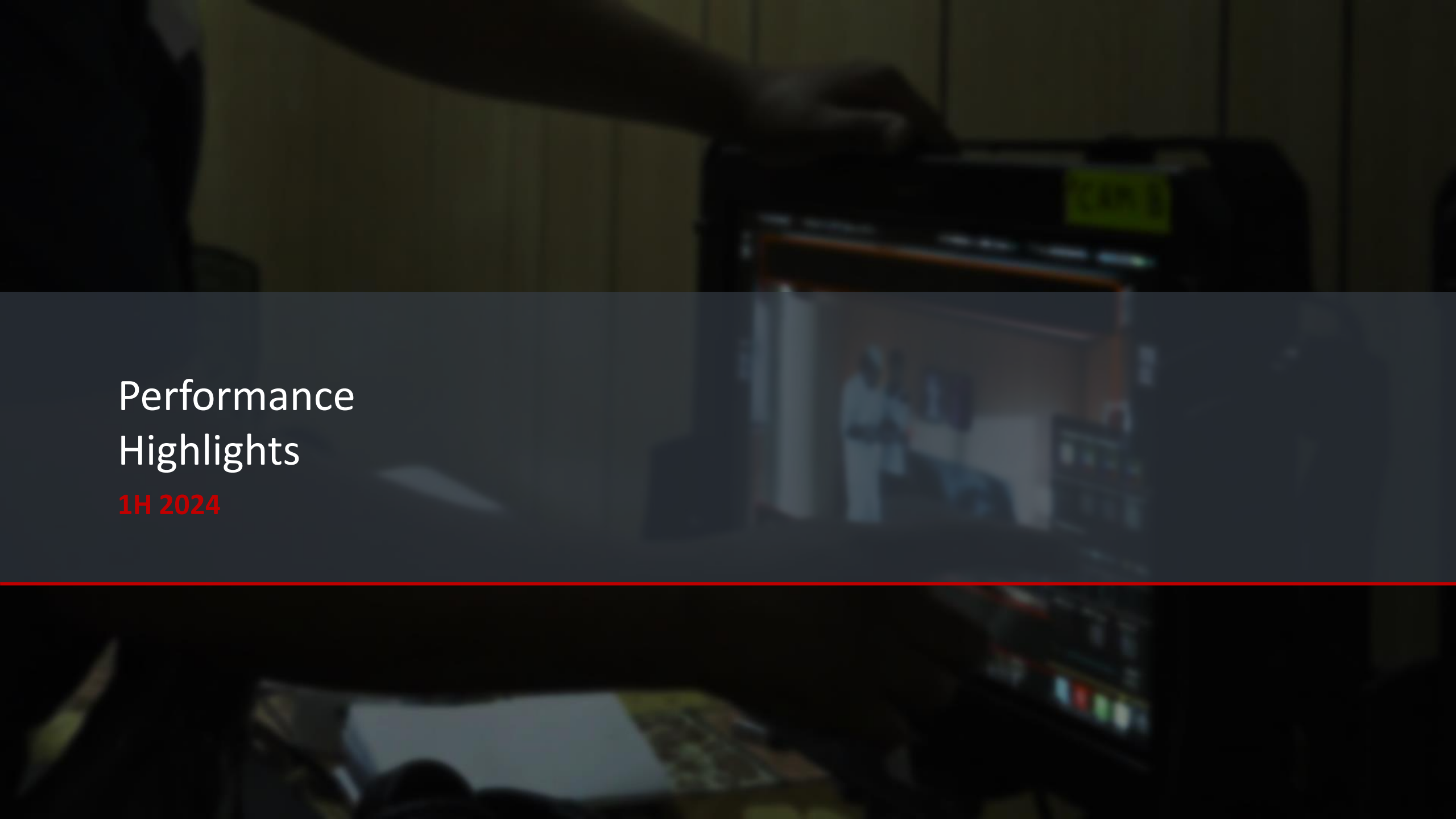
Action



Documentaries



Sports



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.

¹ 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 ¹	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.

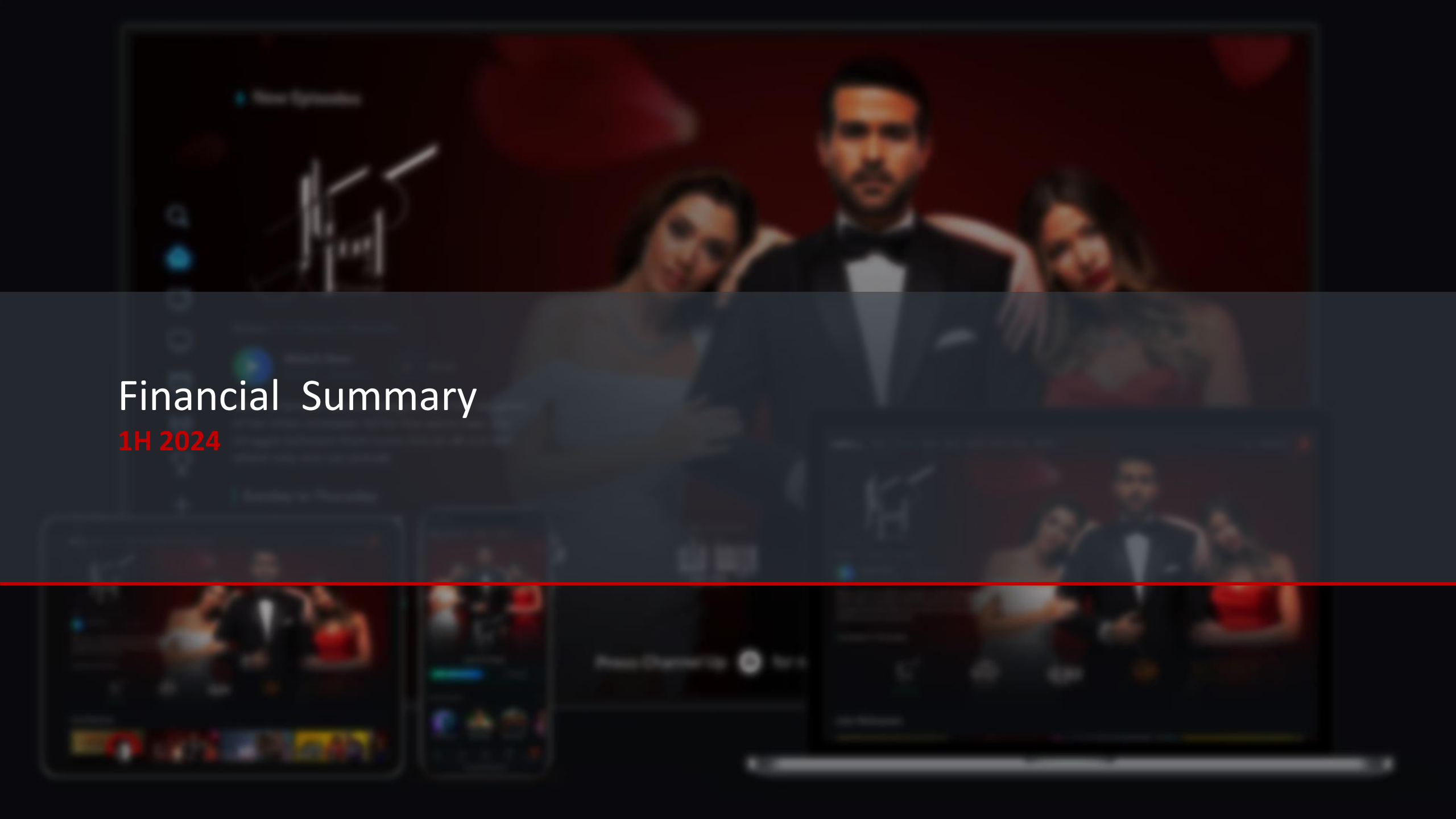
4 Content has been a key driver for SHAHID in 1H 2024. During Ramadan, MBC focused on premium regional content, featuring popular titles like Al Atawla, Nema El Avvocato, Khan Al Thahab, and Wlad Badee'a. To maintain post-Ramadan viewership, three new titles were also launched in Q2.

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.

Financial Summary

1H 2024

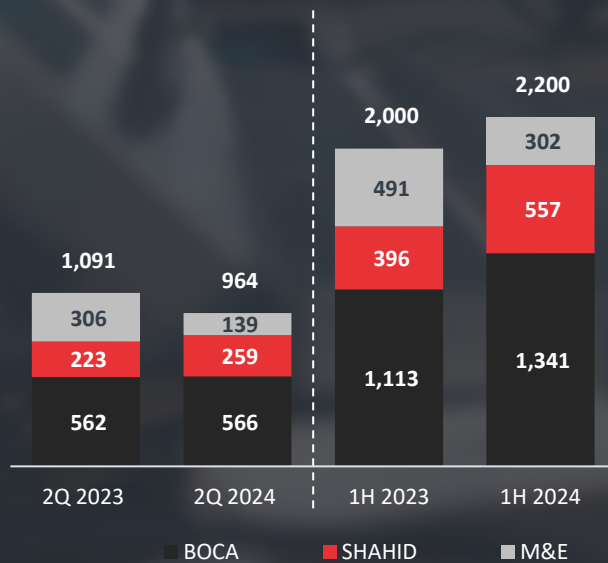


Group Financial Performance

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

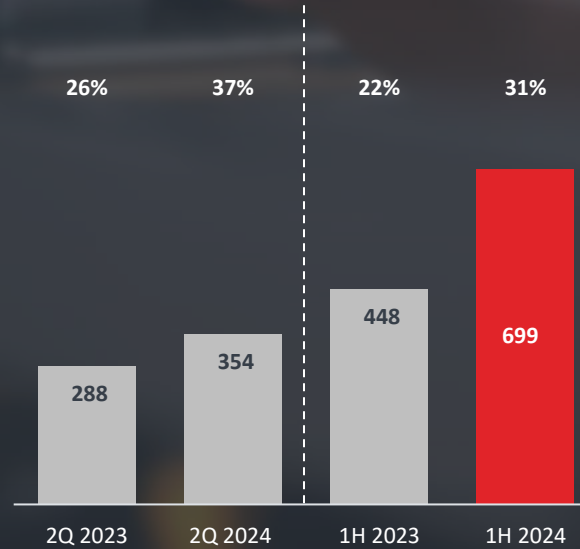
REVENUE BREAKDOWN

(SAR Millions)



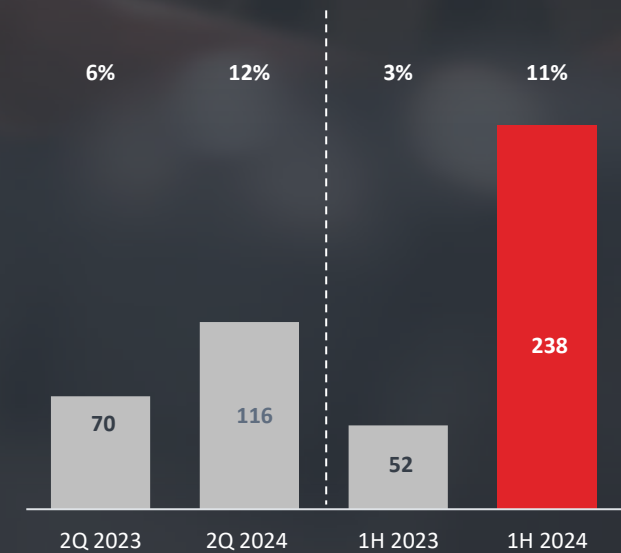
GROUP GROSS PROFIT

(SAR Millions / GPM %)



GROUP Net Profit

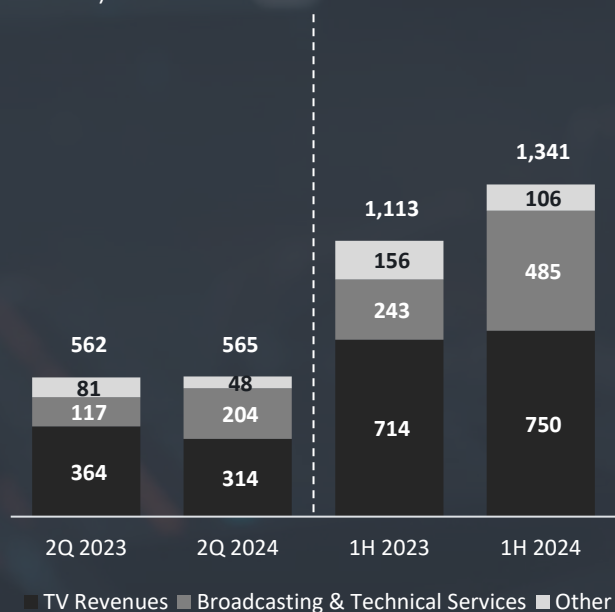
(SAR Millions / NPM %)



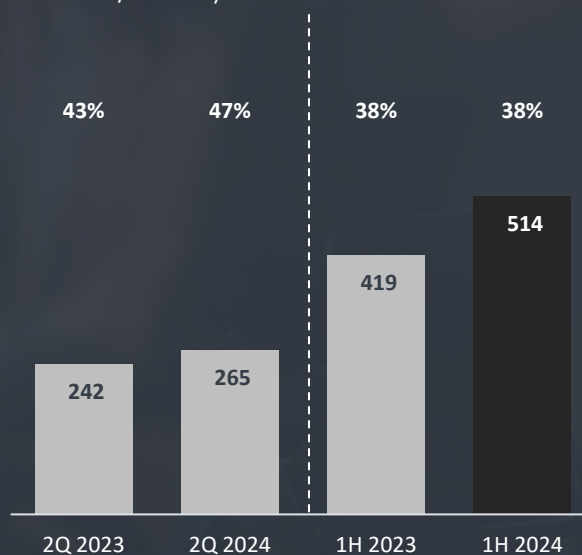
Broadcasting & Other Commercial Activities Performance

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

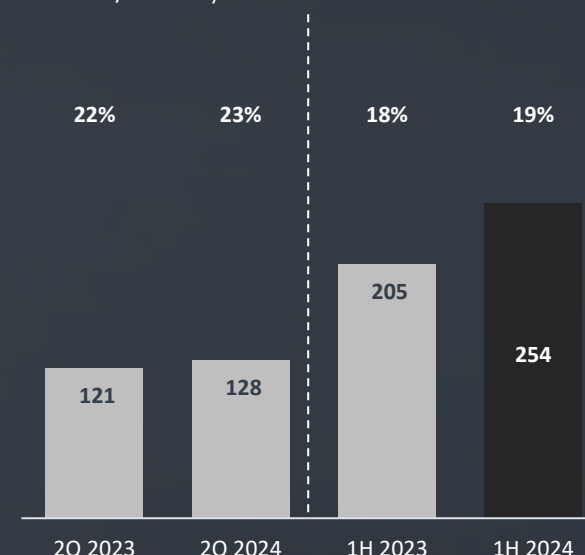
REVENUE BREAKDOWN
(SAR Millions)



GROSS PROFIT
(SAR Millions / GPM %)



Net Profit
(SAR Millions / NPM %)

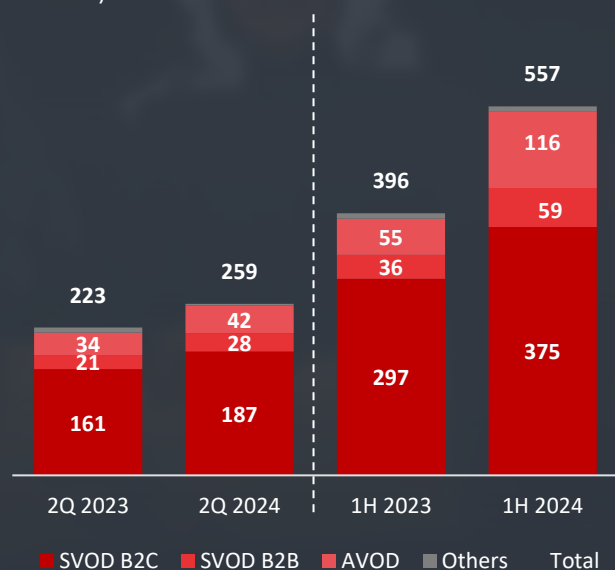


Shahid (OTT) Performance

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

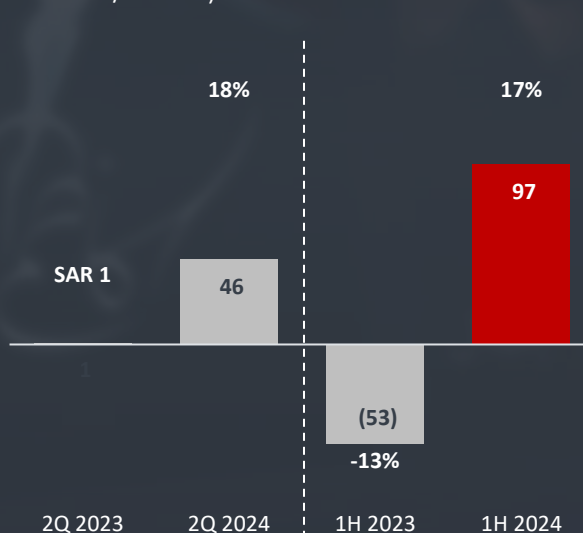
REVENUE BREAKDOWN

(SAR Millions)



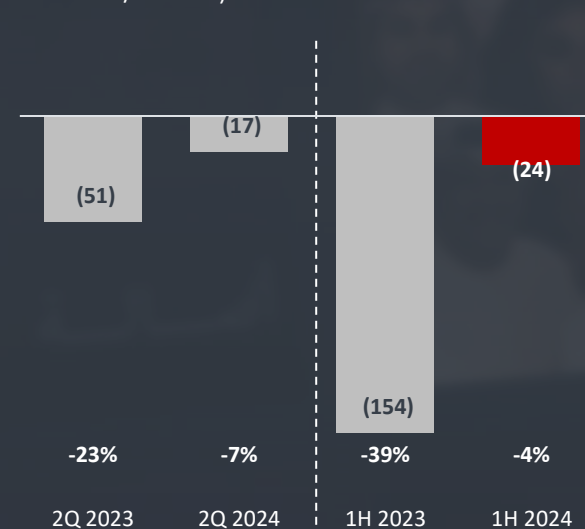
GROSS PROFIT

(SAR Millions / GPM %)



Net Profit

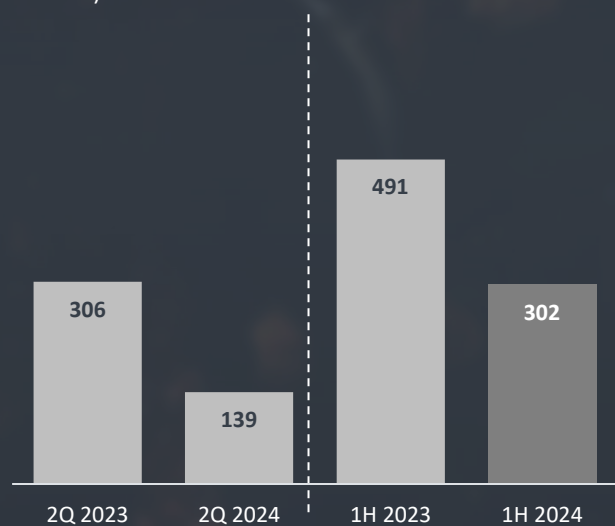
(SAR Millions / NPM %)



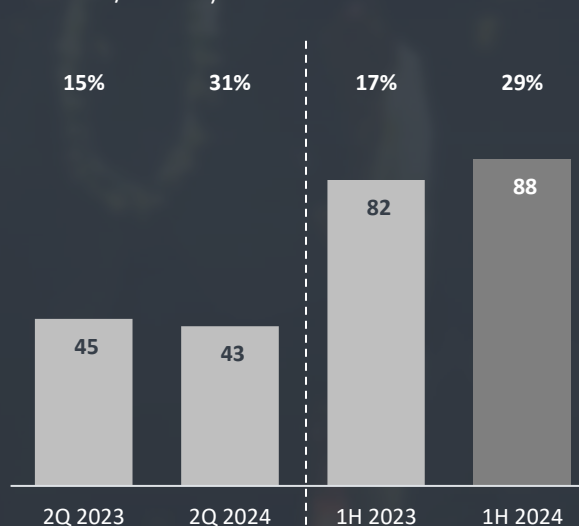
Media & Entertainment Initiatives Performance

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

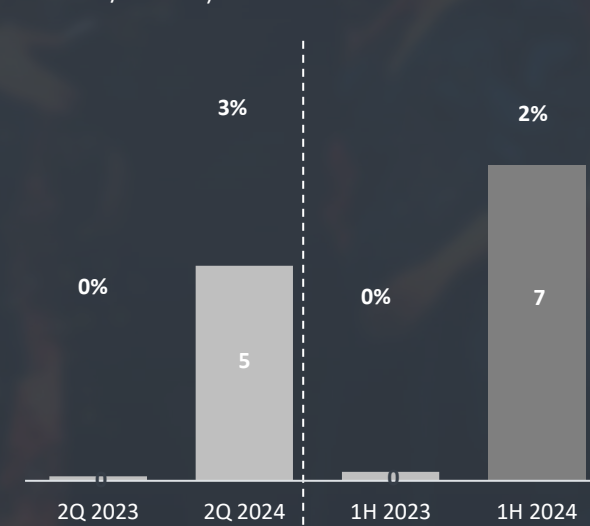
REVENUE BREAKDOWN
(SAR Millions)



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%



Leadership

Executive Management Team & IR

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
+20 years at MBC
+30 years of total experience



Hussam Alnouri
Chief Financial Officer
+20 years at MBC
+30 years of total experience



Joseph Igoe
Chief Operating Officer
8 years at MBC
+30 years of total experience



Omar El - Barrage
General Counsel
+10 years at MBC
+15 years of total experience



Stephanie Holden
Corporate Director for Strategy & Business Development
+15 years at MBC
+25 years of total experience



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



Ali Jaber
Group Director of TV
+10 years at MBC
+35 years of total experience



Samar Akrouk
Group Director of Production & MBC Studios
+25 years at MBC
+25 years of total experience



Maryam Bahgi
Investor Relations Manager
2 years at MBC
10 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



H.E. Khaled Abdullah Almolhem
Independent Board Member



Abdullah Al Dawood



Abdulrahman Ibrahim Al Rowaita



Majed Al Ibrahim
Independent Board Member



Mosa Al Omran



Nasser Albiqami



Mansoor Abdulaziz Almansoor
Independent Board Member



Ali Al Hedelthy
Board Secretary

A woman with dark hair, wearing a dark suit, is looking towards the camera with a serious expression. In the background, a person's hands are visible, holding a small, dark, rectangular object. The scene is dimly lit, with a blueish tint. A semi-transparent dark blue horizontal bar is overlaid across the middle of the image, containing the word "Outlook" in white text.

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



Market Overview

Thriving in the Global Epicenter of Entertainment

Macro Drivers

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

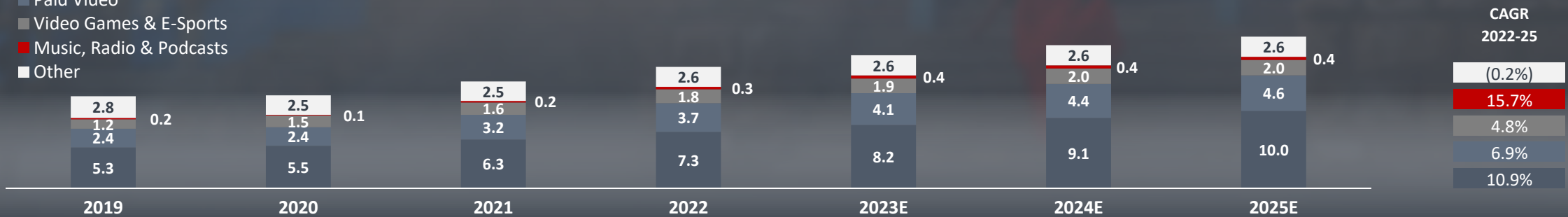
Market Drivers

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

MENA Media & Entertainment Market¹

- 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	2Q 2024	2Q 2023	Change YoY
Total Revenue	964	1,091	-11.6%
<i>Broadcasting & Other Commercial Activities</i>	566	562	0.7%
<i>Shahid (OTT)</i>	259	223	16.1%
<i>Media & Entertainment Initiatives</i>	139	306	-54.5%
Total Direct Costs	(610)	(803)	19%
Gross Profit	354	288	-24%
<i>Gross Profit Margin</i>	37%	26%	10.3%
General and Administrative	(261)	(241)	8.1%
Operating Income (Loss)	93	47	-2x
Other Income	17	29	-42.6%
Net Finance Income (Expense)	13	(4)	-3.6x
Investment & Financial Instruments Performance	(6)	2	-409.2%
Profit (Loss) Before Tax	117	74	58.3%
Income Tax and Zakat	(1)	(4)	-72%
Net Profit (Loss) After Tax	116	70	66.5%
<i>Net Profit (Loss) Margin</i>	12%	6%	5.7%

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 4.61 million in the second quarter, up a solid 36.0% year-on-year.
- Advertising revenue growth trajectory has been significant as the Company continues to focus on enhancing its content line-up.

Group Net Profit grew nearly eightfold to SAR 116 million YoY in 2Q 2024

Balance Sheet (SAR Millions)

Description	30 June 2024	31 December 2023	% Change
Assets			
Non-current assets			
Property and equipment	147	116	27%
Intangible Assets	81	67	20%
Right of Use Assets	45	59	-24%
Investments in JVs, associates and AFS	1,300	1,217	7%
Employees' fund assets	112	109	3%
Deferred tax asset and other assets	2	1	89%
Total non-current assets	1,687	1,569	8%
Current assets			
Inventories	2,535	2,590	-2%
Trade and other receivables	2,375	2,733	-13%
Due from related parties	666	434	54%
Cash And Cash Equivalents	1,040	827	26%
Derivative Financial Instruments	6	6	0%
Total current assets	6,622	6,590	0%
Total Assets	8,308	8,159	2%
Liabilities & Equity			
Non - current liabilities			
Lease liabilities	30	33	-9%
Provision for employees' gratuity	164	158	4%
Loan from a related party	64	64	0%
Total non-current liabilities	258	255	1%
Current liabilities			
Lease liabilities	14	30	-54%
Trade and other payables	3,480	3,350	4%
Due to related parties	59	48	23%
Loan from a shareholder	497	497	0%
Borrowings	-	188	-100%
Total current liabilities	4,050	4,113	-2%
Total Liabilities	4,308	4,368	-2%
Equity			
Equity attributable to equity holders of the parent	3,985	3,779	5%
Non-controlling interests	15	12	24%
Total Equity	4,000	3,791	6%
Total Liabilities and Equity	8,308	8,159	2%

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 investment in MBC Gaming JV as of Jun-24 coupled with the Group's share of results in ACSC for 1H2024.

- 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 Jun-24.

LIABILITIES

- Current Liabilities:** The increase in trade and other payables is inline with growth across business segments In 1H 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	1H 2024	1H 2023	Change YoY
Operating Activities			
Profit (Loss) before tax	240	59	4x
Non-cash adjustments	45	45	0%
Working capital changes	274	(76)	-459%
Net cash flows used in investing activities	-130	-102	27%
Net cash flows (used in) generated from financing activities	-209	197	-206%
Net increase in bank balances and cash	220	122	80%
Net foreign exchange difference	-7	-15	-54%
Bank balances and cash at the beginning of the period	827	689	20%
Bank balances and cash at the end of the period	1,040	796	31%

Commentary

- **Working Capital Changes:** Working capital changes includes YoY variance in the Group's current assets and liabilities. Increase of 459% in 1H-24 compared to 1H-23 is mainly driven by receipt of the net IPO proceeds which was reflected as receivables as of Dec-23
- **Investing Activities:** Cash flow used in investing activities is higher in 1H-24 compared to 1H-23 mainly because of capital expenditures on the Group's studios in KSA
- **Financing Activities:** Cashflow used in financing activities represents repayment of bank facility which was outstanding as of Dec-23

Thank You

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GROUP