

MBC Group
(A Listed Joint Stock Company)
And Its Subsidiaries

Interim Condensed Consolidated Financial Statements
For the three-months and nine-months periods ended 30 September 2025 (Unaudited)

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF MBC GROUP (A LISTED JOINT STOCK COMPANY)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of MBC Group ("the Company") and its subsidiaries (collectively referred to as "the Group") as at 30 September 2025, and the related interim condensed consolidated statement of comprehensive income for the three-month and nine-month periods ended 30 September 2025, and the related interim condensed consolidated statements of changes in equity and cash flows for the nine-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as endorsed in the Kingdom of Saudi Arabia. A review of interim financial statement consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

for Ernst & Young Professional Services

Fahad M. Al-Toaimi
Certified Public Accountant
License No. (354)

Riyadh: 19 Jumada al-Ula 1447H
(10 November 2025)



MBC Group (A Listed Joint Stock Company) And Its Subsidiaries
Interim Condensed Consolidated Statement of Comprehensive Income
For the three-months and nine-months periods ended 30 September 2025

	Notes	Three-months period ended 30 September		Nine-months period ended 30 September	
		2025 (Unaudited) SAR'000	2024 (Unaudited) SAR'000	2025 (Unaudited) SAR'000	2024 (Unaudited) SAR'000
Revenue from contracts with customers	4	723,867	686,074	3,178,319	2,603,981
Other operating revenues	5	86,156	71,006	663,457	352,719
Direct costs	6	(541,273)	(553,659)	(2,729,924)	(2,051,014)
Gross profit		268,750	203,421	1,111,852	905,686
General and administrative expenses		(232,958)	(236,833)	(770,796)	(781,881)
Operating profit		35,792	(33,412)	341,056	123,805
Other income		3,942	31,101	12,136	68,833
Finance income – net		12,305	17,159	38,056	37,951
Share of results in associates and joint venture	7	(12,820)	3,057	151	26,761
Gain / (loss) on investment in financial assets at fair value through profit or loss	8	(30,310)	(3,361)	52,346	(2,903)
Profit before zakat and tax		8,909	14,544	443,745	254,447
Zakat and income tax		4,910	(1,797)	(15,977)	(3,929)
Profit for the period		13,819	12,747	427,768	250,518
Attributable to:					
Equity holders of the parent		19,739	9,056	402,557	221,118
Non-controlling interests		(5,920)	3,691	25,211	29,400
		13,819	12,747	427,768	250,518
Other comprehensive income					
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):					
Exchange differences on translating foreign operations, net		1,448	(765)	101	(6,134)
Other comprehensive income that may not be reclassified to profit or loss in subsequent periods (net of tax):					
Share of other comprehensive income of associates		-	-	(1,819)	(53)
Remeasurement actuarial loss on defined benefits obligations		(114)	-	(2,225)	(2,987)
Other comprehensive income / (loss) for the period		1,334	(765)	(3,943)	(9,174)
Total comprehensive income for the period		15,153	11,982	423,825	241,344
Attributable to:					
Equity holders of the parent		20,491	8,617	398,634	214,437
Non-controlling interests		(5,338)	3,365	25,191	26,907
		15,153	11,982	423,825	241,344
Earnings per share ("EPS"):					
Basic and diluted, attributable to ordinary equity holders of the parent (SAR)	16	0.06	0.03	1.21	0.67


Chairman - Waleed Al Ibrahim


CEO – Michael Sneesby


CFO – Hussam Eddin Al-Jouri

The attached notes 1 to 18 form part of these interim condensed consolidated financial statements.

MBC Group (A Listed Joint Stock Company) And Its Subsidiaries
Interim Condensed Consolidated Statement of Financial Position
As at 30 September 2025

	Notes	30 September 2025 (Unaudited) SAR'000	31 December 2024 (Audited) SAR'000
ASSETS			
Non-current assets			
Property and equipment		417,785	271,180
Intangible assets		86,211	73,860
Right-of-use assets		47,757	50,102
Investments in associates and joint venture	7	379,516	1,083,853
Investment in financial assets at fair value through profit or loss (FVTPL)	8	840,819	12,591
Employees' end of service benefits plan assets	12	101,837	115,000
Other non-current assets		4,657	1,827
		<u>1,878,582</u>	<u>1,608,413</u>
Current assets			
Inventories		2,336,240	2,716,242
Trade receivables, prepayments and other assets	9	2,192,557	2,010,579
Due from related parties	10	1,149,960	728,200
Derivative financial instruments		191	182
Cash and cash equivalents		1,142,393	1,493,987
		<u>6,821,341</u>	<u>6,949,190</u>
TOTAL ASSETS		<u>8,699,923</u>	<u>8,557,603</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	11	3,325,000	3,325,000
Share premium		431,250	431,250
Retained earnings		823,430	424,917
Foreign currency translation reserve		(8,347)	(8,468)
Equity attributable to equity holders of the parent		<u>4,571,333</u>	<u>4,172,699</u>
Non-controlling interests		40,350	15,159
Total equity		<u>4,611,683</u>	<u>4,187,858</u>
Non-current liabilities			
Lease liabilities		27,615	29,017
Employees' end of service benefits	12	145,556	144,922
Loan from a related party	10	63,792	63,792
		<u>236,963</u>	<u>237,731</u>
Current liabilities			
Lease liabilities		22,885	21,516
Trade and other payables	13	2,000,393	1,991,431
Deferred revenue	5	1,766,624	2,007,774
Due to related parties	10	61,375	111,293
		<u>3,851,277</u>	<u>4,132,014</u>
TOTAL LIABILITIES		<u>4,088,240</u>	<u>4,369,745</u>
TOTAL EQUITY AND LIABILITIES		<u>8,699,923</u>	<u>8,557,603</u>


Chairman - Waleed Al Ibrahim


CEO – Michael Sneesby


CFO – Hussam Eddin Alnouri

The attached notes 1 to 18 form part of these interim condensed consolidated financial statements.

MBC Group (A Listed Joint Stock Company) And Its Subsidiaries

Interim Condensed Consolidated Statement of Cash Flows

For the nine-months period ended 30 September 2025

	Notes	Nine-months period ended 30 September	
		2025 (Unaudited) SAR'000	2024 (Unaudited) SAR'000
OPERATING ACTIVITIES			
Profit before zakat and tax		443,745	254,447
Adjustments for:			
Gain on disposal of property and equipment		(5,537)	-
Depreciation on property and equipment		33,828	30,934
Depreciation on right-of-use assets		25,822	24,074
Allowance for expected credit loss, net		17,152	29,022
Amortisation of intangible assets		17,870	18,656
Share of results in associates and joint venture	7	(151)	(26,761)
Unrealised gain on fair value of derivative financial instruments		(9)	-
(Gain) / Loss on investment in financial asset at fair value through profit or loss (FVTPL)	8	(52,346)	2,903
Provision for employees' end of service benefits	12	25,946	27,689
Finance income – net		(38,056)	(37,951)
		468,264	323,013
Working capital changes:			
Inventories		380,001	11,200
Trade receivables, prepayments and other assets		(198,645)	(189,640)
Due from related parties		(418,436)	(150,589)
Trade and other payables		(9,839)	302,136
Deferred revenue		(241,150)	337,752
Due to related parties		(49,918)	(19,094)
		(69,723)	614,778
Employees' end of service benefits paid	12	(29,835)	(32,000)
Interest received		41,598	39,128
Net cash flows (used in) / from operating activities		(57,960)	621,906
INVESTING ACTIVITIES			
Additional investments in associates and joint venture		(73,214)	(86,998)
Purchase of property and equipment		(180,294)	(99,230)
Proceeds from sale of property and equipment		5,553	136
Purchase of intangible assets		(30,221)	(26,798)
Net movement in other non-current assets		(3)	-
Funds withdrawn from employees' end of service benefits plan assets		16,875	-
Net cash flows used in investing activities		(261,304)	(212,890)
FINANCING ACTIVITIES			
Proceeds from initial public offering	11	-	763,750
Repayment of principal lease liability		(27,068)	(24,956)
Repayment of related party loan		-	(375)
Repayment of borrowings		-	(187,500)
Net cash flows (used in) / from financing activities		(27,068)	550,919
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS			
Net foreign exchange differences		(346,332)	959,935
Cash and cash equivalents at beginning of the period (audited)		(4,489)	(7,982)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (UNAUDITED) *		1,494,274	827,686
		1,143,453	1,779,639

*This amount is stated gross of provision for expected credit loss amounting to SAR 1,060 thousand as at 30 September 2025 (30 September 2024: SAR 546 thousand)

Chairman - Waleed Al Ibrahim

CEO - Michael Sneesby

CFO - Hussam Eddin Amouri

The attached notes 1 to 18 form part of these interim condensed consolidated financial statements.

MBC Group (A Listed Joint Stock Company) And Its Subsidiaries

Interim Condensed Consolidated Statement of Changes in Equity

For the nine-months period ended 30 September 2025

	Attributable to equity holders of the Parent						Non-controlling interests (NCI)	Total Equity
	Share capital SAR'000	Share premium SAR'000	Proposed share capital increase SAR'000	Foreign currency translation reserve SAR'000	Retained earnings SAR'000	Total SAR'000	SAR'000	SAR'000
1 January 2025 (audited)	3,325,000	431,250	-	(8,468)	424,917	4,172,699	15,159	4,187,858
Total comprehensive income for the period:								
- Profit for the period (unaudited)	-	-	-	-	402,557	402,557	25,211	427,768
- Other comprehensive loss (unaudited)	-	-	-	121	(4,044)	(3,923)	(20)	(3,943)
	-	-	-	121	398,513	398,634	25,191	423,825
Balance at 30 September 2025 (unaudited)	3,325,000	431,250	-	(8,347)	823,430	4,571,333	40,350	4,611,683

	Attributable to equity holders of the Parent						Non-controlling interests (NCI)	Total Equity
	Share capital SAR'000	Share premium SAR'000	Proposed share capital increase SAR'000	Foreign currency translation reserve SAR'000	Retained earnings SAR'000	Total SAR'000	SAR'000	SAR'000
1 January 2024 (audited)	2,992,500	-	763,750	625	22,357	3,779,232	11,636	3,790,868
Transfer from proposed share capital increase to share capital and share premium (unaudited)	332,500	431,250	(763,750)	-	-	-	-	-
Total comprehensive income for the period:								
- Profit for the period (unaudited)	-	-	-	-	221,118	221,118	29,400	250,518
- Other comprehensive loss (unaudited)	-	-	-	(3,693)	(2,988)	(6,681)	(2,493)	(9,174)
	-	-	-	(3,693)	218,130	214,437	26,907	241,344
Adjustments to non-controlling interest*	-	-	-	-	-	-	(20,279)	(20,279)
Balance at 30 September 2024 (unaudited)	3,325,000	431,250	-	(3,068)	240,487	3,993,669	18,264	4,011,933

* This represents the portion of the dividend declared by MMS FZ attributable to the minority shareholders.



Chairman - Waleed Al Ibrahim



CEO - Michael Sneesby



CFO - Hussam Fadin Alnouri

The attached notes 1 to 18 form part of these interim condensed consolidated financial statements.

MBC Group (A Listed Joint Stock Company) And Its Subsidiaries

Notes to the Interim Condensed Consolidated Financial Statements

30 September 2025

1 CORPORATE INFORMATION

MBC Group (A listed joint stock company) (the “Company”) was formed under Saudi laws that was incorporated as a Saudi closed joint stock company registered in Riyadh, Kingdom of Saudi Arabia (“KSA”) under commercial registration number 1010876295 dated 29 Ramadan 1444H (corresponding to 20 April 2023) and unified identification number 7035184642. The accompanying interim condensed consolidated financial statements consolidate the financial statements of the Company and its subsidiaries (hereinafter collectively referred to as the “Group”). The principal activity of the Group is to provide broadcasting services, to operate free-to-air Pan-Arab entertainment channels and over-the-top (OTT) platform, and to produce content.

On 12 November 2023, the Extraordinary General Assembly approved the increase of the share capital from SAR 2,992,500,000, divided into 299,250,000 ordinary shares with a nominal value of SAR 10 per share to SAR 3,325,000,000 through the issuance of 33,250,000 new ordinary shares (representing 10% of the Company’s share capital after the increase) for subscription through an initial public offer (IPO) on the Saudi Stock Exchange Market (“Tadawul”) in KSA.

The new commercial registration of the Company, transforming it from a closed joint stock company into a listed joint stock company was issued on 1 January 2024. The trading of shares was officially announced on 8 January 2024.

These interim condensed consolidated financial statements of the Group include activities of the following entities:

<i>Name of entity</i>	<i>Principal activities</i>	<i>Legal and beneficial ownership interest</i>	
		<i>2025</i>	<i>2024</i>
MBC FZ LLC (“MBC FZ LLC”)	The principal activity of MBC FZ LLC is to provide broadcasting services and to operate free-to-air Pan-Arab entertainment channels. Its registered office address is MBC Building, Dubai Media City, P.O. Box 72627, Dubai, United Arab Emirates.	100%	100%
MBC Studios FZ LLC (“MBC Studios”)	The main activities of MBC Studios (formerly known as O3 Productions FZ LLC) are production and post-production of television programmes. It also acquires television content for resale purposes. Its registered office address is MBC Building, Dubai Media City, P.O. Box 72627, Dubai, United Arab Emirates.	100%	100%
MBC IP FZ LLC (“MBC IP”)	The main activity of MBC IP is to provide broadcast support services. Its registered office address is MBC Building, Dubai Media City, Dubai, United Arab Emirates.	100%	100%
MBC Studios Projects FZ LLC (“MBC Studios Projects”)	The principal activity of MBC Studios Projects (formerly known as Eventique FZ LLC) is event management services and media content production. Its registered office address is P.O. Box 72627, Dubai, United Arab Emirates.	100%	100%
Platinum Records FZ LLC (“Platinum”)	Platinum is mainly engaged in music label and rights management. Its registered office address is MBC Building, Dubai Media City, P.O. Box 72627, Dubai, United Arab Emirates.	100%	100%

MBC Group (A Listed Joint Stock Company) And Its Subsidiaries

Notes to the Interim Condensed Consolidated Financial Statements

30 September 2025

1 CORPORATE INFORMATION (continued)

<i>Name of entity</i>	<i>Principal activities</i>	<i>Legal and beneficial ownership interest</i>	
		<i>2025</i>	<i>2024</i>
Wanasah FZ LLC (“Wanasah”)	Wanasah is mainly engaged in broadcasting services. It operates as Wanasah TV, a music television channel specialising in Arabic music. Its registered office address is MBC Building, Dubai Media City, P.O. Box 72627, Dubai, United Arab Emirates.	51%	51%
MBC Holding Cyprus Limited (“MBC Holding Cyprus”)	MBC Holding Cyprus serves as a holding company for Middle East Broadcasting Centre (Lebanon SAL) and has no operations.	100%	100%
MBC Ventures Limited (“MBC Ventures”)	MBC Ventures is incorporated in the British Virgin Island and engages in the business of investing in companies and start-ups.	100%	100%
MBI FZ LLC (“MBI”)	The main activity of MBI is broadcasting TV segments. Its registered office address is MBC Building, Dubai Media City, Dubai, United Arab Emirates.	100%	100%
MBC Media FZ-LLC (“MBC Media”)	The main activity of MBC Media is to provide broadcast support services. Its registered office address is MBC Building, Dubai Media City, Dubai, United Arab Emirates.	100%	100%
MBC Initiatives LLC (“MBC Initiatives”)	MBC Initiatives is incorporated in the Kingdom of Saudi Arabia. The main activity of MBC Initiatives is management and development of artistic and entertainment talents.	100%	100%
MBC Media Services BVI Limited (“MMS BVI”)	The main activity of MMS BVI is to provide advertising services for the Group.	100%	100%
MBC Events Limited (“MBC Events”)	MBC Events is incorporated in the Kingdom of Saudi Arabia. The main activity of MBC Events is events and exhibitions management.	100%	100%
MBC Media Saudi Arabia Co. Ltd. (“MBC KSA”)	The principal activity of MBC KSA is to provide broadcasting services in the Kingdom of Saudi Arabia.	100%	100%
MBC Real Estate Co. Ltd. (“MBC Real Estate”)	The main activity of MBC Real Estate is management of real estate properties owned and leased.	100%	100%

MBC Group (A Listed Joint Stock Company) And Its Subsidiaries

Notes to the Interim Condensed Consolidated Financial Statements

30 September 2025

1 CORPORATE INFORMATION (continued)

Following are the subsidiaries of MBC FZ LLC:

<i>Name of entity</i>	<i>Principal activities</i>	<i>Legal and beneficial ownership interest</i>	
		<i>2025</i>	<i>2024</i>
MBC Group Holding Hungary Limited Liability Company ("MBC Hungary")	The principal activity of MBC Hungary is to manage certain distribution contracts. Its registered address is 1074 Budapest, Dohány utca 12, Hungary.	99.45%*	99.45%*
MBC Jordan LLC ("MBC Jordan")	The principal activity of MBC Jordan is to provide e-commerce services such as technical management of web sites and mobile applications, and other activities including brokerage, production and distribution of artwork. Its registered address is P.O. Box 855143, Amman, Jordan, 11855.	100%	100%
MBC Media Cyprus Limited ("MBC Cyprus")	MBC Media Cyprus was established in 2018, and its principal activity is to provide technical support services to the Group.	100%	100%
Middle East Production Company ("MEP Egypt")	The main activity of MEP Egypt is the production of television, cinema, broadcasting and media arts works.	90%**	90%**

* MBC FZ LLC owns 99.45% of the equity interest in MBC Hungary whilst the remaining 0.55% equity interest is owned by companies within the Group.

** MBC FZ LLC owns 90% of the equity interest in MEP Egypt whilst the remaining 10% equity interest is owned by companies within the Group.

Following are the subsidiaries of MBC Studios Projects FZ LLC:

<i>Name of entity</i>	<i>Principal activities</i>	<i>Legal and beneficial ownership interest</i>	
		<i>2025</i>	<i>2024</i>
MBC Studios BVI Limited ("MBC Studios BVI")	MBC Studios BVI is incorporated in the British Virgin Islands and engaged in entering into agreements relating to MBC Studios for writers who are registered under Writers Guild of America (WGA).	100%	100%
Desert Warriors Holdings Limited	A fully owned subsidiary of MBC Studios Projects FZ LLC. The main activity of Desert Warriors Holdings Limited is content production and is incorporated in Abu Dhabi, United Arab Emirates.	100%	100%
CG Drama Project Holdings Limited	A fully owned subsidiary of MBC Studios Projects FZ LLC. The main activity of CG Drama Project Holdings Limited is content production and is incorporated in the Abu Dhabi, United Arab Emirates.	100%	100%
MBC Studios Projects Saudi Limited	A fully owned subsidiary of MBC Studios Projects FZ LLC. The main activity of MBC Studios Projects Saudi Limited is content production and is incorporated in the Kingdom of Saudi Arabia.	99%*	99%*

MBC Group (A Listed Joint Stock Company) And Its Subsidiaries

Notes to the Interim Condensed Consolidated Financial Statements

30 September 2025

1 CORPORATE INFORMATION (continued)

Following are the subsidiaries of MBC Studios Projects FZ LLC (continued):

* MBC Studio Projects FZ LLC owns 99% of the equity interest in MBC Studios Projects Saudi Limited whilst the remaining 1% equity interest is owned by companies within the Group.

Following is the subsidiary of MBC Media Services BVI Limited:

<i>Name of entity</i>	<i>Principal activities</i>	<i>Legal and beneficial ownership interest</i>	
		<i>2025</i>	<i>2024</i>
MBC Media Solutions FZ-LLC ("MMS UAE")	A subsidiary of MBC Media Services BVI Limited. The principal activity is to provide advertising services. The registered office address of the Company is P.O. Box 72627, Dubai, United Arab Emirates.	60%	60%

Following are the subsidiaries of MMS UAE:

<i>Name of entity</i>	<i>Principal activities</i>	<i>Legal and beneficial ownership interest</i>	
		<i>2025</i>	<i>2024</i>
MBC Media Solutions Limited ("MMS KSA")	A subsidiary of MMS UAE which is incorporated in the Kingdom of Saudi Arabia. The main activity of MMS KSA is to provide advertising services. Its registered address is 3074 Prince Mohammed bin Abdulaziz Road, Olaya, Riyadh 8022-12213, Kingdom of Saudi Arabia	100%	100%
Al Miza Co. for Advertising ("MMS Egypt")	A fully owned subsidiary of MMS UAE which is incorporated in Egypt. The main activity of MMS Egypt is to provide advertising services. Its registered address is 3rd floor, Building 5,7 Gezeriet El-Arab Street, Agouza, Giza, Egypt.	100%	100%
MBC Media Solutions for Advertising Services LLC (MMS EGY)	The principal activity of MMS EGY is to provide advertising services. Its registered address is Star Capital Building, 4th floor, 5&7 Gezeiret El-Arab street, EL-Mohandesein, Cairo, Egypt.	99%	99%

Following is the subsidiary of MBC Holding Cyprus:

<i>Name of entity</i>	<i>Principal activities</i>	<i>Legal and beneficial ownership interest</i>	
		<i>2025</i>	<i>2024</i>
Middle East Broadcasting Center - Lebanon – SAL (Lebanon)	The principal activity of the Company to produce and trade in all TV, radio and theatres programs video, advertising and documentary films and recordings and other related activities	100%	100%

MBC Group (A Listed Joint Stock Company) And Its Subsidiaries

Notes to the Interim Condensed Consolidated Financial Statements

30 September 2025

1 CORPORATE INFORMATION (continued)

Following is the subsidiary of MBC Studios Projects Saudi Limited:

<i>Name of entity</i>	<i>Principal activities</i>	<i>Legal and beneficial ownership interest</i>	
		<i>2025</i>	<i>2024</i>
ZE Qar Art Productions Limited (KSA)	The principal activity of the Company is motion picture production, including traditional animation, audio visual studio operation, computer graphics and animation production, special effects and film processing development, video distribution to viewers and television networks, and television activities.	100%	100%

The interim condensed consolidated financial statements of the Group were authorised for issue by the Board of Directors of the Company on 9 November 2025 (corresponding to 18 Jumada Al Awwal 1447H).

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the three-months and nine-months periods ended 30 September 2025 have been prepared in accordance International Accounting Standard (IAS) 34, "Interim Financial Reporting", that is endorsed in the Kingdom of Saudi Arabia ("KSA"), and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

The results for the interim periods are unaudited and include all adjustments necessary for a fair presentation of the results for the periods presented. However, the results of the interim period may not be indicative of the annual results of the Group's operations.

These interim condensed consolidated financial statements do not include all of the information and disclosures required in the annual financial statements and should be read in conjunction with the annual consolidated financial statements and related notes for the year ended 31 December 2024, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") that are endorsed in the Kingdom, and other standards and pronouncements that are endorsed by SOCPA.

Except for the defined employees' benefits liabilities which are recognized at the present value of future liabilities using the projected unit credit method, derivative financial instruments, and investment in financial asset which are recognized at fair value through profit or loss, the interim condensed consolidated financial statements are prepared under the historical cost convention and have been presented in Saudi Riyal (SAR).

2.2 BASIS OF CONSOLIDATION

The interim condensed consolidated financial statements incorporate the financial statements of the Company and its subsidiaries as at 30 September 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

MBC Group (A Listed Joint Stock Company) And Its Subsidiaries

Notes to the Interim Condensed Consolidated Financial Statements

30 September 2025

2.2 BASIS OF CONSOLIDATION (CONTINUED)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the interim condensed consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has applied the same accounting policies and methods of computation in its interim condensed consolidated financial statements as in its annual consolidated financial statements for the year ended 31 December 2024.

New Standards, Amendment to Standards and Interpretations:

- New standards, interpretations and amendments effective for current period

There are no new standards issued, however, there is an amendment to IAS 21 which are effective from 1 January 2025 and has been explained in the Group's annual consolidated financial statements, but it does not have a material effect on the Group's interim condensed consolidated financial statements.

- New standards, interpretations and amendments not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

<i>Standards, interpretations, amendments</i>	<i>Effective date</i>
Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	1 January 2026
Annual Improvements to IFRS Accounting Standards—Volume 11	1 January 2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	1 January 2026
IFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Group is currently working to identify all impacts the new standards, interpretations, amendments will have on the primary consolidated financial statements and notes to the consolidated financial statements.

3 OPERATING SEGMENTS

A segment is a separate and distinct unit of the Group's engagement in business activities that result in recognition of revenues or expenses. Operating segments are disclosed on the basis of internal reports reviewed by the Chief Executive Officer, Chief Financial Officer and other key management personnel, who are the Chief Operating Decision Makers (CODM), and responsible for resource allocation, performance evaluation, and strategic decision making on operational segments. Operating segments with similar economic characteristics, products, services, and similar customer categories are aggregated and recorded where possible as units to be reported.

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3 OPERATING SEGMENTS (CONTINUED)

Segment basis

The Group generates its revenue primarily from: (i) advertising revenue, predominantly from advertisers placing advertisements on its free-to-air TV channels, radio channels, and on the Group's advertising-video-on-demand streaming platform ("AVOD"), (ii) revenue from subscriptions of the Group's Shahid VIP subscription-video-on-demand ("SVOD") service, and (iii) ancillary revenue from its other business operations. The Group also benefits from funding received through its majority shareholder for various projects and initiatives, including for production of its content.

The Group has the following strategic segments which provide different services, have different economic characteristics – such as sales growth trends, rates of returns, capital investment levels – and are managed separately.

Segment	Operations
• Broadcasting and other commercial Activities	TV, radio, and social media and ancillary activities Broadcasting and other commercial activities segment is the largest of the Group's business segments with revenues earned primarily from advertising on its FTA TV, radio channels and social media, collectively as broadcasting activities. Broadcasting also generates a variety of additional non-advertising revenues, such as from carriage agreements and interactive games for viewers. The Group is also engaged in varied range of media-related activities such as interactive games, events, music publishing, and talent management. The Group is in the process of further diversifying its revenue base by building up its events management business and developing its own video games. The Group aims to leverage its brand and its long-standing know-how in these additional businesses to expand its activities in these areas.
• Shahid	Video streaming on the Shahid platform One of the Group's main operating segment is Shahid for which the Group is currently strongly investing in to drive future growth. The Group's Shahid OTT platform is available both as an SVOD service (also called Shahid VIP) as well as a "free" AVOD service and broadcasting services.
• Media & Entertainment Initiatives ("M&E Initiatives")	Media and Entertainment Given the Group's capabilities and position in the media sector and the successes it has achieved historically, it has been chosen as a strategic partner of the KSA government for the implementation of media and entertainment projects and initiatives that will develop the media ecosystem in the KSA and the region in accordance with Saudi Vision 2030. The Group receives funding for these projects from the government [represented by its former majority shareholder Istedamah Holding Company ("Istedamah"), a KSA government-owned company], in consideration for the Group's commitment to implement such projects in accordance with specified performance indicators and other obligations which it must fulfil. The Group contributes to the development of the local KSA media and entertainment industry by continuously investing in various entertainment and media initiatives in the KSA including high-quality Arabic content production, broadcasting of certain TV channels, gaming, developing talent and events management in the KSA. Furthermore, the Group is, through its move to the KSA, directly creating new employment opportunities for individuals in the entertainment industry in the KSA.

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3 OPERATING SEGMENTS (continued)

Segment financial information

Financial results of each segment are presented below. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the interim condensed consolidated financial statements. Also, the Group's financing (including finance costs, finance income and other income) and income tax are managed on a Group basis and are not allocated to operating segments.

For the Three-months period ended 30 September (unaudited)

	2025				2024			
	<i>Broadcasting and Other Commercial Activities SAR'000</i>	<i>Shahid SAR'000</i>	<i>M&E Initiatives SAR'000</i>	<i>Total SAR'000</i>	<i>Broadcasting and Other Commercial Activities SAR'000</i>	<i>Shahid SAR'000</i>	<i>M&E Initiatives SAR'000</i>	<i>Total SAR'000</i>
Revenue from contracts with customers	397,061	320,330	6,476	723,867	427,474	248,349	10,251	686,074
Other operating revenues	2,888	-	83,268	86,156	2,888	-	68,118	71,006
Total revenue	399,949	320,330	89,744	810,023	430,362	248,349	78,369	757,080
Direct costs*	(220,660)	(274,525)	(41,808)	(536,993)	(283,221)	(226,529)	(38,982)	(548,732)
General and administrative expenses*	(118,864)	(64,265)	(34,196)	(217,325)	(130,919)	(54,407)	(33,270)	(218,596)
Other income	2,631	938	373	3,942	22,175	8,002	924	31,101
Share of results in associates and joint venture (net)	100	-	(12,920)	(12,820)	8,272	-	(5,215)	3,057
Unrealised loss on investment in financial assets at fair value through profit or loss (FVTPL)	(30,310)	-	-	(30,310)	(3,361)	-	-	(3,361)
Finance income – net	12,355	(36)	(14)	12,305	12,319	-	4,840	17,159
Depreciation and amortisation	(11,270)	(8,443)	(200)	(19,913)	(9,497)	(13,422)	(245)	(23,164)
Segment results before income tax	33,931	(26,001)	979	8,909	46,130	(38,007)	6,421	14,544

For the Nine-months period ended 30 September (unaudited)

	2025				2024			
	<i>Broadcasting and Other Commercial Activities SAR'000</i>	<i>Shahid SAR'000</i>	<i>M&E Initiatives SAR'000</i>	<i>Total SAR'000</i>	<i>Broadcasting and Other Commercial Activities SAR'000</i>	<i>Shahid SAR'000</i>	<i>M&E Initiatives SAR'000</i>	<i>Total SAR'000</i>
Revenue from contracts with customers	2,129,041	1,017,082	32,196	3,178,319	1,762,242	805,674	36,065	2,603,981
Other operating revenues	8,662	-	654,795	663,457	8,662	-	344,057	352,719
Total revenue	2,137,703	1,017,082	686,991	3,841,776	1,770,904	805,674	380,122	2,956,700
Direct costs*	(1,374,296)	(811,129)	(532,991)	(2,718,416)	(1,100,524)	(683,017)	(252,678)	(2,036,219)
General and administrative expenses*	(418,520)	(208,397)	(103,689)	(730,606)	(463,600)	(174,169)	(109,851)	(747,620)
Other income	11,186	465	485	12,136	58,103	9,773	957	68,833
Share of results in associates and joint venture (net)	29,651	-	(29,500)	151	39,238	-	(12,477)	26,761
Gain / (loss) on investment in financial assets at fair value through profit or loss (FVTPL)	52,346	-	-	52,346	(2,903)	-	-	(2,903)
Finance income – net	37,497	(106)	665	38,056	29,894	-	8,057	37,951
Depreciation and amortisation	(29,904)	(21,220)	(574)	(51,698)	(28,835)	(19,451)	(770)	(49,056)
Segment results before income tax	445,663	(23,305)	21,387	443,745	302,277	(61,190)	13,360	254,447

*This amount excludes depreciation of property and equipment and amortization of intangible assets which are presented as separate line items.

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3 OPERATING SEGMENTS (continued)

Segment assets

The table below summarizes the key assets per segment:

As of 30 September 2025 (unaudited)

	<i>Broadcasting and Other Commercial Activities SAR'000</i>	<i>Shahid SAR'000</i>	<i>M&E Initiatives SAR'000</i>	<i>Total SAR'000</i>
Inventories	596,843	795,990	943,407	2,336,240
Property and equipment	307,793	100,903	9,089	417,785
Investments in associates and joint venture	379,516	-	-	379,516
Investment in financial assets at fair value through profit or loss (FVTPL)	840,819	-	-	840,819

As of 31 December 2024 (audited)

	<i>Broadcasting and Other Commercial Activities SAR'000</i>	<i>Shahid SAR'000</i>	<i>M&E Initiatives SAR'000</i>	<i>Total SAR'000</i>
Inventories	709,145	743,389	1,263,708	2,716,242
Property and equipment	199,785	65,495	5,900	271,180
Investments in associates and joint venture	1,083,853	-	-	1,083,853
Investment in financial assets at fair value through profit or loss (FVTPL)	12,591	-	-	12,591

Geographic information

The table below summarizes geographic information of the Group's revenue from contracts with customers based on where the service is provided:

	<i>Three-months period ended 30 September</i>		<i>Nine-months period ended 30 September</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>
Revenue from contracts with customers:				
GCC*	562,011	550,427	2,531,924	2,159,003
Egypt	50,067	58,925	321,917	210,175
Others**	111,789	76,722	324,478	234,803
Total	723,867	686,074	3,178,319	2,603,981

* GCC includes revenue earned mainly in UAE and Kingdom of Saudi Arabia where various revenue types are provided.

** Others include North Africa and Iraq where the Group broadcasts two of its TV channels, as well as other countries outside of GCC and Egypt where subscribers to its OTT platform, Shahid, are based.

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4 REVENUE FROM CONTRACTS WITH CUSTOMERS

	<i>Three-months period ended</i>		<i>Nine-months period ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>
Advertising revenue	174,242	208,566	1,123,689	1,047,176
Digital revenue	239,888	180,625	728,469	571,059
Broadcast and technical services revenue	118,106	170,040	858,109	654,545
Distribution revenue	60,107	54,259	187,758	158,013
Programme revenue	61,457	27,180	110,303	46,386
Interactivity revenue	25,545	19,955	68,138	51,903
Other revenues	44,522	25,449	101,853	74,899
	<u>723,867</u>	<u>686,074</u>	<u>3,178,319</u>	<u>2,603,981</u>

5 OTHER OPERATING REVENUES

The Group receives from the Government of the KSA, government funding to implement a number of expansion initiatives which contribute to the overall KSA vision to build up the media sector in the KSA. The funding covers the costs of implementation of these initiatives in various entertainment and media initiatives in the KSA including broadcasting of certain TV channels dedicated to viewers outside of KSA, content production, gaming, developing talent and events management in the KSA, as well as by creating new employment opportunities for individuals in the entertainment industry in the KSA. Receipt by the Group of the relevant amounts is linked to pre-agreed KPIs that must be satisfied, or milestones that must be reached. The Group has in the past been able to achieve such KPIs and requirements. Amounts received towards these initiatives are recognised in the interim condensed consolidated statement of comprehensive income on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the funds are intended to compensate.

During the period, the Group has assessed (in accordance with the accounting judgment for the other operating revenues) the following as government grants and accordingly they have been recognised as other operating revenues related to the following initiatives:

	<i>Three-months period ended</i>		<i>Nine-months period ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>
TV channels initiatives and MBC				
Academy initiatives (a)	53,586	46,259	239,718	227,224
Production related initiatives (a)	16,762	16,644	385,577	104,356
Gaming initiative (b)	12,920	5,215	29,500	12,471
Relocation cost (c)	2,888	2,888	8,662	8,668
	<u>86,156</u>	<u>71,006</u>	<u>663,457</u>	<u>352,719</u>

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5 OTHER OPERATING REVENUES (continued)

As disclosed above, the Group receives funding, from Government of KSA, subject to satisfactory performance against certain criteria. The funding is based on annual pre-approved expenditure which also sets a maximum entitlement limit. Depending upon the nature of the funding the related costs have been accounted for as follows:

- (a) On TV channels initiatives and MBC Academy initiatives, production related initiatives and relating to other government related projects, the vast majority of the related costs are included within 'Direct costs' (Note 6).
- (b) On gaming initiative, the related costs are adjusted against the 'Share of results in associates and joint venture'.
- (c) On relocation cost, the related costs are included within 'General and administrative expenses'.

To the extent government fundings have been recognized within income, there are no unfulfilled conditions or contingencies attached to the above fundings.

Below is the reconciliation of other operating revenues with the deferred revenues and due from related parties (Note 10):

For the period ended 30 September 2025	<i>TV channels initiatives and MBC Academy initiatives</i>	<i>Production related initiatives</i>	<i>Gaming initiative</i>	<i>Capital Expenditure</i>	<i>Relocation cost</i>	<i>Total</i>
	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>
1 January 2025 (audited)						
Due from Istedamah (Note 10)	128,009	-	-	-	66,459	194,468
Deferred revenue	(2,112)	(1,450,322)	(262,697)	(292,643)	-	(2,007,774)
Add: Income recognised during the period	239,718	385,577	29,500	-	8,662	663,457
Add: Income netted off against related expense	-	-	-	-	105,990	105,990
Less: Advance / cash collected during the year	(319,586)	-	(139,471)	-	-	(459,057)
As at 30 September 2025 (unaudited):						
Due from Istedamah (Note 10)	82,597	-	-	-	181,111	263,708
Deferred revenue	(36,568)	(1,064,745) *	(372,668)	(292,643)	-	(1,766,624)

* The deferred amount mainly relates to inventories which remain as work-in-progress (WIP) as of 30 September 2025.

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5 OTHER OPERATING REVENUES (continued)

For the period ended 30 September 2024	<i>TV channels initiatives and MBC Academy initiatives</i>	<i>Production related initiatives</i>	<i>Gaming initiative</i>	<i>Capital Expenditure</i>	<i>Relocation cost</i>	<i>Total</i>
	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>
1 January 2024 (audited)						
Due from Istedamah	24,921	-	-	-	7,554	32,475
Deferred revenue	(19,151)	(1,427,220)	(223,495)	(180,750)	(58,085)	(1,908,701)
Add: Income recognised during the period	227,224	104,356	12,471	-	8,668	352,719
Add: Income netted off against related expense	-	64,969	-	-	66,645	131,614
Less: Advance / cash collected during the period	(200,202)	(413,131)	(58,693)	-	(111,893)	(783,919)
As at 30 September 2024 (unaudited):						
Due from Istedamah	<u>63,087</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,554</u>	<u>70,641</u>
Deferred revenue	<u>(30,295)</u>	<u>(1,671,026)*</u>	<u>(269,717)</u>	<u>(180,750)</u>	<u>(94,665)</u>	<u>(2,246,453)</u>

* The deferred amount mainly relates to inventories which remain as work-in-progress (WIP) as of 30 September 2024.

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6 DIRECT COSTS

	Three-months period ended 30 September		Nine-months period ended 30 September	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	SAR'000	SAR'000	SAR'000	SAR'000
Cost of programmes*	229,725	203,401	1,251,184	910,147
Cost of broadcasting and technical services**	24,999	143,817	679,125	523,218
Digital costs	105,092	76,845	302,528	245,632
Marketing costs	27,708	30,979	113,408	103,377
Cost of advertising sales	34,667	14,543	107,998	48,351
Programme overheads	16,921	15,922	43,449	46,405
Technical costs	13,737	7,847	36,314	29,811
Transmission expenses	5,640	5,543	17,558	15,672
Programme stocks write-off	30	672	6,112	6,005
Interactivity costs	17,643	11,275	28,451	18,653
Distribution costs	236	1,820	4,500	8,504
Other expenses	64,875	40,995	139,297	95,239
	541,273	553,659	2,729,924	2,051,014

* The amounts presented for the nine-months period ended 30 September 2025 are net of SAR 74,793 thousand (Nine-months period ended 30 September 2024: SAR Nil) rebates towards production of specific media contents in the Kingdom of Saudi Arabia.

** Cost of broadcasting and technical services includes reclassified amounts previously grouped under other expenses, marketing costs, transmission expenses and cost of programs in the interim condensed consolidated financial statements for the three-months and nine-months periods ended 30 September 2024.

7 INVESTMENTS IN ASSOCIATES AND JOINT VENTURE

The Group has the following investments in associates and joint venture on the interim condensed consolidated statement of financial position:

	30 September 2025 (unaudited) SAR'000	31 December 2024 (audited) SAR'000
Investment in equity accounted joint venture (7.1)	348,917	305,203
Investment in associates (7.2)	30,599	778,650
	379,516	1,083,853

7.1) Investments in a joint venture:

The Group has the following investment in equity accounted joint venture:

	30 September 2025 (unaudited) SAR'000	31 December 2024 (audited) SAR'000
MBC Game Studio - 70% (31 December 2024: 70%)	348,917	305,203
	348,917	305,203

The movement in the investment in joint venture during the period is as follows:

	30 September 2025 (unaudited) SAR'000	31 December 2024 (audited) SAR'000
Balance as at 1 January	305,203	209,362
Additional investment	73,214	115,332
Share of results (Note 5)	(29,500)	(19,491)
Balance as at end of the period / year	348,917	305,203

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7 INVESTMENTS IN ASSOCIATES AND JOINT VENTURE (continued)

7.2) Investments in associates:

The Group's investment in associates as of period end reporting date is as follows:

	30 September 2025 <i>(unaudited)</i> SAR'000	31 December 2024 <i>(audited)</i> SAR'000
Arabian Contracting Services Company ("ACSC")	-	748,352
Others	30,599	30,298
	30,599	778,650

	Period ended 30 September 2025 (unaudited)		
	ACSC SAR'000	Others SAR'000	Total SAR'000
As at 1 January (audited)	748,352	30,298	778,650
Share of results	*27,531	301	27,832
Deemed disposal**	(775,883)	-	(775,883)
As at 30 September (unaudited)	-	30,599	30,599

*This balance includes share of results in investments in associate relating to OCI amounting to SAR 1,819 thousand.

** On 15 May 2025, the Group assessed that it ceased to have significant influence in ACSC. As a result, the Group has reclassified its investment in ACSC from an equity-accounted investment to a financial asset measured at fair value through profit or loss (FVTPL) - (Note 8).

	Year ended 31 December 2024 (audited)		
	ACSC SAR'000	Others SAR'000	Total SAR'000
As at 1 January (audited)	961,203	30,639	991,842
Share of results	32,336	*(341)	31,995
Disposals	(245,187)	-	(245,187)
As at 31 December (audited)	748,352	30,298	778,650

*This balance includes share of results in investments in associate relating to OCI amounting to SAR 53 thousand.

8 INVESTMENTS IN FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

As at 30 September 2025 and 31 December 2024, the Group's investment in financial assets measured at fair value through profit or loss (FVTPL) is presented as follows:

	30 September 2025 <i>(unaudited)</i> SAR'000	31 December 2024 <i>(audited)</i> SAR'000
Anghami (a)	4,508	12,591
ACSC (b)	836,311	-
	840,819	12,591

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8 INVESTMENTS IN FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

a. Investment in Anghami

Anghami is a limited liability company incorporated in the Cayman Islands on 14 February 2012. Anghami's principal activities consist of facilitating a platform for music and video streaming, entertainment, social, through mobile, web, computer, applications and other supported programs and related media.

On 4 February 2022, Anghami listed its shares on NASDAQ, New York. The Group reassessed its influence in Anghami based on the listing particulars and concluded that the investment in Anghami shall be treated as an investment at fair value through profit and loss (FVTPL). The fair value of the investment in Anghami as at 30 September 2025 and 31 December 2024 and loss on the FVTPL is as below:

	<i>30 September 2025</i> <i>(unaudited)</i> <i>SAR'000</i>	<i>31 December 2024</i> <i>(audited)</i> <i>SAR'000</i>
Carrying value of investment as at 1 January (audited)	12,591	15,891
Unrealised loss due to change in fair value	<u>(8,083)</u>	<u>(3,300)</u>
Fair value of investment as at the end of period / year	<u><u>4,508</u></u>	<u><u>12,591</u></u>

b. Investment in ACSC

Arabian Contracting Services Company ("ACSC") is a joint stock company registered in Riyadh, Kingdom of Saudi Arabia under Commercial Registration No. 1010048419. The main activity of ACSC is advertising.

As explained in Note 7, on 15 May 2025, the investment in ACSC, was reclassified from an equity-accounted investment to a financial asset measured at fair value through profit or loss (FVTPL) and the net gain for the period ended 30 September 2025 amounted SAR 60,429 thousand recognised in the consolidated statement of comprehensive income.

During the period ended 30 September 2025, the Group has adjusted the number of shares in ACSC to reflect the share dividend that was not considered in calculating the fair value as of 30 June 2025.

Following is the impact of this adjustment:

	<i>SAR'000</i>
Balance as at 30 June 2025 before adjustment (unaudited)	785,198
Adjustment to reflect the value of share dividend	<u>78,520</u>
Revised closing balance as at 30 June 2025	863,718
Unrealised loss on investment in financial assets at fair value through profit or loss	<u>(27,407)</u>
Closing balance as at 30 September 2025 (unaudited)	<u><u>836,311</u></u>

9 TRADE RECEIVABLES, PREPAYMENTS AND OTHER ASSETS

	<i>30 September 2025</i> <i>(unaudited)</i> <i>SAR'000</i>	<i>31 December 2024</i> <i>(audited)</i> <i>SAR'000</i>
Trade receivables	1,136,204	1,027,710
Contract assets	447,073	363,102
Less: allowance for expected credit loss (Note 9.1)	<u>(258,635)</u>	<u>(242,924)</u>
	1,324,642	1,147,888
Advance for programme rights	293,022	404,029
Deposits	17,377	17,633
Advance to suppliers	109,700	47,066
Prepaid expenses	55,079	45,102
Staff receivables	4,424	3,220
Other receivables	388,313	345,641
	<u><u>2,192,557</u></u>	<u><u>2,010,579</u></u>

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9 TRADE RECEIVABLES, PREPAYMENTS AND OTHER ASSETS (CONTINUED)

9.1 Movements in allowance for expected credit loss are as follows:

	30 September 2025 (unaudited) SAR'000	31 December 2024 (audited) SAR'000
Balance as at 1 January (audited)	242,924	211,892
Allowance during the period / year, net	16,517	31,501
Transfer	666	1,087
Write-off	(1,472)	(1,556)
Balance as at end of period / year	<u>258,635</u>	<u>242,924</u>

10 RELATED PARTY TRANSACTIONS, BALANCES AND LOAN

a) Balances with related parties included in the consolidated statement of financial position are as follows:

Due from related parties:

	30 September 2025 (unaudited) SAR'000	31 December 2024 (audited) SAR'000
<i>Shareholder</i>		
Al Istedamah Holding Company (Former Parent Company)	-	194,468
<i>Companies under common control</i>		
MBC Group Holdings Ltd	183,359	182,875
ARA International Productions Company LLC	170,805	127,974
Middle East News FZ LLC	231,442	150,118
Middle East News UK LTD	259	352
Al Sadaf for Sonic Visual Production	6,795	-
Al Arabiya Media Network Company	6,201	4,678
Saudi Telecommunication Company**	34,553	-
Sela Company**	140,299	-
<i>Joint ventures and associates</i>		
O3 Turkey Medya Produksiyon, Turkey	11,461	19,328
O Three Media Production Co.	12,673	-
MBC Game Studio Limited KSA	4,287	-
<i>Others</i>		
Al Istedamah Holding Company (Former Parent Company)	263,708	-
Media Rating Company	13,688	-
O2 Production	-	16
Saudi Media Advertising Company	22,061	22
MBC International FZ LLC	48,369	48,369
	<u>1,149,960</u>	<u>728,200</u>

b) Balances with related parties included in the consolidated statement of financial position are as follows:

Due to related parties:

	30 September 2025 (unaudited) SAR'000	31 December 2024 (audited) SAR'000
<i>Shareholder</i>		
Waleed Bin Ibrahim Al Brahim	13,759	13,759
<i>Companies under common control</i>		
Al Arabiya News Channel FZ LLC	12,810	15,620
Al Sadaf for Sonic Visual Production	88	1,307

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10 RELATED PARTY TRANSACTIONS, BALANCES AND LOAN (CONTINUED)

Due to related parties (continued)

	30 September 2025 (unaudited) SAR'000	31 December 2024 (audited) SAR'000
<i>Companies under common control (continued)</i>		
Saudi Electricity Company**	62	-
Nesma Equipment Rental Est**	272	-
Sela Company**	9,074	-
Others	24	42
<i>Joint venture and associates</i>		
MBC Game Studio Limited KSA	-	34,086
Arabian Contracting Services Company (ACSC)*	-	19,603
O Three Media Production Co.	-	1,411
<i>Others</i>		
Engineering Holding Group	12,239	-
Media Rating Company	-	4,117
Antenna TV Single Member SA	1,997	21,348
Arabian Contracting Services Company (ACSC)*	11,050	-
	61,375	111,293
Loan from a related party – MBC Group Holdings Ltd	63,792	63,792

*As at 30 September 2025, the investment in ACSC was reclassified from an equity-accounted investment to a financial asset measured at fair value through profit or loss (FVTPL) (Note 8.b).

** These entities became related parties of the Group consequent to the transfer of ownership from Al Istedamah Holding Company (Former Parent Company) to Public Investment Fund (New Parent Company) as disclosed in Note 11.

In addition, other receivables include a balance receivable from the former ultimate controlling party of SAR71,625 thousand.

c) Significant material transactions with related parties included in the consolidated statement of comprehensive income as follows:

	Three-months period ended 30 September 2025 (Unaudited) SAR'000		Nine-months period ended 30 September 2025 (Unaudited) SAR'000	
		2024 (Unaudited) SAR'000		2024 (Unaudited) SAR'000
<i>Former Ultimate Controlling Party</i>				
Other income	-	17,009	-	48,617
<i>Former Parent Company</i>				
Other operating revenues (Note 5)	86,156	161,070	663,457	484,433
<i>Entities under common control</i>				
Expenses recharged with related parties, net	20,263	21,740	63,571	64,544
Rental income	2,441	2,366	7,323	7,099
Cost of news programmes	469	469	1,406	1,406
Direct costs	20,951	16,585	72,450	57,825
Revenue from contracts with customers	32,966	2,472	61,349	12,707
Purchases	58,533	33,250	117,316	74,114
<i>Others</i>				
Revenue from contracts with customers	3,195	1,755	8,117	10,351

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10 RELATED PARTY TRANSACTIONS, BALANCES AND LOAN (CONTINUED)

d) *Compensation to directors and key management personnel*

Compensation policies for and composition of key management personnel remain consistent with 2024.

11 SHARE CAPITAL

	30 September 2025 (unaudited) SAR'000	31 December 2024 (audited) SAR'000
<i>Authorized ordinary shares issued and fully paid</i> (332,500 thousand ordinary shares of SAR 10 each)	3,325,000	3,325,000

The net proceeds of the IPO after deducting the transaction costs, amounted to SAR 763,750 thousand. Capital increase at par value amounted to SAR 332,500 thousand, and the proceeds in excess of par value amounting to SAR 431,250 are presented within equity as share premium.

As at 31 December 2024, the Parent Company of the Company was Al Istedamah Holding Company, an entity incorporated in the Kingdom of Saudi Arabia. The former Ultimate Controlling Party is the Ministry of Finance, Government of the Kingdom of Saudi Arabia.

On 18 September 2025, the Public Investment Fund (PIF), the sovereign wealth fund of the Government of the Kingdom of Saudi Arabia, finalized the acquisition of the equity interest in the Group previously held by Al Istedamah Holding Company. As a result of this transaction, PIF became the new Parent Company of the Group, replacing Al Istedamah Holding Company ("Former Parent Company"). The acquisition was completed through a private agreement.

The change in ownership does not impact the Group's statement of financial position as of the reporting period.

12 EMPLOYEES' END OF SERVICE BENEFITS

The movements of the employees' end of service benefits liability recognised in the interim condensed consolidated statement of financial position are as follows:

	30 September 2025 (unaudited) SAR'000	31 December 2024 (audited) SAR'000
Balance as at 1 January (audited)	144,922	158,510
Current service cost	20,624	27,980
Interest cost	5,322	7,864
Remeasurement actuarial gain	(2,225)	(2,454)
Accrual of benefit plan asset interest	3,712	7,057
Transferred from / (to) related parties	3,036	(807)
Payments during the period / year	(29,835)	(52,134)
Translation differences	-	(1,094)
Balance as at end of period / year	145,556	144,922

The movement of the plan assets is as follows:

	30 September 2025 (unaudited) SAR'000	31 December 2024 (audited) SAR'000
Balance as at 1 January (audited)	115,000	107,943
Interest earned during the period	3,712	7,057
Withdrawal during the period	(16,875)	-
Balance as at end of period / year	101,837	115,000

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13 TRADE AND OTHER PAYABLES

	<i>30 September 2025</i> <i>(unaudited)</i> <i>SAR'000</i>	<i>31 December 2024</i> <i>(audited)</i> <i>SAR'000</i>
Trade payables	542,493	568,123
Accrued expenses	897,315	704,824
Contract liabilities	425,651	565,846
Provision for income tax and zakat	99,069	87,472
Other payables	35,865	65,166
	<u>2,000,393</u>	<u>1,991,431</u>

14 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Judgements, estimates and assumptions

The critical judgements and estimates used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual financial statements for the year ended 31 December 2024.

15 FAIR VALUE OF FINANCIAL INSTRUMENTS

Except for the Investment at FVPL and derivative financial instruments, the financial assets and liabilities are recorded at their carrying amounts which are within reasonable approximation of their fair values. The derivatives financial instruments are categorised within Levels 2 and 3 of the fair value hierarchy

16 EARNINGS PER SHARE

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the basic and diluted EPS calculations:

	<i>Three-months period ended 30</i> <i>September</i>		<i>Nine-months period ended 30</i> <i>September</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>
Profit for the period attributable to ordinary equity holders of the parent*	19,739	9,056	402,557	221,118
<u>Weighted average number of shares:</u>				
Weighted average number of ordinary shares outstanding for the period, for basic and diluted EPS	<u>332,500</u>	<u>332,500</u>	<u>332,500</u>	<u>332,500</u>

* The profit for the period attributable to ordinary equity holders of the parent is same for basic and diluted EPS.

	<i>Three-months period ended 30</i> <i>September</i>		<i>Nine-months period ended 30</i> <i>September</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>SAR</i>	<i>SAR</i>	<i>SAR</i>	<i>SAR</i>
Basic and diluted, attributable to ordinary equity holders of the parent (SAR)	<u>0.06</u>	<u>0.03</u>	<u>1.21</u>	<u>0.67</u>

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17 COMPARATIVE FIGURES

Certain reclassifications have been made to the prior period's consolidated financial statements to conform to the current period's presentation. These reclassifications had no effect on previously reported consolidated total comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position.

18 SUBSEQUENT EVENTS

There are no significant subsequent events after the period ended 30 September 2025 that could have a material impact on the Group's interim condensed consolidated financial position or the results of its operations.