

THE INTERPRETER

An Assessment of Saudi Arabia's Cinema Market:

Analyzing the Reels and Edits

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Saudi Arabia's cinema market is, by revenue, the largest in the Middle East and North Africa. It is also, by screen count relative to population and by operator investment relative to stated demand, one of the most underbuilt successful markets in the world. And by the evidence of what audiences actually watch versus what they are offered, one of the most misread.

Understanding all three of those things simultaneously is the starting point for this assessment.

Section I: The Market That Built Itself in Seven Years

In April 2018, Saudi Arabia screened its first public film in over three decades. *Black Panther* played to an invitation-only audience at an AMC theater in King Abdullah Financial District, Riyadh, a converted symphony hall standing in as the Kingdom's first modern cinema. The moment was symbolic. What followed was structural.¹

Within seven years, Saudi Arabia built the largest cinema market in the Middle East and North Africa from a standing start. From SAR 38.6 million in revenues in 2018 (a partial year of limited operations) the market grew to SAR 937 million by 2022, an increase of more than 2,300% in four years.² By 2024, the Kingdom accounted for 42% of total MENA box office revenue.³ At its 2023 peak, 64 cinemas across 22 cities operated 630 screens. By 2025 the market was selling 18.8 million tickets annually across 62 cinemas, 603 screens, and 20 cities, backed by investments from eight exhibition companies.⁴

A market that did not exist in 2017 was, by 2022, reshaping the commercial logic of Arabic-language cinema across the entire region.

The scale of what was built becomes clearest against the region's most established market. The UAE (home to the Middle East's most developed cinema infrastructure, with multiplexes operating continuously since the 1990s and 702 screens serving a population of approximately 10 million) had long been the region's dominant exhibition market.⁵ Saudi overtook it in 2022, generating approximately \$250 million

in box office revenue against the UAE's \$160 million.⁶ That lead held even through Saudi's most difficult year: in 2024, following a government-mandated ticket price reduction that compressed Saudi revenues, the gap narrowed to its closest point, \$225 million for Saudi versus \$218 million for the UAE⁷, but Saudi remained ahead. A market the UAE built over decades, Saudi matched and surpassed in four years from a standing start, and has not relinquished since.

Saudi Arabia also became the primary commercial destination for Arabic-language content. Egypt's domestic box office (home to the oldest and most established Arabic-language film industry in the world) generated approximately \$37 million in 2025.⁸ Saudi generated roughly \$245 million in the same period.⁴ That revenue differential reflects structural differences as much as raw market size: Egypt's average ticket price has fallen sharply due to currency depreciation, sitting at a fraction of Saudi's SAR 49 average, while Egypt sells roughly 40 to 50 million tickets annually to Saudi's 18 million, reflecting a deeper per-capita cinema habit built over generations.⁹ What it does establish clearly is that Saudi has become the dominant commercial exhibition market for the region: 33 Egyptian films generated over \$53 million in Saudi Arabia in 2024 alone, more than double their earnings at home.¹⁰

This is the foundation. The achievement is real, documented, and significant. The infrastructure was built. The audiences came. The numbers grew every year for four consecutive years, validating every investment decision and every optimistic projection.

With all that in mind, why does it feel like the growth has stopped abruptly?

In seven years, Saudi Arabia created a cinema market. The question the data now permits (and this assessment attempts) is whether the industry that built it understands it well enough to grow it.

Section 2: What the Numbers Actually Show

The feeling is not unfounded. The data confirms it.

Saudi cinema revenues peaked at SAR 937 million in 2022.² The following year they declined to SAR 922.6 million. In 2024 they fell further to SAR 845.6 million, the lowest figure since 2021. Two consecutive years of declining revenue in a market that had never recorded a decline since opening is a meaningful signal, and context is required to read it accurately.⁴

The 2024 decline is not straightforwardly a demand story. In April of that year, the Film Commission reduced cinema licensing fees across all operator categories and instructed exhibitors to lower ticket prices, VOX moved to SAR 35 per standard ticket, muvi to SAR 34, down from a previous average of SAR 48.2.¹¹ The intent was to broaden access and stimulate attendance. On admissions, the intervention held: Comscore data shows Saudi admissions fell only 5% in 2024 versus 2023, while gross revenues fell 13%.¹² The gap between those two numbers is almost entirely explained

by the price reduction. For comparison, the US box office fell 15% in the same period, the UK 16%, Germany 17%.¹²

2025 brought recovery. Revenues reached SAR 920.8 million, partially restored, though still below the 2022 peak. Ticket sales reached 18.8 million, the highest volume on record. The average ticket price recovered to SAR 49, above the pre-cut average of SAR 48.2, suggesting audiences absorbed both the price restoration and the higher volume simultaneously. The number of films screened rose from 504 to 538.⁴ The market's trajectory in 2025 is genuinely positive: more films, more tickets, higher prices, and recovering revenue, all in the same year.

But the pricing intervention raises a question the admissions data alone cannot answer: did the reduction actually reach the consumers it was designed to bring back?

Consumer price perception is sticky. The narrative that Saudi cinema tickets are expensive took root during the market's early years, when standard tickets were priced between SAR 55 and SAR 75 depending on format and location. That perception accumulated in conversations, in social media posts, in the mental accounting of families deciding whether a cinema outing fit their evening budget. When the Film Commission reduced licensing fees and operators adjusted their headline prices in April 2024, the intervention happened at the industry level. Whether it translated into a consumer awareness shift is a different question, and the evidence suggests it largely did not.

The admissions data suggests the intervention was more effective at retaining the existing audience than recovering the lapsed one.

The deeper reason may be that the ticket price was never the only number that mattered.

A standard cinema outing in Saudi Arabia today costs SAR 35 for the ticket and approximately SAR 46 for a standard popcorn and drink combination.¹³ The actual cost of sitting in a Saudi cinema is SAR 81 per person before any premium format, before parking, before transportation. For a couple the outing costs SAR 162. For a family of four it costs SAR 324, and that figure assumes standard format, standard concessions, and a cinema within reasonable distance of home. When the Film Commission reduced the headline ticket price, it addressed the most visible number in the equation while leaving everything else unchanged. The total experience cost (the number a family actually weighs when deciding whether to go out) moved by less than 30% of what the headline reduction implied.

For residents of Riyadh's northern growth corridors or Jeddah's eastern neighborhoods, where the nearest cinema requires a 20 to 30 minute drive each way, the equation includes additional time and fuel costs that compound the financial barrier. The distance problem and the pricing problem are not separate issues. They operate together on the same decision.

The screen count data adds another dimension. At their 2023 peak, Saudi cinemas operated 630 screens across 64 locations.¹⁴ By 2025, the Film Commission's official report records 603 screens across 62 cinemas, a contraction in both screens and locations.⁴ In a market the industry describes as undersupplied relative to its population (Saudi operates approximately one screen per 58,000 people, compared to one per 14,000 in the UAE) screen count should be moving in one direction. It moved in the other.

The scale of the gap between where the market is and where its own projections said it would be is instructive. Saudi Arabia's Vision 2030 entertainment framework projected 2,600 screens by 2030.¹⁵ With five years elapsed and the screen count at 603, reaching that target would require adding nearly 2,000 screens in five years, approximately 400 per year. In 2024 and 2025 combined, the net change was negative. The 2030 screen target has not been formally revised. It has simply stopped being referenced.

Weekly attendance data completes the picture. Despite the market's scale, average weekly admissions run at approximately 190,000 tickets, with exceptional weeks reaching 500,000 around major releases and national holidays. Against a population of 35 million (half of whom are under 30) this represents a weekly cinema attendance rate that does not exceed 2% of the population even at peak.¹⁶ *fasllah*, the Saudi cinema industry publication founded by critic and analyst Ahmed Al-Ayyad, captured this precisely in its 2025 analysis: screen expansion outpaced audience development in the market's first phase. The infrastructure was built faster than the habit it was meant to serve.¹⁶

None of this negates the recovery underway. The 2025 trajectory is the strongest it has been since the 2022 peak, more films, more tickets, higher average prices, and recovering revenue simultaneously. The market retains genuine structural advantages: a young population, rising disposable income, an entertainment ecosystem still maturing around cinema.

It describes a market at an inflection point. The first phase (opening cinemas, building initial audiences, establishing the habit among the most accessible and motivated segment of the population) produced extraordinary results through 2022. The second phase, sustaining and broadening that growth through infrastructure expansion, pricing accessibility, and audience development beyond the established core, has not yet found its footing.

The revenue recovery in 2025 is real and the market's fundamental strengths are intact. What the complete data picture reveals is that growth has become dependent on content cycles rather than structural expansion, performing strongly when the right titles arrive and softening when they don't. A market with this demographic profile, this level of latent demand, and this degree of undersupply should be expanding aggressively. The evidence that it is not doing so consistently points in a single direction: the industry may have built its first phase around assumptions about its audience that the second phase is now quietly testing. The sections that follow examine what the capital decisions, the geographic footprint, and the content data suggest about those assumptions.

Section 3: What Operators Are Saying With Their Capital

In Saudi Arabia, the announced story and the capital story have been diverging for several years.

The most reliable indicator of what any business believes about a market is not what it announces. It is where it chooses to deploy capital, and where it chooses to stop.

In 2021, Reel Cinemas (a joint venture between Emaar Entertainment and GOSI Investment Ventures) announced a SAR 1 billion investment commitment and a target of 20 venues across the Kingdom within five years.¹⁷ Four years later, Reel operates one location: Granada Mall, Riyadh. The gap between SAR 1 billion and one cinema is not a rounding error. It is a capital allocation decision made repeatedly, quarter after quarter, in the face of a market that was by every public metric still growing.

AMC opened Saudi Arabia's first modern cinema in 2018 through Saudi Cinema Company, a joint venture with SEVEN, a wholly owned PIF subsidiary established as the investment and development arm of Saudi Arabia's entertainment sector. The joint venture was structured from the beginning with a planned transition: build the infrastructure, train local talent, then transfer ownership to Saudi management. That transition completed in January 2023 when SEVEN acquired AMC's equity stake for \$30 million, retaining the AMC Cinemas brand through a licensing agreement. Both parties described it as the natural and successful completion of the joint venture's original mandate.¹⁸

SEVEN inherited 13 locations and a stated expansion roadmap: 50 cinemas total, 34 locations across 19 cities within five years.¹⁹ Two of those inherited locations subsequently closed when their landlords repurposed the spaces at lease expiration. Neither has been replaced. As of 2025, AMC Cinemas operates across nine cities. The distance between the inherited footprint and the stated target has not visibly narrowed since the transition completed.

Cinépolis entered the Saudi market with plans for Riyadh and Jeddah locations that were announced and then quietly abandoned. The company subsequently exited the market entirely. In a 2023 interview with *Screen International*, Cinépolis CEO Alejandro Ramírez Magaña was direct about the experience: Saudi Arabia had not been the market the company expected, describing too many operators entering simultaneously, a high cinema tax, and a population that moved rapidly from having almost no entertainment options to having many. He noted that Saudi audiences do not have the deeply rooted moviegoing culture that makes other markets structurally resilient. Cinépolis framed its Saudi experience as an execution failure compounded by market misread, and then left.²⁰

Screen International reported in late 2024 that at least one major exhibitor group was exploring a possible sale amid high debt levels, and that some operators were opening only a proportion of their screens to manage overhead costs.²¹

The one operator actively investing is muvi Cinemas, which by late 2025 operated 23 locations across the Kingdom, had established a distribution arm, and had backed four Saudi films and three Egyptian productions.²² But the pattern of muvi's investment is telling. Every new location opens in a proven commercial corridor, established malls, high-footfall destinations, areas where cinema demand has already been demonstrated by existing operators. muvi is not testing new catchments. It is consolidating position in corridors the market has already validated. The IMAX partnership announced in July 2024 (four new premium format screens) follows the same logic: format upgrades within existing infrastructure, not geographic expansion into unserved markets.

The aggregate picture across all operators is a market where the Film Commission's own 2025 report records 62 cinemas and 603 screens, down from 64 cinemas and 630 screens at their peak.⁴ In a market the industry publicly describes as undersupplied relative to its population, the net movement in both location count and screen count is negative. Operators with the best available information about this market (their own revenue data) are not behaving like participants in an undersupplied market.

Understanding why requires a detour through how Saudi cinema's infrastructure model was built, and what that model was designed to serve.

The reference point that shaped Saudi cinema before a single local screen existed was Bahrain City Centre VOX. For the generation of Saudis who wanted to watch films during the ban, the path led across the causeway to a multiplex anchored inside a regional shopping mall, serving a destination audience that had traveled specifically to be there. That experience (large format, mall-anchored, destination-driven) became the template. When operators entered Saudi Arabia in 2018, the model they imported was the one they understood Saudi audiences to have already validated through their cross-border behavior.

What that model was actually measuring was something different. The Saudi audiences who drove to Bahrain were self-selected, motivated enough to make a significant journey, representing the top of the demand curve rather than its average. The cinema experience they validated was one where the trip itself was the event, where distance and effort had already filtered for commitment before the ticket was purchased. Replicating that infrastructure for a general domestic audience, in a country where the cinema was now across the road rather than across a causeway, required a different commercial model entirely. The destination cinema serves an audience that has already decided to go. The neighborhood cinema serves an audience that decides when it's easy enough to go. Those are not the same audience, and they are not served by the same infrastructure.

This distinction matters because it is precisely the lesson that mature cinema markets have spent a decade learning through expensive experience.

In the United States, AMC (the world's largest cinema operator) has closed 213 locations over the past five years while opening only 25 new ones. CFO Sean Goodman stated the logic directly in a 2026 earnings call: "We'll be closing more

theaters than we open, but the new ones that we open are generating significantly more profit than the ones that we close.”²³ The locations being surrendered as leases expire are overwhelmingly mall-anchored multiplexes, Fairlane Town Center, Chesterfield Mall, Valley View Mall²³, while new openings are selectively premium, positioned in mixed-use developments with residential catchment.

Cineplex, Canada’s dominant exhibitor, closed three locations in 2024 at the end of their lease terms as part of what its filings describe as a “portfolio optimization and rationalization strategy,” while opening one new location, a five-screen theatre in a mixed-use residential development in Ville Mont-Royal, Quebec.²⁴

Regal Cinemas closed more than 50 US locations during its Chapter 11 restructuring, with closures stretching from Alaska to Florida, overwhelmingly older mall-anchored multiplexes that had lost traffic to newer, better-positioned venues.²⁵

The global exhibition industry is not contracting because audiences have stopped going to cinema. It is contracting in one specific location type (the mall-anchored multiplex built to serve ambient retail traffic) while selectively expanding in another: premium, well-positioned cinemas serving residential catchments with intentional audiences. The operators generating the strongest per-screen economics globally have largely abandoned the mall-dependency model.

Saudi cinema built its entire infrastructure on that model. Every major operator entered through a mall anchor. The Bahrain City Centre template was replicated nationally, at scale, across multiple operators simultaneously. The model performs well for its designed purpose: serving high-motivation destination audiences for major releases. The problem is that it systematically underserves the audience that determines whether a cinema market grows beyond its event-driven ceiling, the family in a residential neighborhood deciding on a Tuesday evening whether to go out, the young adult with two hours free on a weekday afternoon, the repeat visitor whose habit is built on convenience rather than occasion.

Operator capital allocation in Saudi Arabia’s cinema market tells a more cautious story than operator press releases. The market has lost locations, not gained them. The one announced billion-riyal investment produced one location. The model that built the first phase (destination mall anchor, proven corridor, ambient traffic) is showing structural limits in its ability to develop the next audience tier. The market has not failed. The model may have reached the limits of what it was designed to do.

Section 4: The Geography of a Market That Doesn’t Know Where Its Audience Lives

If operator capital allocation describes what the industry believes about the market in aggregate, the geographic distribution of Saudi cinema infrastructure describes what it believes about where the audience lives. The two pictures are consistent with each other, and both tell a story the headline revenue numbers don’t.

Saudi cinema is concentrated in two types of locations: established high-footfall commercial corridors in Riyadh and Jeddah, and major regional cities where a single operator presence serves an entire catchment. The former reflects the mall-dependency model inherited from Bahrain City Centre. The latter reflects the minimum viable coverage logic of a market still in its early expansion phase. Neither reflects where Saudi Arabia's residential population is actually growing.

In Riyadh, the northern growth corridors (AlNarjis, AlAarid, and the NHC Sedra development) represent some of the fastest-growing residential areas in the capital. These neighborhoods collectively house hundreds of thousands of residents, with construction continuing at pace as the city's population center of gravity moves north. As of 2025, there is no cinema in any of these corridors. There is no announced pipeline from any operator. Every cinema serving Riyadh's northern population requires residents to drive south or east into established commercial zones, adding distance, time, and cost to an outing whose total price is already a barrier conversation.

Jeddah presents the clustering problem in its clearest form. The city's cinema infrastructure has organized itself into two distinct zones, each with the same structural characteristic: multiple operators competing for the same catchment.

The university corridor in central Jeddah contains Empire Cinemas at Al Andalus Mall, muvi at Salam Mall, and VOX at Town Square, three operators within a concentrated area serving overlapping audiences. The northern coastal strip contains VOX at Red Sea Mall with the city's flagship IMAX screen, AMC at Stars Avenue on Sari Street, and muvi at Atelier La Vie, three operators again in the same premium destination zone. In both clusters, operators have chosen to compete directly with each other for proven audience rather than identify uncovered catchments.

The absence that makes this clustering most visible is a single location: U Walk Jeddah. The U Walk development in Al Zahra district was built by the same parent company that operates muvi Cinemas. In Riyadh, U Walk carries a muvi cinema as its anchor entertainment tenant, the cinema drives traffic that benefits the entire retail and F&B ecosystem around it. In Jeddah's Al Zahra, an established residential neighborhood on a major arterial road, the U Walk development opened without a cinema. The operator that uses cinema as an anchor in its own Riyadh development chose not to replicate that model in Jeddah.

It was Grand Cinemas (a Lebanese operator with no prior Saudi presence and none of the market intelligence that established operators had accumulated) that identified Obhur as a viable location when every established operator had passed. Grand Cinemas' only other Saudi location is in Taif. Grand Cinemas' location choices (Obhur and Taif) share a characteristic that distinguishes them from the established operator clustering pattern: both serve residential populations in areas where no competing operator had previously opened.

East Jeddah, beyond the airport corridor, has no cinema coverage. The populations of the city's eastern and southeastern districts (significant in scale and growing) have no accessible local cinema option. This is not a market that has been tested and found wanting. It is a market that has never been offered a product.

The geographic picture that emerges from mapping Saudi cinema against Saudi population distribution is not one of a market that has expanded and saturated its addressable audience. It is one of a market that expanded rapidly into proven commercial real estate and stopped, leaving the population growth corridors of both major cities entirely unserved while operators cluster competitively in the same validated zones.

fasllah's 2025 analysis correctly identifies that screen expansion outpaced audience development in the market's first phase.¹⁶ The implication drawn from that finding is typically that the market doesn't warrant further expansion. But the finding describes an average across a system that is geographically concentrated in a small number of corridors. An average that includes both over-served and completely unserved catchments is not a reliable guide to whether expansion is warranted, it is a guide to whether expansion in the same locations is warranted. Those are different questions.

They are not lapsed cinema-goers. They are potential cinema-goers who have never been given a proximate, accessible, reasonably priced option.

The residential multiplex model that Cineplex, PVR INOX, and other mature market operators are actively pursuing serves a structural truth that Saudi cinema's infrastructure has not yet tested: the audience that determines whether a cinema market grows beyond its event-driven ceiling is not the audience that drives to destination malls. It is the family that goes when it's convenient, the young professional who builds the habit because the cinema is nearby, the repeat visitor whose attendance is not occasion-dependent.

Saudi cinema's geographic footprint reflects the commercial logic of 2018, follow proven real estate, anchor in established malls, serve the audience already concentrated in high-footfall destination zones. That logic built the market's first phase efficiently. It also systematically excluded the residential population corridors where Saudi Arabia's urban growth is actually happening. The admissions data that the industry reads as evidence of demand limitations may be more accurately read as evidence of supply limitations in the places where demand has never been tested. The distinction matters because one implies a ceiling, and the other implies an opportunity.

Section 5: The Data Behind the Data

Saudi Arabia's cinema market generates approximately SAR 920.8 million in annual revenue from 18.8 million tickets sold across 603 screens in 62 cinemas.⁴ Those are the numbers the industry uses to assess market health, calibrate investment decisions, and communicate performance to the outside world. They are also incomplete in ways that systematically distort the picture, not for the operators who run the market, but for everyone else whose decisions shape whether it grows.

The primary international source for Saudi box office performance is Box Office Mojo, the industry's standard tracking tool for global markets. Box Office Mojo captures Hollywood-distributed titles. In Saudi Arabia that represents American productions, which accounted for 55.2% of 2025 revenues across 213 films. It does not capture Egyptian films, which accounted for 22.2%. It does not capture Saudi films, which accounted for 13.3%. It does not capture Indian films, which accounted for 3.7%.⁴ By revenue, Box Office Mojo covers roughly 55% of the Saudi market. By title count, across 538 films screened in 2025, it covers less than 40%.

The Saudi Film Commission publishes weekly box office data, the primary source for the non-Hollywood segment of the market available to external observers. That data is released as image files. Not structured datasets. Not downloadable tables. Images.²⁶ A film studio evaluating whether to invest in a Saudi release campaign, a regional producer assessing whether a co-production makes commercial sense, an analyst publishing a market assessment, or an investor evaluating the sector cannot query Film Commission data programmatically. They cannot cross-reference it against demographic data or run trend analysis across multiple years without manual transcription.

This matters because Saudi cinema's operators are not the primary audience for this data. Operators have their own point-of-sale systems, ticketing infrastructure, and internal revenue reporting that gives them granular per-screen, per-title, per-location performance data in real time. muvi, VOX, and the remaining operators know exactly what each auditorium generated on each day. They do not need the Film Commission's weekly image to make programming decisions.

The parties who depend on publicly available data are the ones who determine whether the ecosystem around those operators becomes more valuable: the international studio deciding whether Saudi warrants a simultaneous release or a dedicated marketing campaign, the Egyptian production company evaluating whether to structure a co-production, the anime distributor assessing whether to invest in Saudi-specific promotional infrastructure, the regional investor considering an exhibition or production opportunity. These actors make decisions based on what they can see. What they can see is structurally incomplete.

The consequences of that incompleteness are visible in four specific content categories whose commercial performance the standard data tools either miss entirely or measure poorly.

Anime

Anime has become one of the most commercially significant content categories in Saudi cinema, a fact that distributor behavior confirms even when the public data doesn't clearly reflect it.

Sony Pictures and Crunchyroll's release strategy for *Demon Slayer: Infinity Castle* in September 2025 treated Saudi Arabia as a tier-one market, releasing simultaneously with the United Kingdom, France, Italy, Mexico, and Australia.²⁷ The film generated SAR 20.5 million in Saudi Arabia according to the Film Commission's official 2025 report, placing it tenth in the overall annual ranking and first in the animation category.⁴ It achieved this on no Saudi-specific marketing investment, no local campaign, and no dedicated promotional infrastructure.

Simultaneous global release decisions are not made casually. Sony and Crunchyroll's internal revenue projections for Saudi Arabia (built from their own tracking of prior anime performance in the market) were strong enough to justify including it alongside Western European and Latin American markets with decades of anime exhibition history.

Animation as a genre generated SAR 71.4 million in 2025, 7.8% of total revenue from 63 films, making it the fifth largest genre by revenue in the market.⁴ The Cinépolis CEO, in his 2023 *Screen International* interview, identified anime as one of the commercial forces he had underestimated before his company's Saudi exit.²⁰ A distributor with access to private performance tracking data understood the Saudi anime market's scale well enough to make a major simultaneous release decision, while the public data infrastructure that regional producers, local investors, and market analysts rely on provides no equivalent signal.

South Asian

The South Asian diaspora in Saudi Arabia represents one of the largest and most commercially active cinema audiences in the market, and one of the most poorly served by the public data architecture the industry's external stakeholders use.

Pathaan, the 2023 Shah Rukh Khan action film, generated \$2 million in Saudi Arabia on the strength of home-country word of mouth, with no Saudi-specific marketing campaign and no dedicated screen allocation strategy. VOX Cinemas confirmed 88,840 tickets sold in the film's opening weekend alone.²⁸ *Jawan*, released later the same year, generated \$3.325 million, a figure drawn from the production company's final overseas accounting.²⁹

The 2025 Film Commission report shows the full picture of what happens when that demand is not developed: 130 Indian films screened in 2025 generated a combined 3.7% market share, an average of approximately SAR 262,000 per title.⁴ Against the backdrop of *Pathaan* and *Jawan*'s individual performances in prior years, the 2025 average reveals the structural problem precisely. The South Asian audience in Saudi Arabia responds powerfully to the right titles. The infrastructure around that response (screen allocation, marketing support, community programming) has not been built. The result is 130 titles averaging SAR 262,000 each in a market where a single well-supported South Asian release has demonstrated the capacity to generate ten times that figure independently.

The South Asian cinema audience in Saudi Arabia operates through communication channels that generate no data visible in the public record, WhatsApp networks, home-country entertainment media, community word of mouth. Demand builds to significant commercial scale before it registers in any publicly trackable signal. What

Pathaan and *Jawan* establish is not simply that South Asian content performs well in Saudi Arabia, it is that it performs well with zero external investment in audience development. The ceiling implied by proper marketing support and screen allocation is undocumented, because the data infrastructure to document it does not exist in accessible form.

Family and Kids

The Film Commission's 2025 rating breakdown shows G-rated films generating SAR 169,700 from just four films, 0.02% of the market.⁴ That figure is frequently misread as evidence that family content underperforms in Saudi Arabia. It is not a measure of family audience behavior. It is a measure of a rating category that contains almost no commercially significant titles.

Saudi Arabia's classification system applies conservative ratings by international standards. Films that receive G or PG ratings elsewhere routinely receive PG or PG-12 classifications in Saudi Arabia. The Pixar and Disney animated films that define the global family cinema category are classified as PG or higher in Saudi Arabia. Superhero films that families regularly attend with children under ten receive PG-12 or R15 classifications while remaining family outings in practice. The G-rated category is not the family category. It is a narrow band with no commercially meaningful content.

The family cinema argument lives in the PG and PG-12 tiers. PG generated SAR 96.9 million from 61 films in 2025. PG-12 generated SAR 94.2 million from only 22 films, making it the most revenue-efficient rating tier in the market at SAR 4.3 million average per title.⁴ *Lilo & Stitch* generated SAR 36.8 million from 851,000 tickets across 27 weeks, the longest theatrical run of any film in the 2025 top ten and the second highest ticket count overall.⁴ *Inside Out 2* generated \$15 million in 2024.³⁰ *The Super Mario Bros. Movie* and *SpongeBob SquarePants* both topped their respective release windows in Film Commission data.⁴

What the data cannot yet answer is whether this reflects category behavior or IP-specific behavior, whether Saudi Arabia is a deep family cinema market or one that responds primarily to franchise recognition. Saudi Arabia has not generated enough documented mid-tier family film data to answer that definitively. That question remains open, and the external ecosystem lacks the structured data to close it.

Horror

The most commercially underreported story in Saudi cinema's content mix is horror. Horror generated SAR 65 million in 2024.³¹ In 2025 it generated SAR 111.4 million, a 71% year-on-year increase, the fastest growth of any major genre in the market.⁴ Horror is now the third largest genre by revenue in Saudi Arabia, behind only action and comedy.

This is almost entirely absent from the standard narrative about Saudi cinema's content profile. The industry conversation focuses on Hollywood blockbusters, Saudi comedy, and Egyptian drama. Horror (which quietly generates more revenue than animation, more than adventure, more than drama) is discussed as a secondary consideration if it is discussed at all.

Comscore's senior analyst identified the structural reason in 2024: "In the Middle East, the threshold for horror is really high. Anything outside of traditional conventional marriage is a big no-no, but blowing up things and horror films are okay."³² The genre that faces the fewest content restriction barriers in a market where content restrictions meaningfully shape what can be exhibited is also the fastest growing major genre by revenue. That is not a coincidence. It is a market signal that the standard data narrative is not capturing.

The Measurement Gap

Four content categories. Four different mechanisms of undercounting or misrepresentation. One shared consequence: the external stakeholders whose investment decisions would develop these audiences further (studios, distributors, producers, investors, analysts) are working from a public data picture that systematically underrepresents the commercial weight of audiences and genres outside the Hollywood-Arabic axis.

This is not an operator problem. Saudi cinema's exhibitors have the internal data to understand their own audiences with far greater precision than any public source provides. The asymmetry runs between what operators know and what the broader ecosystem can see, and it is the ecosystem that determines whether the market's next phase of growth gets funded, programmed, and developed.

Saudi cinema's public data infrastructure was built for a market in its first year of operation. Seven years later, the market it describes has become the largest in the Middle East, generated nearly a billion riyals in annual revenue, and developed content categories whose commercial behavior contradicts what the headline numbers imply. Operators understand their market with a precision the public data doesn't reflect. The studios, distributors, producers, and investors who would develop it further do not have equivalent visibility. That asymmetry is not inevitable, it is a choice about what the industry decides to measure and share. Markets that understand themselves attract the investment that grows them. Markets that don't, plateau.

The weekly image file is a 2018 solution to a 2025 problem. The market has outgrown it.

Section 6: The Saudi Film Story

Of all the content stories Saudi cinema's data tells, the Saudi film story is the one told most completely, and it is the most compelling story in the market.

In 2019, Saudi films represented a negligible share of box office revenue. By 2024, that share had risen by 10 percentage points.³³ By mid-2025, eight Saudi films had already accounted for 19% of total revenue before the year was half complete.³⁴ The full year confirmed it: 11 Saudi films generated SAR 122.6 million in 2025, 13.3% of the total market, from 2.8 million tickets sold.⁴

The per-title efficiency of that performance is the number that deserves the most attention. Eleven films generating 13.3% of a SAR 920.8 million market means an average of SAR 11.1 million per Saudi title. The 213 American films released in the same year generated 55.2% of revenue, an average of SAR 2.4 million per title. The 40 Egyptian films generated 22.2%, an average of SAR 5.1 million per title. The 130 Indian films generated 3.7%, an average of SAR 262,000 per title.⁴ Saudi films, at SAR 11.1 million average revenue per title, are the most commercially efficient content category in the market by a significant margin. They achieve this from a production base that is years younger than any of their competitors.

The 2025 top ten overall tells the story concretely. Three of the ten highest-grossing films in Saudi Arabia in 2025 were Saudi productions, *Al Zarfa*, *Shabab El Bomb 2*, and *Hobal*. *Al Zarfa* generated SAR 30.7 million from 738,400 tickets across 24 weeks in theatres.⁴ Twenty-four weeks. In a market where the standard theatrical window for international titles runs four to six weeks, a Saudi comedy running for six months is not just a commercial success, it is evidence of an audience relationship with local content that operates on different terms entirely. *Lilo & Stitch*, the longest-running international title in the 2025 top ten, ran 27 weeks, the comparison is instructive. Disney's most enduring family title and Saudi Arabia's highest-grossing local comedy ran virtually identical theatrical campaigns in the same market year.

Shabab El Bomb 2 generated SAR 27.2 million from 604,800 tickets over 17 weeks. *Hobal* generated SAR 24.6 million from 589,200 tickets over 16 weeks.⁴ The hold data across all three titles is remarkable, these are not films that opened large and collapsed. They built and sustained audience over months. That behavioral pattern describes something specific: an audience that returns to local content, recommends it within communities, and treats Saudi cinema as a recurring cultural event rather than a one-time spectacle.

The genre picture adds precision to the story. Comedy is the second largest genre in Saudi cinema by revenue, SAR 237.7 million in 2025, 25.8% of the total market.⁴ Saudi films dominate the comedy category. *Al Zarfa* is the highest-grossing comedy of the year across all nationalities. The alignment between the market's second largest genre and Saudi cinema's primary output is not accidental. Saudi comedy films are speaking to an audience in a register that no other national cinema can replicate, local dialect, local reference, local humor, local social context. The competitive advantage is structural.

Drama tells a parallel story. *Hobal*, a Saudi drama, generated SAR 24.6 million and placed fourth overall in the annual rankings, ahead of *Mission: Impossible*, *The Final*

Reckoning in the same market.⁴ A locally produced drama outperforming one of Hollywood's most commercially reliable franchises in its own market is a data point that would be notable in any cinema ecosystem. In a market seven years old, it is exceptional.

The trajectory matters as much as the absolute numbers. Saudi film's market share has grown consistently every year since 2019.³³ The growth is not driven by a single breakout title distorting the aggregate, it is distributed across multiple films across multiple genres. *Al Zarfa* in comedy, *Hobal* in drama, *Esaaf* in social thriller, the range demonstrates a production ecosystem developing breadth, not just scale.

What the data does not yet show (and the industry should be asking) is whether the infrastructure exists to support the next phase of Saudi film's growth. The theatrical window that Saudi films occupy is the most valuable commercial real estate in the market. Screen allocation, release scheduling, and marketing investment that matches the demonstrated audience appetite for local content would compound the returns that are already exceptional on minimal infrastructure investment. The Saudi film story so far has been written largely by the films themselves. The industry's role in writing the next chapter is the open question.

Al Zarfa ran for 24 weeks in the cinemas that exist. The question the industry has not yet answered is how it would have performed in the cinemas that don't.

Saudi cinema built a market in seven years. Saudi film is building an audience in real time, one that returns, recommends, and sustains theatrical runs that mature markets would recognize as the foundation of a genuine cinema culture. The per-title efficiency, the hold data, the genre alignment, the consistent year-on-year share growth, these are not the indicators of a novelty effect wearing off. They are the indicators of an audience finding itself on screen. The market that understands and invests in that relationship has the clearest path to the next phase of growth that the data identifies.

Section 7: The Structural Question

Saudi cinema's first phase had a clear logic. Open locations in proven commercial real estate. Anchor in established malls with existing footfall. Import a template (the Bahrain City Centre model) that Saudi audiences had already validated with their feet and their riyals. Bring international operators with the expertise to build fast. The logic worked. In four years, a market was constructed from nothing that by 2022

was generating SAR 937 million annually and had surpassed the UAE as the largest cinema market in the Middle East.²

The second phase has no equivalent clarity. And the data accumulated over seven years now makes it possible to say why.

The market that was built in the first phase was designed around the most accessible and most motivated segment of the potential Saudi cinema audience, urban, high-income, concentrated in established commercial zones, willing to travel to destination malls, and primed by years of cross-border cinema experience in Bahrain and the UAE. That audience was real, it was large, and it funded an extraordinary construction period. It was also, by definition, the easiest audience to reach. The infrastructure built to serve it was optimized for that audience specifically, and has not been meaningfully extended since.

The evidence that the infrastructure has reached the limits of what it was designed to do is now visible across multiple dimensions simultaneously. Screen count is contracting. Operator expansion commitments are not materializing. The pricing intervention designed to broaden access did not recover the lapsed audience because the total experience cost equation did not change enough and the consumer perception did not update. The geographic footprint leaves the fastest-growing residential corridors of both major cities entirely unserved. The data architecture that should be informing the next investment cycle covers less than half the market by title count and is published in a format that external stakeholders cannot use analytically.

These are the predictable output of an industry that built its first phase efficiently on a specific set of assumptions and has not yet developed the intelligence infrastructure to test whether those assumptions still hold, or what replacing them would require.

The Saudi film story is where those assumptions meet their clearest challenge. Saudi films are generating SAR 11.1 million average revenue per title⁴ from an audience that sustains theatrical runs of 16, 17, 24 weeks. That audience is not concentrated only in Nakheel Mall or Red Sea Mall or U Walk. It is distributed across Saudi Arabia's residential population, in the northern Riyadh corridors with no screen, in east Jeddah with no screen, in the catchments that Grand Cinemas identified and established operators passed. The audience for *Al Zarfa* and *Hobal* and *Shabab El Bomb 2* is not a mall audience. It is a Saudi audience. And a significant portion of it is being served, when it is served at all, by infrastructure that requires a 20-minute drive and a SAR 324 family outing to access.

The gap between the audience Saudi film has demonstrated and the infrastructure available to serve it is the structural question the second phase must answer.

It is also not the only gap. The anime audience that drove *Demon Slayer* to SAR 20.5 million on zero local marketing investment is waiting for an operator that programs for it deliberately rather than incidentally. The South Asian diaspora that organized 88,840 *Pathaan* ticket sales through WhatsApp networks in a single weekend is waiting for a distribution infrastructure that treats it as a primary audience rather than an overflow segment. The horror audience that grew 71% year-on-year to SAR 111.4 million is waiting for an industry narrative that acknowledges it exists. The family audience that sustained *Lilo & Stitch* for 27 weeks is waiting for a

programming strategy that reflects how families actually use cinema rather than how the classification system categorizes it.

Each of these audiences is generating meaningful revenue on minimal or zero infrastructure investment. Each represents a ceiling that has not been tested because the industry has not yet built the tools to test it, the geographic intelligence to know where these audiences live, the data infrastructure to track their behavior, the programming models to serve them deliberately.

The market that emerges from this analysis is not a market in crisis. It is a market at a specific kind of inflection point, one where the first-phase model has extracted most of what it was designed to extract, and the second-phase model has not yet been clearly defined or tested. The revenue is real. The audience growth is real. The Saudi film trajectory is genuinely exceptional. The latent demand in unserved corridors and underserved audience segments is documented by the behavior of the audiences themselves, spending money without being asked to, sustaining films without marketing support, traveling distances that reveal appetite rather than suppress it.

What the second phase requires is not more of the same infrastructure in the same locations. It requires operators willing to test the residential catchment model that every mature market has validated. It requires a data architecture that gives the full ecosystem (studios, distributors, producers, investors) the visibility to act on what the market's own performance is demonstrating. It requires programming intelligence that treats anime, South Asian content, horror, and family cinema as primary audience segments with documented commercial weight rather than secondary considerations managed around the Hollywood-Arabic axis.

The stall Saudi cinema is experiencing is not a market failure. Markets fail when demand disappears. Saudi cinema's demand has not disappeared, it has found its ceiling within the infrastructure available to serve it. The ceiling is not the market's limit. It is the model's limit. The difference between those two things is the opportunity the second phase exists to capture.

The ceiling is not the market's limit. It is the model's limit.

Conclusion: What the Data Permits

Saudi Arabia created a cinema market in seven years. That achievement deserves to be stated plainly because it is genuine, documented, and without precedent in modern cinema history. The revenue, the audience, the infrastructure, the cultural legitimacy, all of it was built from nothing within a single decade.

What seven years of data now also permits (and what this assessment has attempted) is a clear-eyed reading of where the market actually stands, as distinct from where its founding narrative placed it.

The market peaked in 2022 and has not returned to that peak.² The infrastructure that built the first phase is contracting rather than expanding.⁴ The geographic footprint leaves the fastest-growing residential corridors of both major cities unserved. The public data architecture covers less than half the market by title count and cannot support the analytical decisions the ecosystem needs to make. And the audiences generating the most structurally significant revenue signals (Saudi films, anime, South Asian content, horror, family) are doing so largely without the infrastructure investment that their demonstrated performance would justify.

None of this contradicts the achievement. It contextualizes it. The first phase built something real. The second phase requires something different, a more precise understanding of who the Saudi cinema audience actually is, where it lives, what it wants to watch, and what it costs them to get there. That understanding requires better data, better geography, and a willingness to test models that the first phase never needed to consider.

The Saudi film story, three titles in the 2025 top ten, 13.3% market share from 11 films, theatrical runs that mature markets would recognize as the foundation of genuine cinema culture⁴, is the clearest signal the market has produced about what the second phase could look like. It is an audience finding itself on screen. It is demand that is culturally rooted rather than novelty-driven. It is the foundation on which a cinema market can sustain itself beyond its event-driven ceiling.

The operators, studios, distributors, and policymakers who build the second phase on that foundation (who follow that audience into the neighborhoods where it lives, program for the genres it has demonstrated it values, and build the data infrastructure to see it clearly) will find a market that the first-phase numbers have been hiding in plain sight.

Saudi cinema's story is not over. It is, in the most precise sense, at intermission.

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About The Interpreter

The Interpreter is a media and advertising intelligence practice based in Riyadh, Saudi Arabia. This assessment was produced as an independent, data-driven contribution to the Saudi cinema industry's understanding of its own market. It draws exclusively on publicly available data and cited primary sources.

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