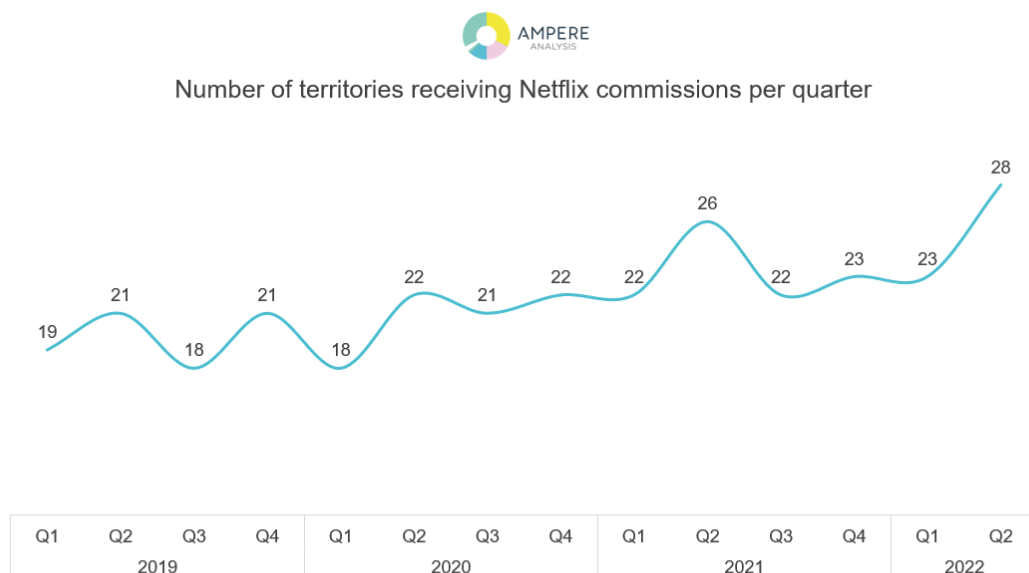


Netflix looks to international commissions for growth

Streamer chooses localisation route to beat rivals in the content arms race

London, 11th August 2022: Netflix beat its own record by commissioning new Original first-run TV or movie content from 28 different markets in the second quarter of 2022. This reflects the increasing importance of the international audience to the company's continued growth, according to a new report by Ampere Analysis.

Netflix has commissioned new content from 44 territories since the start of 2020, putting it way ahead of rivals. Warner Bros Discovery's SVoD platforms (HBO Max and Discovery+) managed content from 27 territories over the period, Disney 23 and former key rival Amazon 21.

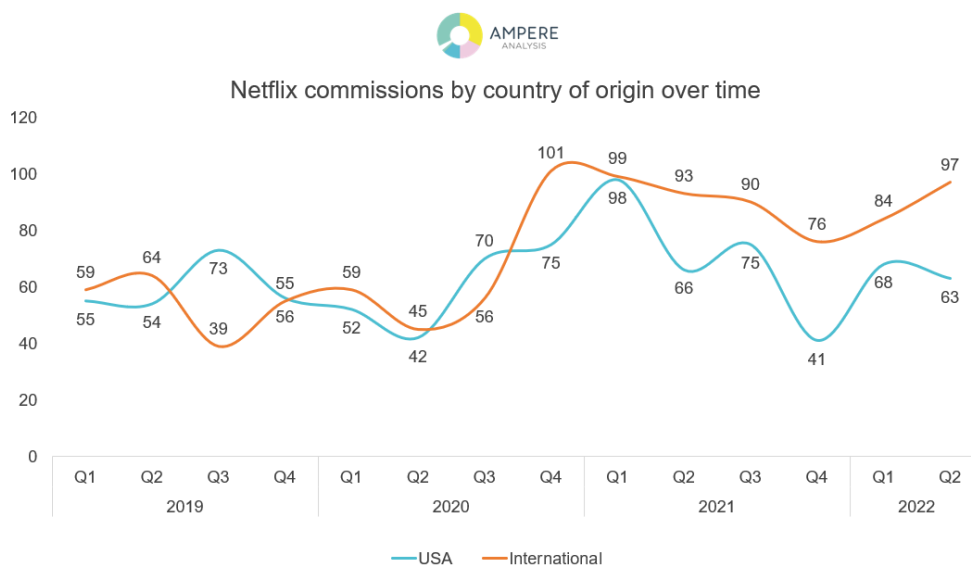


Source: Ampere Commissioning
Note: Includes movies & first-run TV shows only

Ampere's report states that international diversity gives Netflix a two-pronged path to growth. Firstly, by opening up new markets with the offer of localised Originals to entice new subscribers. Secondly, by presenting a key point of difference to rivals in the US and globally through the availability of a truly international array of content.

Fred Black, Research Manager at Ampere says: "At a time where Netflix is feeling the pinch of successive quarterly subscriber losses, a recommitment to an international

strategy allows the company to exploit one area where it still possesses an inherent advantage over studio-backed rivals. Disney+ or HBO Max may well make the next *Stranger Things* or *The Witcher*, but are yet to show themselves capable of the next *Money Heist* or *Squid Game*.”



Source: Ampere Commissioning
Note: Includes movies & first-run TV shows only

Netflix struggles in the saturated US market

Netflix’s international commissions have now outranked home-grown content for seven straight quarters. And the pressure is on for its international Originals strategy to succeed, given the context of increased competition in the US. Netflix commissioned 22 more US Originals in H1 2022 than in H1 2019, however this accounted for 27% of total SVoD commissions in the US, compared to 46% in H1 2019.

Fred Black, Research Manager at Ampere concludes: “It’s in the context of intense competition at home that Netflix’s refocus on international Originals makes the most sense. Since the start of 2020, the streaming giant has commissioned 664 American first-run TV or movie originals. That’s still 50% more than the combined effort of Discovery+ and HBO Max, twice as many as Disney+ and Hulu could muster, and three times more than Amazon. However, internationally Netflix commissioned 814 titles over the same period - 2.3 times as many as Amazon, 2.4 times as many as Warner Bros. Discovery, and three times as many as Disney’s suite of international streaming services. In fact, Netflix has commissioned more non-US originals over the period than its key rivals combined*. Opening up new markets for Originals and doubling down on

the content from its most successful will be key to Netflix finding subscriber growth again.”

Ends

Note to Editors

*This includes Amazon Prime, Discovery+, Disney+, Paramount+, HBO Max and Peacock.

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About Ampere Analysis

Founded in January 2015, Ampere Analysis is a new breed of media analyst firm. The company’s experienced team of sector-leading industry analysts specialises in sport, games, pay and multiscreen TV and next-generation content distribution. Our founders have more than 60 years combined experience of providing data, forecasts and consulting to the major film studios, telecoms and pay TV operators, technology companies, TV channel groups and investment banks. www.ampereanalysis.com