ANNUAL REPORT

30 JUNE 2021

Mighty Kingdom Limited (ASX: MKL) ABN 39 627 145 260

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1 HIGHLIGHTS

YEAR IN A SNAPSHOT

$18.0M

INITIAL PUBLIC OFFERING

The Company commenced trading on ASX on 21 April 2021 after raising $18m through its IPO

WORKING WITH INTERNATIONALLY RESPECTED BRANDS

Commenced work with Mattel and ESG, and extended our work with Funcom, Spin Master and Uken

$13.6M

CASH POSITION

$13.6 million available to fund Original IP development

29%

REVENUE INCREASE

29% increase in revenue to $3.28m over the previous corresponding year

40%

INCREASE IN GAME DOWNLOADS

Game downloads increased 40% YoY to 13.5 million

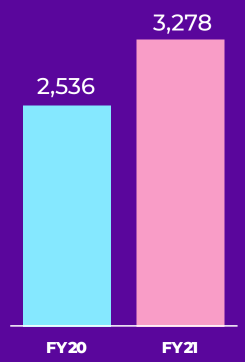
100%

INCREASE IN GAMES IN DEVELOPMENT

Game pipeline increased from 5 to 10 projects

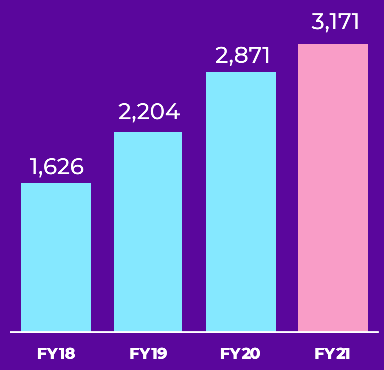
YEAR IN A SNAPSHOT

Game Revenue Increase ($'000)



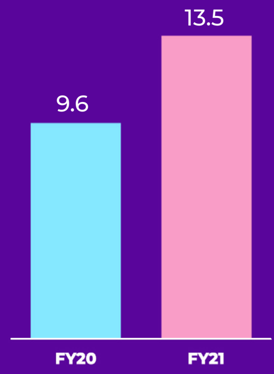
YoY +29%

Research and Development ("R&D") Investment ($'000)



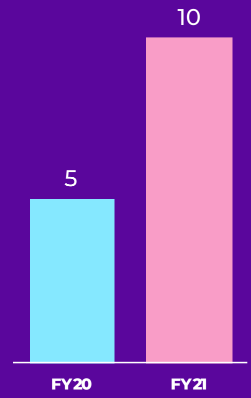
YoY +10%

Game Downloads (million)



YoY +40%

Games in Development



YoY +100%

More than
13.5 MILLION
game downloads

10
games in development

7
games were in market

3
games were new releases

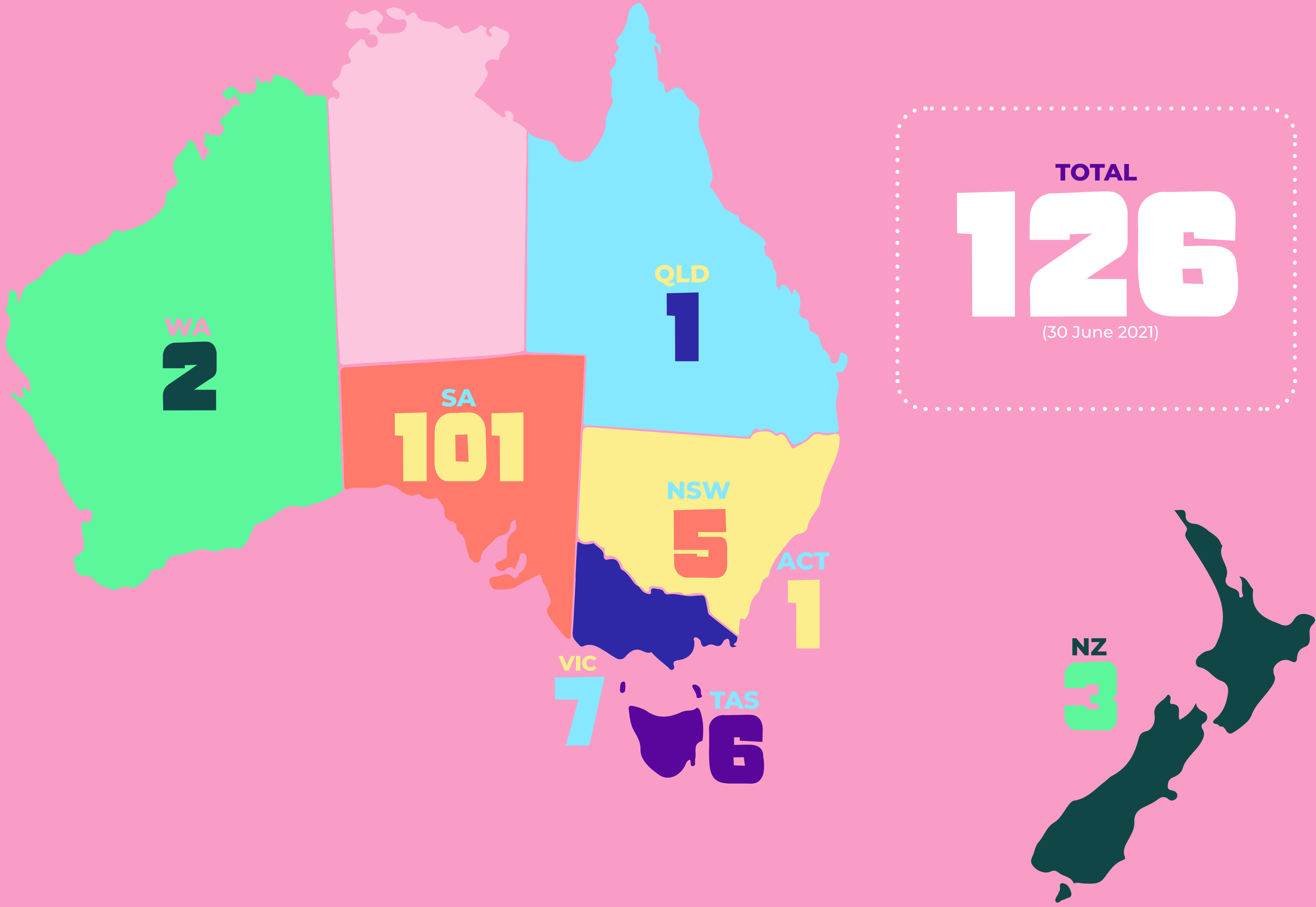
3
contracts extended

Funcom - Conan Chop Chop
Spin Master - Gabby's Dollhouse
Uken Games - Ava's Manor

2
new contracts

Mattel
East Side Games

MANAGING A GEOGRAPHICALLY DIVERSE WORKFORCE



TOTAL
126
(30 June 2021)

THE GROUP HAS SUCCESSFULLY EXECUTED ITS BUSINESS STRATEGIES:

- Continuous investment in Original IP development including games nearing completion and early stage development
- Enhancing project pipeline through Co-development contracts with high-quality brands
- Maintaining selective Work for Hire contracts with healthy margins to build relationships and long-term optionality
- Development of high-quality board and management team to oversee growth strategy

2 OVERVIEW

CHAIR'S LETTER

Dear Shareholders

On behalf of your Board of Directors, I would like to share with you the Mighty Kingdom Limited Annual Report for the year ended 30 June 2021.

This year was a milestone for Australia's largest independent games developer. We raised $18 million via our April 2021 Initial Public Offering (IPO) and set the foundation for the next stage of growth in our business.

We already have an extraordinary track record in developing high quality games by collaborating with some of the world's largest media companies and brands including Disney, LEGO and Sony on titles such as Disney Imagicademy, LEGO Friends: Heartlake Rush and Moose Toys' nine Shopkins games.

Following the IPO, we have built on these established relationships and have added a number of new projects to our development pipeline. This includes original brand development opportunities as well as in-licensing game development and content creation.

We have signed partnerships with multinational toy maker Mattel and independent Canadian studio East Side Games. These new partnerships represent an important opportunity for us to continue to grow our Work for Hire and in-licensing revenue.

Games already in market have exceeded our initial expectations, exemplified by Ava's Manor which has been downloaded by more than two million players since it launched in Q2 FY21.

In FY21, we made substantial progress in developing Original IP projects and that investment will continue into FY22. We expect significant growth in our revenue as a result of the investments we are making in developing a suite of larger projects across all gaming platforms and scaling our operations.

We continue to invest in our incredibly talented diverse team of 126 people who are focused on creating content-rich games with engaging narratives to a player base that already exceeds 50 million people worldwide. Supporting this unique team is a passionate and innovative leadership team, led by Philip Mayes, the founder and CEO of Mighty Kingdom.

In addition, we have assembled a diverse Board of Directors, who bring creative, financial, strategic and governance expertise from the entertainment, technology and content creation industries.

The Board would like to thank the players, partners and shareholders for their support of our business and the continuing commitment of our employees throughout the dislocations and uncertainties of the pandemic.

I am so excited about the tremendous opportunity ahead of us and look forward to delivering against that opportunity.

Regards,

Michelle Guthrie
Chair

CEO'S LETTER

As Mighty Kingdom's founder and CEO, I am delighted to update you on the Group's 2021 financial year performance and to provide a bigger picture of our content creation ambition over the next 12 months.

With an $18 million ASX-listing in April, our Group was given impetus to invest in scalable technologies and expand a pipeline of "games with heart" created by a talented and growing pool of developers.

While COVID-19 challenged many, the pandemic allowed us to attract senior talent from places we would not normally be competitive, at the same time transforming our Adelaide production hub to a multi-site, trans-Tasman operation. This move is changing our business model and how we work, allowing greater flexibility and improved output by our creative team.

The gaming industry has experienced a strong upward trajectory in recent years. According to the 2021 Mobile Gaming Tear Down Report, people now spend five billion hours a week playing mobile games and spend $US120 billion per annum, three times the console market. This highlights that mobile games-driven entertainment is here to stay and underscores Mighty Kingdom's bright future.

As the world stayed home during COVID-19 and turned to the Entertainment Industry, Mighty Kingdom's games revenue responded with a 29 per cent rise, driven by its co-developed and original content and supported by in-licensing partnerships.

Our collaboration with Sony on Peter Rabbit Run!, was a strong validation of the creative team's skills in developing this game for a global franchise, ahead of an expected third film. In addition, we had great success with our launches of Danger Days, Gabby's Dollhouse and Ava's Manor.

Investment in our talented creative workforce, supported by a growing marketing capability, is enhancing our storytelling and Original IP development capabilities. This investment, combined with our expanded pipeline, generates significant earnings potential for the Company throughout the next financial year as we leverage our new partnerships with our own creative output.

In the 2022 financial year, Mighty Kingdom will release several new games and our games in market will mature to a revenue realisation phase.

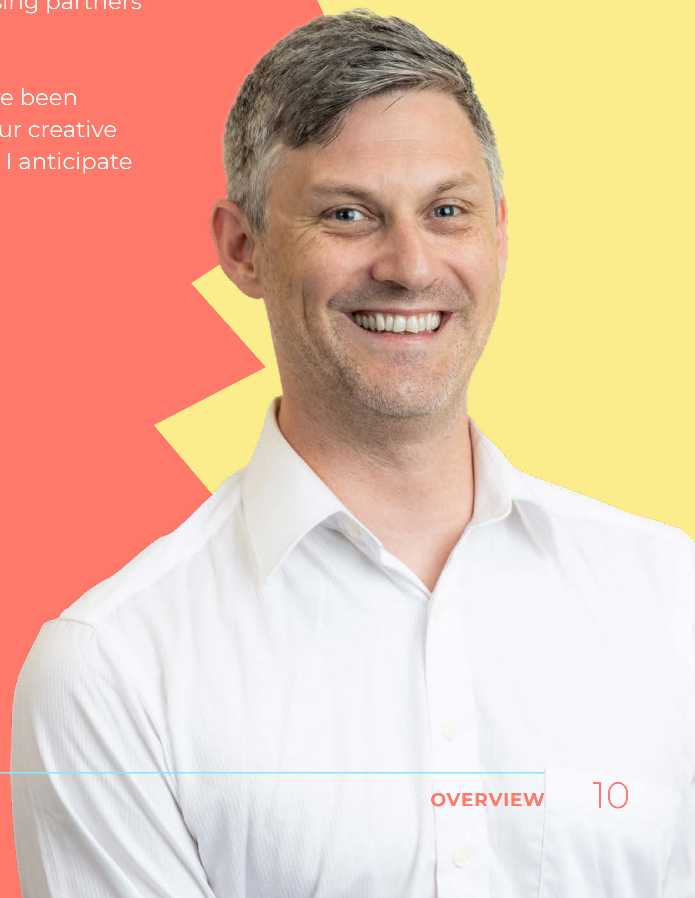
Our Ball Stars launch is expected to join a steady release of new content including for Conan Chop Chop, and in-licensing partners Mattel and East Side Games.

Our first few months as a publicly listed company have been spent investing substantially in our future as well as our creative and marketing capabilities for an exciting year ahead. I anticipate a busy and productive FY22.

Regards,

PMayes

Philip Mayes
Managing Director & CEO



OUR VISION

To create value for shareholders through inspiring and engaging a player base with strong narrative moments

To build original games that have never been done before and achieve the unachievable by combining fresh and different perspectives

We want to inspire the world through storytelling

OUR MISSION

WE MAKE GAMES WITH HEART

We will be the leading and largest independent game developer headquartered in Australia. We do this by hiring the best people to make the best possible games that players love.

Mighty Kingdom games always keep players front of mind with hand-crafted experiences. We use our player-first approach to push the boundaries and create new experiences for players to discover.

> ***"Mighty Kingdom is home to the most creative and passionate people. The studio empowers the team through a consistently collaborative work environment, enabling us to invite new perspectives and make informed decisions in an environment that drives innovation so that we bring the best possible products to market!"***
>
> *Tyler – Product Manager*

BRAND STRENGTHENING THROUGH REPUTATION

OUR PARTNERS

Mighty Kingdom works with well-known global brands to develop and diversify an already broad skillset. The Group then uses this expertise to enhance its Original IP and Co-development projects.

Mighty Kingdom's Work for Hire contracts enhance creative and technical skills of our teams, provide robust analytical data from a variety of target audiences and increase the value of the Group's entire project pipeline.

Mighty Kingdom really understood what we set out to do and created a game that both focused on the instant fun and the long term playability. They handled our IP in a truly professional way – always trying to understand what we set out to achieve and what was important to us. Mighty Kingdom created a game for us that not only showed what our IP is about, it also had the retention numbers to prove that the audience loved it!

Søren Vejgaard - Product Lead
LEGO

As a partner, Mighty Kingdom impressed us by pursuing a collaborative, organized, and adaptable approach throughout production. As the project proceeded, the team always remained open to discussion, responsive to feedback, and inspired with new ideas in the interests of developing a better game.

Andrew Krensky - Senior Producer
Sony Pictures Consumer Products Interactive Games

INCREASED CAPABILITY IN TECHNOLOGY

PLATFORM GROWTH

Traditionally a mobile game developer, now the Group is developing “games with heart” across mobile, console and PC.

Our successful console game partnership with Funcom, Conan Chop Chop, represents the Group’s first move into PC and is due for release in FY22.

The partnership contract with Funcom has been extended to expand the 1-4 player action-adventure game to multiplayer with additional features. Thorough testing throughout FY21 showed great potential and the game underwent further development.

ANALYTICS AND BACKEND

Mighty Kingdom is committed to enhancing its games and business using data with analytics running across all games and driving decisions on product investment.

The Group's backend solution for games on all platforms, MKNet, currently supports games in development, production, and release.

MKNet runs a state-of-the-art backend which supports in-game rewards, language recognition, multi-language templates, access to game data and purchase history. All data complies with GDPR and COPPA guidelines and is anonymous by default, making it suitable for games development targeting younger audiences in all global jurisdictions.

The Group's complete analytics pipeline controls how data is collected, processed and presented, allowing for informed decisions in all areas of the business.

The data allows access to user segmentation and targeted actions like special offers and A/B testing based on user profile. This includes information on global events, leaderboards, teams, and other segments. Given Mighty Kingdom has derived its data in a GDPR and COPPA compliant setting, the Group is well prepared for regulation of data collection.

Mighty Kingdom has also integrated in-house tools such as resource tracking and inventory systems to assist game developers with managing assets and remote test-server tracking. The internal resource-tracking tool is now integrated with project management software for better reporting and forecasting.

INVESTING IN STORYTELLING TECHNOLOGY

Narrative elements deliver increased retention of players resulting in high revenues. The Group has developed and continues to optimise the narrative engine Storytelling tool, taking programmers out of the content-development pipeline and giving writers and animators direct input to games. The narrative team has strategically applied our Storytelling technology to three games in development. With products in the market reflecting the narrative talent at the studio, the Group's skill in this area has been noted as a key reason for its success in working with new partners.

The success of Mighty Kingdom's technology and approach is recognised as a leading indicator and relationship builder with partners - Canadian studios Uken and East Side Games. The Group's prime strategy is to target the underserved demographic of women aged 16 to 35, which is also the highest spending demographic for free to play games. Our Storytelling technology provides compelling narrative elements which players love.

3 STRATEGY

FORWARD STRATEGY AND OUTLOOK

Mighty Kingdom is focused on increasing its Original IP output and maximising potential by enhancing our development capabilities. By partnering with global brands in Co-development projects and performing Work for Hire contracts, the Group is able to generate new ideas and maintain a robust pipeline of projects at different stages of their development life cycle.

Through partnership, the Group leverages similarly aligned brands, to maximise learning and insights for its data-analytics engine and reduce the development time frame for Original IP products.

In addition, Mighty Kingdom performs Work for Hire projects that provide essential supporting revenue. These projects enable the Group to promote its capabilities to strategic partners, whilst pursuing Co-development opportunities and providing cash flow for Original IP developments.

COMPANY GROWTH

Mighty Kingdom secured a strong cash balance of $13.6 million as at 30 June 2021 to invest in Original IP development.

The Group's game revenue lifted 29 per cent to $3.28 million from the previous financial year as it delivered work across multiple pipeline projects with strategic partners in line with stronger investment, development and expected output of new "games with heart".

The Original IP set for self-publishing and through third parties over the next two financial years is strong and will be released through a balanced schedule. Amongst them are multiple titles progressing through early-to-mid stage development for release to market in FY22.

These include an upgrade to multiplayer of action-adventure game Conan Chop Chop and Ball Stars.

The embedded value of the Group's development pipeline increased this financial year after contract extensions with existing partners Spin Master, Funcom and Uken as well as new contracts signed with Mattel and East Side Games.

The Group is developing leadership through creative talent acquisition and retention and has enhanced its board and senior management with the key hire of Amy Guan in the role of Chief Financial Officer.

Total income grew 42 per cent to $6.13 million which included Government grants, Jobkeeper payments and research and development incentives, reflecting the Group's continued focus on innovation.

Cost and revenue-sharing of IP development with publishers and other game development partners will, in due course, allow 100 per cent retention of game equity via ownership, development, and Original IP publishing output.

The Group's talented creative workforce, which is supported by growing marketing capability and backend innovation, delivers compelling content to produce Original IP, Work for Hire and in-license content to reinforce the strategic growth.

EXCELLENT WORK DELIVERED BY HAPPY PEOPLE

STAFF GROWTH

Since IPO, resourcing has been a clear focus to ensure Mighty Kingdom is staffed for success. To this end, the Group has increased its development team by 100% as at 30 June 2021. The Group's workforce is solely focused on delivering original and licensed content for game players on mobile, PC and console platforms.

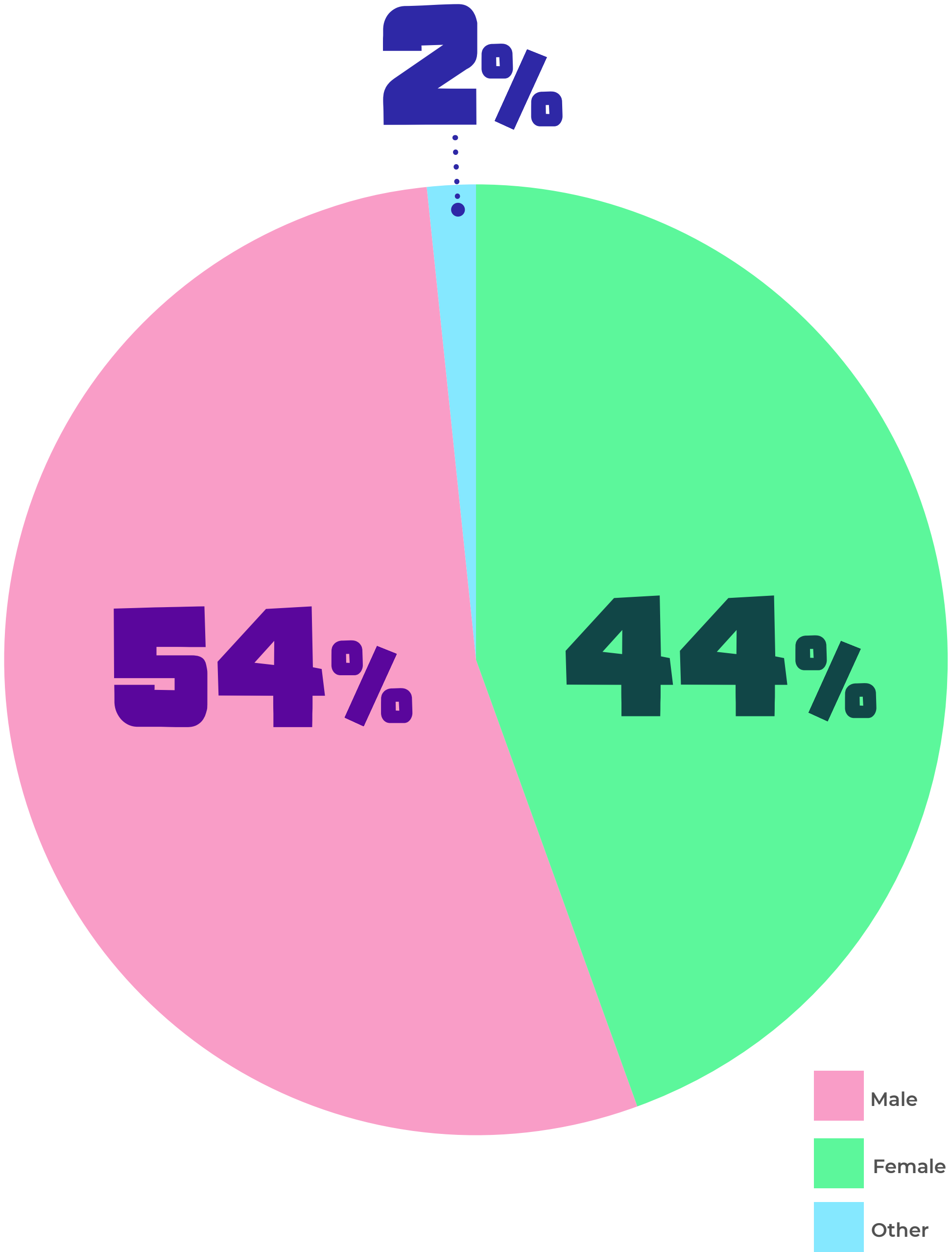
The Group has built teams with broad, yet complementary technical abilities to ensure each team can work independently and deliver on projects. This allows the Group to maximise the concurrent projects in the pipeline.

> ***"The entire team approaches new challenges with a collaborative, innovative, and supportive mindset, and I feel consistently supported by the production and executive teams. I feel proud of the excellent products that we produce, and I feel like my work has had a substantial impact on many of those products."***
>
> *Phoebe - Lead Rigger*

DIVERSITY AND INCLUSION

Our current workforce is gender balanced and has a diversity of backgrounds in education, culture and language which creates a positive and energised environment.

The Group continues to employ people from broad backgrounds to provide insights which can be embedded in games for wider appeal.



OUR VALUES

Mighty Kingdom is a commercially and customer-focused game developer. We do this through our dedicated and highly skilled team's shared values.

We are BALANCED HUMANS

Humans need space and time to breathe in order to blossom. We embrace our humanity and nurture a caring environment to see our talent unfold their potential.

We are INTREPID LEARNERS

We want to learn, confront our ideas and beliefs, change and grow beyond what we already know. We are not afraid to make mistakes as we know that this is how we will become better versions of ourselves.

We are BIG DREAMERS

We have big ambitions and goals; we want to imagine what has never been done before and achieve the unachievable.

We are DIVERSE INDIVIDUALS

We want new ideas, fresh points of view, different perspectives, therefore we welcome everyone in their own individuality and empower people to be themselves.

We are PLAYFUL EXPLORERS

We like to play, and we use our playful selves to explore boundaries and develop new realities. With this approach we aim at creating multitude of worlds to explore for our players.

We are SUSTAINABLE CITIZENS

We respect our planet, environment, and communities. We commit to behave in adequation with these values and always choose the most environmentally friendly option and community driven approaches.

We are COLLABORATIVE PLAYERS

We know that most creative ideas come from listening to others and sharing our own understanding with them. We commit to open communication, accountability and integrity in order to allow everyone to achieve their best.

4 FINANCIALS

DIRECTORS' REPORT

The Directors of Mighty Kingdom Limited present their report together with the financial statements of the consolidated entity, being Mighty Kingdom Limited (the "Company" or "Mighty Kingdom") and its controlled entities (the "Group") for the year ended 30 June 2021.

DIRECTORS

The following persons were Directors of Mighty Kingdom Limited during or since the end of the financial year:

Philip Mayes
Chief Executive Officer and Managing Director

With more than 15 years of experience, Philip has worked on games for many large international brands, including Hellboy, Spyro, Star Wars, LEGO® and Disney. Philip founded Mighty Kingdom in 2011 initially as an app developer but made the decision to focus exclusively on games in 2013. Since then, he has grown the Company significantly, making Mighty Kingdom the largest independent developer in Australia.

He is an advocate for the return of large-scale console game development to Australia and has worked to develop the ecosystem required to support it when it does.

Interests in shares:	52,500,000
Interest in options:	None

Tony Lawrence
From 20 Aug 2020
Chief Operating Officer and Executive Director

With more than 20 years of senior leadership experience in creative industries, Tony was previously the General Manager and Director of 2K Australia, which developed the internationally acclaimed and commercially successful Borderlands the Pre-Sequel, BioShock Infinite, and BioShock 2 games. Tony is a Director and Chair of the Audit and Risk committee of the Interactive Games and Entertainment Association (IGEA), Australia's peak game industry member organisation, and a previous President of the Game Developers Association of Australia. Tony holds an MBA (Executive) from the University of New South Wales and the University of Sydney (AGSM), and a BA Television and Sound Production from Charles Sturt University.

Interests in shares:	None
Interest in options:	8,019,359

Michelle Guthrie
From 17 Dec 2020
Chair - Independent Non-Executive Director

Michelle has held senior management roles at leading media and technology companies in Australia, the UK and Asia, including BSkyB, Star TV, and Google. She is also a director of Catapult Group International Ltd (ASX:CAT) and BNK Banking Corporation Ltd (ASX:BBC). She has extensive experience and expertise in management, digital media, and the global technology sector. Michelle was the MD of the ABC where she led the transformation of the organisation. Michelle holds a Bachelor of Arts and Law (Honours) from the University of Sydney.

Interests in shares:	None
Interest in options:	649,252

Megan Brownlow
From 17 Dec 2020
Independent Non-Executive Director

Megan is an experienced non-executive director, boardroom facilitator and speaker who, in her executive career, held senior leadership positions in strategy, marketing and management consulting for large media and consulting firms.

Until April 2019 Megan was a partner with PwC Australia and led the National Telecommunications, Media and Technology (TMT) Industry practice, assisting clients with strategy, due diligence, forecasting and market analysis.

Apart from her role with Mighty Kingdom, Megan is the Deputy Chair of Screen Australia, Deputy Chair of the Media Federation of Australia, Chair of the Industry

Advisory Board for the School of Communications, UTS and a non-executive-director of the ASX listed video technology company, Atomos.

Interests in shares: 105,263
Interest in options: 486,939

Gabriele Famous
From 21 Apr 2021
Independent Non-Executive Director

Gabriele is a technology executive and insightful board member with 20+ years of senior leadership experience in Australia, UK and US at global technology leaders including Oracle Aconex, Salesforce, Vamp (Visual Amplifiers), Trustpilot and Zendesk. She has significant expertise in enterprise go-to-market acceleration, digital transformation, and mergers and acquisitions. She has been an active speaker in the technology community discussing growth, data trends, and the impacts to customer engagement. Gabriele holds an M.S. in Management from Stanford University Graduate School of Business and a B.A. in Economics from the University of Arizona.

Interests in shares: None
Interest in options: 486,939

Kaitlin Smith
From 9 Dec 2020
Company Secretary

Kaitlin Smith B.Com(Acc), CA, FGIA was appointed to the position of Company Secretary on 9 December 2020. She is an experienced Company Secretary and corporate governance professional and has held Company Secretary and CFO roles in listed and unlisted entities.

Ms. Smith holds a Bachelor of Commerce (Accounting). She is a Chartered Accountant with Chartered Accountants Australia & New Zealand and a Fellow member of the Governance Institute of Australia.

Jindou Lee
From 20 Aug 2020 to 16 Dec 2020
Executive Director

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors (the "Board") and of each Board committee held during the year ended 30 June 2021, and the number of meetings attended by each Director were:

	Board		Remuneration and nomination committee		Audit and risk committee	
	Attended	Held	Attended	Held	Attended	Held
Philip Mayes	15	15	-	-	-	-
Tony Lawrence	15	15	-	-	4	4
Megan Brownlow	12	12	2	2	4	4
Michelle Guthrie	12	12	2	2	4	4
Jindou Lee	3	3	-	-	-	-
Gabriele Famous	3	3	2	2	-	-

COMMITTEE MEMBERSHIP

As at the date of this report, the Group has an Audit and Risk Committee and a Remuneration and Nomination Committee. The members of each committee are as follows.

Remuneration and Nomination Committee

Gabriele Famous (Chair)	From 25 May 2021
Megan Brownlow	From 15 Jan 2021
Michelle Guthrie	From 15 Jan 2021
Tony Lawrence	From 15 Jan 2021 to 25 May 2021

Audit and Risk Committee

Megan Brownlow (Chair)	From 15 Jan 2021
Michelle Guthrie	From 15 Jan 2021
Gabriele Famous	From 25 May 2021
Tony Lawrence	From 15 Jan 2021 to 25 May 2021

REVIEW AND RESULTS OF OPERATIONS

The Company and its controlled entities (the "Group") present the results for FY21. The results reflect the Group's continuing capital investment in building scalable technologies and operational capability and expenditure associated with developing a strong pipeline of games to be brought to market in FY22.

SUMMARY

- Mighty Kingdom commenced trading on the ASX on 21 April 2021 after raising $18m via Initial Public Offering.
- Strong cash position of $13.6m as at 30 June 2021 to fund investment in Original IP development alongside existing Work for Hire business.
- 29% increase in game revenue to $3.28m over the previous corresponding year.
- Mighty Kingdom has continued to invest in hiring and training development teams to work across multiple pipeline projects consistent with the Company's strategy and the large opportunity ahead of it. This includes the development of Original IP games that are expected to be self-published or published through third parties over FY22 and FY23.
- Mighty Kingdom increased the embedded value of its development pipeline during FY21 with contracts extended with existing partners (Spin Master, Funcom and Uken) and new contracts signed with Mattel and East Side Games.

The net loss from continuing operations was $7,145,601 (2020: operating net loss $3,589,665). This increase is due largely to the one-off expenses of $1,818,969 incurred in initial public offering ("IPO"), capital raising and pre-IPO issuance of convertible notes and issue of share options. The remainder of the loss was made up from increased employment costs from additional hires to support the expanding business. Excluding one-off expenses relating to the IPO results in a normalised net loss of $5,326,632.

This can be summarised as follows:

	2021 $'000	2020 $'000
Revenue from ordinary activities	3,278	2,536
Loss after income tax	(7,146)	(3,590)
Addback of non-recurring items		
Costs associated with IPO Capital raising	178	-
Finance costs on convertible notes	117	-
Share-based payment with issuance of options	1,524	-
Normalised loss after income tax (Non statutory disclosure)	(5,327)	(3,590)

During FY21 the Group reported a 29% increase in game revenue to $3,278,029 (FY20: $2,535,915) and continued year on year total income growth of 42% to $6,125,634, including $861,216 increase from Jobkeeper subsidy, $, $393,780 increase from Research and development tax incentive and $350,000 from SA video game development grant. This reflected the Group's continuing investment in transition from Work for Hire to Co-development (cost and revenue-sharing of IP development with publishers and other game developers) and in due course retaining 100% of game equity via ownership, development, and publishing of Original IP.

Game Revenue ($)

3.28M

2020: 2.54M (+29.26%)

Total Income ($)

6.13M

2020: 4.23M (+41.78%)

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the year, the following changes occurred within the Group.

(a) Initial Public Offering ("IPO")

Following a successful IPO which raised gross funds of $18,000,000, the Company was admitted to the Official List of ASX on 20 April 2021 (quotation of its securities on the ASX commenced on 21 April 2021). The funds raised have contributed to the Group's equity increasing net of transaction costs by $16,984,731.

(b) Convertible notes

On 16 December 2020, the Company entered into Convertible Loan Agreements to a total value of $4,000,000, convertible to shares at IPO on the basis of $0.24 per share. During the financial year ended 30 June 2021, all convertible notes converted to shares prior to the IPO, resulting in the issue of a total of 16,666,667 ordinary shares. The transaction costs of $384,210 on convertible notes have been recognised as a transaction cost in Share Capital (Note 17). A finance cost of $116,841 has been recognised in the profit or loss representing amortisation of transaction costs until conversion.

(c) Issuance of share options

- On 20 November 2020, the Company issued 12,488,859 options with an exercise price of $0.15 each to certain employees.
- On 16 December 2020, the Company issued 649,252 options with an exercise price of $0.30 to a Non-Executive Director.
- On 3 March 2021 and 10 March 2021, the Company issued a total of 973,878 options (each 486,939) with an exercise price of $0.30 to Non-Executive Directors.
- The Company issued 4,679,500 Options to Investors in a pre-IPO capital raising on 17 February 2021 with an exercise price of $0.15.

Each Option entitles the holder to one Share on exercise of the Option. No option has been exercised up to the date of the report.

(d) Other items

At a general meeting of the Company held on 9 November 2020, Shareholders resolved:

- To repeal the Company's existing constitution in its entirety and adopt the ASX-compliant constitution; and
- To convert each existing ordinary share of the Company into 7 ordinary shares (share split) and reconstructed non-redeemable preference share capital in the same manner.

On 27 November 2020, the Company converted from a proprietary company limited by shares to a public company limited by shares, with a corresponding name change from "Mighty Kingdom Group Pty Ltd" to "Mighty Kingdom Limited".

SHARE OPTIONS

As at 30 June 2021 there were 18,791,489 unissued ordinary shares under option. Refer to Note 20 of the consolidated financial statements for further details of the Group's share-based payment plans. No shares were issued during or since the end of the financial year as a result of exercise of options (2020: nil).

Details of the share options outstanding as at the end of the year are set out below:

Issue Date	Options	Expiry Date	Exercise Price	2021	2020
20 Nov 2020	ESOP	20 Nov 2025	$0.15	8,019,359	-
20 Nov 2020	ESOP	20 Nov 2025	$0.15	2,234,750	-
20 Nov 2020	ESOP	20 Nov 2025	$0.15	2,234,750	-
16 Dec 2020	Non-Executive Director	15 Dec 2023	$0.30	649,252	-
17 Feb 2021	Placement	17 Feb 2026	$0.15	1,261,400	-
17 Feb 2021	Placement	17 Feb 2026	$0.15	3,418,100	-
3 Mar 2021	Non-Executive Director	2 Mar 2024	$0.30	486,939	-
10 Mar 2021	Non-Executive Director	9 Mar 2024	$0.30	486,939	-
				18,791,489	**-**

EVENTS ARISING SINCE THE END OF THE REPORTING PERIOD

On 19 August 2021, Mighty Kingdom Limited ("Sublessee") executed sublease agreement with Jacobs Group (Australia) Pty Ltd ACN 001 024 095 ("Sublessor") for premise comprising 927.5 m^2, being the whole of Level 4 of the building known as 121 King William Street, Adelaide SA 5000.

Commencement date: 1 June 2021
Term of Lease: 2 years and 10 months

On 25 August 2021, Mighty Kingdom Limited approved the Short-term incentives ("STI") program. The program is designed to align the targets of the business with the performance hurdles of the Company. The purpose of the STI plan is to reward and encourage high levels of performance, as well as being a part of Mighty Kingdom's employer value proposition as well as a retention tool. STI payments are granted to all eligible employees based on specific annual targets being achieved and a Company Scorecard being measured. The Company Scorecard includes Commercial, Customer, Client and Culture performance metrics.

Executives and Departmental Managers will have their own incentive scorecard, uniquely weighted depending on each position's focus and accountabilities. All other staff will have their STI payment determined by achievements against the Company Scorecard, as well as considering their own personal performance and contribution.

From May 2021 to August 2021, the consolidated entity, through the Nomination and Remuneration Committee, engaged Mitchellake Australia, remuneration consultants, to review its existing remuneration policies and provide recommendations on how to implement STI programs. Mitchellake Australia was paid $34,000 for these services.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company expects to deliver on its strategy as outlined in the prospectus issued.

INDEMNIFICATION AND INSURANCE

From March 2021, the Group paid a premium in respect of a contract to insure the Directors of the Company against a liability to the extent permitted by the Corporations Act. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

ENVIRONMENTAL ISSUES

The Group's operations are not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory in Australia.

PROCEEDINGS ON BEHALF OF GROUP

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

NON-AUDIT SERVICES

During the year, Grant Thornton Audit Pty Ltd the Group's external auditor, performed certain other services in addition to the audit of the financial statements. Details of the amounts paid or payable to Grant Thornton for non-audit services provided during the financial year are outlined in Note 24 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year by the auditor (or by another person or firm on the auditor's behalf) was compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in Note 24 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under s307C of the Corporations Act 2001 is included on page 36 of this financial report and forms part of this Directors' Report.

Signed by Managing Director

PMayes

Dated the 28th day of September 2021
Philip Mayes

REMUNERATION REPORT

The Committee presents the Remuneration Report of the Group for the period 1 July 2020 to 30 June 2021. This Report forms part of the Directors' Report and has been audited in accordance with Corporations Act 2001 and the Corporations Regulations 2001.

The remuneration report is set out under the following main headings:

(A)	Key management personnel
(B)	Remuneration governance and framework
(C)	Details of remuneration and service agreements
(D)	Share based remuneration
(E)	Other information

(A) KEY MANAGEMENT PERSONNEL ("KMP")

The Remuneration Report details the remuneration arrangements for Mighty Kingdom's KMP. KMP are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including all Directors.

Executive Directors

Philip Mayes	Director (Executive)
Tony Lawrence	Director (Executive)
Jindou Lee	Director (Executive)

Non-Executive Directors

Michelle Guthrie	Chair (Non-Executive)
Megan Brownlow	Director (Non-Executive)
Gabriele Famous	Director (Non-Executive)

Other Key Management Personnel

Amy Guan	Chief Financial Officer (CFO)
Ella Macintyre	Chief Product Officer (CPO)

- Philip Mayes appointed Managing Director and CEO on 28 June 2018
- Tony Lawrence appointed Executive Director on 20 August 2020
- Jindou Lee appointed Executive Director on 20 August 2020 and resigned on 16 December 2020
- Michelle Guthrie appointed Non-Executive Chair on 17 December 2020
- Megan Brownlow appointed Non-Executive Director on 17 December 2020
- Gabriele Famous appointed Non-Executive Director on 21 April 2021
- Amy Guan appointed Chief Financial Officer on 17 May 2021
- Ella Macintyre appointed Chief Product Officer on 1 January 2021

(B) REMUNERATION GOVERNANCE AND FRAMEWORK

(i) Remuneration governance

The Nomination and Remuneration Committee is responsible for reviewing the remuneration arrangements for its Directors and Executives and making recommendations to the Board. The Nomination and Remuneration Committee has the following key functions:

Nomination functions

- Ensure that the Board is an appropriate size and collectively has the skills, commitment and knowledge of Mighty Kingdom and the industry in which it operates, to enable it to discharge its duties effectively and to add value.
- Ensure that appropriate Managing Director, Senior Executive, and Board evaluation occurs.
- Ensure that appropriate Managing Director, Senior Executive, and Board succession planning occurs.
- Lead searches for a new Managing Director and Board members.

Remuneration functions

- Ensure that Director remuneration is sufficient to attract and retain high quality directors, and is fair, and responsible.
- Ensure that Managing Director and Senior Executive remuneration is sufficient to attract, retain and motivate high quality personnel and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.

The Board considered remuneration of the Non-Executive Directors in detail in the first half of the financial year as part of the due diligence process of preparation of the Prospectus for the Initial Public Offer (IPO) leading to the ASX listing of the Company on 20 April 2021.

A remuneration review for the Managing Director was undertaken in December 2020 and implemented effective from 1 January 2021 at the time of refreshing the Managing Director's employment agreement in preparation for the IPO. The Board has adopted protocols for engaging and seeking advice from independent remuneration consultants. In FY21, some benchmarking of executive remuneration was undertaken in consultation with recruitment consultants however no remuneration recommendations were provided by remuneration consultants.

Further information about remuneration framework and the relationship between remuneration policy and company performance is set out below.

The Board Charter and the Remuneration and Nomination Committee Charter, which outlines the terms of reference under which the Committee operates, are available www.mightykingdom.com/investors.

(ii) Remuneration framework

The Group's remuneration framework enables it to attract and retain Executives and Directors who will create value for Shareholders. It aims to reward Executives with a level and mix of fixed and variable remuneration having consideration to the company size and level of activity as well as the relevant Directors' time, commitment and responsibility.

The remuneration structure that has been adopted by the Group consists of the following components:

- Managing Director, Executive Director, and Senior Executives
  - Annual base salary and superannuation
  - Performance based remuneration - monetary and non-monetary
  - Equity based remuneration - via an employee share and option scheme.

Executive remuneration comprises fixed remuneration (salary) and may include short-term and long-term incentive plan components. These are set with reference to the Company's performance and the market. Fixed remuneration, which reflects the individual's role and responsibility as well as their experience and skills, includes base pay and statutory superannuation. Variable remuneration may be provided through short-term and long-term incentive plan components, linked to performance measured against operational and financial targets set by the Company, designed to achieve operational and strategic targets for the sustainable growth of the Company and long-term shareholder value. No short-term or long-term incentive elements were implemented for KMP in the financial year ended 30 June 2021. The Board will review the remuneration framework during the coming year.

Relationship between remuneration and group performance

The Board aims to align executive remuneration to the Company's strategic and business objectives and the creation of shareholder wealth. The table below sets out key metrics in respect of the Group's performance over the past four years. The remuneration framework is designed to take account of a suitable level for the fixed remuneration in the context of balancing the requirements of a rapidly growing and newly ASX-listed company and focusing on strategic and business objectives to ensure shareholder value. As at 30 June 2021, there are no short-term or long-term incentives in place.

	2021	2020	2019	2018
Cash and cash equivalents ($)	13,553,042	81,656	262,641	5,506
Net assets / (liabilities) ($)	11,902,855	(3,192,774)	(603,109)	(994,791)
Revenue ($)	3,278,029	2,535,915	2,138,230	2,598,836
Loss before income tax ($)	(7,205,130)	(3,596,294)	(2,077,689)	(574,670)
Loss after income tax expense ($)	(7,145,601)	(3,589,665)	(2,109,318)	(839,643)
No of issued shares	151,682,493	7,500,000	7,500,000	1,000
Basic earnings per share (cents)[1]	(0.10)	(0.07)	(0.28)	(0.10)
Diluted earnings per share (cents)[1]	(0.10)	(0.07)	(0.28)	(0.10)
Share price at start of year (cents)[2]	0.30	n/a	n/a	n/a
Share price at end of year (cents)	0.18	n/a	n/a	n/a
Market capitalisation ($)	25m	n/a	n/a	n/a
Interim and final dividend	n/a	n/a	n/a	n/a
Interim and final dividend	n/a	n/a	n/a	n/a

[1] Basic earnings per share and diluted earnings per share have been retrospectively restated to account for a capital restructure of shares. A capital reconstruction was undertaken on 9 November 2020 and 7 shares were issued for every 1 share. The number of shares issued in the previous financial periods have been multiplied by 7 for the purpose of EPS calculation.

[2] The Company was incorporated in 2018 as a proprietary company and was changed to a public company limited by shares on 27 November 2020. Share price at start of FY21 is shown as at commencement of ASX quotation on 21 April 2021 following admission to the official list of ASX on 20 April 2021, based on the value of shares taken up pursuant to the prospectus.

The remuneration of Executive Directors is decided by the Board, without the affected Executive Director participating in that decision-making process.

- Non-Executive Directors
    - Annual fees
    - Equity based remuneration - issues of shares or other securities.

Each of the Non-Executive Directors has entered into an appointment letter with Mighty Kingdom, confirming the terms of their appointment and their roles and responsibilities.

Non-Executive Directors receive a fixed fee for their participation on the Board. No additional fee is paid for service on Board sub-committees. Fees for Non-Executive Directors are not linked to the performance of the Group, other than participation in share options (refer to section (D) for share option plans).

The determination of Non-Executive Director's remuneration within that maximum cap will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each Non-Executive Director. The current amount has been set at an amount not to exceed $600,000 per annum.

In addition, subject to any necessary Shareholder approval, a director may be paid fees or other amounts as the Directors determine, where a director performs special duties or otherwise performs services outside the scope of the ordinary duties of a director.

Non-Executive Director remuneration is reviewed annually at the discretion of the Board but will not exceed (in aggregate) the amount set by a resolution of Shareholders.

(iii) Service agreements

Remuneration and other terms of employment for the Executive Directors and other Key Management Personnel are formalised in a Service Agreement. The major provisions of the agreements relating to remuneration are set out below:

Executive Officers	Position	Base Salary ($)	Notice Period for Termination	
			By Company	By Executive
Philip Mayes	Executive Director	250,000	4 weeks	4 weeks
Tony Lawrence	Executive Director	250,000	4 weeks	4 weeks
Amy Guan	Chief Financial Officer	240,000	8 weeks	8 weeks
Ella Macintyre	Chief Product Officer	170,000	4 weeks	4 weeks

(C) DETAILS OF REMUNERATION AND SERVICE AGREEMENTS

(i) Director and KMP remuneration

Executive KMP remuneration outcomes are determined by the Board. Nomination Committee reviews and recommends Executive remuneration outcomes to the Board with reference to capability, experience, market movements, the remuneration principles and individual, and Group performance.

		Short-term employment benefits			Post-employment benefits	Long-term benefits	Share-based payments		
		Cash salaries and fees $	Annual leave $	COVID-19 leave[5] $	Superannuation $	Long service leave $	Options $	Total $	Performance related %
Executive Directors									
Philip Mayes	2021	192,731	21,907	23,013	18,309	47,879	-	303,839	0.00%
	2020	129,808	7,500	20,192	12,332	5,155	-	174,987	0.00%
Tony Lawrence	2021	204,231	22,011	1,154	19,402	1,336	817,975	1,066,109	0.00%
	2020	133,846	7,500	16,154	12,715	236	-	170,451	0.00%
Jindou Lee [1]	2021	-	-	-	-	-	-	-	-
Non-Executive Directors									
Michelle Guthrie [2]	2021	73,264	-	-	6,960	-	100,000	180,224	0.00%
Megan Brownlow [2]	2021	35,167	-	-	3,341	-	75,000	113,508	0.00%
Gabriele Famous [3]	2021	20,000	-	-	1,900	-	75,000	96,900	0.00%
Other KMP									
Amy Guan [4]	2021	27,692	2,130	-	2,631	9	-	32,462	0.00%
Ella Macintyre	2021	139,152	11,438	6,462	13,212	24,564	227,945	422,773	0.00%
	2020	98,154	4,611	11,846	9,325	7,068	-	131,004	0.00%
TOTAL KMP	**2021**	**692,237**	**57,486**	**30,629**	**65,755**	**73,788**	**1,295,920**	**2,215,815**	
	2020	**361,808**	**19,611**	**48,192**	**34,372**	**12,459**	**-**	**476,442**	

[1] No remuneration paid
[2] Represents remuneration from 17 December 2020 to 30 June 2021
[3] Represents remuneration from 21 April 2021 to 30 June 2021
[4] Represents remuneration from 17 May 2021 to 30 June 2021
[5] With staff wages reduced by up to 50% through part of FY21 due to the effects of the COVID-19 pandemic, employees who maintained their full working hours agreed to have deferred compensation for hours worked through the provision of a COVID-19 leave entitlement. This entitlement could either be taken as leave, or paid out to the employee when work conditions related to the pandemic subsided

(D) SHARE BASED REMUNERATION

The key terms and conditions of the grant of share options affecting the remuneration of Directors and KMP in the current and future reporting periods are as follows.

	Number granted	Grant date	Term escrowed (months)	Value per option at grant date ($)	Value of options at grant date ($)	Vesting date[1]	Exercise date	Expiry date	Exercise price ($)
Executive Director									
Tony Lawrence	8,019,359	20 Nov 2020	24	0.10	817,975	21 Apr 2021	21 Apr 2021	20 Nov 2025	0.15
Non-Executive Directors									
Michelle Guthrie	649,252	16 Dec 2020	24	0.15	100,000	16 Dec 2020	16 Dec 2020	15 Dec 2023	0.30
Megan Brownlow	486,939	3 Mar 2021	24	0.15	75,000	3 Mar 2021	3 Mar 2021	2 Mar 2024	0.30
Gabriele Famous	486,939	10 Mar 2021	24	0.15	75,000	10 Mar 2021	10 Mar 2021	9 Mar 2024	0.30
Other KMP									
Ella Macintyre	2,234,750	20 Nov 2020	24	0.10	227,945	21 Apr 2021	21 Apr 2021	20 Nov 2025	0.15

[1] Non-Executive Director share options vest immediately upon the option grant. Employee share options vested automatically on the listing date and the option expiry date is the fifth anniversary of the grant date.

(E) OTHER INFORMATION

(i) Shareholdings of key management personnel

	Balance at 1 July 2020	Acquired during the year pre-split	Post-Split[1] Balance	Acquired/(disposed) during the year	Other movements	Balance at 30 June 2021
Executive Directors						
Philip Mayes	7,500,000	-	52,500,000	-	-	52,500,000
Tony Lawrence	-	-	-	-	-	-
Non-Executive Directors						
Michelle Guthrie	-	-	-	-	-	-
Megan Brownlow	-	-	-	105,263	-	105,263
Gabriele Famous	-	-	-	-	-	-
Other KMP						
Amy Guan	-	-	-	-	-	-
Ella Macintyre	-	-	-	-	-	-
Total	**7,500,000**	**-**	**52,500,000**	**105,263**	**-**	**52,605,263**

[1] The number of shares on issue at 1 July 2020 was 7,500,000 fully paid shares which were restructured following a 1 for 7 split on 9 November 2020 and became 52,500,000 ordinary shares.

(ii) Option holdings of key management personnel

	Balance at 1 July 2020	Granted[1]	Expired/ forfeited	Other movements	Balance at 30 June 2021
Executive Directors					
Philip Mayes					
Tony Lawrence	-	8,019,359	-	-	8,019,359
Non-Executive Directors					
Michelle Guthrie	-	649,252	-	-	649,252
Megan Brownlow	-	486,939	-	-	486,939
Gabriele Famous	-	486,939	-	-	486,939
Other KMP					
Amy Guan	-	-	-	-	-
Ella Macintyre	-	2,234,750	-	-	2,234,750
	-	**11,877,239**	**-**	**-**	**11,877,239**

[1] During the year, the Company issued 1,623,130 share options to Non-Executive Directors, by way of an initial equity-based sign-on incentive. These options were vested on issue. Each Option issued entitles the holder to one ordinary share in the Company on exercise and is exercisable within 3 years of the grant date. During the year, the Company issued 8,019,359 share options to Tony Lawrence and 2,234,750 share options to Ella Macintyre under Employee share option plan ("ESOP").

ESOP allows for the grant of employee share options to any employee, contractor or Director of a Company selected by the Board. Each employee share option entitles the holder to one share on the exercise of the employee share option. Employee share options vested automatically on the listing date and the option expiry date is the fifth anniversary of the grant date.

(iii) Other transactions with Directors and KMP

In the current and previous financial year a related party net receivable existed between the Company and the Managing Director, to the value of $19,783. No formal agreement was in place and no interest was receivable in respect of this related party net receivable between the Company and the Managing Director.

The Managing Director and a close relative provided a guarantee limited to $800,000 for the finance facility provided by Commonwealth Bank of Australia to Mighty Kingdom Limited.

There have been no transactions with Directors and KMP other than those described in this Remuneration Report.

Details of transactions with related parties including KMP are provided at Note 21 to the financial statements.

END OF REMUNERATION REPORT

AUDITOR'S INDEPENDENCE DECLARATION

Level 3, 170 Frome Street
Adelaide SA 5000

Correspondence to:
GPO Box 1270
Adelaide SA 5001

T +61 8 8372 6666

Auditor's Independence Declaration

To the Directors of Mighty Kingdom Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Mighty Kingdom Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J L Humphrey
Partner – Audit & Assurance

Adelaide, 28 September 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2021

	Notes	2021 $	2020 $
Revenue	3	3,278,029	2,535,915
Other income	4	2,847,605	1,696,394
Employee benefits expenses	5	(8,930,751)	(5,977,390)
Share-based payment expenses	20	(1,523,864)	-
Product development support service fees		(1,079,538)	(872,061)
Selling costs		(119,856)	(84,840)
Capital raising and IPO expenses		(178,260)	-
Administrative expenses		(719,157)	(543,602)
Professional and consultancy fees		(420,975)	(104,454)
Depreciation and amortisation		(204,045)	(152,585)
Other expenses		(35,712)	(7,467)
Loss from operations		**(7,086,524)**	**(3,510,090)**
Finance expenses		(171,074)	(86,204)
Finance income		52,468	-
Loss before income tax		**(7,205,130)**	**(3,596,294)**
Income tax (expense) / benefit	6	59,529	6,629
Loss after income tax		**(7,145,601)**	**(3,589,665)**
Other comprehensive income / (loss) for the year, net of income tax		-	-
Total comprehensive loss for the year		(7,145,601)	(3,589,665)
Loss per share - basic	**18**	**(0.10)**	**(0.07)**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	Notes	2021 $	2020 $
Assets			
Current assets			
Cash and cash equivalents	7	13,553,042	81,656
Trade and other receivables	8	1,485,875	1,532,956
Prepayments		372,513	32,958
Contract assets	14	516,481	-
Other current assets		316,677	11,122
Total current assets		**16,244,588**	**1,658,692**
Non-current assets			
Deferred tax asset	9	567,672	837,526
Property, plant and equipment	10	345,822	201,587
Right-of-use assets	11	1,315,850	468,782
Total non-current assets		**2,229,344**	**1,507,895**
Total assets		**18,473,932**	**3,166,587**
Liabilities			
Current liabilities			
Trade and other payables	13	2,191,245	2,985,625
Contract liabilities	14	5,275	452,015
Provision for income tax		144,637	-
Employee benefits	15	1,379,137	1,038,124
Loans and borrowings	16	53,664	378,788
Lease liabilities	11	348,391	93,943
Total current liabilities		**4,122,349**	**4,948,495**
Non-current liabilities			
Trade and other payables	13	1,269,564	-
Employee benefits	15	99,172	91,455
Deferred tax liabilities	9	-	830,734
Loans and borrowings	16	58,304	99,853
Lease liabilities	11	1,021,687	388,824
Total non-current liabilities		**2,448,727**	**1,410,866**
Total liabilities		**6,571,076**	**6,359,361**
Net assets / (liabilities)		**11,902,856**	**(3,192,774)**
Equity / (deficit)			
Share capital	17	24,218,367	3,501,000
Share-based payment reserves	20	1,523,864	-
Retained losses		(13,839,375)	(6,693,774)
Total equity/ (deficit)		**11,902,856**	**(3,192,774)**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2021

	Share capital $	Share-based payment reserve $	Retained losses $	Total $
Balance at 1 July 2019	**2,501,000**	**-**	**(3,104,109)**	**(603,109)**
Loss for the year	-	-	(3,589,665)	(3,589,665)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**(3,589,665)**	**(3,589,665)**
Transactions with owners in their capacity as owners:				
Contributions of equity - non-redeemable preference shares	1,000,000	-	-	1,000,000
Dividends paid or provided for	-	-	-	-
Balance at 30 June 2020	**3,501,000**	**-**	**(6,693,774)**	**(3,192,774)**
Loss for the year	-	-	(7,145,601)	(7,145,601)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**(7,145,601)**	**(7,145,601)**
Transactions with owners in their capacity as owners:				
Proceeds from issue of ordinary shares - IPO	18,000,000	-	-	18,000,000
Shares issued to IPO brokers and corporate advisors	892,249	-	-	892,249
IPO costs (net of tax)	(1,907,513)	-	-	(1,907,513)
Share-based payments (Note 20)	-	1,523,864	-	1,523,864
Conversion of convertible notes - net of transaction costs	3,732,631	-	-	3,732,631
Balance at 30 June 2021	**24,218,367**	**1,523,864**	**(13,839,375)**	**11,902,856**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2021

	Notes	2021 $	2020 $
Operating activities			
Receipts from customers		3,105,666	2,108,204
Payments to suppliers and employees		(11,321,234)	(5,110,761)
Research and development incentive		560,937	958,683
Other government grant income		1,532,215	865,617
Other income		10,673	-
Interest received		52,468	-
Interest paid		(11,062)	(53,175)
Net cash (used in) operating activities	**22**	**(6,070,337)**	**(1,231,432)**
Investing activities			
Purchase of property, plant and equipment		(214,088)	(110,160)
Net cash (used in) investing activities		**(214,088)**	**(110,160)**
Financing activities			
Proceeds from issue of non-redeemable preference shares		-	1,000,000
Proceeds from issue of convertible notes		4,000,000	-
Transaction costs related to issuance of convertible notes		(384,210)	-
Proceeds from issue of shares - IPO		18,000,000	-
Transaction costs related to the IPO		(1,371,979)	-
Loan repayment made during the year		(241,265)	(43,474)
Principal elements of lease payments		(121,327)	(121,327)
Proceeds from borrowings		-	200,000
Net cash provided by financing activities		**19,881,219**	**1,035,199**
Net change in cash and cash equivalents held		**13,596,794**	**(306,393)**
Cash and cash equivalents at beginning of the year		(43,752)	262,641
Cash and cash equivalents at end of year	**7 (a)**	**13,553,042**	**(43,752)**

The accompanying notes form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

1 GENERAL INFORMATION

Mighty Kingdom Limited (the Company) is a for profit company incorporated and domiciled in Australia and limited by shares which are publicly traded on the Australian Securities Exchange (ASX: MKL).

The Group's principal activities are developing a broad portfolio of video games for console, PC and mobile platforms. Mobile games and apps developed and/or published by the Group are made available for customers on different App's stores, including Apple's App Store, Google's Google Play and Valve's Steam Store. In addition to receiving fees for development work from clients, The Group monetizes its games and apps through In-App purchases and advertising offered to the consumers within games and apps for smartphones and tablets.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF PREPARATION OF THE FINANCIAL REPORT

The financial report includes the consolidated financial statements and notes of Mighty Kingdom Limited and Controlled Entities (Consolidated Group or Group).

These financial statements are consolidated financial statements that have been prepared in accordance with Australian Accounting Standards (AASBs) and interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001, as appropriate for for-profit orientated entities. Mighty Kingdom Limited is a for-profit entity for the purpose of preparing the financial statements. The Group's financial statements have been prepared on an accrual basis and under the historical cost conventions.

(B) BASIS OF CONSOLIDATION

The consolidated financial statements incorporate all the assets, liabilities and results of the parent (Mighty Kingdom Limited) and all the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 12.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of profit and loss and other comprehensive income.

Consolidated financial statement presentation

The consolidated financial statements (post combination) incorporate the acquired entity's results as if both entities (acquirer and acquire) had always been combined for the year and the comparative financial year.

(C) INCOME TAX

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income). Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority. Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss. Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised, or the liability is settled, and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale. When an investment property that is depreciable is held by the entity in a business model whose objective is to consume substantially all of the economic benefits embodied in the property through use over time (rather than through sale), the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of such property will be recovered entirely through use.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled, and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists, and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(D) TAX CONSOLIDATION

Mighty Kingdom Limited and its wholly owned Australian controlled entities have chosen to implement the tax consolidation legislation. The head entity, Mighty Kingdom Limited and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right. In addition to its own current and deferred tax amounts, Mighty Kingdom Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group. The Group will notify the Australian Tax Office that it has formed an income tax consolidation group to apply from 1 July 2020. The Group has not entered into any tax sharing or funding agreements.

(E) FAIR VALUE OF ASSETS AND LIABILITIES

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e., unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(F) PROPERTY, PLANT AND EQUIPMENT

Each class of property, plant and equipment is carried at cost as indicated, less, where applicable, any accumulated depreciation and impairment losses.

(i) Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 2.1(J) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

(ii) Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Asset category	Useful life	Depreciation rate
Office equipment	5 Years	20%
Motor Vehicle	4 Years	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised.

(G) LEASE

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Subsequently, the lease liability is measured by a reduction to the carrying amount of any payments made and an increase to reflect any interest on the lease liability.

The right-of-use assets is an initial measurement of the corresponding lease liability less any incentives and initial direct costs. Subsequently, the measurement is the cost less accumulated depreciation (and impairment if applicable). Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(H) INTANGIBLE ASSETS

Internally developed game and software

Expenditure on the research phase of projects to develop game and software is recognised as an expense as incurred.

Costs that are directly attributable to a project's development phase are recognised as intangible assets, provided they meet all of the following recognition requirements:

- the development costs can be measured reliably;
- the project is technically and commercially feasible;
- the Group intends to and has sufficient resources to complete the project;
- the Group has the ability to use or sell the game and software; and
- the game and software will generate probable future economic benefits.

Development costs not meeting these criteria for capitalisation are expensed as incurred. Directly attributable costs include employee costs incurred on game and software development, development support service fees, along with an appropriate portion of relevant overheads.

(I) FINANCIAL INSTRUMENTS

(i) Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Group commits itself to either the purchase or sale of the asset (i.e., trade date accounting is adopted). Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15. A financial liability is measured at fair value through profit or loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

(ii) Classification and subsequent measurement

Financial liabilities

Financial instruments are subsequently measured at:

- amortised cost.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Financial assets

Financial assets are subsequently measured at:

- amortised cost.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Group no longer controls the asset (i.e. the Group has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

(J) IMPAIRMENT OF FINANCIAL ASSETS

The Group recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost; or
- contract assets.

(K) IMPAIRMENT OF NON-FINANCIAL ASSETS

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(L) EMPLOYEE BENEFITS

Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position. The Group's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage assumptions for other long term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense in the periods in which the changes occur.

The Company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(M) PROVISIONS

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(N) CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown as borrowings in current liabilities on the statement of financial position.

(O) REVENUE

Revenue arises mainly from the development of the interactive entertainment software products, online game services, online advertising services, and licensing services. The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Group expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step model as follows:

1. Identifying the contract with customer.
2. Identifying the performance obligation.
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligation.
5. Recognising revenue when / as performance(s) obligations are met.

The total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

Revenue is recognised either at point in time or over time. When (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than passage of time required before the consideration is due.

(i) Game development revenue

Game development revenue is generated from work-for-hire contracts and co-development contracts. Each contract is assessed separately using the five-step method above. The transaction price generally comprises fixed development fee and variable royalties. Constraints of variable consideration is considered for each contract. As the Group's game development creates and enhances the game that the customer controls as the game is developed, revenue is recognised over time as the Group satisfies performance obligations by transferring the promised services to the customers according to the contract. The works in these game development projects are usually constant or nearly constant throughout the lifetime of a project. Development revenue is recognised in accordance with an input method and the straight-line method.

(ii) Online game revenue

The Group operates its online games primarily as a free to play model. Players can purchase online virtual items through third party payment platforms. These providers are entitled to a predetermined percentage of service fees which are withheld and deducted from the gross proceeds collected by these platforms from the players, with the net amounts remitted to the Group. The Group recognises revenue on a gross basis given it is the principle in these transactions. The service fees are recorded as expenses in the statement of profit or loss. We recognise revenue ratably over the estimated average playing period of players for the applicable game.

(iii) Advertising revenue

Advertising contracts are signed to establish the prices and advertising services to be provided based on different arrangements. The major arrangement is display-based advertising and such revenue are recognised on number of display or view impression basis. This performance obligation is satisfied over time as the advertisers receive and consume benefits simultaneously provided by the Group when the advertisements are displayed.

(iv) License revenue

License revenue is generated from granting a license to a customer with a right to access the Group's intellectual property. The license revenue is recognised on a straight-line method over the license period.

(P) OTHER INCOME

(i) Other income

Other income is recognised when it is received or when the right to receive payment is established.

(ii) Government grant income

Government grants, including non-monetary grants at fair value, are only recognised when there is reasonable assurance that:

- all conditions attaching to the Government grant will be complied with;
- the value of the grant can be determined with reasonable certainty; and
- the grant will be received.

Government grants are recognised in the profit or loss over the periods in which the Group recognises related expenses. Where government grants relate to costs which have been capitalised as non-current assets these are recognised as a reduction to the related non-current asset in the consolidated statement of financial position and transferred to profit or loss over the useful lives of the related assets. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

(Q) FOREIGN CURRENCY

Transactions in foreign currencies are translated to the respective functional currencies of the entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currencies at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year adjusted for payments during the year and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

The assets and liabilities of foreign operations are translated to Australian dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Australian dollars at exchange rates on the dates of the transactions. Foreign currency differences are recognised in other comprehensive income and presented in the foreign currency translation reserve, in equity. If the foreign operation is not a wholly owned controlled entity, then the relevant proportion of the translation difference is allocated to non-controlling interests. Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

(R) TRADE AND OTHER RECEIVABLES

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 2.1(J) for further discussion on the determination of impairment losses.

(S) TRADE AND OTHER PAYABLES

Trade and other payables represent the liabilities for goods and services received by the Company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(T) SHARE CAPITAL

Ordinary shares, and preference shares which do not result in the Group having a contractual obligation to deliver cash or another financial asset, or to exchange financial assets or financial liabilities with the holder under conditions that are potentially unfavourable to the Group, are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(U) SHARE-BASED PAYMENTS

Equity-settled share-based compensation benefits are provided to employees and directors. Equity-settled transactions are awards of shares, or options over shares, that are provided to employees and directors in exchange for the rendering of services.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. Judgements are also applied in relation to estimations of the number of options which are expected to vest, by reference to historic attrition rates and expected outcomes under relevant performance conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods. Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

(V) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from financing and investing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(W) SEGMENTAL REPORTING

The Group reports its business activities in one area: video games development, which is reported in a manner consistent with the internal reporting to the Board of Directors, which has been identified as the chief operating decision maker. The Board of Directors consists of the Executive Directors and the Non-Executive Directors.

(X) COMPARATIVE FIGURES

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(Y) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

(i) Impairment - general

The Group assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations, which incorporate various key assumptions.

(ii) Research and development incentive

Research and development incentive is recognised at fair value when there is reasonable assurance that the income will be received. The expected future R&D tax incentive, for qualifying R&D expenditure for the current financial year, has been accrued and is also recognised as other income in the statement of profit and loss. It has been established that the conditions of this future R&D incentive have been met and that the expected amount of the incentive can be reliably measured.

(iii) Initial public offering costs

The Group undertook an IPO to list on the ASX during the year. Costs incurred that are directly attributable and incremental to the issuance of new equity (net of tax) have been recognised in equity as an offset to the proceeds of capital raised. Management exercised judgement in determining an allocation methodology (between equity and expense) for costs which relate to both the issuance of new equity and other activities. The Group's methodology was determined with reference to the ratio of the number of new shares issued in raising capital to the number of the existing shares prior to IPO, and the nature and purpose of services rendered in incurring costs. All other costs were expensed in the statement of profit or loss and other comprehensive income during the year.

(iv) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised.

(v) The Novel Coronavirus ('COVID-19')
Judgement has been exercised in considering the impacts that the COVID-19 pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the COVID-19 pandemic.

2.2 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED DURING THE YEAR

The new and amended accounting standards, and Interpretations which came into effect on 1 July 2020 do not have impact to the Group's financial statements.

The 30 June 2021 financial statements, and respective notes to the financial statements have been prepared in accordance with the new and amended accounting standards. The accounting policies in the notes below have also been updated to reflect the new and amended accounting standards in effect during the period.

In April 2021, the International Financial Reporting Standards Interpretations Committee (IFRIC) issued a final agenda decision, Configuration or customisation costs in a cloud computing arrangement. The decision discusses whether configuration or customisation expenditure relating to cloud computing arrangements is able to be recognised as an intangible asset and if not, over what time period the expenditure is expensed.

The Group's accounting policy has not capitalised any costs related to cloud computing arrangements as intangible assets in the Statement of Financial Position. Therefore, there are no impacts to the Group's current and historical financial statements.

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE

There are several new accounting standards and amendments issued, but not yet effective, none of which have been early adopted by the Group in this Financial Report. The new standards and amendments (noted below), when applied in future periods, are not expected to have a material impact on the financial position of the Group.

3 REVENUE

	2021 $	2020 $
Game development revenue	2,832,029	2,001,878
Online game revenue	178,956	293,485
Advertising revenue	31,677	33,924
License revenue	235,367	206,628
	3,278,029	**2,535,915**
Recognised over time	**3,278,029**	**2,535,915**

Revenue by project	2021 $	2020 $
Co-development and Original IP[i]	1,613,953	1,193,860
Licensed projects[ii]	392,564	477,014
Work for Hire[iii]	1,271,512	865,041
	3,278,029	**2,535,915**

[i] ***Co-development and Original IP revenue***
The Group shares the development costs with game publishers and other game developers in Co-development projects. Co-development between studios is how developers expand their business, create compelling products, add expertise, workforce, and resources while keeping a realistic focus on return on investment.

Original IP is concepts and IP originated and owned by the Group. The Group may transfer certain rights to such IP, originated by the Group, to the client for a finite period or in perpetuity, typically earning a combination of fixed consideration in the form of development revenue and variable consideration such as royalties or similar income. Both development revenue and variable revenue are reassessed at each reporting date (with changes in the estimate recognised in the income statement) and recognised over the term of each contract.

Where the Group fully funds the development of its Original-IP and retains legal title to such IP, it will earn game revenues or similar income. The Group may, at times, license such IP to clients with a view to maximising game revenues. The license revenue is recognised on a straight-line method over the license period.

(ii) Licensed projects

The Group develops games by obtaining a license from licensor with a right to access the client's intellectual property, and the revenue is generated from In-app purchase, advertising or other monetisation methods.

(iii) Work for Hire

Work for Hire projects are projects delivered under Work for Hire agreements which include contractual obligation agreed upon on with the clients. The agreements also include a timeline for project, a detailed work schedule, project milestones and terms of payment. The agreement may also be used to ensure that the contractor doesn't retain any rights over the product or the work created.

4 OTHER INCOME

	2021 $	2020 $
Government grant income		
- Jobkeeper subsidy[a]	1,518,858	657,642
- SA video game development grant[b]	350,000	-
- Other grants	13,357	471,716
Research and development tax incentive[c]	954,717	560,937
Other income	10,673	6,099
	2,847,605	**1,696,394**

[a] The Jobkeeper subsidy is a government subsidy for businesses significantly affected by COVID-19, the Jobkeeper payment finished on 28 March 2021.

[b] SA video game development grant enables video games studios to claim a percentage of costs incurred to develop a video game in South Australia. This rebate is administered by the South Australian Film Corporation and will be paid by the South Australian Government during the next financial year.

[c] The Research and development tax Incentive is a government program that aims to stimulate Australian investment in Research and development ("R&D"). The tax incentive reduces company R&D costs by offering tax offsets or tax refund for eligible R&D expenditure.

5 EMPLOYEE BENEFIT EXPENSES

	2021 $	2020 $
Wages and salaries	7,493,917	4,596,773
Contributions to defined contribution superannuation funds	805,708	428,695
Annual and long service leave expense	270,884	246,061
COVID-19 leave expense[i]	77,846	540,104
Payroll tax expense	35,456	150,371
Other employee benefits	246,940	15,386
	8,930,751	**5,977,390**

[i] With staff wages reduced by up to 50% through part of FY21 due to the effects of the COVID-19 pandemic, employees who maintained their full working hours agreed to have deferred compensation for hours worked through the provision of a COVID-19 leave entitlement. This entitlement could either be taken as leave, or paid out to the employee when work conditions related to the pandemic subsided.

6 INCOME TAX (BENEFIT) / EXPENSE

The components of income tax expense comprise:

	2021 $	2020 $
Current tax expense	144,637	-
Deferred tax expense / (income)	(204,166)	(6,629)
	(59,529)	**(6,629)**

A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Company's applicable income tax rate is as follows:

Loss before income tax expense	**(7,205,130)**	**(3,596,294)**
Tax at the statutory tax rate of 26% (2020: 27.5%)	(1,873,334)	(988,981)
Income not subject to taxation	(248,226)	(168,008)
Expenses not deductible for taxation	1,267,655	361,102
Tax losses and deductible temporary differences not recognised	649,369	791,461
Change in the tax rate	370	-
Under-provision from prior year	144,637	-
Utilisation of unrecognised tax losses	-	(2,203)
Income tax (benefit) / expense	**(59,529)**	**(6,629)**

The Group did not recognise deferred income tax assets in respect of tax losses of $7,111,192 as at 30 June 2021 (2020: $3,327,349) that can be carried forward against future taxable income.

Mighty Kingdom Limited and its wholly owned Australian controlled entities have chosen to implement the tax consolidation legislation. The head entity, Mighty Kingdom Limited and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone tax payer in its own right. In addition to its own current and deferred tax amounts, Mighty Kingdom Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group. The Group will notify the Australian Tax Office that it has formed an income tax consolidation group to apply from 1 July 2020.

7 CASH AND CASH EQUIVALENTS

	2021 $	2020 $
Cash and cash equivalents consist of the following		
Cash at bank and in hand:		
- Held in Australian Dollars	13,063,857	6,428
- Held in United States Dollars	489,185	75,228
	13,553,042	**81,656**

7 (a) For the purposes of the consolidated statement of cash flow, the consolidated cash and cash equivalents comprise the following:

	2021 $	2020 $
Cash and bank balances	13,553,042	81,656
Less: Bank overdrafts (Note 16)	-	(125,408)
Cash and cash equivalents per consolidated statement of cash flow	**13,553,042**	**(43,752)**

8 TRADE AND OTHER RECEIVABLES

	2021 $	2020 $
Trade receivables	152,729	638,656
Less: provision for expected credit losses	-	-
Other receivables	353,726	315,368
Research and development incentive receivable	954,717	560,937
Related party receivables		
- Amount receivable from director / shareholder	24,703	17,995
	1,485,875	**1,532,956**

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

9 DEFERRED TAX ASSETS / LIABILITIES

	1 July 2020 $	Impact of tax rate change $	Recognised in profit or loss $	Recognised in equity $	30 June 2021 $
Deferred tax assets					
Employee benefits	395,605	(21,578)	90,152	-	464,179
Lease liabilities	132,761	(7,242)	199,312	-	324,831
Accrued expenses	-	-	40,488	-	40,488
IPO expenses	-	-	(34,265)	356,715	322,450
Unused tax losses	486,755	(26,550)	(460,205)	-	-
	1,015,121	**(55,370)**	**(164,518)**	**356,715**	**1,151,948**
Set-off of deferred tax liabilities pursuant to set-off provisions	(177,595)				(584,276)
	837,526				**567,672**

	1 July 2020 $	Impact of tax rate change $	Recognised in profit or loss $	30 June 2021 $
Deferred tax liabilities				
Property, plant and equipment	48,680	(2,655)	(2,303)	43,722
Right-of-use assets		128,915	(7,032)	192,484
Accrued revenue			-	-
Prepayments			-	-
Trade and other receivables	830,734	(45,313)	(785,421)	-
	1,008,329	**(55,000)**	**(369,053)**	**584,276**
Set-off of deferred tax liabilities pursuant to set-off provisions	(177,595)			(584,276)
	830,734			**-**

	1 July 2019 $	Recognised in profit or loss $	30 June 2020 $
Deferred tax assets			
Employee benefits	95,398	300,207	395,605
Lease liabilities	-	132,761	132,761
Unused tax losses	185,283	301,472	486,755
	280,681	**734,440**	**1,015,121**
Set-off of deferred tax liabilities pursuant to set-off provisions			(177,595)
			837,526

	1 July 2019 $	Recognised in profit or loss $	30 June 2020 $
Deferred tax liabilities			
Property, plant and equipment	16,177	32,503	48,680
Right-of-use assets		-	128,915
Trade and other receivables	264,341	566,393	830,734
	280,518	**727,811**	**1,008,329**
Set-off of deferred tax liabilities pursuant to set-off provisions			(177,595)
			830,734

10 PROPERTY, PLANT AND EQUIPMENT

	Motor Vehicle $	Office Equipment $	Total $
Gross carrying amount			
Balance at 1 July 2020	31,709	295,790	327,499
Additions during the year	-	214,088	214,088
Disposals during the year	-	-	-
Balance at 30 June 2021	**31,709**	**509,878**	**541,587**
Depreciation and impairment			
Balance at 1 July 2020	(31,709)	(94,203)	(125,912)
Depreciation during the year	-	(69,853)	(69,853)
Disposals during the year	-	-	-
Balance at 30 June 2021	**(31,709)**	**(164,056)**	**(195,765)**
Carrying amount at 30 June 2021	**-**	**345,822**	**345,822**
Gross carrying amount			
Balance at 1 July 2019	31,709	185,630	217,339
Additions during the year	-	110,160	110,160
Disposals during the year	-	-	-
Balance at 30 June 2020	**31,709**	**295,790**	**327,499**
Depreciation and impairment			
Balance at 1 July 2019	(31,709)	(43,898)	(75,607)
Depreciation during the year	-	(50,305)	(50,305)
Disposals during the year	-	-	-
Balance at 30 June 2020	**(31,709)**	**(94,203)**	**(125,912)**
Carrying amount at 30 June 2020	**-**	**201,587**	**201,587**

11 LEASE

	Property $	Total $
Right-of-use assets		
Balance at 1 July 2020	468,782	468,782
Additions during the year	981,257	981,257
Disposals and transfers during the year	-	-
Total right-of-use-assets	**1,450,039**	**1,450,039**
Depreciation during the year	(134,189)	(134,189)
Net carrying value at the end of the year	**1,315,850**	**1,315,850**

	Property $	Total $
Right-of-use assets		
Balance at 1 July 2019	-	-
Additions during the year	571,061	571,061
Disposals and transfers during the year	-	-
Total right-of-use-assets	**571,061**	**571,061**
Depreciation during the year	(102,279)	(102,279)
Net carrying value at the end of the year	**468,782**	**468,782**

	2021 $	2020 $
Lease liabilities (current)	348,391	93,943
Lease liabilities (non-current)	1,021,687	388,824
	1,370,078	**482,767**

The Group has leases for office buildings. Each lease is reflected in the consolidated statement of financial position as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of Group sales) are excluded from the initial measurement of the lease liability and asset. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see Note 10).

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. For leases over office buildings the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group must insure right-of-use assets and incur maintenance fees on such items in accordance with the lease contracts.

The Group entered into a new lease agreement for an office building during the year. The lease has term of 34 months starting from June 2021. The lease rental is subject to annual fixed rate review and doesn't have options to purchase or extension.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised in the consolidated statement of financial position.

Right of use asset	No of right of use asset leased	Range of remaining term	No of leases with extension options
Office building	2	1-3 years	1
No of leases with options to purchase	**No of leases with variable payments linked to an index**	**No of leases with termination options**	**Average remaining lease term**
Nil	Nil	Nil	2 years

12 SHARES IN CONTROLLED ENTITIES

	Equity Interest Held	
	2021 %	2020 %
Name and interest in controlled entity		
Mighty Kingdom Games Pty Ltd	100	100
Mighty Kingdom Services Pty Ltd	100	100
Mighty Kingdom IP Pty Ltd	100	100
Rise Games Pty Ltd	100	100

(a) The subsidiaries listed above have share capital consisting solely of ordinary shares, which are held directly by the Group.

(b) Each subsidiary's principal place of business is Australia which is also its country of incorporation or registration.

13 TRADE AND OTHER PAYABLES

	2021 $	2020 $
Current		
Trade payables	501,893	171,654
Accrued expenses	300,364	129,707
GST / PAYG payable [(a)]	600,000	2,066,627
Payroll liabilities	620,445	393,933
Bonus provision	121,000	-
Other payables	42,623	218,784
Amounts payable to related entities		
- Amount payable to director / shareholder	4,920	4,920
	2,191,245	**2,985,625**
Non-current		
GST / PAYG payable [(a)]	1,269,564	-
	1,269,564	**-**

[a] On 20 November 2020, Mighty Kingdom Services Pty Ltd has arranged an interest-free payment plan with the Australian Taxation Office (ATO) to repay the outstanding tax liabilities over the next four years, which related to its outstanding GST and PAYG withholding obligations. ("New Payment Plan"). This New Payment Plan is replacement to the arrangement that was previously in place as at 30 June 2020.

Conditions of the New Payment Plan:

- Make payments on due dates stipulated on the arrangement. The dates are regular instalments until August 2024; and
- Lodge and pay all ongoing tax obligations by their due dates.

The breach of any conditions above results payment of the full amount and any accrued general interest charge (GIC).

The Group complied with the above conditions as at 30 June 2021.

14 CONTRACT ASSETS AND LIABILITIES

Contract Assets	2021 $	2020 $
Contract assets[a]	516,481	-
	516,481	**-**

[a] Contract assets relates to work that has been undertaken in relation to ongoing projects where the revenue is recognised over time but had not been billed as at the reporting date. The amount disclosed above does not include variable consideration which is constrained.

Contract Liabilities		
Current		
Deferred service income[b]	5,275	452,015
Balance at end of the year	**5,275**	**452,015**

[b] Deferred service income represents customer payments received in advance of performance that are expected to be recognised as revenue in the next financial periods.

Reconciliation of the contract liabilities at the beginning and end of the current and previous financial year are set out below:

Balance at beginning of the year	452,015	427,260
Payments received in advance	219,674	308,213
Transfer to revenue - performance obligations satisfied during the year	(666,414)	(77,260)
Transfer to other income - government grant income	-	(206,198)
Balance at end of the year	**5,275**	**452,015**

Unsatisfied performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was $5,275 as at 30 June 2021 ($452,015 as at 30 June 2020) and is expected to be recognised as revenue in future periods as follows:

Within 6 months	5,275	452,015
	5,275	**452,015**

15 EMPLOYEE BENEFITS

	2021 $	2020 $
Current		
Provision for annual leave	727,942	380,571
Provision for COVID-19 leave[i]	345,433	540,104
Provision for long service leave	305,762	117,449
	1,379,137	**1,038,124**
Non-current		
Provision for long service leave	99,172	91,455
	99,172	**91,455**

[i] With staff wages reduced by up to 50% through part of FY21 due to the effects of the COVID-19 pandemic, employees who maintained their full working hours agreed tohave deferred compensation for hours worked through the provision of a COVID-19 leave entitlement. This entitlement could either be taken as leave, or paid out to the employee when work conditions related to the pandemic subsided.

16 LOANS AND BORROWINGS

	2021 $	2020 $
Current		
Obligations under finance leases and hire purchase contracts	-	1,821
Unsecured loan from South Australian Film Corporation (SAFC) [(a)]	-	200,000
Bank overdraft	-	125,408
Secured bank loan [(b)]	53,664	51,559
	53,664	**378,788**
Non-current		
Secured bank loan [(b)]	58,304	99,853
	58,304	**99,853**
Summary of secured bank loans		
Commonwealth Bank of Australia	111,968	151,412
Commonwealth Bank of Australia		
Secured loans at beginning of the year	151,412	184,560
Loan repayments made during year	(39,444)	(33,148)
New borrowings during the year	-	-
Secured loans at end of the year	**111,968**	**151,412**

[(a)] South Australian Film Corporation (SAFC) facility
The SAFC has agreed to lend the Group $200,000 loan amount for working capital cashflow purposes.

The loan was originally repayable on or before 30 September 2020. However, on request the SAFC board has approved an extension to the repayment until 31 March 2021 and fully settled on the same date.

[(b)] Commonwealth Bank of Australia facility
Mighty Kingdom Limited and its controlled entities, negotiated with the Commonwealth Bank of Australia to provide a finance facility to Mighty Kingdom Limited amounting to $250,000 at a variable rate of 6.85% p.a. As at 30 June 2021 carrying amount of the loan amounted to $111,968 (2020: $151,412).

This loan is repayable monthly within five years by 4 July 2023.
The facilities are secured by Mighty Kingdom Games Pty Ltd comprising: first ranking charge over all present and subsequently acquired property and a guarantee limited to $400,000 by the Managing Director and $400,000 by a close family member of the Managing Director.

17 SHARE CAPITAL

	Notes	2021 Shares	2020 Shares	2021 $	2020 $
Ordinary shares - fully paid	(a)	151,682,493	7,500,000	24,218,367	1,000
Non-redeemable preference shares	(b)	-	2,810,605	-	3,500,000

(a) Movements in ordinary share capital

	Number of Shares	Total $
Balance at beginning of the year	7,500,000	1,000
Share split during the year[(i)]	45,000,000	-
Shares issued on conversion of Preference Shares[(ii)]	19,541,659	3,500,000
Restructured number of shares prior to IPO / note conversion	**72,041,659**	**3,501,000**
Shares issued, net of transaction costs [(iii)]	60,000,000	16,092,487
Shares issued on conversion of convertible notes - net of transaction costs [(iv)]	16,666,667	3,732,631
Shares issued to advisers [(v)]	2,974,167	892,249
Balance at end of the year	**151,682,493**	**24,218,367**

(b) Movements in preference share capital

	Number of Shares	Total $
Balance at beginning of the year	2,810,605	3,500,000
Issued during the year	-	-
Share split during the year	16,731,054	-
Shares converted into ordinary shares	(19,541,659)	(3,500,000)
Balance at end of the year	**-**	**-**

(i) The number of shares on issue at 1 July 2020 was 7,500,000 fully paid shares which were restructured following a 1 for 7 split on 9 November 2020 and became 52,500,000 ordinary shares.

(ii) Preference shares rank in almost all respects equally with the ordinary shares in the share capital of the Company. In the event of the Company reconstructs its share capital, the number of ordinary shares into which a non-redeemable preference share may be converted must be reconstructed in the same manner.

Under the terms of share subscription agreement, the preference share will convert to shares immediately prior to the issue of new shares to investors.

Preference share were converted into ordinary shares at the rate of 1 preference share for 1 ordinary share and became 19,541,659 ordinary shares immediately prior to the public listing.

(iii) The Company issued 60,000,000 IPO shares on 20 April 2021. The shares were valued at $18,000,000 at $0.30 per share.

(iv) During the reporting period the Company issued 4,000,000 convertible notes (pre-IPO notes) with a face value of $1.00 each to sophisticated and institutional investors to raise $4,000,000 (before costs) in pre-IPO funding. Under the terms of the convertible note deed poll, the notes would convert to shares based on the IPO or sale event conversion price through a successful IPO before 20 April 2021.

Convertible notes were converted into ordinary shares at the rate of 1 convertible note for 4.1667 ordinary shares and became 16,666,667 ordinary shares immediately prior to the public listing.

Convertible notes movement

	2021 Number	2021 $
Balance at 1 July 2020	-	-
Issue of convertible notes	4,000,000	4,000,000
Transaction costs	-	(384,210)
Addback of finance cost on convertible notes now expensed	-	116,841
Conversion of convertible notes	16,666,667	(3,732,631)
Balance at 30 June 2021	**-**	**-**

(v) The Company issued 1,487,083 shares (each) to the Lead Manager and Corporate Advisor for the IPO, as remuneration and success fees under their mandates related to the IPO. The shares were valued at $892,249 in total and included in the cost of IPO. Shares issued at $0.30 per share.

18 LOSS PER SHARE

Both the basic and diluted loss per ordinary share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2021	2020
Net loss attributable to equity holders of the Company	(7,145,601)	(3,589,665)
Weighted average number of ordinary shares	71,793,033	52,500,000
Basic loss per share ($)	(0.10)	(0.07)

In accordance with AASB 133, there are not considered to be any dilutive securities on issue.

19 SHARE-BASED PAYMENT RESERVES

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

20 SHARE-BASED PAYMENTS

During the reporting year, the Company issued the following options:

	Number granted	Grant date	Vesting date	Expiry Date	Value per option at grant date ($)	Exercise price ($)
Employees via ESOP	12,488,859	20 Nov 2020	21 Apr 2021	20 Nov 2025	0.10	0.15
Non-Executive Directors	649,252	16 Dec 2020	16 Dec 2020	15 Dec 2023	0.15	0.30
Non-Executive Directors	486,939	3 Mar 2021	3 Mar 2021	2 Mar 2024	0.15	0.30
Non-Executive Directors	486,939	10 Mar 2021	10 Mar 2021	9 Mar 2024	0.15	0.30

	Number of options	2021 $
Employees via ESOP[(i)]	12,488,859	1,273,864
Non-Executive Directors[(ii)]	1,623,130	250,000
Total share-based payment reserves	**14,111,989**	**1,523,864**

The Company has applied the Black-Scholes Valuation Model to determine the fair value of the options granted which considers the exercise price, the term of the options, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Valuation input - Black Scholes	ESOP	Non-Executive Directors
Strike price (nominal value)	$0.15	$0.30
Current price	$0.14	$0.24
Time to expiration (years)	5	3
Risk free rate	0.12%	0.12%
Dividend yield	0%	0%
Volatility (assumed)	106.38%	106.38%
Number of units	12,488,859	1,623,130
Black-Scholes valuation (per option)	$0.102	$0.154
Total Valuation	**$1,273,864**	**$250,000**

[(i)] Employee share options

The Company operates an option plan for employees.

The Employee Share Option Plan ("ESOP") allows for the grant of employee share options to any employee, contractor or Director of a Company selected by the Board.

Each employee share option entitles the holder to one share on the exercise of the employee share option.

Employee share options will vest automatically on the listing date and the option expiry date is the fifth anniversary of the grant date.

The table below shows the number and movement in share options during the year:

	Number of options
Balance at 1 July 2020	-
Granted during the year	12,488,859
Exercised during the year	-
Balance at 30 June 2021	**12,488,859**

(ii) Non-Executive Director share options

During the year the Company issued 1,623,130 share options to Non-Executive Directors, by way of an initial equity-based sign-on incentive. Each Option issued entitles the holder to one ordinary share in the Company on exercise and is exercisable within 3 years of the grant date.

Non-Executive Director share options vest immediately upon the option grant.

	Number of options
Balance at 1 July 2020	-
Granted during the year	1,623,130
Exercised during the year	-
Balance at 30 June 2021	**1,623,130**

Lead Manager & Corporate Advisor shares

The Lead Manager and Corporate Advisor was issued 1,487,083 (each) shares at $0.30 per share as remuneration and success fees under their mandates related to the IPO. These shares have been recognised in the consolidated statement of financial position as a cost against the successful IPO.

21 RELATED PARTY TRANSACTIONS

The Company's related parties are as follows:

(a) Key management personnel of the Company

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the entity, is considered key management personnel.

(b) Other related parties of the Company

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.

(c) Transactions and outstanding balances with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties (i.e. at arm's length) unless the terms and conditions disclosed below state otherwise. The following transactions occurred with related parties:

	2021 $	2020 $
Key management personnel		
Key management personnel compensation:		
Short-term employee benefits	780,352	429,611
Post-employment benefits	65,755	34,372
Long-term employment benefits	73,788	12,459
Share-based payments	1,295,920	-
	2,215,815	**476,442**
Other related parties – director-related entities		
Amount due from – Managing Director & close family member	24,703	17,995
Amount due to – Managing Director & close family member	4,920	4,920
Bank guarantees provided by – Close family member of the Managing Director (Note 16)	400,000	400,000
Bank guarantees provided by – Managing Director (Note 16)	400,000	400,000

22 CASH FLOW INFORMATION

Reconciliation of cash flow from operations with loss after income tax

	2021 $	2020 $
Loss after income tax		
Non-cash flows in profit or loss:		
Depreciation expense	204,045	152,584
Interest expense	27,381	33,033
Non-cash share-based payments	1,523,864	-
Non-cash interest payments on convertible notes	116,841	-
Deferred tax (income) / expense	(204,166)	(6,629)
Changes in assets and liabilities:		
Decrease / (increase) in trade and other receivables	47,079	(322,910)
(Increase) in contract assets	(516,481)	-
(Increase) in prepayments and other current assets	(645,109)	-
Increase in trade and other payables	619,821	1,517,667
Increase in employee benefits	348,729	959,733
(Decrease) / increase in contract liabilities	(446,740)	24,755
Net cash (used in) operating activities	**(6,070,337)**	**(1,231,432)**

23 EVENTS AFTER THE REPORTING PERIOD

Lease

On 19 August 2021, Mighty Kingdom Limited ("Sublessee") executed sublease agreement with Jacobs Group (Australia) Pty Ltd ACN 001 024 095 ("Sublessor") for premise comprising 927.5 m^2, being the whole of Level 4 of the building known as 121 King William Street, Adelaide SA 5000.

- Commencement date: 1 June 2021
- Term of Lease: 2 years and 10 months

Short-term incentives program

On 25 August 2021, Mighty Kingdom Limited approved the Short-term incentives ("STI") program. The program is designed to align the targets of the business with the performance hurdles of the Company. The purpose of the STI plan is to reward and encourage high levels of performance, as well as being a part of Mighty Kingdom's employer value proposition as well as a retention tool. STI payments are granted to all eligible staffs based on specific annual targets being achieved and a Company Scorecard being measured. The Company Scorecard includes Commercial, Customer, Client and Culture.

Executives and Departmental Managers will have their own incentive scorecard, uniquely weighted depending on each position's focus and accountabilities. All other staff will have their STI payment determined by achievements against the Company Scorecard, as well as considering their own personal performance and contribution.

From May 2021 to August 2021, the consolidated entity, through the Nomination and Remuneration Committee, engaged Mitchellake Australia, remuneration consultants, to review its existing remuneration policies and provide recommendations on how to implement STI programs. Mitchellake Australia was paid $34,000 for these services.

24 AUDITORS' REMUNERATION

	2021 $	2020 $
Audit or review of financial statements - Grant Thornton		
Remuneration for audit or review of financial statements	103,139	78,362
Total audit or review remuneration	**103,139**	**78,362**
Other services - Grant Thornton		
Investigating accountant's report relating to IPO	60,000	-
Tax advisory services	22,750	-
	82,750	**-**

25 FINANCIAL ASSETS AND LIABILITIES

Note 2.1 (I) provides a description of each category of financial assets and financial liabilities and the related accounting policies. The carrying amounts of financial assets and financial liabilities in each category are as follows:

	Notes	Amortised Cost 2021 $	Total 2021 $
Financial assets			
Cash and cash equivalents	7	13,553,042	13,553,042
Trade and other receivables	8	531,158	531,158
		14,084,200	**14,084,200**
Financial liabilities			
Current borrowings	16	53,664	53,664
Trade and other payables	13	1,402,687	1,402,687
Non-current borrowings	16	58,304	58,304
		1,514,655	**1,514,655**

	Notes	Amortised Cost 2020 $	Total 2020 $
Financial assets			
Cash and cash equivalents	7	81,656	81,656
Trade and other receivables	8	972,019	972,019
		1,053,675	**1,053,675**
Financial liabilities:			
Current borrowings	16	378,788	378,788
Trade and other payables	13	867,230	867,230
Non-current borrowings	16	99,853	99,853
		1,345,871	**1,345,871**

26 FINANCIAL RISK MANAGEMENT

FINANCIAL RISK MANAGEMENT FRAMEWORK

The Board's overall risk management strategy seeks to assist the Group in meeting its financial targets, while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board on a regular basis. These include the credit risk policies and future cash flow requirements.

Senior Executive meet on a regular basis to analyse financial risk exposure in the context of the most recent economic conditions and forecasts. The overall risk management strategy seeks to assist the Group in meeting its financial targets, while minimising potential adverse effects on financial performance.

SPECIFIC FINANCIAL RISK EXPOSURES AND MANAGEMENT

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk, and market risk relating to interest rate risk and other price risk. There have been no substantive changes in the types of risks the Company is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group. The Group's objective in managing credit risk is to minimise the credit losses incurred, mainly on trade receivables.

Credit risk is managed through maintaining procedures that ensure, to the extent possible, that clients and counterparties to transactions are of sound credit worthiness and their financial stability are monitored and assessed on a regular basis. Such monitoring is used in assessing receivables for impairment.

(i) Trade receivables

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Carrying amount	
	2021 $	2020 $
Trade receivables	152,729	638,656
An analysis of the credit quality of trade receivables based on the aging group at 30 June 2021 and 30 June 2020 is as follows:		
Not past due	-	-
Past due 0-30 days	22,874	597,400
Past due 31-60 days	63,348	41,256
Past due 61-90 days	-	-
More than 90 days	66,507	-
	152,729	**638,656**

The allowance for expected credit losses in respect of receivables is used unless the Group is satisfied that no recovery of the amount owing is possible; at that point the amounts are considered irrecoverable and are written off against the financial asset directly.

(ii) Cash and cash equivalents

The Group held cash of $13,553,042 as at 30 June 2021 (2020: $81,656), which represents its maximum credit exposure on these assets. The Group has no significant concentrations of credit risk with any single counterparty or group of counterparties. All cash and cash equivalents are held with large reputable financial institutions within Australia and therefore credit risk is considered minimal.

(b) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed.

As at 30 June 2021, the Group's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarised below:

		Within six months		Six months to one year		One to five years	
	Notes	2021 $	2020 $	2021 $	2020 $	2021 $	2020 $
Trade and other payables	13	1,654,225	541,312	537,020	541,312	1,269,564	-
Loans and borrowings	16	26,832	63,122	26,832	63,122	58,304	139,070
Lease liabilities	11	128,843	93,943	219,548	93,943	914,940	388,824
		1,809,900	**698,377**	**783,400**	**698,377**	**2,242,808**	**527,894**

(c) Market risk

(i) Interest rate risk

Exposure to interest rate risk arises on interest-bearing financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect either the future cash flows (in the case of variable interest instruments) or the fair value financial instruments (in the case of fixed rate instruments).

The Company manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms.

(ii) Currency risk

The Group is exposed to foreign currency risk (i.e. USD) on sales and purchases that are denominated in a currency other than the AUD.

The Group's exposure to foreign currency risk at the end of reporting period, expressed in Australian dollars, was as follows:

	2021 $	2020 $
Financial assets		
Cash - US dollars	489,185	75,228
Trade and other receivables - US dollars	146,277	611,492
Financial liabilities		
Trade and other payables - US dollars	(84,323)	(146,496)
Net exposure	**551,139**	**540,224**

At 30 June 2021, had the Australian dollar moved, with all other variables held constant, pre-tax loss would have been affected as follows:

		Pre-tax loss ($) (Higher) / Lower
	2021	**2020**
Consolidated		
+5% (500 basis points)	(26,650)	(25,725)
- 5% (500 basis points)	29,007	28,433

The impact on the Group's total comprehensive income is due to changes in the fair value of monetary assets and liabilities. Movements in foreign currency exchange rates will result in gains or losses being recognised because of the revaluation of balances. The Group's exposure of foreign currency is immaterial for the current reporting year.

27 CAPITAL MANAGEMENT

Management controls the capital of the Group to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital include ordinary share capital and financial liabilities, supported by financial assets.

The Group is not subject to any externally imposed capital requirements. Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the issue of the prospectus. This strategy is to ensure that the Group's gearing ratio remains below 70%. The changes in net debt and total equity since 2020 were mainly driven by the IPO and capital raising occurred in April 2021.

The gearing ratios for the years ended 30 June 2021 as follows:

	2021 $	2020 $
Total borrowings	111,968	478,641
Less cash and cash equivalents	(13,553,042)	(81,656)
Net debt	(13,499,378)	396,985
Total equity	11,902,856	(3,192,774)
Gearing ratio	**n/a**	**n/a**

28 PARENT INFORMATION

The following information has been extracted from books and records of the parent and has been prepared in accordance with Australian Accounting Standards.

Information relating to Mighty Kingdom Limited (the Parent Entity)

Statement of Financial Position	2021 $	2020 $
Current assets	686,446	2,782
Total assets	**12,216,327**	**2,994**
Current liabilities	245,542	5
Total liabilities	**313,471**	**5**
Equity		
Share capital	24,218,367	3,501,000
Share-based payment reserves	1,523,864	-
Retained losses	(13,839,375)	(3,498,011)
Total equity	**11,902,856**	**2,989**
Financial performance		
Loss for the year	(10,341,364)	(998,841)
Other comprehensive income	-	-
Total comprehensive income	**(10,341,364)**	**(998,841)**

29 CONTINGENT LIABILITIES

The Group had no contingent liabilities as at 30 June 2021 and 30 June 2020.

30 CAPITAL COMMITMENTS – PROPERTY, PLANT AND EQUIPMENT

The Group had no capital commitments for property, plant and equipment as at 30 June 2021 and 30 June 2020.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Mighty Kingdom Limited, the Directors of the Company declare that:

In the opinion of the directors:

1. The financial statements and notes, as set out on pages 37 to 63,

(a) comply with Australian Accounting Standards which, as stated in accounting policy Note 2 to the financial statements, constitutes compliance with International Financial Reporting Standards; and

(b) give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the Company and consolidated Company.

2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Philip Mayes
Managing Director
Dated the 28th day of September 2021

28 September 2021

INDEPENDENT AUDITOR'S REPORT

Grant Thornton

Level 3, 170 Frome Street
Adelaide SA 5000

Correspondence to:
GPO Box 1270
Adelaide SA 5001

T +61 8 8372 6666

Independent Auditor's Report

To the Members of Mighty Kingdom Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Mighty Kingdom Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the year then ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Grant Thornton

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Recognition of game development revenue **Note 2 (o) and Note 3**	
Game development revenue of $2,832,029 (2020: $ 2,001,878) is derived from work-for-hire projects and co-development projects. This represents 86% (2020: 79%) of the Group's revenue. Revenue is a key performance measure and forms the basis of the key performance metrics of the Group. We consider game development revenue to be a key audit matter due to: • Tailored and complex nature of the game development contracts; • Manual process and controls for recording project revenue; and • Management judgement involved in identifying performance obligations, determining transaction price and assessing stage of completion at year-end.	Our procedures included, amongst others: • Documenting the processes and evaluating the design of the internal controls relating to revenue processing and recognition; • Reviewing revenue recognition policy of game development revenue for compliance with AASB 15 *Revenue from Contracts with Customers;* • For a sample of game development contracts: - Inspecting key terms of the contracts; - Evaluating appropriateness of performance obligation identification, transaction price determination and allocation of transaction price to performance obligations; - Evaluating available evidence to support the stage of completion; and - Verifying accuracy of revenue recognised during the year. • Assessing the adequacy of the Group's revenue disclosures in the financial statements.
Research and development tax incentive **Note 2y (ii), Note 4 and Note 8**	
The Group receives a 43.5% refundable tax offset of eligible expenditure under the Research and Development (R&D) Tax Incentive scheme if its turnover is less than $20 million per annum, provided it is not controlled by income tax exempt entities. An R&D plan is filed with AusIndustry in the following financial year, and based on this filing, the Group receives the incentive in cash. Management performed a detailed review of the Group's total research and development expenditure to determine the potential claim under the R&D tax incentive legislation. For the year end 30 June 2021, the R&D amount being claimed is $954,717. This area is a key audit matter due to the degree of judgement and interpretation of the R&D tax legislation required by management to assess the eligibility of the R&D expenditure under the scheme.	Our procedures included, amongst others: • Obtaining the FY21 R&D incentive calculations prepared by management and performed the following audit procedures: – Assessing the qualifications of management and ability to perform the calculation; – Developing an understanding of the model as well as identifying and assessing the key assumptions in the calculation; – Testing included expenses for reasonableness; and – Testing the mathematical accuracy of the accrual. • Comparing the estimates made in previous years to the amount of cash actually received after lodgement of the R&D tax claim; • Comparing the nature of the R&D expenditure included in the current year estimate to the prior year estimate;

Grant Thornton

Key audit matter	How our audit addressed the key audit matter
Research and development tax incentive **Note 2y (ii), Note 4 and Note 8 (Cont)**	
	• Considering the nature of the expenses against the eligibility criteria of the R&D tax incentive scheme to form a view about whether the expenses included in the estimate were likely to meet the eligibility criteria; • Assessing the eligible expenditure used to calculate the estimate to the expenditure recorded in the general ledger; • Inspecting copies of relevant correspondence with AusIndustry and the ATO related to the claims; • Engaging with our internal R&D specialist to review the reasonableness of the calculation; and • Assessing the adequacy of financial statement disclosures.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilites/ar1_2020.pdf. This description forms part of our auditor's report.

Grant Thornton

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in the Directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Mighty Kingdom Limited, for the year ended 30 June 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J L Humphrey
Partner – Audit & Assurance

Adelaide, 28 September 2021

SHAREHOLDER INFORMATION

Shareholder Information required by the Australian Securities Exchange Limited (ASX) Listing Rules and not disclosed elsewhere in the Report is set out below. In accordance with the 4th edition of the ASX Corporate Governance Council's Principles and Recommendations, the 2021 Corporate Governance Statement, as approved by the Board, is available on the Company's website at: www.mightykingdom.com/investors.

SUBSTANTIAL SHAREHOLDERS

The number of securities held by substantial shareholders and their associates (as disclosed to the ASX) are set out below.

Name	Number	%*	Date lodged
Mayes Lee Family	52,500,000	34.61%	21-Apr-21
Regal Funds Management Pty Ltd (RFM)	14,916,298	9.83%	28-Aug-21
Alium Alpha Fund	11,677,968	7.70%	26-Apr-21

*% of issued capital as at the date the notice was lodged

NUMBER OF SECURITY HOLDERS AND SECURITIES ON ISSUE

Mighty Kingdom Limited has issued the following securities: 151,682,493 fully paid ordinary shares held by 1,042 shareholders.

VOTING RIGHTS

Ordinary shares

In accordance with the Mighty Kingdom Limited Constitution and subject to any rights or restrictions attached to any class of shares, at a meeting of members:

(i) on a show of hands, each Member has one vote; and

(ii) on a poll, each Member has one vote for each fully paid Share they hold.

DISTRIBUTION OF SECURITY HOLDERS

Quoted securities

	Fully paid Ordinary shares (quoted)		
Category	**Holders**	**Units**	**%Units**
1 – 1,000	12	6,531	0.0
1,001 – 5,000	278	841,155	0.6
5,001 – 10,000	152	1,200,112	0.8
10,001 – 100,000	495	19,158,995	12.6
100,001 and over	105	130,475,700	86.0
	1,042	**151,682,493**	**100.0**

Unmarketable parcels

	Minimum parcel size	Holders	Units
Minimum $500 parcel at $0.14 per unit	3,572	208	484,098

OPTION

	Holders	2021 Options
Non-Executive Directors	3	1,623,130
Employees via ESOP	3	12,488,859
Other options	2	4,679,500
Total options issued at 30 June	**8**	**18,791,489**

TWENTY LARGEST SHAREHOLDERS OF ISSUED CAPITAL

Rank	Name	Balance as at 2 September 2021	% Units
1	PHILIP JAMES MAYES + MICHELLE LEE <MAYES LEE FAMILY A/C	52,500,000	34.61
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	11,740,000	7.74
3	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	10,929,820	7.21
4	CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	10,765,243	7.10
5	CHRISTOPHER HARRIS + STEPHEN HARRIS + ROSEANNE LIANG <HARRIS-LIANG FAMILY A/C>	5,208,328	3.43
6	CITICORP NOMINEES PTY LIMITED	3,245,601	2.14
7	UBS NOMINEES PTY LTD	3,000,000	1.98
8	NATIONAL NOMINEES LIMITED	1,874,630	1.24
9	RIMOYNE PTY LTD	1,819,077	1.20
10	SANDHURST TRUSTEES LTD <WUNALA CAPITAL A/C>	1,596,250	1.05
11	CERTANE CT PTY LTD <VP CAPITAL FUND I>	1,566,667	1.03
12	CCZ EQUITIES PTY LTD	1,487,081	0.98
13	IRONFURY PTY LTD <THE DAVID DUNN FAMILY A/C>	1,210,000	0.80
14	CUSTODIAL SERVICES LIMITED <BENEFICIARIES HOLDINGA/C>	1,134,500	0.75
15	MS KATRINA LOUISE LANGLEY	1,000,000	0.66
16	MR FREDERICK BART	760,000	0.50
17	DUNCAN GORDON <BRANDEEN INVESTMENT A/C>	757,433	0.50
18	MARBEL CAPITAL PTY LIMITED	757,432	0.50
19	199 INVESTMENT PTY LTD <199 INVESTMENT A/C>	687,500	0.45
20	MR MICHAEL MACROW + MRS KATHRYN MACROW <P POWER SUPER FUND A/C>	660,000	0.44
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		**112,699,562**	**74.30**
Total Remaining Holders Balance		**38,982,931**	**25.70**

CORPORATE INFORMATION

DIRECTORS

Michelle Guthrie
Philip Mayes
Tony Lawrence
Megan Brownlow
Gabriele Famous

COMPANY SECRETARY

Kaitlin Smith

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Adelaide SA 5000

SHARE REGISTER

Computershare Investor Services Pty Limited
Level 5, 115 Grenfell Street
Adelaide SA 5000

STOCK EXCHANGE LISTING

Mighty Kingdom Limited shares are listed on the Australian Securities Exchange
(ASX code: MKL)