

Shareholder Letter

ASX CODE: MKL**CAPITAL STRUCTURE**

Share Price (8/1/24) \$0.017

Shares on Issue (m) 475.9m

Market Cap \$8.1m

MAJOR SHAREHOLDERS

Imagination 14.3%

Entertainment

Gamestar Studios 13.7%

Phil Mayes 11.1%

BOARD & MANAGEMENT**David Butorac***Chair***Ian Hogg***Non-Executive Director***Phil Mayes***Non-Executive Director***Simon Rabbitt***Interim Chief Executive Officer***Kaitlin Smith***Company Secretary***CONTACT****T:** +61 8 7200 3252**E:** hello@mightykingdom.com**W:** www.mightykingdom.com**A:** Lv4, 121 King William St
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Mighty Kingdom Limited (ASX:MKL) today releases a shareholder letter being emailed and posted to Mighty Kingdom Limited shareholders.

The shareholder letter is attached to this announcement.

This release has been approved by the Board of Mighty Kingdom Limited.

For further information, please contact**Simon Rabbitt**

Interim Chief Executive Officer

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ABOUT MIGHTY KINGDOM LIMITED

Since its formation in 2010, Mighty Kingdom has released over 50 games that have been downloaded more than 50 million times. These games include the popular Shopkins, LEGO Friends: Heartlake Rush, Gabby's Dollhouse, Wild Life and Ava's Manor. Mighty Kingdom is one of the largest independent game developers in Australia, working with top tier entertainment and gaming companies including Disney, LEGO, Sony, Funcom, Rogue, and Snapchat. A team of experienced developers with significant experience across mobile and console platforms supports its clients to develop high-quality, successful games whilst driving Mighty Kingdom's internal IP development.

10 January 2024

Mighty Kingdom Limited: A New Chapter Unveiled Following Strategic Review

Dear Shareholders,

I hope you all have had a pleasant Holiday period. With this busy time of year, we appreciate many shareholders maybe did not see the Company's ASX Release of the 29th of December where we released the very positive results of our Strategic Review process.

As outlined in that ASX release, we have entered into a Letter of Intent and exclusive negotiation period with a best-in-class group of industry leaders – Mark Aubrey, David Yin, Chris Whiteman, and Hang Zhang (the Consortium). This collaboration and appointments to the board (subject to final due diligence from the incoming parties) will mark a turning point for the Company, unlocking untapped revenue and strategic potential as MKL enters its next phase.


Financial Security and Investment Unbound:

As announced on 29th December 2023, the Board analysed several strategic options, culminating in a comprehensive plan set to be finalised by January 15th, 2024. It should be noted that there was competitive tension in the process, all from experienced, sophisticated investors with deep industry knowledge. This interest underpins the Board's confidence in the future of Mighty Kingdom. The calibre of the Consortium's members and their strategic vision was a decisive factor for the Board entering into an exclusive negotiation period.

This plan, crafted in collaboration with the Consortium, will address immediate financial needs through securing necessary working capital but also charts a course for significant investment. We are confident that this plan, fuelled by the expertise and connections of the Consortium, including some of the largest Games Industry brands, will unlock MKL's immense potential and deliver substantial value for all shareholders.

Proposed New Directors and Management: Industry Expertise and Unfettered Opportunity:

Subject to finalisation of due diligence from all parties, **Mark Aubrey**, a gaming industry titan with proven, long term success at Activision Blizzard and Warner Bros., will bring his leadership prowess to the Board as Non-Executive Director. **David Yin**, an accomplished entrepreneur with a rich background in mobile gaming spanning 25 years, will be appointed to the Board as a Non-Executive Director. His extensive expertise includes a pivotal role in overseeing the Google Play mobile gaming business in Australia, New Zealand and Southeast Asia. Additionally, he served as CEO of Storms Mobile Gaming, further solidifying his leadership experience in the dynamic and evolving mobile gaming industry. **Chris Whiteman**, a seasoned corporate and commercial advisor, with over five years as a Non-Executive Director with Animoca Brands Corporation Limited - one of the



world's leading gaming companies headquartered in Hong Kong - will join as a Non-Executive Director, wielding his deep industry knowledge and connections to unlock strategic partnerships and lucrative opportunities. Finally, **Hang Zhang**, a McKinsey-trained transformation expert and blockchain gaming leader, will be appointed Chief Strategy and Transformation Officer, guiding MKL's future trajectory with his meticulous planning and proven track record.

This exceptional team boasts not just impressive resumes but also a shared passion for the success of the games industry in Australia and unwavering commitment to MKL's turnaround. Their combined expertise in go-to-market strategies, capital raising, business development and web3 integration offers unparalleled advantages, propelling MKL towards becoming a high-growth, profitable gaming powerhouse in the Australian and Southeast Asian landscape.

Close links and previous employment with Animoca Brands, Activision and more

Stability and Transparency: Our Guiding Principles:

We understand that stability is paramount in fostering progress. That's why we remain confident in the current Board and management team, who have demonstrated immense dedication and competence over the past twelve months. They will work seamlessly with the proposed incoming directors, ensuring a smooth transition and leveraging their knowledge to drive a successful change process.

Transparency and open communication remain our guiding principles. We believe in keeping you informed every step of the way, and an update to all shareholders on January 15th will be just the beginning. We plan to hold an Extraordinary General Meeting no later than February 28th, 2024, to present the complete proposal encompassing restructuring, capital raising, and board appointments for your approval.

Addressing Alternative Propositions:

We acknowledge the existence of alternative proposals. However, after careful evaluation and in-depth due diligence, we are confident that the plan championed by the Consortium presents the most compelling and viable pathway to long-term success. We urge you to thoroughly analyse all options before making any decisions, and rest assured that we will always act in the best interests of all shareholders.

It is also important to note that Mr Shane Yeend (who in conjunction with his affiliated parties has called an Extraordinary General Meeting for the 19th of January) were invited to participate in the Strategic Review process and declined to take part. At no point has Mr Yeend tabled a strategic proposal to the Company.

Unlike the new Directors that Mr Yeend of Gamestar/Imagination has proposed and are subject to a vote at the forthcoming January 19th EGM, the proposed new Consortium Directors ALL HAVE RELEVANT AND DEEP EXPERIENCE in the Video Games and entertainment industries and will add considerable value to the company from both an operational and strategic perspective. It with this in mind that your Board recommends you vote **Against** to all the resolutions at the January 19th EGM to ensure we continue to have a relevant and Games and Media Industry experienced Board.





Yeend's proposed Directors have NO digital Gaming experience

Consider MKL's carefully crafted strategic plan, led by industry experts, before making any decisions that could jeopardise the value of your investment.

A Brighter Future Awaits:

Subject to finalisation of a due diligence process and further shareholder approvals (where required), MKL is poised for a major transformation, continuing the work undertaken in the last 12 months that has led to a substantial turnaround in the operational performance of the company and in an environment of assured liquidity. We have secured financial stability, assembled a dream team of industry leaders, and crafted a strategic plan that promises exceptional growth and shareholder value creation. We are excited to embark on this journey with you, and we look forward to releasing further details on or before January 15th, 2024, as we unveil the new roadmap for Mighty Kingdom Limited.

In the meantime, please do not hesitate to reach out if you have any questions or concerns. We are committed to open dialogue and believe that your feedback is invaluable in shaping MKL's future.

Sincerely,

David Butorac

Chair, Mighty Kingdom Limited

KEY DATES:

15th January 2024 - MKL to release final details of the consortiums offer for shareholder consideration.

19th January 2024 - EGM called by Mr Yeend. Resolutions seek to simply overthrow the Board with no path forward for MKL.

We recommend that you vote **AGAINST** all resolutions proposed by the Requisitioning Shareholders at the 19th January 2024 EGM.

The Directors consider that the resolutions are **NOT** in the best interests of the Company.

February 2024 - EGM led by MKL to vote on resolutions relating to the offer by the Consortium.

