

DEAR FELLOW WALT DISNEY COMPANY SHAREHOLDER:

SHAREHOLDERS CAN'T AFFORD ANOTHER BOOM AND BUST SEQUEL

After ten years of poor performance,¹ Disney's stock is up in the first two months of 2024.² As one of the Company's largest shareholders, we are as hopeful as anyone that this recent trend is the start of a long run of great performance.

But we cannot be sure.

We know the recent stock price movement came in the aftermath of "a series of exciting announcements"³ from Disney on its last earnings call. Less clear is whether the Company can execute on those announcements, continue the positive momentum or even settle on the right strategy for the rest of the business. And without the pressure of our proxy contest pushing Disney to perform, it is unclear if the "announcements" would have been made.

And so, while the Company claims – after years of seemingly poor choices and failed strategies – that it has now, finally and suddenly (as the proxy vote is looming) "turned the corner and entered a new era,"⁴ we are skeptical that the same people who directed Disney's story for the last ten years will suddenly produce a hit.

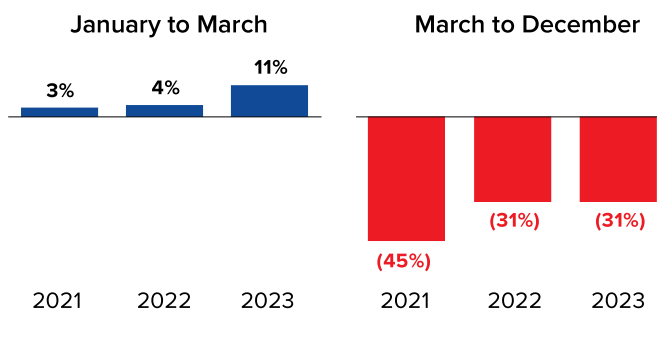
Certainly, none of us should want a sequel to the last three years. In each of those years, the Company made big announcements early in the year⁵ – full of optimism and ambition. Buoyed by these claims of grand plans, Disney's stock performed well in early 2021, 2022 and 2023, just as it has done in early 2024.

But the rest of the year was a tragically different story: Each year, those early promises of reorganizations and transformations went unfulfilled – the plot line veered back to the familiar – and Disney significantly underperformed the S&P 500 during the remaining months of the year.

The pattern is clear, even if it makes for a bad movie: Boom and bust. Boom and bust. Boom and bust. Shareholders can't afford another sequel.

Disney appears again to be raising the curtain on the same story. The Company heralded that "the stage is now set for significant growth and success."⁷ But, from our perspective, these directors and actors have consistently disappointed. The story always seems to end the same, unfortunate way.

Disney Relative Total Shareholder Return vs. S&P 500⁶



Admittedly, we do not know what the rest of 2024 will bring – and no one is more hopeful and optimistic than us – but we know that shareholders cannot afford to have a sequel of 2021, 2022 or 2023.

To help ensure the story of 2024 breaks with the past and that Disney finally creates sustainable value for shareholders, we believe that electing new, focused, aligned and engaged directors is essential. Accordingly, as one of the Company's largest shareholders, we have nominated Nelson Peltz and Jay Rasulo as candidates for the Board this year.

Nelson and Jay have a simple goal: restore Disney's magic. Nelson and Jay will focus on improving Disney's storyline in 2024 and beyond, by helping to ensure the Company adopts a clear strategy and executes well on that strategy, makes great movies and builds new attractions, all with appropriate incentives, governance and alignment.

Help us write a new plot – and Restore the Magic.

Vote FOR Nelson Peltz and Jay Rasulo and WITHHOLD on Michael B.G. Froman, Maria Elena Lagomasino and all three Blackwells Nominees using the enclosed **BLUE proxy card.**



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The estimates, projections and potential impact of the opportunities identified by Trian herein are based on assumptions that Trian believes to be reasonable as of the date of this letter, but there can be no assurance or guarantee (i) that any of the proposed actions set forth in this letter will be completed, (ii) that the actual results or performance of the Company will not differ, and such differences may be material, or (iii) that any of the assumptions provided in this letter are accurate.

ENDNOTES

¹ Disney has underperformed the S&P 500 by 168% over the last ten years. Performance measures Total Shareholder Return (“TSR”) in the ten years prior to 10/06/23. 10/06/23 represents the trading day prior to the WSJ article titled “Nelson Peltz Boosts Disney Stake, Seeks Board Seats” by Lauren Thomas and Robbie Whelan reporting on Trian’s increased beneficial ownership in Disney shares and expected request for Board representation. TSR is defined as the total return an investor would receive if they purchased one share of stock on the first day of the measured period, inclusive of share price appreciation and dividends paid. We highlight the S&P 500 only as a widely recognized index; however, for various reasons the performance of the index and that of the securities mentioned herein may not be comparable. One cannot invest directly in an index.

² Source: FactSet. Data through 02/29/24.

³ Disney Letter to Shareholders, 02/12/24.

⁴ Disney Q1 2024 Earnings Call, 02/07/24.

⁵ In early 2021, Disney promoted its “strategic reorganization” which was supposed to accelerate the Company’s pivot to a direct-to-consumer business model. Disney Q1 2021 Earnings Call, 02/11/21. In early 2022, Disney’s leadership was “filled with optimism” as it spoke of an “ongoing transformation” that included a “reimagined” parks business and increased investment in content creation. Disney Q1 2022 Earnings Call, 02/09/22. And in early 2023, the CEO promised a “significant transformation” which included (another) reorganization, planned cost-cutting and a host of other initiatives. Disney Press Release, 02/08/23 and Disney Q1 2023 Earnings Call, 02/08/23.

⁶ Source: FactSet. “January to March” data runs from the beginning of January to the end of February each year. “March to December” data runs from the beginning of March to the end of December each year.

⁷ Disney Press Release, 02/07/24.

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Vote using the enclosed **BLUE proxy card.**

Additional information, including instructions for how to vote your shares and stay connected with us, can be found at: www.restorethemagic.com

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