

Hasbro U.K. Limited

Annual report and financial statements

52-week period ended 29 December 2024

HASBRO U.K. LIMITED

COMPANY INFORMATION

Directors J Sargent
D J McNeil (appointed 9 February 2024, resigned 13 January 2025)
R Blane (resigned 9 February 2024)

Registered number 01981543

Registered office 4 The Square
Stockley Park
Uxbridge
Middlesex
UB11 1ET

Independent auditor MHA
2 London Wall Place
Barbican
London
EC2Y 5AU

HASBRO U.K. LIMITED

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HASBRO U.K. LIMITED

STRATEGIC REPORT FOR THE PERIOD ENDED 29 DECEMBER 2024

Principal activities of the Company

Hasbro U.K. Limited ("Hasbro UK") was established in 1986 operating in Uxbridge, UK. It is a direct wholly owned subsidiary of Hasbro SA. Hasbro UK's territories included the UK, Ireland, Denmark, Sweden, Norway, Finland and Iceland. During the prior period, the company closed the branch in Norway.

Hasbro UK generates turnover through the provision of marketing, sales and distribution centre services as well as license support services.

2024 performance

Turnover for the period ended 29 December 2024 was £21.8 million compared to £26.1 million in 2023, a decrease of £4.3 million (16.5%).

Net operating expenses decreased period on period by £3.6 million (16.4%) (2023: decrease by £0.9 million) resulting in a net decrease of £0.6 million (15.2%) in operating profit (2023: decrease in operating profit of £1.1 million).

Key performance indicators (KPIs)

KPIs	2024 £000	2023 £000
Turnover	21,837	26,079
Operating profit	3,328	3,939
Profit after tax	2,618	3,047
Net assets	12,311	9,704

The decrease in turnover was due to decreased remuneration for the marketing and sales support services from Hasbro European Trading BV and Hasbro International Trading BV, as well as decreased remuneration for the warehouse operations from Hasbro European Trading BV.

The decrease in operating profit was a result of increased warehouse operation costs for higher stock levels.

The profit after tax is slightly decreased to £2.6 million.

The increase in net assets was mainly driven by increased prepayments offset by a decrease in net amounts owed by group undertakings.

Risks and uncertainties

The directors of the Company have considered the principal risk and uncertainties affecting the Company as at 29 December 2024 and up to the date of this report. As the Company is primarily transacting with Group entities through the provision of marketing, sales and distribution centre services, the directors believe that the risks and uncertainties faced by Hasbro UK are mitigated to the extent that it acts only as a service provider. Challenges include underperformance, unreliable service, inadequate security or failure to meet contractual obligations.

HASBRO U.K. LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 29 DECEMBER 2024**

This report was approved by the board and signed on its behalf.

Signed by:

John Sargent
J Sargent
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Director

Date: 29-Jul-25

HASBRO U.K. LIMITED

**DIRECTOR'S REPORT
FOR THE PERIOD ENDED 29 DECEMBER 2024**

The director presents his annual report and the audited financial statements for the 52-week period ended 29 December 2024 (2023: 53-week period ended 31 December 2023).

Paid dividends and reserves

Dividends paid during the year on equity shares comprise £nil (2023: £3,036,000). The profit for the Company in the financial period was £2.6 million (2023: £3.0 million).

Directors

The directors who served during the period were:

J Sargent

D J McNeil (appointed 9 February 2024, resigned 13 January 2025)

R Blane (resigned 9 February 2024)

Political contributions

The Company made no political contribution during the period (2023: £Nil).

Employees

The Company has a comprehensive framework of employment policies, some of which apply throughout the Company, with others appropriate to the particular subsidiary or part of the business concerned. The Company fully supports the rights and opportunities of all people to seek, obtain and hold employment with dignity and without any form of discrimination.

It is the Company's policy that employees of all levels shall not in the course of employment discriminate against any other person, or be discriminated against on the grounds of race, religion, sex, marital status or ethnic or national origins. The policy applies in respect of all conditions of employment, including salaries and wages, hours of work, holiday entitlement, sick pay, recruitment, training, promotion, redundancy and use of available amenities.

It is the Company's policy to offer equal opportunity to disabled persons, whether registered or not, applying for vacancies having regard to their aptitudes and abilities. Arrangements are made to continue the employment, wherever possible, of those employees who have become disabled. Consideration is also given to arranging appropriate training facilities or providing special aids where necessary. The Company's policy is to provide disabled persons with the same opportunities for training, career development and promotion as are available to all employees within the same limitations of their aptitudes and abilities.

Information on matters of concern to employees is made available through a comprehensive internal communications programme incorporating meetings, conferences, printed and electronic news systems and publications. Employees are made aware of the financial and economic factors affecting the performance of the Company.

The Company recognises the need for a well-trained, creative and adaptable workforce at all levels. Resources are directed to training activities which are continuously updated and enhanced. The Company operates an employee bonus scheme based on a number of performance factors.

Overseas operations

Hasbro U.K. Limited has foreign branches in the Nordic countries of Denmark, Sweden and Finland.

HASBRO U.K. LIMITED

**DIRECTOR'S REPORT (CONTINUED)
FOR THE PERIOD ENDED 29 DECEMBER 2024**

Disclosure of information to auditor

The director at the time when this Director's report is approved has confirmed that:

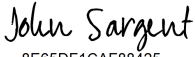
- so far as is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, MHA, previously traded through the legal entity MacIntyre Hudson LLP. In response to regulatory changes, MacIntyre Hudson LLP ceased to hold an audit registration with the engagement transitioning to MHA Audit Services LLP.

MHA will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

Signed by:

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J Sargent
Director

Date: 29-Jul-25

HASBRO U.K. LIMITED

**DIRECTOR'S RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 29 DECEMBER 2024**

The director is responsible for preparing the Strategic report, the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HASBRO U.K. LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HASBRO U.K. LIMITED

Opinion

We have audited the financial statements of Hasbro U.K. Limited (the 'Company') for the period ended 29 December 2024, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 29 December 2024 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

HASBRO U.K. LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HASBRO U.K. LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The director is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Director's report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Director's report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Director's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Director's responsibilities statement set out on page 5, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the Company'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 director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

HASBRO U.K. LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HASBRO U.K. LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 ISAs (UK) 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 these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

[Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.]

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Andrew Moyser FCA FCCA (Senior statutory auditor)
for and on behalf of MHA, Statutory Auditor**

2 London Wall Place
Barbican
London
EC2Y 5AU
Date:

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (Registered No OC455542)

HASBRO U.K. LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 29 DECEMBER 2024**

	Note	2024 £000	2023 £000
Turnover	4	21,792	26,079
Gross profit		21,792	26,079
Distribution costs		(15,928)	(18,585)
Administrative expenses		(2,664)	(3,427)
Other operating expenses		-	(128)
Operating profit	5	3,200	3,939
Interest receivable and similar income	8	259	388
Interest payable and similar expenses	9	-	(48)
Profit before taxation		3,459	4,279
Tax on profit	10	(1,103)	(1,232)
Profit for the financial period		2,356	3,047
Other comprehensive income:			
Foreign currency translation differences - foreign operations		(11)	(12)
Total comprehensive income for the period		2,345	3,035

All income and expenditure in the current and prior period arose from continuing activities.


The accompanying notes on pages 12 to 26 are an integral part of the financial statements.

HASBRO U.K. LIMITED
REGISTERED NUMBER: 01981543

BALANCE SHEET
AS AT 29 DECEMBER 2024

	Note	2024 £000	2023 £000
Fixed assets			
Tangible assets	11	2,292	2,347
		<u>2,292</u>	<u>2,347</u>
Current assets			
Debtors: amounts falling due within one year	12	24,433	26,615
Cash at bank and in hand	13	1,173	177
		<u>25,606</u>	<u>26,792</u>
Creditors: amounts falling due within one year	14	(15,272)	(19,435)
Net current assets		<u>10,334</u>	<u>7,357</u>
Total assets less current liabilities		<u>12,626</u>	<u>9,704</u>
Provisions for liabilities			
Deferred tax	15	(17)	-
Employee-related legal provision		(287)	-
		<u>(304)</u>	<u>-</u>
Net assets		<u>12,322</u>	<u>9,704</u>
Capital and reserves			
Called up share capital	17	625	625
Capital contribution reserve		3,611	3,338
Profit and loss account		8,086	5,741
		<u>12,322</u>	<u>9,704</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Signed by:

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J Sargent
 Director

Date: 29-Jul-25

The accompanying notes on pages 12 to 26 are an integral part of the financial statements.

HASBRO U.K. LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 29 DECEMBER 2024**

	Called up share capital	Capital contribution reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 25 December 2022	625	3,334	5,746	9,705
Profit for the period	-	-	3,047	3,047
Foreign exchange gains on translation of foreign entities	-	-	(12)	(12)
Total comprehensive income for the period	-	-	3,035	3,035
Dividends paid to holding company	-	-	(3,036)	(3,036)
Capital contribution for the period *	-	4	(4)	-
Total transactions with owners, recognised directly in equity	-	4	(3,040)	(3,036)
At 1 January 2024	625	3,338	5,741	9,704
Profit for the period	-	-	2,356	2,356
Foreign exchange losses on translation of foreign entities	-	-	(11)	(11)
Total comprehensive income for the period	-	-	2,345	2,345
Capital contribution for the year *	-	273	-	273
Total transactions with owners, recognised directly in equity	-	273	-	273
At 29 December 2024	625	3,611	8,086	12,322

* The capital contribution in the period represents the cost of employee share-based payments issued to employees of the Company by Hasbro Inc., the company's ultimate parent company ("Hasbro")

The profit and loss account represents cumulative profits and losses net of any dividends.

The accompanying notes on pages 12 to 26 are an integral part of the financial statements.

HASBRO U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

1. General information

Hasbro U.K. Limited is a private Company limited by shares and is incorporated in England and Wales. The address of the registered office is 4 The Square, Stockley Park, Uxbridge, Middlesex, UB11 1ET, and its registered number is 01981543.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Hasbro, Inc. as at 29 December 2024 and these financial statements may be obtained from the company's website.

HASBRO U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

2. Accounting policies (continued)**2.3 Going concern**

The Directors have concluded that the use of the going concern basis of accounting in preparation of the financial statements is appropriate for the period ended 29 December 2024.

The Directors are not aware of any plans to alter the group's trading operations in the UK in such a way that the current remuneration model utilising Hasbro UK might cease to operate. As such, to the best of the knowledge of the Directors, the existing intercompany trading agreements between Hasbro group entities and Hasbro UK Limited will continue for a period of at least twelve months from the date of approval of the financial statements.

As such, the immediate parent company Hasbro SA has indicated its continued intention to make available financial and other support to the Company as required for a period of at least twelve months from the date of approval of the financial statements to enable the Company to continue to trade and to meet its liabilities as they fall due.

Consequently, the Directors are confident that the Company will have sufficient resources to continue to trade and to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of the financial statements and thus have prepared the financial statements on a going concern basis.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 4% per annum
Long-term leasehold property	- over the life of the lease
Plant and machinery, fixtures and fittings	- 10% to 33% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

No depreciation is provided on freehold land

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

HASBRO U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

2. Accounting policies (continued)**2.5 Impairment of non-financial assets**

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's (or asset's cash generating unit) continued use. The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit and loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

2.6 Foreign currencies

The Company's functional and presentational currency is the pound sterling.

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

The assets and liabilities of overseas branches are translated into the presentational currency at the rate of exchange ruling at the balance sheet date. The results of overseas operations are translated at the average rates of exchange during the year. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity.

HASBRO U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

2. Accounting policies (continued)**2.7 Leases**

At inception the Company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

- Finance leased assets

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases. Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors.

- Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Operating lease rentals are charged to the profit and loss account on a straight-line basis over the period of the lease.

- Lease incentives

Incentives received to enter into a finance lease reduce the fair value of the asset and are included in the calculation of present value of minimum lease payments.

Incentives received to enter into an operating lease are credited to the profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease.

The Company has taken advantage of the exemption in respect of lease incentives on leases in existence on the date of transition to FRS 102 (29 December 2013) and continues to credit such lease incentives to the profit and loss account over the period to the first review date on which the rent is adjusted to market rates.

2.8 Employee benefits

The Company provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

- Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

- Post-retirement benefits

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

HASBRO U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

2. Accounting policies (continued)**2.9 Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

- Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

- Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessment in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax shall be recognised when income and expenses from a subsidiary, associate or branch, or interest in joint venture have been recognised in the financial statements, and will be assessed to or allowed for tax in a future period, except where:

- a) the reporting entity is able to control the reversal of the timing difference; and
- b) it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

2.10 Turnover

Turnover represents the total income received by Hasbro UK Limited pursuant to its provision of various intercompany services.

Turnover is measured as the consideration received or receivable in accordance with the intercompany contracts. Turnover is recognised in the period in which the services are provided.

2.11 Other operating income

Other operating income represents income that does not fall within the definition of turnover or finance income.

HASBRO U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

2. Accounting policies (continued)**2.12 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 Share-based payments

Hasbro has a stock-based compensation plan for key employees that is administered from the U.S. This is part of a group share-based payment scheme.

Under this plan, Hasbro may grant stock options at or above the fair market value of Hasbro, Inc.'s stock, as well as restricted stock, restricted stock units and contingent stock performance awards. All share-based payments are equity settled, and the fair value of share entitlements granted is recognised as an employee expense in the profit and loss account with a corresponding increase in a capital contribution reserve. The fair value is determined by using the Black-Scholes model. The Black-Scholes method includes four significant assumptions: (1) expected term of the options, (2) risk-free interest rate, (3) expected dividend yield, and (4) expected stock price volatility.

Options are granted free of conditions excepting that the employee must be employed on the vest date (i.e. any unvested options at the termination date lapse) and employees have three months post termination to exercise vested options after which they also lapse. Should the options lapse, the cumulative charge to the profit and loss account is reversed.

The share-based payment vehicles in operation during the period are:

- Restricted Stock Units (RSUs) where shares are released to the qualifying employee on or around the vest date. The number of shares released equals to the number of shares awarded.

Performance Stock Units (PSUs) where the number of shares released depends on the Company's performance against Earnings Per Share (EPS), and/or Revenue targets stated in the award agreements.

RSU shares vest in 1/3 increments and are fully vested on the third anniversary of the grant date and released to the employee. PSU shares have a performance period equal to 3 fiscal years before vesting. Shares are released after Board approval.

HASBRO U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

3. Critical accounting judgements and key sources of estimation uncertainty

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the times when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

Critical judgements and key sources of estimation uncertainty in applying the Company's accounting policies

Due to the nature of Hasbro UK, there are no critical judgements or key sources of estimation uncertainty that the directors have made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements.

4. Turnover

All turnover arose from the provision of services in the Company's principal activities and is analysed by geographical market as follows:

	2024	2023
	£000	£000
United Kingdom and Ireland	20,246	23,235
Nordic countries	1,546	2,844
	21,792	26,079

Turnover by destination is not materially different to turnover by origin

5. Operating profit

The operating profit is stated after charging:

	2024	2023
	£000	£000
Depreciation of tangible fixed assets	560	1,289
Auditor's remuneration:		
Audit of these financial statements	56	55
Foreign exchange (gain)	(60)	(14)
Operating lease charges	1,692	1,412

HASBRO U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

6. Employees

Staff costs, including director's remuneration, were as follows:

	2024	As restated 2023
	£000	£000
Wages and salaries	7,884	9,760
Severance pay	631	377
Social security costs	774	966
Share-based payments	273	4
Pension costs (see note 17)	606	746
	10,168	11,853

The average monthly number of employees, including the director, during the period was as follows:

	2024	2023
	No.	No.
Management and clerical staff	89	130
Warehousing staff	37	36
	126	166

7. Director's remuneration

	2024	2023
	£000	£000
Director's emoluments	244	288
Pension contributions	-	6
	244	294

Two of the directors did not receive any remuneration from Hasbro U.K. Limited in 2024 (2023: two). In both periods, these directors were remunerated by other group companies, with no recharge made to Hasbro U.K. Limited. Due to the directors' allocation of time on Hasbro U.K. Limited, there is no material impact on the financial statements.

During the period retirement benefits were accruing to nil directors (2023 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £244,000 (2023 - £179,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2023 - £6,000).

HASBRO U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

8. Interest receivable and similar income

	2024	2023
	£000	£000
Interest receivable and similar income	259	388

9. Interest payable and similar expenses

	2024	2023
	£000	£000
Interest payable and similar expenses	-	48

10. Taxation

	2024	2023
	£000	£000
Corporation tax		
Current tax on profits for the year	807	1,011
Adjustments in respect of previous periods	19	336
	826	1,347
Foreign tax		
Foreign tax on income for the year	129	97
	129	97
Total current tax	955	1,444
Deferred tax		
Origination and reversal of timing differences	92	(120)
Adjustment in respect of prior periods	56	(64)
Change in tax rate	-	(9)
Deferred tax on share-based payments	-	(19)
Total deferred tax	148	(212)
Tax on profit	1,103	1,232

HASBRO U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

10. Taxation (continued)**Factors affecting tax charge for the period**

The tax assessed for the period is higher than (2023 - higher than) the standard rate of corporation tax in the UK of 25% (2023 - 23.52%). The differences are explained below:

	2024	2023
	£000	£000
Profit on ordinary activities before tax	3,459	4,279
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023 - 23.52%)	865	1,006
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	172	17
Stock option statutory deduction	-	(18)
Tax incentives	-	(1)
Deferred tax charged at different rate	-	(9)
Impact of overseas tax rates	(9)	(35)
Adjustments in respect of prior years	75	272
Total tax charge for the period	1,103	1,232

Deferred tax assets and liabilities are measured at the rates that are expected to apply in the period when the asset is realised, or the liability settled, based on tax rates that have been enacted or substantially enacted at the balance sheet date.

HASBRO U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

11. Tangible fixed assets

	Freehold land and buildings £000	Leasehold improvements £000	Fixtures, fittings, plant & machinery and motor vehicles £000	Total £000
Cost or valuation				
At 1 January 2024	10,944	481	10,893	22,318
Additions	191	-	323	514
Disposals	(103)	-	(123)	(226)
At 29 December 2024	<u>11,032</u>	<u>481</u>	<u>11,093</u>	<u>22,606</u>
Depreciation				
At 1 January 2024	9,612	481	9,878	19,971
Charge for the period	92	-	431	523
Disposals	(93)	-	(87)	(180)
At 29 December 2024	<u>9,611</u>	<u>481</u>	<u>10,222</u>	<u>20,314</u>
Net book value				
At 29 December 2024	<u>1,421</u>	<u>-</u>	<u>871</u>	<u>2,292</u>
At 31 December 2023	<u>1,332</u>	<u>-</u>	<u>1,015</u>	<u>2,347</u>

Freehold land and buildings include an amount of £345,000 (2023: £345,000) in respect of land which is not depreciated.

12. Debtors

	2024 £000	2023 £000
Amounts owed by group undertakings	15,905	22,888
Other debtors	7,984	2,197
Prepayments and accrued income	544	1,399
Deferred taxation	-	131
	<u>24,433</u>	<u>26,615</u>

HASBRO U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

13. Cash and cash equivalents

	2024	2023
	£000	£000
Cash at bank and in hand	<u>1,173</u>	<u>177</u>

14. Creditors: Amounts falling due within one year

	2024	2023
	£000	£000
Trade creditors	138	62
Amounts owed to group undertakings	9,200	13,284
Accruals and deferred income	5,934	6,089
	<u>15,272</u>	<u>19,435</u>

15. Deferred taxation

	2024
	£000
Asset at beginning of period	131
Current period charge - profit and loss account	(92)
Prior year adjustment	(56)
Asset/(Liability) at end of period	<u>(17)</u>

The deferred taxation balance is made up as follows:

	2024	2023
	£000	£000
Difference between depreciation and capital allowances	(60)	77
Differences arising on share-based payments	43	54
Net deferred tax Asset/(Liability)	<u>(17)</u>	<u>131</u>

HASBRO U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

16. Provisions

	Employee- related legal provision £000
Charged to profit or loss	287
At 29 December 2024	287

A provision of £287,410 has been recognised in respect of a legal obligation relating to former employees. At the balance sheet date, settlement was considered probable but was not yet confirmed.

17. Share capital

	2024 £000	2023 £000
Authorised, allotted, called up and fully paid		
625,000 (2023 - 625,000) Ordinary shares of £1.00 each	625	625

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

18. Prior year adjustment

Comparative information for the year ended 31 December 2023 has been restated to include a £4k share-based payment charge within Note 6, which was previously omitted. This restatement has no impact on total equity or profit for the period.

19. Pension commitments

The Company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the Company to the fund and amounted to £606,000 (2023: £746,000).

There were no outstanding or prepaid contributions at either the beginning or end of the financial period.

HASBRO U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

20. Commitments

There were no capital commitments at either period end.

At 29 December 2024 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2024	2023
	£000	£000
Leasehold properties		
Not later than one year	2,522	1,692
Later than 1 year and not later than two years	2,522	2,472
Later than two years but not later than five years	4,744	7,074
Over five years	-	215
	9,788	11,453
	2024	2023
	£000	£000
Other lease commitments		
Not later than one year	111	149
Later than one year and not later than two years	112	133
Later than two years but not later than five years	147	259
	370	541

The operating leases are for commercial offices in the United Kingdom. The lease terms are up to ten years.

£1,499,000 or 75.9% (2023: £1,187,000 or 55.7%) of annual lease expenses for leasehold properties is recharged to other group entities.

21. Related party transactions

As a wholly owned subsidiary, the company is exempt under the terms of Section 33.1A of FRS 102 "Related party disclosures" from disclosing related party transactions with entities that are wholly owned within the Hasbro, Inc. group. No other related party transactions have occurred in the year (2023: £nil) or remain outstanding at period end (2023: £nil).

Refer to note 7 for disclosures on directors' remuneration.

HASBRO U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

22. Controlling party

The Company is a wholly owned subsidiary undertaking of Hasbro SA, incorporated in Switzerland, which is based at Rue Emile-Boechat 31 Delemont, JURA, 2800 Switzerland.

The largest group in which the results of the Company are consolidated is that headed by Hasbro, Inc., incorporated in the United States of America. Copies of the financial statements of the ultimate parent company and controlling party may be obtained from Corporate Finance, Hasbro, Inc., 200 Narragansett Park Drive, P.O. Box 200, Pawtucket R.I. 02862-0200, U.S.A.

HASBRO U.K. LIMITED

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 29 DECEMBER 2024**

	2024	2023
	£000	£000
Turnover	21,792	26,079
Gross profit	21,792	26,079
Less: overheads		
Selling and distribution expenses	(15,928)	(18,585)
Administration expenses	(2,664)	(3,427)
Other operating charges	-	(128)
Operating profit	3,200	3,939
Interest receivable	259	388
Interest payable	-	(48)
Tax on profit on ordinary activities	(1,103)	(1,232)
Profit for the period	2,356	3,047

HASBRO U.K. LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

	2024	2023
	£000	£000
Turnover		
Sales - UK	20,246	23,235
Sales - Europe	1,546	2,844
	21,792	26,079

	2024	2023
	£000	£000
Selling and distribution expenses		
Salaries and wages	7,640	9,472
National insurance	774	966
Staff pension costs	606	740
Distribution costs	6,004	7,026
Severance pay	631	377
Share-based payments	273	4
	15,928	18,585

	2024	2023
	£000	£000
Administration expenses		
Directors salaries	244	288
Directors pension costs	-	6
Admin costs	2,420	3,133
	2,664	3,427

	2024	2023
	£000	£000
Operating charges		
Other operating charges	-	128

HASBRO U.K. LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE PERIOD ENDED 29 DECEMBER 2024**

	2024	2023
	£000	£000
Interest receivable		
Other interest receivable	259	388

	2024	2023
	£000	£000
Interest payable		
Other loan interest payable	-	48