UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended April 2, 2023
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number 1-6682

HASBRO, INC.
(Exact name of registrant as specified in its charter)

Rhode Island	**05-0155090**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1027 Newport Avenue	
Pawtucket, Rhode Island	**02861**
(Address of Principal Executive Offices)	(Zip Code)

(401) 431-8697
Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.50 par value per share	**HAS**	**The NASDAQ Global Select Market**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [x] No [ ]

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes [x] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	x	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No [x]

The number of shares of Common Stock, par value $.50 per share, outstanding as of April 27, 2023 was 138,608,781.

Forward Looking Statement Safe Harbor

Certain statements in this Form 10-Q contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements, which may be identified by the use of forward-looking words or phrases, include statements relating to: our business and marketing strategies; anticipated payments to be received for content, expected financial performance or business prospects in future periods; the development and timing of planned consumer and digital gaming products and entertainment releases; changes in leadership; expected benefits and cost-savings resulting from the Company’s Operational Excellence Program; expected benefits and cost-reductions from certain restructuring actions and divestiture of non-core businesses or assets, such as parts of the Entertainment One film and television business; inventory; capital expenditures; working capital; cash flow and liquidity; timing of and amount of repayment of indebtedness and production financings; capital allocation strategy, including plans for dividends and share repurchases; and other financial, tax, accounting and similar matters. Our actual actions or results may differ materially from those expected or anticipated in the forward-looking statements due to both known and unknown risks and uncertainties. Factors that might cause such a difference include, but are not limited to:

- our ability to successfully execute on our Blueprint 2.0 strategy, including to focus on and scale select business initiatives and brands to drive profitability;
- our ability to design, develop, manufacture, and ship products on a timely, cost-effective and profitable basis;
- our ability to successfully compete in the global play and entertainment industry;
- our ability to successfully evolve and transform our business and capabilities to successfully address the global consumer landscape;
- inflation and downturns in global and regional economic conditions impacting one or more of the markets in which we sell products, which can negatively impact our retail customers and consumers, result in lower employment levels, consumer disposable income, retailer inventories and spending, including lower spending on purchases of our products;
- our dependence on third party relationships, including with third party manufacturers, licensors of brands, studios, content producers and entertainment distribution channels;
- the risk that any strike by, or lockout of, one or more of the unions that provide personnel essential to the production of films or television programs, such as the strike by the writers’ union in May 2023, could delay or halt our ongoing production activities; halts or delays, depending on the length of time, could cause a delay or interruption in our release of new films and television programs, which could impact our entertainment business;
- risks relating to the concentration of manufacturing for many of our products in the People’s Republic of China and our ability to successfully diversify sourcing of our products to reduce reliance on sources of supply in China;
- risks related to economic and public health conditions or regulatory changes in the markets in which we and our customers, partners, licensees, suppliers and manufacturers operate, such as inflation, rising interest rates, higher commodity prices, labor costs or transportation costs, the coronavirus or other outbreaks of disease, the occurrence of which could create work slowdowns, delays or shortages in production or shipment of products, increases in costs or delays in revenue;
- risks associated with international operations, such as currency conversion, currency fluctuations, the imposition of tariffs, quotas, shipping delays or difficulties, border adjustment taxes or other protectionist measures, and other challenges in the territories in which we operate;
- the success of our key partner brands, including the ability to secure, maintain and extend agreements with our key partners or the risk of delays, increased costs or difficulties associated with any of our or our partners’ planned digital applications or media initiatives;
- risks related to our leadership changes;
- our ability to attract and retain talented and diverse employees;
- our ability to realize the benefits of cost-savings and efficiency and/or revenue and operating profit enhancing initiatives;
- risks relating to the impairment and/or write-offs of products and content we acquire and produce;

- the risk that acquisitions, dispositions and other investments we complete may not provide us with the benefits we expect, or the realization of such benefits may be significantly delayed. We may not achieve a successful sale or license of non-core assets, including certain film and television assets;
- our ability to protect our assets and intellectual property, including as a result of infringement, theft, misappropriation, cyber-attacks or other acts compromising the integrity of our assets or intellectual property;
- fluctuations in our business due to seasonality;
- the risk of product recalls or product liability suits and costs associated with product safety regulations;
- changes in tax laws or regulations, or the interpretation and application of such laws and regulations, which may cause us to alter tax reserves or make other changes which significantly impact our reported financial results;
- the impact of litigation or arbitration decisions or settlement actions;
- the concentration of our customers, potentially increasing the negative impact to our business of difficulties experienced by any of our customers or changes in their purchasing or selling patterns;
- the bankruptcy or other lack of success of one or more of our significant retailers, licensees and other partners; and
- other risks and uncertainties as may be detailed in our public announcements and U.S. Securities and Exchange Commission ("SEC") filings.

The statements contained herein are based on our current beliefs and expectations. We undertake no obligation to make any revisions to the forward-looking statements contained in this Form 10-Q or to update them to reflect events or circumstances occurring after the date of this Form 10-Q.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

HASBRO, INC. AND SUBSIDIARIES
Consolidated Balance Sheets
(Millions of Dollars Except Share Data)
(Unaudited)

	April 2, 2023	March 27, 2022	December 25, 2022
ASSETS			
Current assets			
Cash and cash equivalents including restricted cash of $13.4 million, $38.8 million and $14.5 million	$ 386.2	$ 1,057.9	$ 513.1
Accounts receivable, less allowance for doubtful accounts of $21.7 million, $24.1 million and $20.0 million	685.2	931.7	1,132.4
Inventories	713.4	644.3	676.8
Prepaid expenses and other current assets	754.4	621.4	676.8
Total current assets	2,539.2	3,255.3	2,999.1
Property, plant and equipment, less accumulated depreciation of $637.8 million, $641.5 million and $654.5 million	509.1	422.6	422.8
Other assets			
Goodwill	3,470.1	3,419.3	3,470.1
Other intangible assets, net of accumulated amortization of $1,165.3 million, $1,075.2 million and $1,137.2 million	801.0	1,136.6	814.6
Other	1,604.3	1,284.9	1,589.3
Total other assets	5,875.4	5,840.8	5,874.0
Total assets	$ 8,923.7	$ 9,518.7	$ 9,295.9
LIABILITIES, NONCONTROLLING INTERESTS AND SHAREHOLDERS' EQUITY			
Current liabilities			
Short-term borrowings	$ 134.5	$ 104.1	$ 142.4
Current portion of long-term debt	109.0	155.8	113.2
Accounts payable	360.1	411.7	427.3
Accrued liabilities	1,293.8	1,371.4	1,506.8
Total current liabilities	1,897.4	2,043.0	2,189.7
Long-term debt	3,682.4	3,737.9	3,711.2
Other liabilities	585.2	633.6	533.1
Total liabilities	$ 6,165.0	$ 6,414.5	$ 6,434.0
Redeemable noncontrolling interests	—	23.5	—
Shareholders' equity			
Preference stock of $2.50 par value. Authorized 5,000,000 shares; none issued	—	—	—
Common stock of $0.50 par value. Authorized 600,000,000 shares; issued 220,286,736 shares at April 2, 2023, March 27, 2022, and December 25, 2022	110.1	110.1	110.1
Additional paid-in capital	2,535.7	2,475.7	2,540.6
Retained earnings	3,951.8	4,220.9	4,071.4
Accumulated other comprehensive loss	(237.4)	(246.9)	(254.9)
Treasury stock, at cost; 81,687,608 shares at April 2, 2023; 80,844,603 shares at March 27, 2022; and 82,106,383 shares at December 25, 2022	(3,629.4)	(3,513.8)	(3,634.4)
Noncontrolling interests	27.9	34.7	29.1
Total shareholders' equity	2,758.7	3,080.7	2,861.9
Total liabilities, noncontrolling interests and shareholders' equity	$ 8,923.7	$ 9,518.7	$ 9,295.9

See accompanying condensed notes to consolidated financial statements.

HASBRO, INC. AND SUBSIDIARIES
Consolidated Statements of Operations
(Millions of Dollars Except Per Share Data)
(Unaudited)

	Quarter Ended	
	April 2, 2023	March 27, 2022
Net revenues	$ 1,001.0	$ 1,163.1
Costs and expenses:		
Cost of sales	285.3	333.1
Program cost amortization	122.5	138.5
Royalties	69.0	90.1
Product development	83.3	69.6
Advertising	82.8	77.6
Amortization of intangibles	23.1	27.1
Selling, distribution and administration	317.1	307.1
Total costs and expenses	983.1	1,043.1
Operating profit	17.9	120.0
Non-operating expense (income):		
Interest expense	46.3	41.6
Interest income	(6.0)	(2.1)
Other (income) expense, net	(1.4)	0.3
Total non-operating expense, net	38.9	39.8
Earnings (loss) before income taxes	(21.0)	80.2
Income tax expense	0.7	17.3
Net earnings (loss)	(21.7)	62.9
Net earnings attributable to noncontrolling interests	0.4	1.7
Net earnings (loss) attributable to Hasbro, Inc.	$ (22.1)	$ 61.2
Net earnings (loss) per common share:		
Basic	$ (0.16)	$ 0.44
Diluted	$ (0.16)	$ 0.44
Cash dividends declared per common share	$ 0.70	$ 0.70

See accompanying condensed notes to consolidated financial statements.

HASBRO, INC. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Earnings (Loss)
(Millions of Dollars)
(Unaudited)

	Quarter Ended	
	April 2, 2023	March 27, 2022
Net earnings (loss)	$ (21.7)	$ 62.9
Other comprehensive earnings (loss):		
Foreign currency translation adjustments, net of tax	24.3	(10.7)
Unrealized holding gains on available-for-sale securities, net of tax	—	0.2
Net losses on cash flow hedging activities, net of tax	(4.6)	(1.2)
Reclassifications to earnings, net of tax:		
Net gains on cash flow hedging activities	(2.1)	—
Amortization of unrecognized pension and postretirement amounts	(0.1)	0.1
Total other comprehensive earnings (loss), net of tax	$ 17.5	$ (11.6)
Total comprehensive earnings attributable to noncontrolling interests	0.4	1.7
Total comprehensive earnings (loss) attributable to Hasbro, Inc.	$ (4.6)	$ 49.6

See accompanying condensed notes to consolidated financial statements.

HASBRO, INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(Millions of Dollars)
(Unaudited)

	Three months ended	
	April 2, 2023	March 27, 2022
Cash flows from operating activities:		
Net earnings (loss)	$ (21.7)	$ 62.9
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:		
Depreciation of plant and equipment	23.9	25.1
Amortization of intangibles	23.1	27.1
Program cost amortization	122.5	138.5
Deferred income taxes	(2.8)	(33.4)
Stock-based compensation	15.7	18.1
Other non-cash items	(0.5)	3.9
Change in operating assets and liabilities net of acquired balances:		
Decrease in accounts receivable	454.6	559.8
Increase in inventories	(32.5)	(99.6)
(Increase) decrease in prepaid expenses and other current assets	(75.4)	42.1
Program spend, net	(266.3)	(169.4)
Decrease in accounts payable and accrued liabilities	(167.0)	(464.4)
Other	15.2	24.0
Net cash provided by operating activities	88.8	134.7
Cash flows from investing activities:		
Additions to property, plant and equipment	(53.2)	(29.2)
Other	(2.4)	5.3
Net cash utilized by investing activities	(55.6)	(23.9)
Cash flows from financing activities:		
Proceeds from borrowings with maturity greater than three months	1.2	1.3
Repayments of borrowings with maturity greater than three months	(35.5)	(133.9)
Net (repayments) proceeds from other short-term borrowings	(7.7)	103.3
Stock-based compensation transactions	—	70.2
Dividends paid	(96.7)	(94.5)
Payments related to tax withholding for share-based compensation	(14.0)	(19.3)
Other	(3.9)	(4.6)
Net cash utilized by financing activities	(156.6)	(77.5)
Effect of exchange rate changes on cash	(3.5)	5.4
Net (decrease) increase in cash, cash equivalents and restricted cash	(126.9)	38.7
Cash, cash equivalents and restricted cash at beginning of year	513.1	1,019.2
Cash, cash equivalents and restricted cash at end of period	$ 386.2	$ 1,057.9
Supplemental information		
Cash paid during the period for:		
Interest	$ 34.3	$ 30.5
Income taxes	$ 26.0	$ 29.2

See accompanying condensed notes to consolidated financial statements.

HASBRO, INC. AND SUBSIDIARIES
Consolidated Statements of Shareholders' Equity and Redeemable Noncontrolling Interests
(Millions of Dollars)
(Unaudited)

Three Months Ended April 2, 2023

	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Noncontrolling Interests	Total Shareholders' Equity	Redeemable Noncontrolling Interests
Balance, December 25, 2022	$ 110.1	2,540.6	4,071.4	(254.9)	(3,634.4)	29.1	$ 2,861.9	$ —
Net loss attributable to Hasbro, Inc.	—	—	(22.1)	—	—	—	(22.1)	—
Net earnings attributable to noncontrolling interests	—	—	—	—	—	0.4	0.4	—
Other comprehensive earnings	—	—	—	17.5	—	—	17.5	—
Stock-based compensation transactions	—	(19.0)	—	—	5.0	—	(14.0)	—
Stock-based compensation expense	—	15.7	—	—	—	—	15.7	—
Dividends declared	—	0.5	(97.5)	—	—	—	(97.0)	—
Distributions paid to noncontrolling owners and other foreign exchange	—	—	—	—	—	(1.6)	(1.6)	—
Buyout of redeemable noncontrolling interest	—	(2.1)	—	—	—	—	(2.1)	—
Balance, April 2, 2023	$ 110.1	2,535.7	3,951.8	(237.4)	(3,629.4)	27.9	$ 2,758.7	$ —

Three Months Ended March 27, 2022

	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Noncontrolling Interests	Total Shareholders' Equity	Redeemable Noncontrolling Interests
Balance, December 26, 2021	$ 110.1	2,428.0	4,257.8	(235.3)	(3,534.7)	37.2	$ 3,063.1	$ 23.9
Net earnings attributable to Hasbro, Inc.	—	—	61.2	—	—	—	61.2	—
Net earnings attributable to noncontrolling interests	—	—	—	—	—	1.2	1.2	0.5
Change in put option value	—	(0.4)	—	—	—	—	(0.4)	—
Other comprehensive loss	—	—	—	(11.6)	—	—	(11.6)	—
Stock-based compensation transactions	—	30.0	—	—	20.9	—	50.9	—
Stock-based compensation expense	—	18.1	—	—	—	—	18.1	—
Dividends declared	—	—	(98.1)	—	—	—	(98.1)	—
Distributions paid to noncontrolling owners and other foreign exchange	—	—	—	—	—	(3.7)	(3.7)	(0.9)
Balance, March 27, 2022	$ 110.1	2,475.7	4,220.9	(246.9)	(3,513.8)	34.7	$ 3,080.7	$ 23.5

HASBRO, INC. AND SUBSIDIARIES
Condensed Notes to Consolidated Financial Statements
(Millions of Dollars and Shares Except Per Share Data)
(Unaudited)

(1) Basis of Presentation

In the opinion of management, the accompanying unaudited interim consolidated financial statements contain all normal and recurring adjustments necessary to present fairly the consolidated financial position of Hasbro, Inc. and all majority-owned subsidiaries ("Hasbro" or the "Company") as of April 2, 2023 and March 27, 2022, and the results of its operations and cash flows and shareholders' equity for the periods then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and notes thereto. Actual results could differ from those estimates.

The quarters ended April 2, 2023 and March 27, 2022 were 14-week and 13-week periods, respectively.

The results of operations for the quarter ended April 2, 2023 are not necessarily indicative of results to be expected for the full year 2023, nor were those of the comparable 2022 period representative of those actually experienced for the full year 2022.

Significant Accounting Policies

The Company's significant accounting policies are summarized in note 1 to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 25, 2022 ("2022 Form 10-K").

Blueprint 2.0 and Operational Excellence

On October 4, 2022, following a several months long strategic review of our business led by our CEO, the Company announced a go-forward strategic plan guided by our new Blueprint 2.0, a consumer-centric framework for bringing compelling and expansive brand experiences to audiences around the world. During the review, the Company identified opportunities to focus and scale its business, enhance operational excellence, including through specialized organizational programs and supply chain transformation, to drive growth and profit and enhance shareholder value. The Company is increasing strategic investment in its most valuable and profitable franchises across toys, games, entertainment and licensing, and exiting certain non-core aspects of the business.

TV and Film Business

On November 17, 2022, the Company announced an authorization by Hasbro's Board of Directors to initiate a marketing process to explore a sale of parts of our eOne TV and film business that do not directly support the Company’s Branded Entertainment strategy. In the event a transaction were to occur, Hasbro is expected to maintain the capability to develop and produce animation, digital shorts, scripted TV and theatrical films for audiences related to core Hasbro IP. The family brands business, including the brands PEPPA PIG and PJ MASKS, is not expected to be part of any sale transaction involving parts of the eOne film and television business. The sale process was ongoing as of the close of the first quarter of 2023 however, there can be no assurance that the process will result in a sale.

Brand Portfolio Realignment

Effective for the first quarter 2023, we realigned our brand portfolios to correspond with the evolution of our Blueprint 2.0 strategy. We are focusing on fewer, bigger, more profitable brands that showcase our leadership in preschool toys, action figures and accessories, games, arts & crafts, and outdoor action brands.

Our new product categories beginning in the first quarter of 2023 are as follows:

Franchise Brands - A refreshed group of our most financially significant brands which we consider to have the greatest long-term potential including DUNGEONS & DRAGONS, Hasbro Gaming, MAGIC: THE GATHERING, NERF, PEPPA PIG, PLAY-DOH, and TRANSFORMERS.

Partner Brands - The Partner Brands category includes those brands we license from other parties such as Disney's STAR WARS and MARVEL brands as well as other partners, for which we develop toy and game products, with a focus on those key Partner Brands that give us the biggest growth potential and where we can lead and innovate in the category.

Portfolio Brands - Our Portfolio Brands category includes those brands we own or control which we feel have upside in revenue and profitability that have not yet grown to the significance of a franchise brand.

Non-Hasbro Branded Film & TV - The Non-Hasbro Branded Film & TV category includes non-Hasbro-branded film, TV and other entertainment related revenues. All Hasbro-branded content is included in the portfolios noted above.

These consolidated financial statements have been prepared without audit, pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). Certain information and disclosures normally included in the consolidated financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. The Company filed with the SEC audited consolidated financial statements for the fiscal year ended December 25, 2022 in its 2022 Form 10-K, which includes all such information and disclosures and, accordingly, should be read in conjunction with the financial information included herein.

Recently Adopted Accounting Standards

As of April 2, 2023, there were no recently adopted accounting standards that had a material effect on the Company’s financial statements.

Issued Accounting Pronouncements

As of April 2, 2023, there were no recently issued accounting pronouncements that had a material effect on the Company’s financial statements.

(2) Revenue Recognition

Contract Assets and Liabilities

In the ordinary course of business, the Company’s Consumer Products, Wizards of the Coast and Digital Gaming and Entertainment segments enter into contracts to license certain of the Company’s intellectual property, providing licensees right-to-use or access to such intellectual property for use in the production and sale of consumer products and digital game development, and for use within content for distribution over streaming platforms and for television and film. The Company also licenses owned television and film content for distribution to third parties in formats that include broadcast, digital streaming and theatrical. Through these arrangements, the Company may receive advanced royalty payments from licensees, either in advance of a licensees’ subsequent sales to customers or, prior to the completion of the Company’s performance obligation. In addition, the Company’s Wizards of the Coast and Digital Gaming segment may receive advanced payments from end users of its digital games at the time of the initial purchase or through in-application purchases. These digital gaming revenues are recognized over a period of time, determined based on player usage patterns or the estimated playing life of the user or when additional downloadable content is made available. The Company defers revenues on all licensee and digital gaming advanced payments until the respective performance obligations are satisfied. The Company records the aggregate deferred revenues as contract liabilities, with the current portion recorded within Accrued Liabilities and the long-term portion recorded as Other Non-current Liabilities in the Company’s consolidated balance sheets. The Company records contract assets, primarily related to (1) minimum guarantees being recognized in advance of contractual invoicing, which are recognized ratably over the terms of the respective license periods, and (2) film and television distribution revenues recorded for content delivered, where payment will occur over the license term. The current portion of contract assets is recorded in Prepaid Expenses and Other Current Assets, respectively, and the long-term portion is recorded within Other Long-Term Assets.

(Millions of Dollars and Shares Except Per Share Data)

The changes in carrying amounts of contract assets and liabilities for the quarter ended April 2, 2023 are as follows:

	April 2, 2023	
Assets		
Balance at beginning of the year	$	594.4
Recognized in current year		213.8
Amounts reclassified to accounts receivable		(218.7)
Foreign currency impact		7.7
Ending Balance	$	597.2
Liabilities		
Balance at beginning of the year	$	113.0
Recognized in current year		80.3
Amounts in beginning balance reclassified to revenue		(53.3)
Current year amounts reclassified to revenue		(22.5)
Foreign currency impact		(2.2)
Ending Balance	$	115.3

Unsatisfied performance obligations

Unsatisfied performance obligations relate primarily to in-production television content to be delivered in the future under existing agreements with partnering content providers such as broadcasters, distributors, television networks and subscription video on demand services. As of April 2, 2023, unrecognized revenue attributable to unsatisfied performance obligations expected to be recognized in the future was $293.8 million. Of this amount, we expect to recognize $244.4 million in the remainder of 2023, $38.0 million in 2024, $11.3 million in 2025 and $0.1 million in 2026. These amounts include only fixed consideration.

Accounts Receivable and Allowance for Credit Losses

The Company's balance for accounts receivable on the consolidated balance sheets as of April 2, 2023 and March 27, 2022 are primarily from contracts with customers. The Company had no material expense for credit losses for the quarters ended April 2, 2023 and March 27, 2022.

Disaggregation of revenues

The Company disaggregates its revenues from contracts with customers by reportable segment: Consumer Products, Wizards of the Coast and Digital Gaming, and Entertainment. The Company further disaggregates revenues within its Consumer Products segment by major geographic region: North America, Europe, Latin America, and Asia Pacific; within its Wizards of the Coast and Digital Gaming segment by category: Tabletop Gaming and Digital and Licensed Gaming; and within its Entertainment segment by category: Film & TV, Family Brands, and Other. Finally, the Company disaggregates its revenues by brand portfolio into four brand categories: Franchise Brands, Partner Brands, Portfolio Brands, and Non-Hasbro Branded Film & TV. We believe these collectively depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. See note 13 for further information.

(Millions of Dollars and Shares Except Per Share Data)

(3) Earnings (Loss) Per Share

Net earnings (loss) per share data for the quarters ended April 2, 2023 and March 27, 2022 were computed as follows:

	2023		2022	
Quarter	**Basic**	**Diluted**	**Basic**	**Diluted**
Net (loss) earnings attributable to Hasbro, Inc.	$ (22.1)	(22.1)	$ 61.2	61.2
Average shares outstanding	138.6	138.6	139.3	139.3
Effect of dilutive securities:				
Options and other share-based awards	—	—	—	0.3
Equivalent Shares	138.6	138.6	139.3	139.6
Net (loss) earnings attributable to Hasbro, Inc. per common share	$ (0.16)	(0.16)	$ 0.44	0.44

For the quarters ended April 2, 2023 and March 27, 2022, options and restricted stock units totaling 4.2 million and 2.5 million, respectively, were excluded from the calculation of diluted earnings per share because to include them would have been anti-dilutive. Of the fiscal 2023 amount, 2.0 million shares would have been included in the calculation of diluted shares had the Company not had a net loss for the quarter ended April 2, 2023. Assuming that these options and restricted stock units were included, under the treasury stock method, they would have resulted in an additional 0.1 million shares being included in the diluted earnings per share calculation for the quarter ended April 2, 2023.

(4) Goodwill

Changes in the carrying amount of goodwill, by operating segment, for the quarters ended April 2, 2023 and March 27, 2022 are as follows:

	Consumer Products	Wizards of the Coast and Digital Gaming	Entertainment	Total
2023				
Balance at December 25, 2022	$ 1,584.7	371.5	1,513.9	$ 3,470.1
Balance at April 2, 2023	$ 1,584.7	371.5	1,513.9	$ 3,470.1

	Consumer Products	Wizards of the Coast and Digital Gaming	Entertainment	Total
2022				
Balance at December 26, 2021	$ 1,584.9	307.3	1,527.4	$ 3,419.6
Foreign exchange translation	(0.1)	0.2	(0.4)	(0.3)
Balance at March 27, 2022	$ 1,584.8	307.5	1,527.0	$ 3,419.3

(Millions of Dollars and Shares Except Per Share Data)

(5) Other Comprehensive Earnings (Loss)

Components of other comprehensive earnings (loss) are presented within the consolidated statements of comprehensive earnings (loss). The following table presents the related tax effects on changes in other comprehensive earnings (loss) for the quarters ended April 2, 2023 and March 27, 2022.

	Quarter Ended	
	April 2, 2023	March 27, 2022
Other comprehensive earnings (loss), tax effect:		
Tax expense on unrealized holding gains	$ —	$ (0.1)
Tax benefit on cash flow hedging activities	1.2	0.9
Reclassifications to earnings, tax effect:		
Tax expense (benefit) on cash flow hedging activities	0.1	(0.2)
Total tax effect on other comprehensive earnings	$ 1.3	$ 0.6

Changes in the components of accumulated other comprehensive earnings (loss), net of tax for the quarters ended April 2, 2023 and March 27, 2022 are as follows:

	Pension and Postretirement Amounts	Gains (Losses) on Derivative Instruments	Unrealized Holding Gains (Losses) on Available-for-Sale Securities	Foreign Currency Translation Adjustments	Total Accumulated Other Comprehensive Loss
2023					
Balance at December 25, 2022	$ (3.0)	(12.0)	(0.1)	(239.8)	$ (254.9)
Current period other comprehensive earnings (loss)	(0.1)	(6.7)	—	24.3	17.5
Balance at April 2, 2023	$ (3.1)	(18.7)	(0.1)	(215.5)	$ (237.4)
2022					
Balance at December 26, 2021	$ (35.1)	(6.0)	0.2	(194.4)	$ (235.3)
Current period other comprehensive earnings (loss)	0.1	(1.2)	0.2	(10.7)	(11.6)
Balance at March 27, 2022	$ (35.0)	(7.2)	0.4	(205.1)	$ (246.9)

Gains (Losses) on Derivative Instruments

At April 2, 2023, the Company had remaining net deferred losses on foreign currency forward contracts, net of tax, of $4.0 million in accumulated other comprehensive earnings (loss) ("AOCE"). These instruments hedge payments related to inventory purchased in the first quarter of 2023 or forecasted to be purchased during the remainder of 2023, intercompany expenses expected to be paid or received during 2023, television and movie production costs paid in 2023 or expected to be paid in 2024, and cash receipts for sales made at the end of the first quarter of 2023 or forecasted to be made in the remainder of 2023. These amounts will be reclassified into the consolidated statements of operations upon the sale of the related inventory, the recognition of the related production costs or the recognition of the related sales or intercompany expenses to be paid or received.

In addition to foreign currency forward contracts, the Company entered into hedging contracts on future interest payments related to the 3.15% Notes that were repaid in full in the aggregate principal amount of $300.0 million in 2021 (See note 7), and the 5.10% Notes due 2044. At the date of debt issuance, these contracts were terminated and the fair value on the date of settlement was deferred in AOCE and is being amortized to interest expense over the life of the related notes using the effective interest rate method. At April 2, 2023, deferred losses, net of tax of $14.7 million related to these instruments remained in AOCE. For each of the quarters ended April 2, 2023 and March 27, 2022, previously deferred losses of $0.2 million related to these instruments were reclassified from AOCE to net earnings.

(Millions of Dollars and Shares Except Per Share Data)

Of the net deferred losses included in AOCE at April 2, 2023, the Company expects net losses of approximately $4.2 million to be reclassified to the consolidated statements of operations within the next 12 months. However, the amount ultimately realized in earnings is dependent on the fair value of the hedging instruments on the settlement dates.

See note 11 for additional discussion on reclassifications from AOCE to earnings.

(6) Accrued Liabilities

Components of accrued liabilities for the periods ended April 2, 2023, March 27, 2022 and December 25, 2022 were as follows:

	April 2, 2023	March 27, 2022	December 25, 2022
Participations and residuals	$ 275.7	$ 301.4	$ 300.2
Royalties	131.0	162.0	195.4
Deferred revenue	113.7	97.6	111.3
Dividends	97.0	97.6	96.7
Cancellation charges	84.6	55.7	89.2
Severance	82.4	27.6	100.3
Other taxes	71.6	74.1	82.1
Accrued expenses - IIP & IIC	60.6	70.7	80.8
General vendor accruals	50.1	32.6	44.3
Interest	40.8	38.8	31.0
Lease liability - current	37.9	45.0	39.6
Advertising	36.7	58.6	53.2
Accrued income taxes	33.5	33.1	44.8
Freight	22.7	65.6	28.5
Payroll and management incentives	15.4	56.9	66.7
Other	140.1	154.1	142.7
Total accrued liabilities	$ 1,293.8	$ 1,371.4	$ 1,506.8

(Millions of Dollars and Shares Except Per Share Data)

(7) Financial Instruments

The Company's financial instruments include cash and cash equivalents, accounts receivable, short-term borrowings, accounts payable and certain accrued liabilities. At April 2, 2023, March 27, 2022 and December 25, 2022, the carrying cost of these instruments approximated their fair value. The Company's financial instruments at April 2, 2023, March 27, 2022 and December 25, 2022 also include certain assets and liabilities measured at fair value (see notes 10 and 11) as well as long-term borrowings. The carrying costs, which are equal to the outstanding principal amounts, and fair values of the Company's long-term borrowings as of April 2, 2023, March 27, 2022 and December 25, 2022 are as follows:

	April 2, 2023		March 27, 2022		December 25, 2022	
	Carrying Cost	Fair Value	Carrying Cost	Fair Value	Carrying Cost	Fair Value
3.90% Notes Due 2029	$ 900.0	817.3	$ 900.0	901.7	$ 900.0	808.2
3.55% Notes Due 2026	675.0	634.2	675.0	677.2	675.0	635.3
3.00% Notes Due 2024	500.0	482.8	500.0	498.0	500.0	482.2
6.35% Notes Due 2040	500.0	501.7	500.0	604.2	500.0	498.4
3.50% Notes Due 2027	500.0	470.8	500.0	496.5	500.0	465.8
5.10% Notes Due 2044	300.0	261.2	300.0	321.7	300.0	261.1
6.60% Debentures Due 2028	109.9	112.8	109.9	125.4	109.9	112.1
Variable % Notes Due December 30, 2024	280.0	280.0	340.0	340.0	310.0	310.0
Production Financing Facilities	49.0	49.0	95.8	95.8	53.2	53.2
Total long-term debt	$ 3,813.9	3,609.8	$ 3,920.7	4,060.5	$ 3,848.1	3,626.3
Less: Deferred debt expenses	22.5	—	27.0	—	23.7	—
Less: Current portion	109.0	—	155.8	—	113.2	—
Long-term debt	$ 3,682.4	3,609.8	$ 3,737.9	4,060.5	$ 3,711.2	3,626.3

In November 2019, in conjunction with the Company's acquisition of eOne, the Company issued an aggregate of $2.4 billion of senior unsecured debt securities (the "Notes") consisting of the following tranches: $300.0 million of notes due 2022 (the "2022 Notes") that bear interest at a fixed rate of 2.60%, $500.0 million of notes due 2024 (the "2024 Notes") that bear interest at a fixed rate of 3.00%, $675.0 million of notes due 2026 (the "2026 Notes") that bear interest at a fixed rate of 3.55% and $900.0 million of notes due 2029 (the "2029 Notes") that bear interest at a fixed rate of 3.90%. Net proceeds from the issuance of the Notes, after deduction of $20.0 million of underwriting discount and fees, totaled $2.4 billion. These costs are being amortized over the life of the Notes outstanding, which range from five years to ten years from the date of issuance.

The Notes bear interest at the stated rates but may be subject to upward adjustment if the credit rating of the Company is reduced by Moody's or Standard & Poors. The adjustment can be from 0.25% to 2.00% based on the extent of the ratings decrease. The Company may redeem the Notes at its option at the greater of the principal amount of the Notes or the present value of the remaining scheduled payments discounted using the effective interest rate on applicable U.S. Treasury bills at the time of repurchase, plus (1) 25 basis points (in the case of the 2024 Notes); (2) 30 basis points (in the case of the 2026 Notes); and (3) 35 basis points (in the case of the 2029 Notes). In addition, on and after October 19, 2024 for the 2024 Notes, September 19, 2026 for the 2026 Notes and August 19, 2029 for the 2029 Notes, such series of Notes will be redeemable, in whole at any time or in part from time to time, at the Company's option at a redemption price equal to 100% of the principal amount of the Notes to be redeemed plus any accrued and unpaid interest.

In September 2019, the Company entered into a $1.0 billion Term Loan Agreement (the "Term Loan Agreement") with Bank of America N.A. ("Bank of America"), as administrative agent, and certain financial institutions as lenders, pursuant to which such lenders committed to provide, contingent upon the completion of the eOne Acquisition and certain other customary conditions to funding, (1) a three-year senior unsecured term loan facility in an aggregate principal amount of $400.0 million (the "Three-Year Tranche") and (2) a five-year senior unsecured term loan facility in an aggregate principal amount of $600.0 million (the "Five-Year Tranche" and together with the Three-Year Tranche, the "Term Loan Facilities"). The full amount of the Term Loan Facilities was drawn down on December 30, 2019, the closing date of the eOne Acquisition. As of September 25, 2022, the Company has fully repaid the Three-Year Tranche $400.0 million principal term loan, and of the Five-Year Tranche $600.0 million principal balance, the Company has repaid a total of $320.0 million in the following increments: $22.5 million in 2020; $180.0 million in 2021; $87.5 million in 2022; and $30.0 million of principal amortization payments in the first quarter of 2023.

Loans under the remaining Five-Year Tranche bear interest at the Company’s option, at either the adjusted Term Secured Overnight Financing Rate ("SOFR"), plus an applicable margin, or the Base Rate, plus a per annum applicable rate that fluctuates between 100.0 basis points and 187.5 basis points, in the case of loans priced at the SOFR, and between 0.0 basis points and 87.5 basis points, in the case of loans priced at the Base Rate, in each case, based upon the non-credit enhanced, senior unsecured long-term debt ratings of the Company by Fitch Ratings Inc., Moody’s Investor Service, Inc. and S&P Global Rankings, subject to certain provisions taking into account potential differences in ratings issued by the relevant rating agencies or a lack of ratings issued by such rating agencies. Loans under the Five-Year Tranche require principal amortization payments that are payable in equal quarterly installments of 5.0% per annum of the original principal amount thereof for each of the first two years after funding, increasing to 10.0% per annum of the original principal amount thereof for each subsequent year. The Term Loan Agreement contains affirmative and negative covenants typical of this type of facility, including: (i) restrictions on the Company’s and its domestic subsidiaries’ ability to allow liens on their assets, (ii) restrictions on the incurrence of indebtedness, (iii) restrictions on the Company’s and certain of its subsidiaries’ ability to engage in certain mergers, (iv) the requirement that the Company maintain a Consolidated Interest Coverage Ratio of no less than 3.00:1.00 as of the end of any fiscal quarter and (v) the requirement that the Company maintain a Consolidated Total Leverage Ratio of no more than, depending on the gross proceeds of equity securities issued after the effective date of the acquisition of eOne, 5.65:1.00 or 5.40:1.00 for each of the first, second and third fiscal quarters ended after the funding of the Term Loan Facilities, with periodic step downs to 3.50:1.00 for the fiscal quarter ending December 31, 2023 and thereafter. As of April 2, 2023, the Company was in compliance with the financial covenants contained in the Term Loan Agreement.

The Company may redeem its 5.10% notes due in 2044 (the "2044 Notes") at its option, at the greater of the principal amount of the notes or the present value of the remaining scheduled payments, discounted using the effective interest rate on applicable U.S. Treasury bills at the time of repurchase.

Current portion of long-term debt at April 2, 2023 of $109.0 million, as shown on the consolidated balance sheet, represents the current portion of required quarterly principal amortization payments for the Five-Year Tranche of the Term Loan Facilities and production financing facilities. All of the Company’s other long-term borrowings have contractual maturities that occur subsequent to 2023 with the exception of certain of the Company's production financing facilities and annual principal payments related to the Term Loan Facilities.

The fair values of the Company's long-term debt are considered Level 3 fair values (see note 10 for further discussion of the fair value hierarchy) and are measured using the discounted future cash flows method. In addition to the debt terms, the valuation methodology includes an assumption of a discount rate that approximates the current yield on a similar debt security. This assumption is considered an unobservable input in that it reflects the Company's own assumptions about the inputs that market participants would use in pricing the asset or liability. The Company believes that this is the best information available for use in the fair value measurement.

(Millions of Dollars and Shares Except Per Share Data)

Production Financing

In addition to the Company's financial instruments, the Company uses production financing facilities to fund its film and television productions which are arranged on an individual production basis by either special purpose production subsidiaries, each secured by future revenues of such production subsidiaries, which are non-recourse to the Company's assets, or through a senior revolving credit facility dedicated to production financing obtained in November 2021. The Company's senior revolving film and television production credit facility (the "RPCF") with MUFG Union Bank, N.A., as administrative agent and lender and certain other financial institutions, as lenders thereto (the "Revolving Production Financing Agreement") provides the Company with commitments having a maximum aggregate principal amount of $250.0 million. The Revolving Production Financing Agreement also provides the Company with the option to request a commitment increase up to an aggregate additional amount of $150.0 million subject to agreement of the lenders. The Revolving Production Financing Agreement extends through November 22, 2024. The Company uses the RPCF to fund certain of the Company's original film and TV production costs. Borrowings under the RPCF are non-recourse to the Company's assets. Going forward, the Company expects to utilize the RPCF for the majority of its production financing needs.

Production financing facilities typically have maturities of less than two years, while the titles are in production, and are repaid once delivered and all credits, broadcaster pre-sales and international sales have been received. The production financing facilities as of April 2, 2023, March 27, 2022 and December 25, 2022 are as follows:

	April 2, 2023	March 27, 2022	December 25, 2022
Production financing facilities included in the consolidated balance sheet as:			
Current liabilities	$ 183.5	$ 199.1	$ 195.6

Interest is charged at bank prime rate plus a margin based on the risk of the respective production. The weighted average interest rate on all production financing as of April 2, 2023 was 5.9%.

The Company has Canadian dollar and U.S. dollar production financing loans with various banks. The carrying amounts are denominated in the following currencies:

	Canadian Dollars	U.S. Dollars	Total
As of April 2, 2023	$ 14.8	$ 168.7	$ 183.5

The following table represents the movements in production financing loans during the first quarter of 2023:

	Production Financing
December 25, 2022	$ 195.6
Drawdowns	42.8
Repayments	(54.8)
Foreign exchange differences	(0.1)
Balance at April 2, 2023	$ 183.5

The Company expects to repay all of its currently outstanding production financing loans by the first quarter of 2024.

(8) <u>Investments in Productions and Investments in Acquired Content Rights</u>

Investments in productions and investments in acquired content rights are predominantly monetized on a title-by-title basis and are recorded within other assets in the Company's consolidated balance sheets, to the extent they are considered recoverable against future revenues. These amounts are being amortized to program cost amortization using a model that reflects the consumption of the asset as it is released through various channels including broadcast licenses, theatrical release and home entertainment. Amounts capitalized are reviewed periodically on an individual title basis and any portion of the unamortized amount that appears not to be recoverable from future net revenues is expensed as part of program cost amortization during the period the loss becomes evident.

(Millions of Dollars and Shares Except Per Share Data)

The Company's unamortized investments in productions and investments in acquired content rights consisted of the following at April 2, 2023, March 27, 2022, and December 25, 2022:

	April 2, 2023	March 27, 2022	December 25, 2022
Investment in Films and Television Programs:			
Individual Monetization			
Released, net of amortization	$ 613.3	$ 489.1	$ 584.5
Completed and not released	53.0	12.7	23.3
In production	85.8	157.8	199.4
Pre-production	126.4	87.7	41.3
	878.5	747.3	848.5
Film/TV Group Monetization			
Released, net of amortization	17.6	31.5	25.8
In production	24.0	15.8	22.2
	41.6	47.3	48.0
Investment in Other Programming			
Released, net of amortization	13.2	5.2	9.8
Completed and not released	—	0.4	—
In production	8.2	14.4	11.8
Pre-production	3.9	1.8	3.3
	25.3	21.8	24.9
Total Program Investments	$ 945.4	$ 816.4	$ 921.4

The Company recorded $122.5 million of program cost amortization related to released programming in the quarter ended April 2, 2023, consisting of the following:

	Investment in Production	Investment in Content	Total
Program cost amortization	$ 110.9	$ 11.6	$ 122.5

(9) Income Taxes

The Company and its subsidiaries file income tax returns in the United States and various state and international jurisdictions. In the normal course of business, the Company is regularly audited by U.S. federal, state and local, and international tax authorities in various tax jurisdictions.

Our effective tax rate ("ETR") from continuing operations was (3.4)% for the quarter ended April 2, 2023 and 21.6% for the quarter ended March 27, 2022.

The following items caused the year-to-date ETR to be significantly different from the prior year ETR:

- during the quarter ended April 2, 2023, the Company recorded a net discrete tax expense of $3.3 million, primarily associated with stock-based compensation coupled with a pre-tax loss for the quarter; and
- during the quarter ended March 27, 2022, the Company recorded a net discrete tax benefit of $2.3 million, primarily associated with the release of certain valuation allowances during the quarter.

The Company is no longer subject to U.S. federal income tax examinations for years before 2012. With few exceptions, the Company is no longer subject to U.S. state or local and non-U.S. income tax examinations by tax authorities in its major jurisdictions for years before 2016. The Company is currently under income tax examination by the Internal Revenue Service and in several U.S. state and local and non-U.S. jurisdictions.

(10) Fair Value of Financial Instruments

The Company measures certain financial instruments at fair value. The fair value hierarchy consists of three levels: Level 1 fair values are based on quoted market prices in active markets for identical assets or liabilities that the entity has the ability to access; Level 2 fair values are those based on quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable data for substantially the full term of the assets or liabilities; and Level 3 fair values are based on inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. There have been transfers between levels within the fair value hierarchy.

Accounting standards permit entities to measure many financial instruments and certain other items at fair value and establish presentation and disclosure requirements designed to facilitate comparisons between entities that choose different measurement attributes for similar assets and liabilities.

(Millions of Dollars and Shares Except Per Share Data)

At April 2, 2023, March 27, 2022 and December 25, 2022, the Company had the following assets and liabilities measured at fair value in its consolidated balance sheets (excluding assets for which the fair value is measured using net asset value per share):

	Fair Value Measurements Using:			
	Fair Value	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
April 2, 2023				
Assets:				
Available-for-sale securities	$ 1.3	1.3	—	—
Derivatives	3.2	—	3.2	—
Total assets	$ 4.5	1.3	3.2	—
Liabilities:				
Derivatives	$ 5.2	—	5.2	—
Option agreement	1.7	—	—	1.7
Total liabilities	$ 6.9	—	5.2	1.7
March 27, 2022				
Assets:				
Available-for-sale securities	$ 1.6	1.6	—	—
Derivatives	9.9	—	9.9	—
Total assets	$ 11.5	1.6	9.9	—
Liabilities:				
Derivatives	$ 4.6	—	4.6	—
Option agreement	1.7	—	—	1.7
Total liabilities	$ 6.3	—	4.6	1.7
December 25, 2022				
Assets:				
Available-for-sale securities	$ 1.7	1.7	—	—
Derivatives	7.9	—	7.9	—
Total assets	$ 9.6	1.7	7.9	—
Liabilities:				
Derivatives	$ 2.9	—	2.9	—
Option agreement	1.7	—	—	1.7
Total Liabilities	$ 4.6	—	2.9	1.7

Available-for-sale securities include equity securities of one company quoted on an active public market.

(Millions of Dollars and Shares Except Per Share Data)

The Company's derivatives consist of foreign currency forward and option contracts. The Company uses current forward rates of the respective foreign currencies to measure the fair value of these contracts. The Company’s option agreement relates to an equity method investment in Discovery Family Channel ("Discovery"). The option agreement is included in other liabilities at April 2, 2023, March 27, 2022 and December 25, 2022, and is valued using an option pricing model based on the fair value of the related investment. Inputs used in the option pricing model include the volatility and fair value of the underlying company which are considered unobservable inputs as they reflect the Company's own assumptions about the inputs that market participants would use in pricing the asset or liability. The Company believes that this is the best information available for use in the fair value measurement. There were no changes in these valuation techniques during the quarter ended April 2, 2023.

The following is a reconciliation of the beginning and ending balances of the fair value measurements of the Company's financial instruments which use significant unobservable inputs (Level 3):

	2023	2022
Balance at beginning of year	$ (1.7)	$ (1.7)
Balance at end of first quarter	$ (1.7)	$ (1.7)

(11) Derivative Financial Instruments

Hasbro uses foreign currency forward contracts and foreign exchange option contracts to mitigate the impact of currency rate fluctuations on firmly committed and projected future foreign currency transactions. These over-the-counter contracts, which hedge future currency requirements related to purchases of inventory, product sales, television and film production cost and production financing loans (see note 7) as well as other cross-border transactions not denominated in the functional currency of the business unit, are primarily denominated in United States and Hong Kong dollars, and Euros. All contracts are entered into with a number of counterparties, all of which are major financial institutions. The Company believes that a default by a single counterparty would not have a material adverse effect on the financial condition of the Company. Hasbro does not enter into derivative financial instruments for speculative purposes.

Cash Flow Hedges

All of the Company's designated foreign currency forward contracts are considered to be cash flow hedges. These instruments hedge a portion of the Company's currency requirements associated with anticipated inventory purchases, product sales, certain production financing loans and other cross-border transactions, primarily for the remainder of 2023, and to a lesser extent, into 2024.

At April 2, 2023, March 27, 2022 and December 25, 2022, the notional amounts and fair values of the Company's foreign currency forward contracts designated as cash flow hedging instruments were as follows:

	April 2, 2023		March 27, 2022		December 25, 2022	
Hedged transaction	**Notional Amount**	**Fair Value**	**Notional Amount**	**Fair Value**	**Notional Amount**	**Fair Value**
Inventory purchases	$ 141.5	(5.1)	$ 196.9	7.8	$ 166.3	(2.7)
Sales	74.5	0.4	104.3	(2.4)	99.2	1.2
Production financing and other	123.7	0.8	188.0	2.5	116.8	1.5
Total	$ 339.7	(3.9)	$ 489.2	7.9	$ 382.3	—

(Millions of Dollars and Shares Except Per Share Data)

The Company has a master agreement with each of its counterparties that allows for the netting of outstanding forward contracts. The fair values of the Company's foreign currency forward contracts designated as cash flow hedges are recorded in the consolidated balance sheets at April 2, 2023, March 27, 2022 and December 25, 2022 as follows:

	April 2, 2023	March 27, 2022	December 25, 2022
Prepaid expenses and other current assets			
Unrealized gains	$ 2.7	$ 12.7	$ 4.3
Unrealized losses	(1.8)	(2.8)	(1.8)
Net unrealized gains	$ 0.9	$ 9.9	$ 2.5
Other assets			
Unrealized gains	$ —	$ —	$ 0.3
Unrealized losses	—	—	—
Net unrealized gains	$ —	$ —	$ 0.3
Accrued liabilities			
Unrealized gains	$ 2.5	$ 0.9	$ 1.6
Unrealized losses	(7.3)	(2.7)	(4.4)
Net unrealized losses	$ (4.8)	$ (1.8)	$ (2.8)
Other liabilities			
Unrealized gains	$ —	$ —	$ —
Unrealized losses	—	(0.2)	—
Net unrealized losses	$ —	$ (0.2)	$ —

Net gains (losses) on cash flow hedging activities have been reclassified from other comprehensive earnings (loss) to net earnings for the quarters ended April 2, 2023 and March 27, 2022 as follows:

	Quarter Ended	
	April 2, 2023	March 27, 2022
Statements of Operations Classification		
Cost of sales	$ 2.5	$ (0.4)
Net revenues	0.1	(0.4)
Other	(0.2)	(0.5)
Net realized (losses) gains	$ 2.4	$ (1.3)

Undesignated Hedges

The Company also enters into foreign currency forward contracts to minimize the impact of changes in the fair value of intercompany loans due to foreign currency changes. The Company does not use hedge accounting for these contracts as changes in the fair values of these contracts are substantially offset by changes in the fair value of the intercompany loans. Additionally, to manage transactional exposure to fair value movements on certain monetary assets and liabilities denominated in foreign currencies, the Company has implemented a balance sheet hedging program. The Company does not use hedge accounting for these contracts as changes in the fair values of these contracts are offset by changes in the fair value of the balance sheet items. As of April 2, 2023, March 27, 2022 and December 25, 2022 the total notional amounts of the Company's undesignated derivative instruments were $723.3 million, $665.0 million and $765.6 million, respectively.

(Millions of Dollars and Shares Except Per Share Data)

At April 2, 2023, March 27, 2022 and December 25, 2022, the fair values of the Company's undesignated derivative financial instruments were recorded in the consolidated balance sheets as follows:

	April 2, 2023	March 27, 2022	December 25, 2022
Prepaid expenses and other current assets			
Unrealized gains	$ 6.5	$ —	$ 10.9
Unrealized losses	(4.3)	—	(5.9)
Net unrealized gains	$ 2.2	$ —	$ 5.0
Accrued liabilities			
Unrealized gains	$ —	$ 6.6	$ —
Unrealized losses	(0.3)	(9.2)	—
Net unrealized losses	$ (0.3)	$ (2.6)	$ —
Total unrealized gains (losses), net	$ 1.9	$ (2.6)	$ 5.0

The Company recorded net gains (losses) of $4.4 million and $(2.6) million on these instruments to other (income) expense, net for the quarters ended April 2, 2023 and March 27, 2022, respectively, relating to the change in fair value of such derivatives, substantially offsetting gains and losses from the change in fair value of intercompany loans to which the contracts relate.

For additional information related to the Company's derivative financial instruments (see notes 5 and 10).

(12) Leases

The Company occupies offices and uses certain equipment under various operating lease arrangements. The Company has no material finance leases. The Company's leases have remaining lease terms of 1 to 15 years, some of which include options to extend lease terms or options to terminate current lease terms at certain times, subject to notice requirements set out in the lease agreement. Payments under certain of the lease agreements may be subject to adjustment based on a consumer price index or other inflationary indices. The lease liability for such lease agreements as of the adoption date, was based on fixed payments as of the adoption date. Any adjustments to these payments based on the related indices will be recorded to expense as incurred. Leases with an expected term of 12 months or less are not capitalized. Lease expense under such leases is recorded straight line over the life of the lease. The Company capitalizes non-lease components for equipment leases, but expenses non-lease components as incurred for real estate leases.

The rent expense under such arrangements and similar arrangements that do not qualify as leases under ASU 2016-02, net of sublease income amounted to $23.5 million and $22.3 million for the quarters ended April 2, 2023 and March 27, 2022, respectively, and was not material to the Company's financial statements. Expenses related to short-term leases (expected terms less than 12 months) or variable lease payments was not material in the quarters ended April 2, 2023 or March 27, 2022.

(Millions of Dollars and Shares Except Per Share Data)

Information related to the Company's leases for the quarters ended April 2, 2023 and March 27, 2022 is as follows:

	Quarter Ended	
	April 2, 2023	**March 27, 2022**
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 12.8	$ 13.4
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases net of lease modifications	$ 65.6	$ 9.1
Weighted Average Remaining Lease Term		
Operating leases	7.3 years	5.4 years
Weighted Average Discount Rate		
Operating leases	3.7 %	2.9 %

The following is a reconciliation of future undiscounted cash flows to the operating liabilities, and the related right of use assets, included in our consolidated balance sheets as of April 2, 2023:

	April 2, 2023
2023 (excluding the three months ended April 2, 2023)	$ 34.4
2024	39.4
2025	33.2
2026	27.8
2027	19.6
2028 and thereafter	69.2
Total future lease payments	223.6
Less imputed interest	36.4
Present value of future operating lease payments	187.2
Less current portion of operating lease liabilities (1)	37.9
Non-current operating lease liability (2)	149.3
Operating lease right-of-use assets, net (3)	$ 174.5

(1) Included in Accrued liabilities on the consolidated balance sheets.
(2) Included in Other liabilities on the consolidated balance sheets.
(3) Included in Property, plant, and equipment on the consolidated balance sheets.

(Millions of Dollars and Shares Except Per Share Data)

(13) Segment Reporting

Hasbro is a global play and entertainment company with a broad portfolio of brands and entertainment content spanning toys, games, licensed products ranging from traditional to digital, as well as film and television entertainment. The Company's three principal reportable segments are (i) Consumer Products, (ii) Wizards of the Coast and Digital Gaming, and (iii) Entertainment.

The Consumer Products segment engages in the sourcing, marketing and sales of toy and game products around the world. The Consumer Products business also promotes the Company's brands through the out-licensing of our trademarks, characters and other brand and intellectual property rights to third parties, through the sale of branded consumer products such as toys and apparel. The Wizards of the Coast and Digital Gaming business engages in the promotion of the Company's brands through the development of trading card, role-playing and digital game experiences based on Hasbro and Wizards of the Coast games. The Entertainment segment engages in the development, acquisition, production, distribution and sale of world-class entertainment content including film, scripted and unscripted television, family programming, digital content and live entertainment.

The significant accounting policies of the Company's segments are the same as those referenced in note 1.

Results shown for the quarter ended April 2, 2023 are not necessarily representative of those which may be expected for the full year 2023, nor were those of the comparable 2022 periods representative of those actually experienced for the full year 2022. Similarly, such results are not necessarily those which would be achieved were each segment an unaffiliated business enterprise.

Information by segment and a reconciliation to reported amounts for the quarters ended April 2, 2023 and March 27, 2022 are as follows:

	Quarter Ended			
	April 2, 2023		March 27, 2022	
Net revenues	External	Affiliate (b)	External	Affiliate (b)
Consumer Products	$ 520.4	$ 73.3	$ 672.8	$ 91.9
Wizards of the Coast and Digital Gaming	295.2	47.8	262.8	29.8
Entertainment	185.4	13.1	227.5	13.9
Corporate and Other (a)	—	(134.2)	—	(135.6)
	$ 1,001.0	$ —	$ 1,163.1	$ —

	Quarter Ended	
Operating profit (loss)	April 2, 2023	March 27, 2022
Consumer Products (a)	$ (46.0)	$ 8.6
Wizards of the Coast and Digital Gaming	76.8	106.4
Entertainment (a)	(8.7)	12.2
Corporate and Other (a)	(4.2)	(7.2)
	$ 17.9	$ 120.0

(Millions of Dollars and Shares Except Per Share Data)

Total assets	**April 2, 2023**	**March 27, 2022**	**December 25, 2022**
Consumer Products	$ 5,533.3	$ 4,817.9	$ 5,757.7
Wizards of the Coast and Digital Gaming	3,256.8	1,877.7	2,968.7
Entertainment [(a)]	6,272.7	6,214.4	6,273.3
Corporate and Other [(a)]	(6,139.1)	(3,391.3)	(5,703.8)
	$ 8,923.7	$ 9,518.7	$ 9,295.9

(a) Certain long-term assets, including property, plant and equipment, goodwill and other intangibles, which benefit multiple operating segments, are included in both Entertainment and Corporate and Other. Allocations of certain Corporate and Other expenses, related to these assets are made to the individual operating segments at the beginning of the year based on budgeted amounts. Any differences between actual and budgeted amounts are reflected in Corporate and Other because allocations are translated from the U.S. Dollar to local currency at budgeted rates when recorded. Beginning in 2022, the Company has allocated certain of the intangible amortization costs related to the assets acquired in the eOne Acquisition, between the Consumer Products and Entertainment segments. Corporate and Other also includes the elimination of inter-company balance sheet amounts.

(b) Amounts represent revenues from transactions with other operating segments that are included in the operating profit (loss) of the segment.

The following table represents consolidated Consumer Products segment net revenues by major geographic region for the quarters ended April 2, 2023 and March 27, 2022:

	Quarter Ended	
	April 2, 2023	**March 27, 2022**
North America	$ 279.1	$ 405.2
Europe	131.6	176.7
Asia Pacific	63.3	52.2
Latin America	46.4	38.7
Net revenues	$ 520.4	$ 672.8

The following table represents consolidated Wizards of the Coast and Digital Gaming segment net revenues by category for the quarters ended April 2, 2023 and March 27, 2022:

	Quarter Ended	
	April 2, 2023	**March 27, 2022**
Tabletop Gaming	$ 217.9	$ 192.2
Digital and Licensed Gaming	77.3	70.6
Net revenues	$ 295.2	$ 262.8

The following table represents consolidated Entertainment segment net revenues by category for the quarters ended April 2, 2023 and March 27, 2022:

	Quarter Ended	
	April 2, 2023	**March 27, 2022**
Film and TV	$ 168.4	$ 190.2
Family Brands	17.0	23.2
Music and Other	—	14.1
Net revenues	$ 185.4	$ 227.5

Effective for the first quarter of 2023, the Company realigned its brand portfolios to correspond with the Blueprint 2.0 strategy. Net Revenues by Brand Portfolio below have been restated to present net revenues and operating profit under the realigned structure. See note 1 for more information on the Company's brand portfolio realignment.

(Millions of Dollars and Shares Except Per Share Data)

The following table presents consolidated net revenues by brand portfolio for the quarters ended April 2, 2023 and March 27, 2022:

	Quarter Ended	
Net revenues	**April 2, 2023**	**March 27, 2022**
Franchise Brands	$ 613.4	$ 650.4
Partner Brands	132.7	206.5
Portfolio Brands	92.0	112.6
Non-Hasbro Branded Film & TV	162.9	193.6
Total	$ 1,001.0	$ 1,163.1

Net revenues from Hasbro's Total Gaming category, including all gaming revenue, most notably DUNGEONS & DRAGONS, MAGIC: THE GATHERING and Hasbro Gaming, totaled $386.5 million and $378.8 million for the quarters ended April 2, 2023 and March 27, 2022, respectively, of which MAGIC: THE GATHERING contributed $229.1 million and $197.2 million, respectively.

(14) Restructuring Actions

During 2018 and 2020, the Company took certain restructuring actions including headcount reduction aimed at right-sizing the Company’s cost-structure and integration actions related to the acquisition of eOne. As of April 2, 2023, the Company had a remaining balance of $8.2 million in severance and other employee expenses related to these programs, after making payments of $0.9 million during the first three months of 2023.

During 2022, in support of Blueprint 2.0, Hasbro announced an Operational Excellence program under which the Company took certain restructuring actions, including global workforce reductions, resulting in severance and other employee charges of $94.1 million recorded in Selling, Distribution and Administration within the Corporate and Other segment.

The detail of activity related to the Company's Operational Excellence program as of April 2, 2023 is as follows:

	Total
Remaining amounts to be paid as of December 25, 2022	$ 84.9
Payments made in the first three months of 2023	(16.2)
Remaining amounts to be paid as of April 2, 2023	$ 68.7

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

OBJECTIVE

Our objective within the following discussion is to provide an analysis of the Company’s Results of Operations, Financial Condition, and Cash Flows from management's perspective, which should be read in conjunction with the Company’s consolidated financial statements and notes thereto, included in Part I, Item 1 of this Form 10-Q.

Unless otherwise specifically indicated, all dollar or share amounts within tables herein are expressed in millions of dollars or shares, except for per share amounts.

EXECUTIVE SUMMARY

Hasbro, Inc. (“Hasbro”) is a global Branded Entertainment leader whose mission is to entertain and connect generations of fans through the wonder of storytelling and exhilaration of play. Hasbro delivers engaging brand experiences for global audiences across gaming, consumer products and entertainment, with a portfolio of iconic brands including MAGIC: THE GATHERING, DUNGEONS & DRAGONS, Hasbro Gaming, NERF, TRANSFORMERS, PLAY-DOH and PEPPA PIG, as well as premier partner brands.

Hasbro is guided by our purpose to create joy and community for all people around the world, one game, one toy, one story at a time.

For more than a decade, we have been consistently recognized for our corporate citizenship, including being named one of the 100 Best Corporate Citizens by 3BL Media, one of the World’s Most Ethical Companies by Ethisphere Institute and one of the 50 Most Community-Minded Companies in the U.S. by the Civic 50.

Recent Developments

Executive Leadership

On April 12, 2023, the Company announced the appointment of Gina Goetter as Chief Financial Officer, effective May 18, 2023, following the Company’s Annual Meeting of Shareholders. Ms. Goetter joins Hasbro from Harley Davidson, Inc., where she served as Chief Financial Officer. Prior to her time at Harley Davidson, Ms. Goetter served in senior leadership roles at Tyson Foods, Inc. and General Mills, Inc.

On April 12, 2023, the Company announced the appointment of Tim Kilpin as President, Toy, Licensing & Entertainment, effective April 24, 2023. Mr. Kilpin joins Hasbro from PlayMonster Group, LLC, where he served as Executive Chairman and Chief Executive Officer. Previously, Mr. Kilpin held senior leadership positions within the toy and entertainment industry at companies that include Activision Blizzard, Inc., Mattel, Inc. and The Walt Disney Company.

Strategic Review

On October 4, 2022, following a several months long strategic review of our business led by our CEO, we announced a go-forward strategic plan guided by our new Blueprint 2.0, a consumer-centric framework for bringing compelling and expansive brand experiences to audiences around the world. Our Blueprint 2.0 strategy focuses on what has driven our business for the past one hundred years and will serve as our foundation going forward: Play. During our review we identified opportunities to focus and scale our business, enhance operational excellence, including through specialized organizational programs and supply chain transformation, to drive growth and profit and enhance shareholder value. We are increasing strategic investment in our most valuable and profitable franchises across toys, games, entertainment and licensing, and exiting certain non-core aspects of the business.

Hasbro Transformation Office

Under our new strategic plan, we launched the Hasbro Transformation Office (HTO), a team of leaders dedicated to running a disciplined, purpose-built company that is simpler, more efficient and redesigned to drive long-term sustainable growth in markets in which we compete. Our HTO aligns and delivers on our Operational Excellence program, an enterprise-wide cost-saving initiative intended to improve our business financially, operationally and culturally from our current state and designed to deliver $250 million to $300 million in run-rate cost savings by the end of 2025. During the first quarter of 2023, we realized an additional $35 million of run-rate cost savings.

TV and Film Business

On November 17, 2022, we announced an authorization by Hasbro's Board of Directors to initiate a marketing process to explore a sale of parts of our eOne TV and film business that do not directly support the Company’s Branded Entertainment strategy. In the event a transaction were to occur, Hasbro is expected to maintain the capability to develop and produce animation, digital shorts, scripted TV and theatrical films for audiences related to core Hasbro IP. The family brands business, including the brands PEPPA PIG and PJ MASKS, is not expected to be part of any sale transaction involving parts of the eOne film and television business. The sale process was ongoing as of the close of the first quarter of 2023 however, there can be no assurance that the process will result in a sale.

Workforce Reduction

In alignment with the objectives of our Operational Excellence program, on January 26, 2023, we announced the undertaking of certain organizational changes which will result in the elimination of approximately 1,000 positions from our global workforce in 2023, or approximately 15% of global full-time employees.

Brand Portfolio Realignment

Effective for the first quarter 2023, we realigned our brand portfolios to correspond with the evolution of our Blueprint 2.0 strategy. We are focusing on fewer, bigger, more profitable brands that showcase our leadership in preschool toys, action figures and accessories, games, arts & crafts, and outdoor action brands.

Our new product categories beginning in the first quarter of 2023 are as follows:

◦ Franchise Brands - A refreshed group of our most profitable brands that includes DUNGEONS & DRAGONS, Hasbro Gaming, MAGIC: THE GATHERING, NERF, PEPPA PIG, PLAY-DOH, and TRANSFORMERS.

◦ Partner Brands - The Partner Brands category includes those brands we license from other parties such as Disney's STAR WARS and MARVEL as well as other partners, for which we develop toy and game products, with a focus on those key Partner Brands that give us the largest growth potential and where we can lead and innovate in the category.

◦ Portfolio Brands - Our Portfolio Brands category includes those brands we own or control which we feel have upside in revenue and profitability that have not yet grown to the significance of a franchise brand.

◦ Non-Hasbro Branded Film & TV - The Non-Hasbro Branded Film & TV category includes non-Hasbro-branded film, TV and other entertainment related revenues. All Hasbro-branded content is included in the portfolios noted above.

During each of the periods presented in this Form 10-Q there were certain charges incurred which impacted operating segment results in the Company’s Consumer Products, Entertainment and Corporate and Other segments. These charges are discussed below in Results of Operations - Consolidated.

First quarter 2023 highlights:

- First quarter net revenues of $1.0 billion decreased 14% compared to the first quarter of 2022 and included an unfavorable foreign currency translation of $15.8 million. Absent the unfavorable impact of foreign currency exchange, first quarter net revenues decreased 13%.
    - Consumer Products segment net revenues declined 23% to $520.4 million. Wizards of the Coast and Digital Gaming segment net revenues increased 12% to $295.2 million; and Entertainment segment net revenues declined 19% to $185.4 million.
    - Net revenues from Franchise Brands declined 6%; Partner Brands net revenues declined 36%; Portfolio Brands net revenues declined 18%; and Other Entertainment net revenues declined 16%.
- Operating profit was $17.9 million, or 1.8% of net revenue in the first quarter of 2023 compared to operating profit of $120.0 million, or 10.3% of net revenue, in the first quarter of 2022.
    - Operating results in the Consumer Products segment decreased greater than 100% to an operating loss of $46.0 million; Wizards of the Coast and Digital Gaming segment operating profit decreased 28% to $76.8 million; Entertainment segment operating results decreased greater than 100% to an operating loss of $8.7 million; and Corporate and Other operating losses improved 42% to an operating loss of $4.2 million.
    - Certain charges impacting operating segment performance for the first quarter of 2023 and 2022, in the Company’s Consumer Products, Entertainment and Corporate and Other segments, are discussed below in Results of Operations - Consolidated.
- The net loss attributable to Hasbro, Inc. of $22.1 million, or $(0.16) per share, in the first quarter of 2023 compared to net earnings of $61.2 million, or $0.44 per diluted share, in the first quarter of 2022.

The impact of changes in foreign currency exchange rates used to translate the consolidated statements of operations is quantified by translating the current period revenues at the prior period exchange rates and comparing this amount to the prior period reported revenues. The Company believes that the presentation of the impact of changes in exchange rates, which are beyond the Company’s control, is helpful to an investor’s understanding of the performance of the underlying business.

SUMMARY OF FINANCIAL PERFORMANCE

A summary of the results of operations is illustrated below for the quarters ended April 2, 2023 and March 27, 2022.

	Quarter Ended	
	April 2, 2023	March 27, 2022
Net revenues	$ 1,001.0	$ 1,163.1
Operating profit	17.9	120.0
(Loss) earnings before income taxes	(21.0)	80.2
Net (loss) earnings	(21.7)	62.9
Net earnings attributable to noncontrolling interests	0.4	1.7
Net (loss) earnings attributable to Hasbro, Inc.	(22.1)	61.2
Diluted (loss) earnings per share	(0.16)	0.44

RESULTS OF OPERATIONS – CONSOLIDATED

Net (loss) earnings and diluted (loss) earnings per share attributable to Hasbro, Inc. for the quarters ended April 2, 2023 and March 27, 2022 include certain charges as described below.

2023

- Net charges of $13.3 million, or $0.10 per diluted share, of intangible amortization costs related to the intangible assets acquired in the eOne Acquisition. These expenses are allocated between the Consumer Products and Entertainment segments, to match the revenue generated from such intangible assets.
- Net charges of $8.1 million, or $0.06 per diluted share, of Operational Excellence program related consultant and transformation office expenses included within Selling, Distribution and Administration within the Corporate and Other segment.
- Net charges of $1.7 million, or $0.01 per diluted share, of expense associated with retention awards granted in connection with the eOne Acquisition. These expenses are included within Selling, Distribution and Administration within the Corporate and Other segment.

2022

- Net charges of $15.9 million, or $0.11 per diluted share of intangible amortization costs related to the intangible assets acquired in the eOne acquisition. These expenses are allocated between the Consumer Products and Entertainment segments, to match the revenue generated from such intangible assets.
- Net charges of $2.3 million, $0.02 per diluted share of expense associated with retention awards granted in connection with the eOne acquisition. These expenses are included within Selling, Distribution and Administration within the Corporate and Other segment.

The quarters ended April 2, 2023 and March 27, 2022 were 14-week and 13-week periods, respectively.

Consolidated net revenues for the first quarter of 2023 declined 14% to $1,001.0 million from $1,163.1 million for the first quarter of 2022 and included an unfavorable $15.8 million impact from foreign currency translation as a result of weakening currencies, primarily in Europe.

Operating profit for the first quarter of 2023 was $17.9 million, or 1.8% of net revenues, compared to operating profit of $120.0 million, or 10.3% of net revenues, for the first quarter of 2022. In addition to the charges described above, operating results in the first quarter of 2023 reflect lower revenue volumes, primarily within the Consumer Products segment and to a lesser extent, within the Entertainment segment, higher sales allowances and closeout sales to sell through inventory, higher product development costs due to increased investments within the Wizards of the Coast business, higher advertising costs associated with the release of the *Dungeons & Dragons: Honor Among Thieves* motion picture and higher marketing and sales expenses. These impacts to operating results were partially offset by lower royalty expenses as result of the decline of Partner Brand sales, during the first quarter of 2023 due in part to the Company's strategic decision to exit certain licenses.

The following table presents net revenues by product category for the quarters ended April 2, 2023 and March 27, 2022.

	Quarter Ended		
	April 2, 2023	**March 27, 2022**	**% Change**
Franchise Brands	$ 613.4	$ 650.4	-6 %
Partner Brands	132.7	206.5	-36 %
Portfolio Brands	92.0	112.6	-18 %
Non-Hasbro Branded Film & TV	162.9	193.6	-16 %
Total	$ 1,001.0	$ 1,163.1	-14 %

FRANCHISE BRANDS: Net revenues in the Franchise Brands portfolio decreased 6% in the first quarter of 2023 compared to the first quarter of 2022. Drivers of the net revenue decrease include lower net revenues from NERF products, lower net revenues from certain Hasbro Gaming brands, most notably MONOPOLY, and to a lesser extent, lower net revenues from PLAY-DOH and PEPPA PIG products as retailers focused on reducing inventory. These net revenue decreases were partially offset by higher net revenues from MAGIC: THE GATHERING which grew 16% driven by the first quarter 2023 set release of *Phyrexia: All Will Be One*, as well as from sustained demand for previously released sets, and to a lesser extent, higher net revenues from DUNGEONS & DRAGONS and TRANSFORMERS products.

PARTNER BRANDS: Net revenues from the Partner Brands portfolio decreased 36% in the first quarter of 2023 compared to the first quarter of 2022. Within the Partner Brands portfolio, there are a number of brands which are reliant on related entertainment, including television and movie releases. As such, net revenues from partner brands fluctuate depending on entertainment popularity, release dates and related product line offerings. Historically these entertainment-based brands experience higher revenues during years in which new content is released in theaters, for broadcast, and on streaming platforms.

During the first quarter of 2023, Partner Brands net revenue decreases were driven by lower sales of the Company's products for DISNEY FROZEN and DISNEY PRINCESS due to the expiration of the related license agreements in December 2022, lower net revenues from the Company's products for MARVEL compared to the first quarter of 2022, which benefited from a robust slate of entertainment releases without comparable releases in the first quarter of 2023, and to a lesser extent, lower net revenues from the Company's products for STAR WARS and BEYBLADE.

PORTFOLIO BRANDS: Portfolio Brands net revenues decreased 18% in the first quarter of 2023 compared to the first quarter of 2022. Lower net revenues from PJ MASKS and BABY ALIVE products as well as lower net revenues from certain other Portfolio Brands products were partially offset by higher net revenue from GI JOE products.

NON-HASBRO BRANDED FILM & TV: Net revenues from Non-Hasbro Branded Film & TV decreased 16% in the first quarter of 2023 compared to the first quarter of 2022 driven by lower net revenues from film production deliveries reflecting fewer new entertainment releases in 2023 compared to 2022. In addition, lower net revenues from unscripted programming, due to the timing of deliveries, contributed to the decrease in the first quarter of 2023 compared to the first quarter of 2022. These decreases were partially offset by higher net revenues from scripted programming deliveries that include *The Rookie* season five, *The Rookie: Feds,* and *A Gentleman in Moscow.*

SEGMENT RESULTS

The following table presents net external revenues and operating profit (loss) for the Company's principal segments for the quarters ended April 2, 2023 and March 27, 2022:

	Quarter Ended		
	April 2, 2023	March 27, 2022	% Change
Net revenues			
Consumer Products	$ 520.4	$ 672.8	-23 %
Wizards of the Coast and Digital Gaming	295.2	262.8	12 %
Entertainment	185.4	227.5	-19 %
Operating Profit (Loss)			
Consumer Products	$ (46.0)	$ 8.6	>-100%
Wizards of the Coast and Digital Gaming	76.8	106.4	-28 %
Entertainment	(8.7)	12.2	>-100%
Corporate and Other	(4.2)	(7.2)	42 %

Consumer Products Segment

The following table presents the Consumer Products segment net revenues by major geographic region for the quarters ended April 2, 2023 and March 27, 2022.

	Quarter Ended	
	April 2, 2023	March 27, 2022
North America	$ 279.1	$ 405.2
Europe	131.6	176.7
Asia Pacific	63.3	52.2
Latin America	46.4	38.7
Net revenues	$ 520.4	$ 672.8

The Consumer Products segment net revenues declined 23% to $520.4 million for the first quarter of 2023 compared to $672.8 million for the first quarter of 2022 and included the impact of an unfavorable $8.4 million currency translation, most notably from the Company's European markets, reflecting efforts to reduce retail inventory levels. Absent the impact of foreign currency exchange, Consumer Products segment net revenues declined $144.1 million or 21% during the first quarter of 2023.

Drivers of the net revenue decrease include lower sales of NERF and PLAY-DOH products, lower sales of the Company's products for DISNEY PRINCESS and DISNEY FROZEN, following the expiration of associated license agreements in December 2022, and lower sales of the Company's products for MARVEL and STAR WARS compared to the first quarter of 2022, which benefited from a variety of entertainment releases without a comparable slate in the first quarter of 2023. To a lesser extent, lower net revenues from BEYBLADE and certain Hasbro Gaming tabletop products contributed to the decrease. These net revenue decreases were partially offset by higher sales of TRANSFORMERS, GI JOE and DUNGEON & DRAGONS products, higher sales of the Company's products for GHOSTBUSTERS as well as the introduction of the Company's products for INDIANA JONES ahead of the film *Indiana Jones and the Dial of Destiny*, expected in June 2023. Overall segment net revenue declines were primarily attributable to North America and to a lesser extent, the Company's European markets, partially offset by higher net revenues from the Company's Asia Pacific and Latin American markets during the first quarter of 2023.

The Consumer Products segment operating loss for the first quarter of 2023 was $46.0 million or 8.8% of segment net revenues, compared to segment operating profit of $8.6 million or 1.3% of segment net revenues, for the first quarter of 2022. The decrease in operating results in the first quarter of 2023 was driven by lower net revenues, including higher levels of closeout sales and sales allowances combined with increased obsolescence charges associated with inventory management initiatives implemented primarily in North America and Europe. These negative impacts were partially offset by savings realized from the Company's Operational Excellence program, lower royalty expenses reflecting the mix of products sold, lower advertising and promotion expense and lower freight costs during the first quarter of 2023, due to the trending improvements in global supply chain and distribution, as well as overall improvements to managed expenses in the Company's Asia Pacific and Latin American regions.

Wizards of the Coast and Digital Gaming Segment

The following table presents Wizards of the Coast and Digital Gaming segment net revenues by category for the quarters ended April 2, 2023 and March 27, 2022.

	Quarter Ended	
	April 2, 2023	March 27, 2022
Tabletop Gaming	$ 217.9	$ 192.2
Digital and Licensed Gaming	77.3	70.6
Net revenues	$ 295.2	$ 262.8

Wizards of the Coast and Digital Gaming segment net revenues increased 12% in the first quarter of 2023 to $295.2 million from $262.8 million in the first quarter of 2022 and included the impact of an unfavorable $3.1 million foreign currency translation. Absent the impact of foreign currency exchange, Wizards of the Coast and Digital Gaming segment net revenues increased $35.5 million or 14% during the first quarter of 2023.

The net revenue increase in the Wizards of the Coast and Digital Gaming segment during the first quarter of 2023 was attributable to higher net revenues from Wizards of the Coast tabletop gaming products, most notably, MAGIC: THE GATHERING, driven by the number and timing of set releases compared to the first quarter of 2022. In addition, higher digital gaming net revenues contributed to the increase, primarily reflecting the addition of net revenues from D&D Beyond, acquired during the second quarter of 2022. These increases were partially offset by lower net revenues from *Dungeons & Dragons: Dark Alliance*, launched during the first half of 2021, and lower licensing net revenues from certain of the Company's licensed digital gaming brands.

Wizards of the Coast and Digital Gaming segment operating profit was $76.8 million, or 26.0% of segment net revenues for the first quarter of 2023, compared to operating profit of $106.4 million, or 40.5% of segment net revenues, for the first quarter of 2022. The operating profit decrease during the first quarter of 2023 was driven by higher product development costs, higher administrative expenses and higher advertising expense as we continue to invest in Wizards of the Coast and Digital Gaming initiatives, including in talent, to support long-term growth within the segment. In addition, higher product costs and intangible asset amortization expense related to the acquisition of D&D Beyond contributed to the operating profit decrease during the first quarter of 2023.

Entertainment Segment

The following table presents Entertainment segment net revenues by category for the quarters ended April 2, 2023 and March 27, 2022.

	Quarter Ended	
	April 2, 2023	March 27, 2022
Film and TV	$ 168.4	$ 190.2
Family Brands	17.0	23.2
Music and Other	—	14.1
Net revenues	$ 185.4	$ 227.5

Entertainment segment net revenues declined 19% to $185.4 million for the first quarter of 2023, compared to $227.5 million for the first quarter of 2022 and included the impact of an unfavorable $4.3 million foreign currency translation. Absent the impact of foreign currency exchange, Entertainment segment net revenues declined $37.6 million or 17% during the first quarter of 2023.

The net revenue decrease during the first quarter of 2023 was primarily the result of lower unscripted television net revenues due to the timing of deliveries compared to the first quarter of 2022, and lower film production net revenues reflecting fewer film deliveries in the first quarter of 2023 compared to the first quarter of 2022 which included films such as *Deep Water* and *Clifford the Big Red Dog*. These net revenue declines were partially offset by higher scripted net revenues from deliveries that include, *The Rookie* season five; *The Rookie: Feds;* and *A Gentleman in Moscow.* In addition, lower entertainment content sales within the Family Brands category contributed to the decline in the first quarter of 2023, due to the renewal of certain multi-year content deals in the first quarter of 2022, with no comparable activity in 2023.

Entertainment segment operating losses were $8.7 million, or 4.7% of segment net revenues for the first quarter of 2023, compared to operating profit of $12.2 million, or 5.4% of segment net revenues for the first quarter of 2022.

The decrease in Entertainment segment operating results during the first quarter of 2023 primarily reflects lower net revenues, driven by the timing and volume of programming delivered, and higher advertising expense, driven by support for the theatrical release of *Dungeons & Dragons: Honor Among Thieves* in March 2023. These impacts to operating results were partially offset by lower royalty expense due to the decrease in entertainment deliveries during the first quarter of 2022.

Corporate and Other Segment

The Corporate and Other segment operating losses were $4.2 million for the first quarter of 2023 compared to operating losses of $7.2 million for the first quarter of 2022. The improvement in operating results in the first quarter of 2023 was primarily the result of lower administrative expenses, partially offset by Operational Excellence program related consultant fees and transformation office expenses associated with Company's cost-savings initiatives described above, as well as higher marketing and sales expenses within the segment.

OPERATING COSTS AND EXPENSES

The Company's costs and expenses, stated as percentages of net revenues, are illustrated below for the quarters ended April 2, 2023 and March 27, 2022.

	Quarter Ended	
	April 2, 2023	**March 27, 2022**
Cost of sales	28.5 %	28.6 %
Program cost amortization	12.2 %	11.9 %
Royalties	6.9 %	7.7 %
Product development	8.3 %	6.0 %
Advertising	8.3 %	6.7 %
Amortization of intangibles	2.3 %	2.3 %
Selling, distribution and administration	31.7 %	26.4 %

Cost of sales for the first quarter of 2023 was $285.3 million, or 28.5% of net revenues, compared to $333.1 million, or 28.6% of net revenues, for the first quarter of 2022. The cost of sales decrease in dollars was driven primarily by lower sales volumes and cost savings realized from the Company's Operational Excellence Program, partially offset by the impact of higher closeout sales and higher sales allowances during the first quarter of 2023 compared to the first quarter of 2022. Cost of sales remained consistent as a percent of net revenues.

Program cost amortization decreased to $122.5 million, or 12.2% of net revenues, for the first quarter of 2023 from $138.5 million, or 11.9% of net revenues, for the first quarter of 2022. Program costs are capitalized as incurred and amortized primarily using the individual-film-forecast method which matches costs to the related recognized revenue. The decrease in dollars during the first quarter of 2023 was driven by lower sales within the Entertainment segment, due primarily to the timing of deliveries compared to the first quarter of 2022. As a percent of net revenues, the increase in program cost amortization during the first quarter of 2023 was driven by the mix of entertainment content delivered.

Royalty expense for the first quarter of 2023 decreased to $69.0 million, or 6.9% of net revenues, compared to $90.1 million, or 7.7% of net revenues, for the first quarter of 2022. Fluctuations in royalty expense are generally related to the volume of content releases and deliveries and entertainment-driven products sold. The decrease in royalty expense during the first quarter of 2023 reflects lower sales of Partner Brands products, the exit of certain licenses and the lower number and mix of film and television deliveries compared to the first quarter of 2022.

Product development expense for the first quarter of 2023 was $83.3 million, or 8.3% of net revenues, compared to $69.6 million, or 6.0% of net revenues, for the first quarter of 2022. The increase was driven by higher investments and costs to support the Company's Wizards of the Coast tabletop and digital gaming initiatives.

Advertising expense for the first quarter of 2023 was $82.8 million, or 8.3% of net revenues, compared to $77.6 million, or 6.7% of net revenues, for the first quarter of 2022. Advertising spend is generally impacted by revenue mix and the number and type of entertainment releases delivered. The advertising expense increase during the first quarter of 2023 was driven by advertising costs within the Entertainment and Wizards of the Coast and Digital Gaming segments, in support of the theatrical release of *Dungeons & Dragons: Honor Among Thieves* and advertising costs associated with D&D Beyond, acquired during the second quarter of 2022, as well as higher advertising expense in support of certain other Wizards of the Coast and Digital

Gaming initiatives. These increases were partially offset by lower advertising expenses within the Consumer Products segment, primarily due to lower revenues and mix of sales during the first quarter of 2023.

Amortization of intangible assets decreased to $23.1 million, or 2.3% of net revenues, for the first quarter of 2023, compared to $27.1 million, or 2.3% of net revenues, for the first quarter of 2022. The decrease in 2023 reflects lower expense due to the partial impairment of the Company's definite-lived Power Rangers intangible assets during the fourth quarter of 2022, partially offset by additional expense associated with assets acquired through the D&D Beyond Acquisition during the second quarter of 2022.

Selling, distribution and administration expenses increased to $317.1 million, or 31.7% of net revenues for the first quarter of 2023, from $307.1 million, or 26.4% of net revenues, for the first quarter of 2022. The increase in selling, distribution and administration expenses primarily reflects consultant and transformation office charges totaling $10.6 million associated with the Company's Operational Excellence program. In addition to these charges, higher personnel costs and higher marketing and sales costs within the Wizards of the Coast and Digital Gaming segment contributed to the increase. These increases were partially offset by lower compensation expense combined with lower shipping costs compared to the first quarter of 2022 where costs were higher due to global supply chain disruptions.

NON-OPERATING EXPENSE (INCOME)

Interest expense for the first quarter of 2023 totaled $46.3 million compared to $41.6 million in the first quarter of 2022. The increase in interest expense during the first quarter of 2023 reflects higher interest expense related to borrowings from the Company's production financing credit facilities.

Interest income was $6.0 million for the first quarter of 2023 compared to $2.1 million in the first quarter of 2022. Higher interest income in 2022 primarily reflects higher average interest rates in 2023 compared to 2022.

Other (income), net was $(1.4) million for the first quarter of 2023 compared to other expense, net of $0.3 million in the first quarter of 2022. The increase in 2023 was driven primarily by the revaluation of certain contingent consideration liability balances and higher earnings from the Company's joint venture with Discovery, partially offset by higher foreign exchange losses during the first quarter of 2023 compared to the first quarter of 2022.

INCOME TAXES

Income tax expense totaled $0.7 million on pre-tax loss of $21.0 million in the first quarter of 2023, compared to income tax expense of $17.3 million on pre-tax income of $80.2 million in the first quarter of 2022. Both periods were impacted by discrete tax events including the accrual of potential interest and penalties on uncertain tax positions. During the first quarter of 2023, unfavorable discrete tax adjustments were a net expense of $3.3 million, compared to a net benefit of $2.3 million in the first quarter of 2022. The unfavorable discrete tax adjustments for the first quarter of 2023 are primarily associated with stock-based compensation. The favorable discrete tax adjustments for the first quarter of 2022 were primarily associated with the release of certain valuation allowances in the quarter. Absent discrete items, the tax rates for the first quarter of 2023 and 2022 were 12.2% and 24.4%, respectively. The decrease in the base rate of 12.2% for the first quarter of 2023 is primarily due to the mix of jurisdictions in which the Company earned its profits and lower overall earnings in the first quarter of 2023.

OTHER INFORMATION

Business Seasonality and Shipments

Within the retail sector, the Company’s revenue pattern from toys and games and licensed consumer products continues to indicate the second half of the year to be more significant to its overall business for the full year. The Company expects that this concentration will continue. The concentration of sales in the second half of the year increases the risk of (a) underproduction of popular items, (b) overproduction of less popular items, and (c) failure to achieve tight and compressed shipping schedules.

The business of the Company is characterized by customer order patterns which vary from year to year largely because of differences in the degree of consumer acceptance of a product line, product availability, marketing strategies, inventory levels, policies of retailers and differences in overall economic conditions. Larger retailers generally maintain lower inventories throughout the year and purchase a greater percentage of product within or close to the fourth quarter holiday consumer buying season, which includes Christmas.

Quick response inventory management practices being used by retailers, along with growth in ecommerce result in the increasing trend of order placement for immediate delivery and fewer orders being placed well in advance of shipment. Retailers prefer timing their orders for fulfillment by suppliers closer to the time of purchase by consumers. To the extent that retailers do not sell as much of their year-end inventory purchases during the holiday selling season as they anticipate, their demand for additional product earlier in the following fiscal year could be curtailed, thus negatively impacting the Company’s future revenues. In 2022, the Company's inventory levels and retailer order patterns reflected the impact of global consumer demand as it began to outpace the capacity of the global supply chain infrastructure. Supply chain constraints, including overcrowding of cargo ports and shipping container and truck transportation shortages led to higher costs for ocean, air and over the road freight and delays in the availability of products, due to extended inventory transit times. These and other disruptions continued to some extent through the third quarter of 2022. During the first half of 2022, the Company accelerated certain inventory purchases, to ensure sufficient finished goods and raw material availability ahead of expected periods of high consumer demand. However, during the second half of 2022, the effects of supply chain disruptions began to subside, most notably the U.S, and Europe, leading to higher inventory levels heading into fiscal 2023, as compared to prior years. The Company is continuing to closely manage its inventory levels through closeout sales and by monitoring consumer purchase patterns, to ensure adequate supply of new product while clearing excess supply to mitigate the risk of inventory obsolescence.

Unlike the Company's retail sales patterns, revenue patterns from the Company's entertainment businesses fluctuate based on the timing and popularity of television, film, streaming and digital content releases. Release dates are determined by factors including the timing of holiday periods, geographical release dates and competition in the market.

Russian Sanctions

As a result of the military conflict in Ukraine, which has led to sanctions and other penalties being levied by the United States, European Union and other countries against Russia, the Company paused all shipments and new content distribution into Russia. The impact to the Company’s operating results includes a loss of both revenue and operating profit. As of December 25, 2022, the Company had exhausted all locally held inventories, recovered all receivables and released all reserves in Russia. Any longstanding disruptions may magnify the impact of other risks described in this Quarterly Report on Form 10-Q and in the Company's Annual Report on Form 10-K for the year ended December 25, 2022.

Accounting Pronouncement Updates

As of April 2, 2023, there were no recently adopted accounting standards that had a material effect on the Company’s financial statements. The Company's significant accounting policies are summarized in note 1 to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 25, 2022.

Recently Issued Accounting Pronouncements

As of April 2, 2023, there were no recently issued accounting pronouncements that are expected to have a material impact on the Company's consolidated financial statements.

LIQUIDITY AND CAPITAL RESOURCES

The Company has historically generated a significant amount of cash from operations. In the first three months of 2023 and 2022, the Company primarily funded its operations and liquidity needs through cash on hand and from cash flows from operations, and when needed, used borrowings under its available lines of credit. In addition, the Company’s Entertainment operating segment used production financing to fund certain of its television and film productions which are typically arranged on an individual production basis by using either the Company's revolving film and television production credit facility or through special purpose production subsidiaries. For more information on the Company's production financing facilities, including expected future repayments, see note 7 to the consolidated financial statements included in Part I, Item 1. *Financial Statements*, of this Form 10-Q.

During the remainder of 2023, the Company expects to continue to fund its working capital needs primarily through available cash, cash flows from operations and from production financing facilities and, if needed, by issuing commercial paper or borrowing under its revolving credit agreement. In the event that the Company is not able to issue commercial paper, the Company intends to utilize its available lines of credit. The Company believes that the funds available to it, including cash expected to be generated from operations, funds available through its commercial paper program or its available lines of credit and production financing, are adequate to meet its working capital needs for the remainder of 2023, including the repayment of the current portion of long-term debt of $109.0 million, as shown on the consolidated balance sheets which represents the current portion of required quarterly principal amortization payments for our term loan facilities and other production financing facilities, each as described below. The Company may also issue debt or equity securities from time to time, to provide additional sources of liquidity when pursuing opportunities to enhance our long-term competitive position, while maintaining a strong balance sheet. However, unexpected events or circumstances such as material operating losses or increased capital or other expenditures, or the inability to otherwise access the commercial paper market, may reduce or eliminate the availability of external financial resources. In addition, significant disruptions to credit markets may also reduce or eliminate the availability of external financial resources. Although the Company believes the risk of nonperformance by the counterparties to its financial facilities is not significant, in times of severe economic downturn in the credit markets, it is possible that one or more sources of external financing may be unable or unwilling to provide funding to the Company.

As of April 2, 2023, the Company's cash and cash equivalents totaled $386.2 million, of which $13.4 million is restricted under the Company’s production financing facilities. Prior to 2017, deferred income taxes had not been provided on the majority of undistributed earnings of international subsidiaries as such earnings were indefinitely reinvested by the Company. Accordingly, such international cash balances were not available to fund cash requirements in the United States unless the Company was to change its reinvestment policy. The Company has maintained sufficient sources of cash in the United States to fund cash requirements without the need to repatriate any funds. The Tax Cuts and Jobs Act of 2017 ("the Tax Act") provided significant changes to the U.S. tax system including the elimination of the ability to defer U.S. income tax on unrepatriated earnings by imposing a one-time mandatory deemed repatriation tax on undistributed foreign earnings. As of April 2, 2023, the Company had a total liability of $137.7 million related to this tax, $34.4 million is reflected in current liabilities while the remaining long-term payable related to the Tax Act of $103.3 million is presented within other liabilities, non-current on the consolidated balance sheets included in Part I, Item 1. *Financial Statements*, of this Form 10-Q. As permitted by the Tax Act, the Company will pay the transition tax in annual interest-free installments through 2025. As a result, in the future, the related earnings in foreign jurisdictions will be made available with greater investment flexibility. The majority of the Company’s cash and cash equivalents held outside of the United States as of April 2, 2023 are denominated in the U.S. dollar.

Because of the seasonality in the Company's cash flow, management believes that on an interim basis, rather than discussing only its cash flows, a better understanding of its liquidity and capital resources can be obtained through a discussion of the various balance sheet categories. Also, as several of the major categories, including cash and cash equivalents, accounts receivable, inventories and short-term borrowings, fluctuate significantly from quarter to quarter, due to the seasonality of its business, management believes that a comparison to the comparable period in the prior year is generally more meaningful than a comparison to the prior year-end.

The table below outlines key financial information (in millions of dollars) pertaining to our consolidated balance sheets including the period-over-period changes.

	April 2, 2023	March 27, 2022	% Change
Cash and cash equivalents (including restricted cash of $13.4 and $38.8)	$ 386.2	$ 1,057.9	-63 %
Accounts receivable, net	685.2	931.7	-26 %
Inventories	713.4	644.3	11 %
Prepaid expenses and other current assets	754.4	621.4	21 %
Other assets	1,604.3	1,284.9	25 %
Accounts payable and accrued liabilities	1,653.9	1,783.1	-7 %
Other liabilities	585.2	633.6	-8 %

Accounts receivable decreased 26% to $685.2 million as of April 2, 2023, compared to $931.7 million as of March 27, 2022. The decrease in accounts receivable was driven by lower sales during the first three months of 2023. Days sales outstanding decreased from 73 days at March 27, 2022 to 67 days at April 2, 2023.

Inventories increased 11% to $713.4 million as of April 2, 2023, compared to $644.3 million as of March 27, 2022. The increase in during the first quarter of 2023 was driven primarily by higher inventory balances within the Wizards of the Coast and Digital Gaming segment, most notably in anticipation of several upcoming MAGIC: THE GATHERING set releases, due to release schedule timing differences compared to the first quarter of 2022 and to a lesser extent, DUNGEONS & DRAGONS product as well as TRANSFORMERS product ahead of the *Transformers: Rise of the Beasts* film expected in June 2023.

Prepaid expenses and other current assets increased 21% to $754.4 million as of April 2, 2023 from $621.4 million as of March 27, 2022. The increase was driven by higher accrued royalty and licensing balances, primarily attributable to the Company's Entertainment business, as well as the reclassification of certain accrued income balances from long-term to current and higher indirect tax receivable balances for certain tax jurisdictions. These increases were partially offset by lower accrued tax credit balances related to film and television production costs, due to decreased productions and timing of tax credit claims.

Other assets increased 25% to $1,604.3 million as of April 2, 2023 from $1,284.9 million as of March 27, 2022. The increase was primarily driven by higher capitalized film and television production balances due to increased investments in productions compared to the first quarter of 2022, increased investments in film and television development as well as higher deferred tax balances and higher non-current receivable balances within the Entertainment segment. These increases were partially offset by a lower balance for the Company's investment in Discovery Family Channel due to distributions received during 2022.

Accounts payable and accrued liabilities decreased 7% to $1,653.9 million as of April 2, 2023 from $1,783.1 million as of March 27, 2022 driven by lower accounts payable balances associated with the Company's global cost savings initiatives and the timing of payments, lower accrued royalty balances as a result of partner brand product sales declines, including the expiration of certain partner brand licensing agreements, lower accrued freight balances as a result of improved supply chain conditions compared to the first quarter of 2022 as well as lower accrued advertising and lower incentive bonus accrual balances. These decreases were partially offset by higher severance accrual balances related to the Company's cost savings initiatives mentioned above.

Other liabilities decreased 8% to $585.2 million as of April 2, 2023 from $633.6 million as of March 27, 2022. The decrease was primarily driven by a lower transition tax liability balance reflecting the reclassification of the 2022 installment payment due April 2023 and lower long-term pension liability balances. These decreases were partially offset by an increase to the liability for uncertain tax positions and a higher long-term lease liability balance.

Cash Flow

The following table summarizes the changes in the Consolidated Statement of Cash Flows, expressed in millions of dollars, for the three-month periods ended April 2, 2023 and March 27, 2022.

	April 2, 2023	March 27, 2022
Net cash provided by (utilized for):		
Operating activities	$ 88.8	$ 134.7
Investing activities	(55.6)	(23.9)
Financing activities	(156.6)	(77.5)

Net cash provided by operating activities in the first three months of 2023 was $88.8 million compared to $134.7 million in the first three months of 2022. The $45.9 million decrease in net cash provided by operating activities was primarily attributable to lower earnings during the first quarter of 2023.

Net cash utilized for investing activities was $55.6 million in the first three months of 2023 compared to net cash utilized for investing activities of $23.9 million in the first three months of 2022. Additions to property, plant and equipment were $53.2 million in the first three months of 2023 compared to $29.2 million in the first three months of 2022, reflecting increased investments in the Company's digital gaming initiatives within the Wizards of the Coast and Digital Gaming segment.

Net cash utilized for financing activities was $156.6 million in the first three months of 2023 compared to $77.5 million in the first three months of 2022. Financing activities in the first three months of 2023 include a $30.0 million principal amortization payment toward the Five-Year Tranche loan described below, as well as drawdowns of $42.8 million and repayments of $54.8 million related to production financing loans. Financing activities in the first quarter of 2022 include payments totaling $57.5 million related to the $1.0 billion in term loans consisting of $50.0 million principal and a quarterly principal amortization payment of $7.5 million toward the Five-Year Tranche loan, in addition to drawdowns of $112.2 million and repayments of $84.0 million, related to production financing loans.

Dividends paid in the first three months of 2023 totaled $96.7 million, compared to $94.5 million in the first three months of 2022 reflecting a higher dividend rate during the first three months of 2023.

Sources and Uses of Cash

The Company commits to inventory production, advertising and marketing expenditures in support of its consumer products business, prior to the peak fourth quarter retail selling season. Accounts receivable increase during the third and fourth quarter as customers increase their purchases to meet expected consumer demand in the holiday selling season. Due to the concentrated timeframe of this selling period, payments for these accounts receivable are generally not due until the fourth quarter or early in the first quarter of the subsequent year. This timing difference between expenditures and cash collections on accounts receivable sometimes makes it necessary for the Company to borrow amounts during the latter part of the year. In the Company's entertainment business, cash expenditures for productions are often made well in advance of sale and delivery of the content produced whereas trading card and digital gaming revenues have shorter collection periods, but product development expense often occurs years prior to release and revenue generation. During the first three months of 2023 and 2022, the Company primarily used cash from operations and, to a lesser extent, borrowings under available lines of credit, in particular production financing vehicles, to fund its working capital.

The Company has an agreement with a group of banks which provides for a commercial paper program (the "Program"). Under the Program, at the request of the Company and subject to market conditions, the banks may either purchase from the Company, or arrange for the sale by the Company, of unsecured commercial paper notes. The Company may issue notes from time to time up to an aggregate principal amount outstanding at any given time of $1.0 billion. The maturities of the notes may vary but may not exceed 397 days. The notes are sold under customary terms in the commercial paper market and are issued at a discount to par, or alternatively, sold at par and bear varying interest rates based on a fixed or floating rate basis. The interest rates vary based on market conditions and the ratings assigned to the notes by the credit rating agencies at the time of issuance. Subject to market conditions, the Company intends to utilize the Program as its primary short-term borrowing facility and does not intend to sell unsecured commercial paper notes in excess of the available amount under the revolving credit agreement discussed below. If, for any reason, the Company is unable to access the commercial paper market, the Company intends to use the revolving credit agreement to meet the Company's short-term liquidity needs. At April 2, 2023, the Company had no outstanding borrowings related to the Program.

The Company has a second amended and restated revolving credit agreement with Bank of America, N.A., as administrative agent, swing line lender and a letter of credit issuer and lender and certain other financial institutions, as lenders thereto (the "Amended Revolving Credit Agreement"), which provides the Company with commitments having a maximum aggregate principal amount of $1.5 billion. The Amended Revolving Credit Agreement also provides for a potential additional incremental commitment increase of up to $500.0 million subject to agreement of the lenders. The Amended Revolving Credit Agreement contains certain financial covenants setting forth leverage and coverage requirements, and certain other limitations typical of an investment grade facility, including with respect to liens, mergers and incurrence of indebtedness. The Amended Revolving Credit Agreement extends through September 20, 2024. The Company was in compliance with all covenants as of April 2, 2023. The Company had no borrowings outstanding under its committed revolving credit facility as of April 2, 2023. However, letters of credit outstanding under this facility as of April 2, 2023 were approximately $4.0 million. Amounts available and unused under the committed line, at April 2, 2023 were approximately $1.5 billion, inclusive of borrowings under the Company's commercial paper program. The Company also has other uncommitted lines from various banks, of which approximately $12.2 million was utilized at April 2, 2023. Of the amount utilized under, or supported by, the uncommitted lines, approximately $9.4 million and $2.8 million represent letters of credit and outstanding short-term borrowings, respectively.

In September of 2019, the Company entered into a $1.0 billion Term Loan Agreement (the "Term Loan Agreement") with Bank of America N.A. ("Bank of America"), as administrative agent, and certain financial institutions as lenders, pursuant to which such lenders committed to provide, contingent upon the completion of the eOne Acquisition and certain other customary conditions to funding, (1) a three-year senior unsecured term loan facility in an aggregate principal amount of $400.0 million (the "Three-Year Tranche") and (2) a five-year senior unsecured term loan facility in an aggregate principal amount of $600.0 million (the "Five-Year Tranche" and together with the Three-Year Tranche, the "Term Loan Facilities"). On December 30, 2019, the Company completed the acquisition of eOne and on that date, borrowed the full amount of $1.0 billion under the Term Loan Facilities. As of April 2, 2023, the Company has fully repaid the Three-Year Tranche $400.0 million principal term loan, and of the Five-Year Tranche $600.0 million principal balance, the Company has repaid a total of $320.0 million in the following increments: $22.5 million in 2020; $180.0 million in 2021; $87.5 million in 2022; and, $30.0 million during the first three months of 2023. The Company is subject to certain financial covenants contained in this agreement and as of April 2, 2023, the Company was in compliance with these covenants. The terms of the Term Loan Facilities are described in note 7 to the consolidated financial statements included in Part I of this Form 10-Q.

During November 2019, in conjunction with the Company's acquisition of eOne, the Company issued an aggregate of $2.4 billion of senior unsecured debt securities (collectively, the "Notes") consisting of the following tranches: $300 million of notes due 2022 (the "2022 Notes") that bear interest at a fixed rate of 2.60%; $500 million of notes due 2024 (the "2024 Notes") that bear interest at a fixed rate of 3.00%; $675 million of notes due 2026 (the "2026 Notes") that bear interest at a fixed rate of 3.55%; and $900 million of notes due 2029 (the "2029 Notes") that bear interest at a fixed rate of 3.90%. During the third quarter of 2021 the Company repaid in full, its 2022 Notes in the aggregate principal amount of $300.0 million, including early redemption premiums and accrued interest of $10.8 million. The terms of the Notes are described in note 7 to the consolidated financial statements in Part I of this Form 10-Q.

The Company uses production financing facilities to fund its film and television productions which are arranged on an individual production basis by either special purpose production subsidiaries, each secured by the assets and future revenues of such production subsidiaries, which are non-recourse to the Company's assets, or through a senior revolving credit facility obtained in November 2021, dedicated to production financing. The Company's senior revolving film and television production credit facility (the "RPCF") with MUFG Union Bank, N.A., as administrative agent and lender and certain other financial institutions, as lenders thereto (the "Revolving Production Financing Agreement") provides the Company with commitments having a maximum aggregate principal amount of $250.0 million. The Revolving Production Financing Agreement also provides the Company with the option to request a commitment increase up to an aggregate additional amount of $150.0 million subject to agreement of the lenders. The Revolving Production Financing Agreement extends through November 22, 2024. The Company uses the RPCF to fund certain of the Company's original film and TV production costs. Borrowings under the RPCF are non-recourse to the Company's assets. The Company expects to utilize the revolving production financing facility for the majority of its future production financing needs. During the first three months of 2023, the Company had total drawdowns of $42.8 million and repayments of $54.8 million towards these production financing facilities. As of April 2, 2023, the Company had outstanding production financing borrowings related to these facilities of $183.5 million, $49.0 million of which are recorded within the current portion of long-term debt and $134.5 million are recorded within short-term borrowings in the Company's consolidated balance sheets, included in Part I of this Form 10-Q.

The Company has principal amounts of long-term debt as of April 2, 2023 of $3.8 billion, due at varying times from 2024 through 2044. Of the total principal amount of long-term debt, $109.0 million is current at April 2, 2023 of which $60.0 million is related to principal amortization of the 5-year term loans due December 2024 and $49.0 million represents the Company's outstanding production financing facilities at April 2, 2023. In addition to the early repayment of the 2022 Notes described above, during the first quarter of 2021, the Company repaid in full, its 3.15% Notes in the aggregate principal amount of $300.0 million due in May 2021, including accrued interest. See note 7 to the Company's consolidated financial statements in Part I of this Form 10-Q for additional information on long-term debt and long-term debt interest repayment, respectively.

The Company also had letters of credit and other similar instruments of approximately $13.4 million and purchase commitments of approximately $331.7 million outstanding at April 2, 2023.

Other contractual obligations and commercial commitments, as detailed in the Company's 2022 Form 10-K, did not materially change outside of certain payments made in the normal course of business and as otherwise set forth in this report.

The Company has a long history of returning cash to its shareholders through quarterly dividends and share repurchases. Hasbro's next quarterly dividend of $0.70 per share is payable on May 15, 2023 to shareholders of record as of May 1, 2023. In addition to the dividend, the Company periodically returns cash to shareholders through its share repurchase program. As part of this initiative, since 2005 the Company's Board of Directors (the "Board") adopted numerous share repurchase authorizations with a cumulative authorized repurchase amount of $4.3 billion. The most recent authorization was approved in May 2018 for $500 million. At April 2, 2023, $241.6 million remained available under these share repurchase authorizations. There were no share repurchases made during the first quarter of 2023. The Company has no obligation to repurchase shares under the authorization, and the timing, actual number, and value of the shares that are repurchased, if any, will depend on a number of factors, including the price of the Company's stock and the Company's generation of, and uses for, cash.

The Company believes that cash from operations, and, if necessary, its committed line of credit and other borrowing facilities, will allow the Company to meet its obligations over the next twelve months.

CRITICAL ACCOUNTING POLICIES AND SIGNIFICANT ESTIMATES

The Company prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. As such, management is required to make certain estimates, judgments and assumptions that it believes are reasonable based on the information available. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the periods presented. The significant accounting policies which management believes are the most critical to aid in fully understanding and evaluating the Company's reported financial results include film and television production costs, recoverability of goodwill and intangible assets and income taxes. Additionally, the Company identified the valuation of the Company's equity method investment in Discovery Family Channel as a significant accounting estimate. These critical accounting policies are the same as those detailed in the Company's 2022 Form 10-K.

FINANCIAL RISK MANAGEMENT

The Company is exposed to market risks attributable to fluctuations in foreign currency exchange rates primarily as the result of sourcing products priced in U.S. dollars, Hong Kong dollars and Euros while marketing and selling those products in more than twenty currencies. Results of operations may be affected primarily by changes in the value of the U.S. dollar, Euro, British pound sterling, Canadian dollar, Japanese Yen, Brazilian real and Mexican peso and, to a lesser extent, other currencies in Latin American and Asia Pacific countries.

To manage this exposure, the Company has hedged a portion of its forecasted foreign currency transactions using foreign exchange forward contracts and foreign exchange option contracts. The Company is also exposed to foreign currency risk with respect to its net cash and cash equivalents or short-term borrowing positions in currencies other than the U.S. dollar. The Company believes, however, that the on-going risk on the net exposure should not be material to its financial condition. In addition, the Company's revenues and costs have been, and will likely continue to be, affected by changes in foreign currency rates. A significant change in foreign exchange rates can materially impact the Company's revenues and earnings due to translation of foreign-denominated revenues and expenses. The Company does not hedge against translation impacts of foreign exchange. From time to time, affiliates of the Company may make or receive intercompany loans in currencies other than their functional currency. The Company manages this exposure at the time the loan is made by using foreign exchange contracts.

The Company reflects derivatives at their fair value as an asset or liability on the consolidated balance sheets. The Company does not speculate in foreign currency exchange contracts. At April 2, 2023, these contracts had net unrealized losses of $2.0 million, of which $3.1 million of unrealized gains are recorded in prepaid expenses and other current assets, $0.1 million of unrealized gains are recorded in other assets and $5.2 million of unrealized losses are recorded in accrued liabilities. Included in accumulated other comprehensive loss at April 2, 2023 are deferred losses, net of tax, of $4.0 million, related to these derivatives.

At April 2, 2023, the Company had fixed-rate long-term debt of $3.8 billion. In May 2014, the Company issued an aggregate $600.0 million of long-term debt which consisted of $300.0 million of 3.15% Notes, subsequently repaid in 2021, and $300.0 million of 5.10% Notes due 2044. Prior to the May 2014 debt issuance, the Company entered into forward-starting interest rate swap agreements with a total notional value of $500.0 million to hedge the anticipated underlying U.S. Treasury interest rate. These interest rate swaps were matched with this debt issuance and were designated and effective as hedges of the change in future interest payments. At the date of issuance, the Company terminated these swap agreements and their fair value at the date of issuance was recorded in accumulated other comprehensive loss and is being amortized through the consolidated statements of operations using an effective interest rate method over the life of the related debt. Included in accumulated other comprehensive loss at April 2, 2023 are deferred losses, net of tax, of $14.7 million related to these derivatives.

INFLATION

The Company's business operations for the periods presented have been impacted by inflationary pressures however, due to mitigating actions taken by the Company, such as price increases implemented during 2022, the impact of general price inflation on our financial position and results of operations has been reduced. The Company continues to monitor the impact of inflation to its business operations on an ongoing basis and may need to adjust prices further to mitigate the impact of changes to the rate of inflation in future periods. However, future volatility of general price inflation could affect consumer purchases of our products and spending on entertainment. Additionally, the impact of inflation on costs and availability of materials, costs for shipping and warehousing and other operational overhead, could adversely affect the Company's financial results.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

The information required by this item is included in Part I, Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations" and is incorporated herein by reference.

Item 4. Controls and Procedures.

Evaluation of disclosure controls and procedures

The Company maintains disclosure controls and procedures, as defined in Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934 (the "Exchange Act"), that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. The Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of April 2, 2023. Based on the evaluation of these disclosure controls and procedures, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective.

Changes in internal control over financial reporting

There were no changes in the Company's internal control over financial reporting, as defined in Rule 13a-15(f) promulgated under the Exchange Act, during the quarter ended April 2, 2023 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

The Company is currently party to certain legal proceedings, none of which it believes to be material to its business or financial condition.

Item 1A. Risk Factors.

In connection with information set forth in this Quarterly Report on Form 10-Q, the risk factors discussed under Item 1A. Risk Factors, in Part I of our 2022 Form 10-K and in our subsequent filings, including in this filing, should be considered. The risks set forth in our 2022 Form 10-K and in our subsequent filings, including in this filing, could materially and adversely affect our business, financial condition, and results of operations. There are no material changes from the risk factors as previously disclosed in our 2022 10-K, in any of our subsequently filed reports or as otherwise set forth in this Quarterly Report, except as set forth below.

Our entertainment business could be adversely affected by strikes or other union job actions.

Any strike by, or lockout of, one or more of the unions that provide personnel essential to the production of films or television programs, such as the strike by the writers' union in May 2023, could delay or halt our ongoing production activities. Halts or delays, depending on the length of time, could cause a delay or interruption in our release of new films and television programs, which could impact our entertainment business.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

In May 2018, the Company announced that its Board of Directors authorized the repurchase of an additional $500 million of common stock, its most recent share repurchase authorization. Purchases of the Company's common stock may be made from time to time, subject to market conditions. These shares may be repurchased in the open market or through privately negotiated transactions. The Company has no obligation to repurchase shares under this authorization and there is no expiration date for this repurchase authorization. The timing, actual number, and value of shares that are repurchased will depend on a number of factors, including the price of the Company's stock and the Company's generation of, and uses for, cash.

There were no repurchases of the Company's Common Stock during the quarters ended April 2, 2023 and March 27, 2022. At April 2, 2023, Hasbro had $241.6 million remaining available under its share repurchase authorization.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits

3.1 Restated Articles of Incorporation of the Company. (Incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the period ended July 2, 2000, File No. 1-6682.)

3.2 Amendment to Articles of Incorporation, dated June 28, 2000. (Incorporated by reference to Exhibit 3.4 to the Company's Quarterly Report on Form 10-Q for the period ended July 2, 2000, File No. 1-6682.)

3.3 Amendment to Articles of Incorporation, dated May 19, 2003. (Incorporated by reference to Exhibit 3.3 to the Company's Quarterly Report on Form 10-Q for the period ended June 29, 2003, File No. 1-6682.)

3.4 Second Amended and Restated Bylaws of the Company (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated September 30, 2022, File No. 1-6682).

3.5 Certificate of Designations of Series C Junior Participating Preference Stock of Hasbro, Inc. dated June 29, 1999. (Incorporated by reference to Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q for the period ended July 2, 2000, File No. 1-6682.)

3.6 Certificate of Vote(s) authorizing a decrease of class or series of any class of shares. (Incorporated by reference to Exhibit 3.3 to the Company's Quarterly Report on Form 10-Q for the period ended July 2, 2000, File No 1-6682.)

4.1 Indenture, dated as of July 17, 1998, by and between the Company and The Bank of New York Mellon Trust Company, N.A. as successor Trustee to Citibank, N.A. as Trustee. (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated July 14, 1998, File No. 1-6682.)

4.2 Indenture, dated as of March 15, 2000, by and between the Company and The Bank of New York Mellon Trust Company, N.A. as successor Trustee to the Bank of Nova Scotia Trust Company of New York. (Incorporated by reference to Exhibit 4(b)(i) to the Company's Annual Report on Form 10-K for the fiscal year ended December 26, 1999, File No. 1-6682.)

4.3 First Supplemental Indenture, dated as of September 17, 2007, between the Company and The Bank of New York Mellon Trust Company, N.A. as successor Trustee to the Bank of Nova Scotia Trust Company of New York. (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed September 17, 2007, File No. 1-6682.)

4.4 Second Supplemental Indenture, dated as of May 13, 2009, between the Company and The Bank of New York Mellon Trust Company, N.A. as successor Trustee to the Bank of Nova Scotia Trust Company of New York. (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed May 13, 2009, File No. 1-6682.)

4.5 Third Supplemental Indenture, dated as of March 11, 2010, between the Company and The Bank of New York Mellon Trust Company, N.A. as successor Trustee to the Bank of Nova Scotia Trust Company of New York. (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed March 11, 2010, File No. 1-6682.)

4.6 Fourth Supplemental Indenture, dated May 13, 2014, between the Company and The Bank of New York Mellon Trust Company, N.A. as successor Trustee to the Bank of Nova Scotia Trust Company of New York. (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed May 13, 2014, file No. 1-6682.)

4.7 Fifth Supplemental Indenture, dated September 13, 2017, between the Company and The Bank of New York Mellon Trust Company, N.A. as successor Trustee to the Bank of Nova Scotia Trust Company of New York. (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed September 13, 2017, file No. 1-6682.)

4.8 Sixth Supplemental Indenture dated as of November 19, 2019, among the Company and The Bank of New York Mellon Trust Company, N.A. and U.S. Bank, National Association, supplementing the Indenture dated as of March 15, 2000. (Incorporated by reference to Exhibit 1.2 to the Company's Current Report on Form 8-K filed November 19, 2019, File No. 1-6682.)

10.1** Transitional Advisory Services Agreement between the Company and Deborah Thomas (Incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on March 14, 2023, File No. 1-6682.)

10.2** Letter Agreement with Gina Goetter, dated April 3, 2023.

10.3** Letter Agreement with Tim Kilpin, dated March 29, 2023.

10.4** Form of 2023 Stock Option Agreement under the Hasbro, Inc. Restated 2003 Stock Incentive Performance Plan.

10.5** Form of 2023 Restricted Stock Unit Award under the Hasbro, Inc. Restated 2003 Stock Incentive Performance Plan.

10.6**	Form of 2023 Contingent Stock Performance Award under the Hasbro, Inc. Restated 2003 Stock Incentive Performance Plan.
10.7	First Amendment to Credit Agreement, dated April 12, 2023 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on April 14, 2023, File No. 1-6682)
10.8	First Amendment to Term Loan Agreement, dated April 12, 2023 (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on April 14, 2023, File No. 1-6682)
31.1*	Certification of the Chief Executive Officer Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
31.2*	Certification of the Chief Financial Officer Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
32.1*	Certification of the Chief Executive Officer Pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934.
32.2*	Certification of the Chief Financial Officer Pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL Document.
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document

** Furnished herewith*

*** Indicates management contract or compensatory plan, contract or arrangement*

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HASBRO, INC.
(Registrant)

Date: May 3, 2023

By: /s/ Deborah Thomas
Deborah Thomas
Executive Vice President and
Chief Financial Officer
(Duly Authorized Officer and
Principal Financial Officer)

April 3, 2023

Gina Goetter

Dear Gina,

I am pleased to offer you the position of Chief Financial Officer, at Hasbro, Inc. ("Hasbro" or the "Company"). In this position, you have the opportunity to make a significant contribution to our future success and we look forward to your first day, **May 9, 2023.**

This offer is contingent upon your relocation to the Rhode Island office area by the date to be mutually agreed by you and Hasbro, Inc., but you may work remotely from your home office in Illinois until that time.

Please be sure to notify your Human Resources Business Partner and update your address in Employee Central once you complete your move to help ensure tax and benefits reporting reflects your work location appropriately.

Base Salary:

Your initial gross base salary will be $38,461.54 bi-weekly, equivalent to $1,000,000.04 annually.

Annual Bonus:

You will be eligible to participate in the Hasbro, Inc. Performance Reward Program for 2023, payable in 2024. Your target annual incentive will be 100% of your earned base salary for 2023. The PRP annual bonus program is funded by the Company's performance against annual financial targets set by the Compensation Committee (the "Compensation Committee") of the Hasbro Board of Directors (the "Board"), with the Compensation Committee and the Board having full discretion in the selection of the performance metrics to be used under the PRP, the target performance levels for each metric and the payouts associated with the various levels of performance against target. Actual bonus payouts under the PRP are also based upon your individual contribution and the Company's financial position and are subject to the Compensation Committee's and Board's ability to adjust payouts in their discretion to the level they deem appropriate. For fiscal years after 2023, your target annual incentive will be reviewed periodically by the Compensation Committee in accordance with the Company's compensation philosophy, market conditions and other factors, and may be adjusted to the extent the Compensation Committee deems appropriate.

Sign-On Bonus:

In consideration of your decision to accept our offer of employment, Hasbro will pay a sign on bonus of $350,000, less applicable taxes and withholdings, payable within two pay cycles of your start date. Payment of your Sign on Bonus will be made with the express condition that in the event you voluntarily terminate your employment with Hasbro before you complete a full 12-month service following receipt of payment, you will make a full repayment of that bonus.

One-Time Stock Award:

Subject to review and approval at the next meeting of the Compensation Committee, Hasbro will grant you a one-time restricted stock award with a grant date value of $4,000,000 that will vest in equal annual installments over the three years from the grant date, subject to your continued employment with the Company through each annual vesting date. The award will be granted as soon as practical following your date of hire. The award is subject to the terms and conditions outlined in the individual award agreement and the terms and conditions of the Company's Equity Incentive Plan.

Long Term Incentive:

You will also be eligible to participate in the Company's annual LTI (long-term incentive) program, to the extent that such programs are approved by Hasbro's Compensation Committee, Board of Directors, and senior management. All awards under such programs are discretionary. Your annual LTI target (approximate total value) is 300% of base pay. You will be eligible to participate in the next award cycle in 2024. You are not eligible to participate in the annual LTI program for 2023, beyond the one-time stock award described in the paragraph above. The Compensation Committee and Board set all of the terms for the annual LTI programs, including the types of awards granted, the mix of award types, and the terms of the awards, in their discretion. For fiscal years after 2024, your target annual LTI grant value will be reviewed periodically by the Compensation Committee in accordance with the Company's compensation philosophy, market conditions and other factors, and may be adjusted to the extent the Compensation Committee deems appropriate.

Deferred Compensation:

You are eligible to participate in our Deferred Compensation Program, as it exists and is in effect from time to time. This plan offers you an opportunity to defer current compensation on a pre-tax basis. Contributions to this plan receive an attractive tax-deferred interest credit. Enrollment must take place within 30 days from your hire date, otherwise, there is an annual open enrollment. Further information regarding the program will be provided to you.

Relocation Assistance:

Your official work location following your relocation will be Pawtucket, RI, but you may also occasionally work remotely from another location. The Company reserves the right to review your position from time to time to ensure that it can be successfully performed under these terms, and the Company can adjust the terms to the extent it deems necessary.

In order to assist you in making the transition to the Rhode Island office area, you will be eligible for relocation benefits outlined in our US Domestic Relocation Policy: Homeowner Level 7 & above. In addition to the Policy benefits, you will be provided with 4 (four) months of temporary housing upon your relocation to Rhode Island office area.

In consideration of the Relocation Policy, you agree and acknowledge the following:

1. You received a copy of Hasbro's Relocation Policy, read it, understand its contents, and agree to be bound by its terms.
2. Should you voluntarily terminate employment with Hasbro or if you are separated for cause within 24 (twenty-four) months following your relocation to the Rhode Island area, you will be required to repay to the Company the funds paid to you or on your behalf for your relocation according to the following schedule: 100% repayment in year 1 (0 months to 12 months) and 50% repayment in year 2 (13 months to 24 months). Repayment amount due from you will include applicable tax gross ups and administrative fees incurred by Hasbro.
3. Your payment of the Relocation Allowance shall be due and payable immediately upon your termination of employment with Hasbro. You expressly agree that Hasbro may deduct the amount of any such reimbursement expenses owed to Hasbro from any and all amounts which would otherwise be payable by Hasbro to you.

Reimbursement of Expenses:

The Company shall reimburse you for all reasonable travel, entertainment and other expenses incurred or paid by you in connection with, or related to, the performance of your duties and responsibilities as an officer and employee of the Company, in accordance with the policies and procedures, and subject to the limitations, adopted by the Company from time to time. The Company shall reimburse you for up to $100,000 in aggregate per year for each of calendar years 2023 and 2024 for personal travel expenses incurred by you or members of your family for travel between Illinois and New England.

Severance Benefits:

If your employment is terminated by the Company without cause (other than due to your disability or death), you will be eligible for benefits subject to and under the terms of the Hasbro, Inc. Severance Benefits Plan (the "Plan"), as such Plan is amended from time to time and exists on the date of your termination of employment.

Benefits:

Hasbro offers a competitive employee benefit program which includes medical, dental and vision coverage, 401(k) with Company match, short- & long-term income protection and life insurance. The eligibility criteria and detailed descriptions of these and other benefit programs as they currently exist are available online at https://hasbroenrollmentguide2023.paragonfiles.com/. Please note that you will have 31 days from your date of hire to enroll in your medical, dental and/or vision coverage. The Company reserves the right to amend the employee benefit plans and programs from time to time.

Please know that this offer is contingent upon you providing proof of your eligibility to work in the United States. To complete the I-9 form, please email clear copies of your appropriate identification as described on the list of Acceptable Documents to I-9@hasbro.com. These must be sent prior to your first day.

Our offer is also contingent upon receipt of a satisfactory report from a comprehensive background review conducted by our external consultant, HireRight. You will receive an email from HireRight with your system log-in details within two business days of acceptance of this offer.

As a new employee, you will attend Orientation that will include information about Hasbro history, products, and culture, and will include training on our Code of Conduct. We will be in touch shortly before your start date to provide details regarding your orientation.

The nature of Hasbro's business is highly competitive. As a condition of employment, you will be required to sign an Invention Assignment and Confidentiality Agreement and an acknowledgement of the Company's Insider Trading and Preclearance Policies. You will also be required to sign a non-compete and non-solicitation agreement in the form signed by other designated officers of the Company, which agreement has historically been re-executed annually in connection with the annual equity awards.

By accepting this offer, you represent and warrant that your employment with Hasbro will not violate any agreements, obligations, or understandings that you may have with any third party or prior employer. You agree not to make any unauthorized disclosure to Hasbro or use on behalf of Hasbro any confidential information belonging to any of your former employers (except in accordance with agreements between Hasbro and any such former employer). You also warrant that you do not possess any property containing a third party's confidential and proprietary information. Of course, during your employment with Hasbro, you may make use of information generally known and used by persons with training and experience comparable to your own, and information that is common knowledge in the industry or is otherwise legally available in the public domain.

While we anticipate a mutually rewarding and long-term relationship, please bear in mind that employment with Hasbro is at-will and nothing herein is intended to create, or creates, a contract for employment.

On behalf of the entire team, I am excited to welcome you and wish you much success.

Best regards,

Cris Cocks
Chief Executive Officer

Naj Atkinson
EVP & Chief People Officer

/s/ Gina Goetter 4/6/23
Gina Goetter/ Date

March 29, 2023

Tim Kilpin

Dear Tim,

I am pleased to offer you the position of President Toy, Licensing & Entertainment, at Hasbro, Inc. (“Hasbro” or the “Company”). In this position, you have the opportunity to make a significant contribution to our future success and we look forward to your first day, April 24, 2023.

Base Salary:

Your initial gross base salary will be $32,692.31 bi-weekly, equivalent to $850,000.06 annually.

Annual Bonus:

You will be eligible to participate in the Hasbro, Inc. Performance Reward Program for 2023, payable in 2024. Your target annual incentive will be 75% of your earned base salary for 2023. For the 2023 plan year only, you will receive a minimum incentive payment of $637,500 (your target incentive award). For subsequent plan years, you will be eligible to receive an incentive payment pursuant to the terms of the applicable PRP. The PRP annual bonus program is funded by the Company’s performance against annual financial targets set by the Compensation Committee (the “Compensation Committee”) of the Hasbro Board of Directors (the “Board”), with the Compensation Committee and Board having full discretion in the selection of the performance metrics to be used under the PRP, the target performance levels for each metric and the payouts associated with various levels of performance against target. Actual bonus payouts under the PRP are also based upon your individual contribution and the Company’s financial position and are subject to the Compensation Committee’s and Board’s ability to adjust payouts in their discretion to the level they deem appropriate. For fiscal years after 2023, your target annual incentive will be reviewed periodically by the Compensation Committee in accordance with the Company’s compensation philosophy, market conditions and other factors, and may be adjusted to the extent the Compensation Committee deems appropriate.

One-Time Stock Award:

Subject to review and approval at the next meeting of the Compensation Committee, Hasbro will grant you a one-time restricted stock award with a grant-date value of $2,000,000 that will vest in equal annual installments over the three years from the grant date, subject to your continued employment with the Company through each annual vesting date. The award will be granted as soon as practical following your date of hire. The award is subject to the terms and conditions outlined in the individual award agreement and the terms and conditions of the Company’s Equity Incentive Plan.

Long-Term Incentive:

You will also be eligible to participate in the company's annual LTI (long-term incentive) program, to the extent that such programs are approved by Hasbro's Compensation Committee, Board of Directors and senior management. All awards under such programs are discretionary. Your annual LTI target (approximate total value) for 2023 is 200% of base pay. You will be eligible to participate in the 2023 Award cycle. For other employees, the 2023 LTI awards were granted in February and March of 2023. Your proposed 2023 awards will be reviewed by the Compensation Committee at its next meeting and granted, subject to their approval. The Compensation Committee and Board set all of the terms for the annual LTI programs, including the types of awards granted, the mix of award types, and the terms of the awards, in their discretion. For fiscal years after 2023, your target annual LTI grant value will be reviewed periodically by the Compensation Committee in accordance with the Company's compensation philosophy, market conditions and other factors, and may be adjusted to the extent the Compensation Committee deems appropriate.

Deferred Compensation:

You are eligible to participate in our Deferred Compensation Program as it exists and is in effect from time to time. This plan offers you an opportunity to defer current compensation on a pre-tax basis. Contributions to this plan receive an attractive tax-deferred interest credit. Enrollment must take place within 30 days from your hire date, otherwise, there is an annual open enrollment. Further information regarding the program will be provided to you.

Work Location/Relocation Assistance:

Your official work location will be Pawtucket, RI, but you may also occasionally work from your home office in Lake Geneva, WI. The Company reserves the right to review this position from time to time to ensure that it can be successfully performed under these terms, and the Company can adjust the terms to the extent it deems necessary.

To assist you in making the transition to the Rhode Island office area, you will be eligible for relocation benefits outlined in our US Domestic Relocation Policy: Homeowner Level 7 & above. In addition to the Policy benefits, you will be provided with 4 (four) months of temporary housing upon your relocation to Rhode Island office area.

In consideration of the Relocation Policy, you agree and acknowledge the following:

1. You received a copy of Hasbro's Relocation Policy, read it, understand its contents, and agree to be bound by its terms.
2. Should you voluntarily terminate employment with Hasbro or if you are separated for cause within 24 (twenty-four) months following your relocation to the Rhode Island area, you will be required to repay to the Company the funds paid to you or on your behalf for your relocation according to the following schedule: 100% repayment in year 1 (0 months to 12 months) and 50% repayment in year 2 (13 months to 24 months). Repayment amount due from you will include applicable tax gross ups and administrative fees incurred by Hasbro.
3. Your payment of the Relocation Allowance shall be due and payable immediately upon your termination of employment with Hasbro. You expressly agree that Hasbro may deduct the amount of any such reimbursement expenses owed to Hasbro from all amounts which would otherwise be payable by Hasbro to you.

Reimbursement of Expenses:

The Company shall reimburse you for all reasonable travel, entertainment and other expenses incurred or paid by you in connection with, or related to, the performance of your duties and responsibilities as an officer and employee of the Company, in accordance with the policies and procedures, and subject to the limitations, adopted by the Company from time to time. The Company shall reimburse you for up to $100,000 in aggregate per year for each of calendar years 2023 and 2024 for personal travel expenses incurred by you or members of your family for travel between WI and New England. In addition, you shall be entitled, upon presentation of documentation satisfactory to the Company, to reimbursement of up to $5,000 per fiscal year in aggregate for accounting, tax or other legal fees actually incurred by you in connection with your employment by the Company.

Severance Benefits:

If your employment is terminated by the Company without cause (other than due to your disability or death), you will be eligible for benefits subject to and under the terms of the Hasbro, Inc. Severance Benefits Plan (the "Plan"), as such Plan is amended from time to time and exists on the date of your termination of employment.

Benefits:

Hasbro offers a competitive employee benefit program which includes medical, dental and vision coverage, 401(k) with Company match, short- & long-term income protection and life insurance. The eligibility criteria and detailed descriptions of these and other benefit programs as they currently exist are available online at https://hasbroenrollmentguide2023.paragonfiles.com/. Please note that you will have 31 days from your date of hire to enroll in your medical, dental and/or vision coverage. The Company reserves the right to amend the employee benefits and programs from time to time.

Please know that this offer is contingent upon you providing proof of your eligibility to work in the United States. To complete the I-9 form, please email clear copies of your appropriate identification as described on the list of Acceptable Documents to I-9@hasbro.com. These must be sent prior to your first day.

Our offer is also contingent upon receipt of a satisfactory report from a comprehensive background review conducted by our external consultant, HireRight. You will receive an email from HireRight with your system log-in details within two business days of acceptance of this offer.

As a new employee, you will attend Orientation that will include information about Hasbro history, products, and culture, and will include training on our Code of Conduct. We will be in touch shortly before your start date to provide details regarding your orientation.

The nature of Hasbro's business is highly competitive. As a condition of employment, you will be required to sign an Invention Assignment and Confidentiality Agreement and an acknowledgement of the Company's Insider Trading and Preclearance Policies. You will also be required to sign a non-compete and non-solicitation agreement in the form signed by other designated officers of the Company, which agreement has historically been re-executed annually in connection with the annual equity awards.

By accepting this offer, you represent and warrant that your employment with Hasbro will not violate any agreements, obligations, or understandings that you may have with any third party or prior employer. In furtherance of the foregoing, you have told us that you are not subject to any non-compete restrictions that may in any way apply to or restrict your service with Hasbro and its affiliates and subsidiaries. You agree not to make any unauthorized disclosure to Hasbro or use on behalf of Hasbro any confidential information belonging to any of your former employers (except in accordance with agreements between Hasbro and any such former employer). You also warrant that you do not possess any property containing a third party's confidential and proprietary information. Of course, during your employment with Hasbro, you may make use of information known and used by persons with training and experience comparable to your own, and information that is common knowledge in the industry or is otherwise legally available in the public domain.

While we anticipate a mutually rewarding and long-term relationship, please bear in mind that employment with Hasbro is at-will and nothing herein is intended to create, or creates, a contract for employment.

On behalf of the entire team, I am excited to welcome you and wish you much success.

Best Regards,

Chris Cocks
Chief Executive Officer

Naj Atkinson
EVP & Chief People Officer

/s/ Tim Kilpin 3/29/23
Tim Kilpin/ Date

HASBRO, INC.

RESTATED 2003 STOCK INCENTIVE PERFORMANCE PLAN

STOCK OPTION AGREEMENT FOR EMPLOYEES

________________, 2023 GRANT

AGREEMENT, made effective as of ________________, 2023, by and between HASBRO, INC., a Rhode Island corporation (the "Company") and the designated option grant recipient (the "Optionee").

WHEREAS, Optionee is an employee of the Company or of a direct or indirect subsidiary of the Company and is eligible to participate in the Company's Restated 2003 Stock Incentive Performance Plan, as amended (the "Plan"), and

WHEREAS, the Compensation Committee (the "Committee") of the Board of Directors of the Company (the "Board") acting in accordance with the provisions of the Plan is granting to Optionee a non-qualified stock option to purchase the specified number of shares of Common Stock of the Company, par value $.50 per share (the "Common Stock"), at a price determined by said Committee to be not less than the fair market value of such Common Stock on the date of said grant, subject to and upon the terms and conditions set forth in the Plan and as hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the parties hereto agree as follows:

W I T N E S S E T H:

1. The Company hereby grants to the Optionee effective on _____________, 2023, pursuant to the Plan, a copy of which is attached hereto as Appendix A and the provisions of which are incorporated herein as if set forth in full, a stock option to purchase all or any part of the number of shares of Common Stock (the "Shares"), described in Section 3 below (the "Option"), subject to and upon the terms and conditions set forth in the Plan and the additional terms and conditions hereinafter set forth. The Option is evidenced by this Agreement. In the event of any inconsistency between the provisions of this Agreement and, only if applicable, the terms of the Optionee's Employment Agreement, the provisions set forth in the Employment Agreement shall control, provided that to the extent the provisions of this Agreement or the Optionee's Employment Agreement are inconsistent with the terms of the Plan, then the terms of the Plan shall control.

2. By accepting this Option the Optionee hereby acknowledges and agrees:

(i) that this Option, and any shares the Optionee may acquire under this Option in the future or any of the proceeds of exercising this Option or selling any shares acquired pursuant to this Option, as well as any other incentive compensation the Optionee is granted, is subject to the Company's Clawback Policy, as it may be amended from time to time by the Board in the future.;

(ii) that if the Optionee is or becomes subject to the Hasbro, Inc. Executive Ownership Policy, effective as of March 1, 2014, as it may be amended from time to time by the Board in the future (the "Stock Ownership Policy"), the Optionee agrees that any shares that the Optionee may acquire in the future pursuant to this Option, as well as any other equity-based incentive compensation the Optionee is granted after the Optionee becomes subject to the Stock Ownership Policy, will be subject to the terms of the Stock Ownership Policy, including without limitation the requirement to retain an amount equal to at least 50% of the net shares received as a result of the exercise, vesting or payment of any equity awards granted until the Optionee's applicable requirement levels are met;

(iii) that if the Optionee is notified by the Company or its equity plan administrator that Optionee is required to enter into a Non-Competition, Non-Solicitation and Confidentiality Agreement with the Company, this Option shall be contingent upon and subject to the Optionee (x) executing and delivering to the Company a Non-Competition, Non-Solicitation and Confidentiality Agreement by and between the Optionee and the Company, in a form prescribed by and no later than a date designated by the Company; or (y) confirming and agreeing that the Optionee remains bound by and subject to the terms of the Optionee's previously executed Non-Competition, Non-Solicitation and Confidentiality Agreement(s), which confirmation and agreement will occur upon your acceptance of this Option. For the avoidance of doubt, if the Participant has not executed and delivered to the Company a Non-Competition, Non-Solicitation and Confidentiality Agreement or confirmed and agreed (through acceptance of this Option) the terms of the Optionee's existing Non-Competition, Non-Solicitation and Confidentiality Agreement(s) no later than 90 days from the date of this Option, this Option will not take effect and will be null and void; and

(iv) the acknowledgements and agreements set forth in this section are material conditions to receiving this Option, which would not have been made to the Optionee otherwise.

3. This Agreement relates to an Option to purchase the specified number of shares which have been communicated to the Optionee at an exercise price of $______ per share (the "Exercise Price Per Share"). (Hereinafter, the term "Exercise Price" shall mean the Exercise Price Per Share multiplied by the number of shares being exercised.) Subject to the provisions of the Plan and of this Agreement, the Optionee shall be entitled to exercise the Option on a cumulative basis until the day preceding the seventh anniversary of the date of the grant in accordance with the following schedule:

Period	Cumulative Percent of Option Exercisable
________________ to _______________	0%
________________ to _______________	33 1/3%
________________ to _______________	66 2/3%
________________ to _______________	100%

In determining the number of shares exercisable in accordance with the above table, fractional shares shall be disregarded.

4. In the event that Optionee wishes to purchase any of the shares then purchasable under the Option as provided in Section 3 hereof, Optionee shall deliver or shall transmit to the Company or to the Company's designee, in the manner designated by or on behalf of the Company, a notice in the form and/or in the manner designated by or on behalf of the Company or its designee, as the same may be amended or supplemented from time to time by or on behalf the Company, together with a check payable to Hasbro, Inc. or its designee, if applicable, (or accompanied by wire transfer to such account of the Company or its designee as the Company may designate) in United States dollars, in the aggregate amount of the Exercise

Price, or shares of Common Stock held by the Optionee for at least six (6) months (duly endorsed to the Company or its designee, if applicable, or accompanied by an executed stock power, in each case with signatures guaranteed by a bank or broker if required by the Company or its designee) having a Fair Market Value (as defined in the Plan) equal to the Exercise Price, or a combination of such shares having a Fair Market Value less than the Exercise Price and a check in United States dollars for the balance of the Exercise Price.

Unless an Optionee shall have made advance alternative arrangements satisfactory to the Company, or to the Company's designee, each Optionee shall deliver to the Company or its designee, together with the required notice of exercise and payment of the Exercise Price as aforesaid, a check payable to Hasbro, Inc. or its designee, if applicable, or a wire transfer to such account of the Company or its designee, if applicable, as the Company may designate, in United States dollars, in the amount of any withholding required by law for any and all federal, state, local or foreign taxes payable as a result of such exercise. Each Optionee shall consult with the Company or the Company's designee in advance of the exercise so as to determine the amount of withholding taxes due. An Optionee may also elect to satisfy any withholding taxes payable as a result of such exercise (the "Taxes"), in whole or in part, either (i) by having the Company or its designee withhold from the shares of Common Stock to be issued upon exercise of the Option or (ii) delivering to the Company or its designee shares of Common Stock already owned by the Optionee and held by the Optionee for at least six (6) months (represented by stock certificates duly endorsed to the Company or accompanied by an executed stock power in each case with signatures guaranteed by a bank or broker to the extent required by the Company or its designee), in each case in an amount whose Fair Market Value on the date of exercise is either equal to the Taxes or less than the Taxes, provided that a check payable to Hasbro, Inc. or its designee, if applicable, or a wire transfer to such account of the Company or its designee as the Company may designate, in United States dollars for the balance of the Taxes is also delivered to the Company, or its designee, at the time of exercise.

Notwithstanding anything in this Section 4 to the contrary, if this Option is scheduled to expire due to the expiration of the term on the date described in Section 3 above and the Fair Market Value of a share of Common Stock on the last day of such term exceeds the Exercise Price for a share of Common Stock subject to this Option, then, by accepting this Award, you shall be treated as having instructed the Company to exercise the vested portion of this Option on the last day of such term. As promptly as practicable thereafter, the Company will deliver to the

Optionee that number of shares subject to the vested Option less the number of shares with a value that is equal to the aggregate Fair Market Value of (1) the aggregate exercise price of the vested Stock Option and (2) the amount necessary to satisfy any required withholding of Taxes.

In addition, the Optionee shall comply with such other requirements and provide such additional information and documentation as is reasonably required by the Company, or the Company's designee, to process any exercise of this option and resulting delivery of shares. As soon as practicable after receipt of the notice of exercise, Exercise Price, Taxes, and such other information and documentation as the Company or its designee shall require, the Company or its designee shall deliver or cause to be delivered to Optionee the shares in respect of which the Option was so exercised (less any shares deducted to pay Taxes in accordance with Optionee's election).

5. (a) If an Optionee who is an employee of the Company or of a direct or indirect subsidiary of the Company retires at his or her Normal Retirement Date (as defined below), or an Optionee with at least one year of Credited Service of the Company suffers a permanent physical or mental disability (as defined below) or dies, in each case without the Optionee having fully exercised any Option granted to the Optionee, then the Optionee, the executor, administrator or trustee of the Optionee's estate, or the Optionee's legal representative, as the case may be, shall have the right to exercise any Option under the Plan, for a period of not more than one (1) year after such retirement, such disability, or in the case of death, the appointment and qualification of such executor, administrator or trustee (except that in no event other than death may such Option be exercised later than the day preceding the seventh anniversary of the date of the grant of such Option). In each such case, the Option will be exercisable with respect to all or any part of the number of shares to which the Option relates, whether or not said Option was fully exercisable in accordance with the schedule set forth in Section 3 of this Agreement as of the date of such retirement, disability or death. Thereafter, such Option, to the extent not so exercised during such one-year period shall be deemed to have expired regardless of the expiration date otherwise specified in Section 2 hereof.

(b) If an Optionee who is an employee of the Company or of a direct or indirect subsidiary of the Company retires at an Early Retirement Date (as defined below), without the Optionee having fully exercised any Option granted to him or her, the Optionee shall have the right to exercise the unexercised portion of any Option theretofore granted, but only to the extent said Option was then exercisable in accordance with the schedule set forth in Section 3 of this Agreement, for a period of not more than three (3) months after the date of early retirement (but in no event shall the exercise period extend beyond the day preceding the seventh anniversary of the date of grant of the Option). Thereafter, the Option, to the extent not exercised during such three-month period shall be deemed to have expired, regardless of the expiration date otherwise specified in Section 3 hereof.

(c) If an Optionee ceases to be employed by the Company or by a direct or indirect subsidiary of the Company for any reason other than the reasons set forth in subsections (a), (b) and (d) of this Section 5, he or she shall have the right to exercise the unexercised portion of any Option theretofore granted to Optionee, but only to the extent said Option was then exercisable in accordance with the schedule set forth in Section 3 of this Agreement as of the date of termination, for a period of not more than three (3) months after any such termination (but not, in any event, later than the day preceding the seventh anniversary date of the grant of such Option). Thereafter, such Option, to the extent not so exercised during such three-month period, shall be deemed to have expired, regardless of the expiration date otherwise specified in Section 3 hereof.

For purposes of subsections (a) and (b) above:

* A year of "Credited Service" shall mean a calendar year in which the Optionee is paid for at least 1,000 hours of employment with the Company or of a subsidiary of the Company.
* "Early Retirement Date" shall mean: the day on which an Optionee who has attained age fifty-five (55), but has not reached age sixty-five (65), with ten (l0) or more years of Credited Service, retires. An Optionee is eligible for early retirement on the first day of the calendar month coincidental with or immediately following the attainment of age fifty-five (55) and the completion of ten (l0) years of Credited Service, and "early retirement" shall mean retirement by an eligible Optionee at the Early Retirement Date.
* "Normal Retirement Date" shall mean: the day on which an Optionee who has attained age sixty-five (65) with five (5) or more years of Credited Service, retires. An Optionee is eligible for normal retirement on the first day of the calendar month coincident with or immediately following the Optionee's attainment of age sixty-five (65) and completion of five (5) or more years of Credited Service, and "normal retirement" shall mean the retirement by an eligible Optionee at the Normal Retirement Date.

* "permanent physical or mental disability" shall mean: an Optionee's inability to perform his or her job or any position which the Optionee can reasonably perform with his or her background and training by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long, continued and indefinite duration.

(d) Notwithstanding the foregoing, the Optionee acknowledges and agrees that this Option, and any and all rights the Optionee may have hereunder, including any rights with respect to any portion of this Option which may have vested in accordance with the Schedule set forth in Section 3 above, shall terminate immediately upon a termination of the Optionee's employment with the Company for cause or for any such other reason that casts such discredit on the Optionee as to make termination of the Option appropriate. Whether an Optionee has been terminated for cause or for such other reason that casts such discredit on the Optionee as to make termination of the Option appropriate will be determined by the Administrator in its sole discretion, and in making this determination the Administrator will not be limited by any definition of "Cause" which appears in the Plan. The Optionee's agreement to the terms in this Section 5(d) are a material condition to the grant of this Option and this Option would not be granted to the Optionee if the Optionee did not agree to such terms.

6. The adjustment provisions set forth in Section 8 of the Plan shall apply to this Option.

7. This Option shall not be transferable by the Optionee, in whole or in part, except in accordance with Section 7 of the Plan, and shall be exercisable only as hereinbefore provided. Any purported assignment, transfer, pledge, hypothecation or other disposition of the Option or any interest therein contrary to the provisions of the Plan, and the levy of any execution to, or the attachment or similar process upon, the Option or any interest therein, shall be null and void and without effect.

8. Subject to the applicable provisions of the Plan, and particularly to Section 7 of the Plan, this Agreement shall be binding upon and shall inure to the benefit of Optionee, Optionee's successors and permitted assigns, and the Company and its successors and assigns.

9. In connection with a Change in Control the Option will be treated in the manner set forth in the Plan, as such Plan has been amended by the Company's shareholders through the date of such Change in Control.

10. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Rhode Island and Providence Plantations and applicable Federal law.

11. Notwithstanding any other terms and conditions of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the issuance of this Option or shares of Common Stock the Optionee may become entitled to under this Option in the future, the Company shall not be required to deliver any such securities prior to the completion of any registration or qualification of any such securities under any non-U.S. securities, exchange control or other law, or under the rulings or regulations of any governmental regulatory body, or prior to obtaining any approval or other clearance from any governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Optionee understands that the Company is under no obligation to register or qualify any such securities with any non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of any such securities. Further, the Optionee agrees that his or her participation in the trade and acceptance of such securities is voluntary and that the Company shall have unilateral authority to amend the Plan and the Agreement without the Optionee's consent to the extent necessary to comply with securities or other laws applicable to issuance of any such securities.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Company and the Optionee have entered into this Agreement effective as of the day and year first above written. By accepting the terms of the award represented by this Agreement through an electronic form offered by the Company, or the Company's designee, the Optionee hereby agrees to the terms of this Agreement with the same effect as if the Optionee had signed this Agreement.

HASBRO, INC.

By: /s/ Chris Cocks
Chris Cocks
Executive Vice President and Chief Executive Officer

By: _____________
Optionee

HASBRO, INC.
RESTATED 2003 STOCK INCENTIVE PERFORMANCE PLAN

RESTRICTED STOCK UNIT

This RESTRICTED STOCK UNIT, which is entered into effective as of ____________ _____, 2023 (the "Grant Date"), is made by and between ______________________ (the "Participant") and Hasbro, Inc. (the "Company").

WHEREAS, the Company maintains the Hasbro, Inc. Restated 2003 Stock Incentive Performance Plan, as amended (the "Plan") and has selected the Participant to receive this RESTRICTED STOCK UNIT award.

NOW, THEREFORE, IT IS AGREED, by and between the Company and the Participant, as follows:

1. Terms of Agreement. The following are the terms and conditions of this RESTRICTED STOCK UNIT award (the "Agreement"):

A. The Participant is hereby granted _________ Stock Units, subject to and conditioned upon the terms and conditions of this Agreement as set forth herein.

B. The "Vesting Schedule" for Stock Units subject to this Agreement is as follows:

Vest Schedule – Share Units (RSU)	
Vest Date	**Vest Quantity**
D-MM-2024	___
D-MM-2025	___
D-MM-2026	___
	___

C. Stock Units are notional shares of the Company's common stock, par value $.50 per share ("Common Stock") granted under this Agreement and subject to the terms of this Agreement and the Plan, the provisions of which are incorporated herein as if set forth in full.

D. If the Participant is notified by the Company or its equity plan administrator that Participant is required to enter into a Non-Competition, Non-Solicitation and Confidentiality Agreement with the Company, this Agreement shall be contingent upon and subject to the Participant (i) executing and delivering to the Company a Non-Competition, Non-Solicitation and Confidentiality Agreement by and between the Participant and the Company, in a form prescribed by and no later than a date designated by the Company; or (ii) confirming and agreeing that Participant remains bound by and subject to the terms of Participant's previously executed Non-Competition, Non-Solicitation and Confidentiality Agreement(s), which confirmation and agreement will occur upon your acceptance of this Agreement. For the avoidance of doubt, if the Participant has not executed and delivered to the Company a Non-Competition, Non-Solicitation and Confidentiality Agreement or confirmed and agreed (through acceptance of this Agreement) to the terms of the Participant's existing Non-Competition, Non-Solicitation and Confidentiality Agreements no later than 90 days from the Grant Date, this Agreement and the grant of Stock Units represented by this Agreement will not take effect and will be null and void. The acknowledgements and agreements set forth in this section are material conditions to receiving this Agreement, which would not have been made to the Participant otherwise.

E. By accepting this Agreement, the Participant hereby acknowledges and agrees that this Agreement, any Stock Units or shares of Common Stock the Participant may become entitled to pursuant to this Agreement, any proceeds received upon the sale of any such shares of Common Stock, and any other incentive compensation the Company grants to the Participant, is subject to the Company's Clawback Policy, as it may be amended from time to time by the Board in the future. Additionally, by accepting this Agreement, the Participant hereby acknowledges and agrees that if the Participant is or becomes subject to the Hasbro, Inc. Executive Stock Ownership Policy, then the Participant shall comply with the terms of such Stock Ownership Policy. The acknowledgements and agreements set forth in this section are material conditions to receiving this Agreement, which would not have been made to the Participant otherwise.

F. For record-keeping purposes only, the Company shall maintain an account with respect to this Agreement (a "Stock Unit Account") for the Participant where Stock Units related to this award shall be accumulated and accounted for by the Company. Without limiting the provisions of Section 8(b) of the Plan, in the event the Company pays a stock dividend or reclassifies or divides or combines its outstanding Common Stock then an appropriate adjustment shall be made to the number of Stock Units subject to this Agreement. The Stock Unit Account will reflect notional fractional shares of Common Stock to the nearest hundredth of a share on a one Stock Unit for one share of Common Stock basis.

G. Other terms used in this Agreement are defined pursuant to Section 7 or elsewhere in this Agreement or the Plan.

2. Dividends and Voting Rights. On the date that the Company pays a cash dividend to holders of Common Stock, unless otherwise determined by the Compensation Committee of the Company's Board of Directors (the "Committee") in its sole discretion, the Company shall credit each unvested Stock Unit with a dividend equivalent unit ("DEU"). DEUs will be calculated at the same dividend rate paid to other holders of shares of Common Stock and will equal the total number of unvested Stock Units multiplied by the dollar amount of the cash dividend paid per share of Common Stock by the Company on such date divided by the Fair Market Value (as defined in the Plan) of a share of Common Stock on such date. DEUs will be credited in whole shares only and any residual amount that cannot be converted to a whole share shall be aggregated with the immediately following dividend and used to calculate the DEUs attributable to such dividend, as described above. DEUs shall be subject to the same terms and conditions as the underlying Stock Units and will vest in accordance with the Vesting Schedule. The Participant shall not be entitled to any voting rights with respect to the Stock Units or DEUs prior to vesting.

3. Vesting and Forfeiture of Units. Stock Units subject to this Agreement shall vest in accordance with the Vesting Schedule; provided, however, that the Participant remains employed by the Company through and including the last day of the applicable vesting date(s); and further provided, however, that Stock Units may vest earlier (either in whole or in part, as applicable) only in the situations and under the terms and conditions which are explicitly provided for in the following paragraphs.

A. Notwithstanding the Vesting Schedule, in connection with a Change in Control (as defined below), the Stock Units will be treated in the manner set forth in the Plan, as such Plan has been amended by the Company's shareholders through the date of such Change in Control.

B. Notwithstanding the Vesting Schedule, if the Participant terminates employment with the Company prior to the end of the Vesting Schedule due to (i) the Participant's Retirement (as defined below); or (ii) after the one-year anniversary of the Participant's hire date, the Participant's death or Disability (as defined below), the Participant will be entitled, as of such Participant's Date of Termination, to a pro-rata portion of unvested Stock Units subject to this Award calculated by multiplying the total number of unvested Stock Units subject to this Award by a fraction, the numerator of which is the number of days from the Grant Date or, if later, the most recent vesting date set forth in the Vesting Schedule that immediately precedes the Participant's Date of Termination, through and including the Participant's Date of Termination and the denominator of which is the number of days from the Grant Date or, if later, the most recent vesting date set forth in the Vesting Schedule that immediately precedes the Participant's Date of Termination through and including the last vesting date in the Vesting Schedule. The Participant will forfeit any unvested Stock Units subject to this Award which do not vest in accordance with the provisions of this paragraph.

C. If the Participant's Date of Termination occurs prior to the end of the Vesting Schedule for any reason other than the reasons set forth in the preceding section, including, without limitation, if the Participant's employment is terminated by the Company for cause or for such other reason that casts such discredit on the Participant as to make termination of the Participant's employment appropriate (cause or such other reasons being determined in the sole discretion of the Administrator and the Administrator not being limited to any definition of cause), then all unvested Stock Units subject to this Agreement shall be forfeited, effective as of the Participant's Date of Termination, and the Participant shall not be entitled to any rights or benefits of this Agreement.

D. Stock Units subject to this Agreement may not be sold, assigned, transferred, pledged, or otherwise encumbered, except to the extent otherwise provided by either the terms of the Plan or by the Committee.

4. Settlement in Shares of Common Stock. Provided that the Participant's interest in Stock Units subject to this Agreement has become vested, in whole or in part, in accordance with these terms and conditions, such Stock Units shall be delivered to the Participant on the vesting date in actual shares of Common Stock. Such vesting shall occur on the applicable vesting date as set forth in the Vesting Schedule; provided, however, that if Section 3.A (termination of employment in connection with a Change in Control) or Section 3.B. (termination of employment due to Retirement, death or Disability) applies, such vesting shall occur effective on the Participant's Date of Termination. The conversion of Stock Units will occur on the basis of one share of Common Stock for every one Stock Unit (including associated DEUs) which vests. Such shares of Common Stock shall be registered in the name of the Participant effective as of the date of conversion and shall be delivered to the Participant within a reasonable time thereafter in the manner determined in the sole discretion of the Company, which may be by electronic delivery to the Participant's stock plan account or in such other manner as determined in the sole discretion of the Company. To the extent that there are notional fractional shares of Common Stock in a Stock Unit Account which have vested upon settlement, such notional fractional shares shall be rounded to the nearest whole share in determining the number of shares of Common Stock to be received upon conversion.

5. Income Taxes. The Participant shall pay to the Company promptly upon request, and in any event at the time the Participant recognizes taxable income in respect of the shares of Common Stock received by the Participant upon the conversion of all or a portion of Stock Units subject to this Agreement, an amount equal to the taxes the Company determines it is required to withhold under applicable law with respect to such shares of Common Stock. Such payment shall be made in the form of cash, the delivery of shares of Common Stock already owned by the Participant or by withholding such number of shares otherwise deliverable pursuant to this Agreement as is equal to the withholding tax due or in any combination of such methods. If the Participant does not affirmatively instruct the Company prior to the applicable vesting date, in such manner and at such time as determined in the sole discretion of the Company, that such Participant will pay withholding taxes in another manner specified above, the Company shall withhold shares to cover applicable taxes upon the settlement of the Agreement.

6. Definitions. For purposes of this Agreement, the terms used herein are defined as follows:

A. Change in Control. The term “Change in Control” shall have the meaning ascribed to it in the Plan.

B. Credited Service. A year of “Credited Service” shall mean a calendar year in which the Participant is paid for at least 1,000 hours of employment with the Company or any entity directly or indirectly controlled by the Company (a “Subsidiary”).

C. Date of Termination. The Participant’s “Date of Termination” shall be the first day occurring on or after the Grant Date on which the Participant ceases employment with the Company or any Subsidiary (a “Termination of Employment”), regardless of the reason for such Termination of Employment; provided that a Termination of Employment shall not be deemed to occur by reason of a transfer of the Participant between the Company and a Subsidiary or between two Subsidiaries; and further provided that a Termination of Employment shall not be deemed to occur while the Participant is on an approved leave of absence from the Company or any Subsidiary.

D. Disability. The term “Disability” shall mean the Participant’s inability to perform such Participant’s job or any position which the Participant can perform with such Participant’s background and training by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long, continued and indefinite duration.

E. Retirement. The term “Retirement” shall mean either “Early Retirement” or “Normal Retirement.” For this purpose, Early Retirement means attainment of age fifty-five (55) with ten (l0) or more years of Credited Service and Normal Retirement means attainment of age sixty-five (65) with five (5) or more years of Credited Service.

F. Retirement Date. The term “Retirement Date” shall mean the day on which the Participant terminates employment with the Company after having satisfied the requirements for Retirement.

G. Plan Definitions. Except where the context clearly implies or indicates to the contrary, a word, term, or phrase used in the Plan is similarly used in this Agreement.

7. Heirs and Successors. This Agreement shall be binding upon, and inure to the benefit of, the Company and its successors and assigns, including upon any person

acquiring, whether by merger, consolidation, purchase of assets or otherwise, all or substantially all of the Company's assets and business, and the Participant and the successors and permitted assigns of the Participant, including but not limited to, the estate of the Participant and the executor, administrator or trustee of such estate, and the guardian or legal representative of the Participant.

8. Administration. The authority to manage and control the operation and administration of this Agreement shall be vested in the Committee and the Committee shall have all powers with respect to this Agreement as it has with respect to the Plan. Any interpretation of the Agreement by the Committee and any decision made by it with respect to the Agreement is final and binding.

9. Plan Governs. In the event of any inconsistency between the provisions of this Agreement and, if applicable, the terms of the Participant's Employment Agreement, the provisions set forth in the Participant's Employment Agreement shall govern; provided, however, that to the extent the provisions of this Agreement or the Participant's Employment Agreement are inconsistent with the terms of the Plan, then the terms of the Plan shall govern.

10. No Employment Contract. The Participant acknowledges that this Agreement does not constitute a contract for employment for any period of time and does not modify the at will nature of the Participant's employment with the Company, pursuant to which both the Company and the Participant may terminate the employment relationship at any time, for any or no reason, with or without notice or, if applicable, the terms of the Participant's Employment Agreement.

11. Amendment. This Agreement may be amended by a written agreement of the Participant and the Company, without the consent of any other person.

12. Entire Agreement. This Agreement, any Appendix hereto, and the Plan contain the entire agreement and understanding of the parties hereto with respect to the award contained herein and therein and supersede all prior communications, representations and negotiations in respect thereof.

13. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law and any court determining the unenforceability of any provisions shall have the power to reduce the scope or duration of such provision to render such provision enforceable.

14. Non-U.S. Securities Law. Notwithstanding any other terms and conditions of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the issuance of this Agreement or and any Stock Units or shares of Common Stock the Participant may become entitled to under this Agreement in the future, the Company shall not be required to deliver any such securities prior to the completion of any registration or qualification of any such securities under any non-U.S. securities, exchange control or other law, or under the rulings or regulations of any governmental regulatory body, or prior to obtaining any approval or other clearance from any governmental agency, which registration, qualification or approval the Company shall, in its sole discretion, deem necessary or advisable. The Participant understands that the Company is under no obligation to register or qualify any such securities with any non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of any

such securities. Further, the Participant agrees that participation in the trade and acceptance of such securities is voluntary and that the Company shall have unilateral authority to amend the Plan and the Agreement without the Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of any such securities.

IN WITNESS WHEREOF, the Participant has executed this Agreement, and the Company has caused these presents to be executed in its name and on its behalf, all effective as of the Grant Date. By accepting the terms of this Agreement through an electronic form offered by the Company, or the Company's designee, the Participant hereby agrees to the terms of this Agreement with the same effect as if the Participant had signed this Agreement.

HASBRO, INC.

By: /s/ Chris Cocks
Name: Chris Cocks
Title: Chief Executive Officer

By:_____
Name: _______________________________
PARTICIPANT NAME

HASBRO, INC.

RESTATED 2003 STOCK INCENTIVE PERFORMANCE PLAN

CONTINGENT STOCK PERFORMANCE AWARD

(TWO PERFORMANCE METRICS WITH TSR MODIFIER)

_____________, 2023 GRANT

AGREEMENT, made effective as of __________, 2023, by and between HASBRO, INC., a Rhode Island corporation (the "Company") and the designated contingent stock performance award recipient (the "Participant").

WHEREAS, the Participant is eligible to participate in the Company's Restated 2003 Stock Incentive Performance Plan, as amended (the "Plan");

WHEREAS, subject to and upon the terms and conditions of this Agreement, the Compensation Committee (the "Committee") of the Board of Directors of the Company (the "Board"), acting in accordance with the provisions of the Plan, is granting to Participant a contingent stock performance award dated __________, 2023; and

WHEREAS, subject to and upon the terms and conditions set forth in the Plan and as hereinafter set forth, the contingent stock performance award provides the Participant with the ability to earn shares of the Company’s common stock, par value $.50 per share (the "Common Stock"), contingent on the Company’s performance in achieving pre-established cumulative diluted earnings per share (“EPS”) and average return on invested capital (“ROIC”) performance targets over the period beginning on December 26, 2022 and ending on December 28, 2025 (the “Performance Period”), as adjusted by a total shareholder return (“TSR”) modifier (the “TSR Modifier”) for the period of time during the Performance Period, each performance target to be calculated and determined as set forth on Exhibit A hereto.

NOW, THEREFORE, in consideration of these premises and other good and valuable consideration, the parties hereto agree as follows:

W I T N E S S E T H:

1. By accepting this Award the Participant hereby acknowledges and agrees that:

   (i) this Award, and any shares the Participant may acquire under this Award in the future or any of the proceeds of selling any shares acquired pursuant to this Award, as well as any other incentive compensation the Participant is granted after, is subject to the Company’s Clawback

Policy, which was adopted by the Company's Board of Directors in October 2012, as it may be amended from time to time by the Board in the future,

(ii) that if the Participant is or becomes subject to the Hasbro, Inc. Executive Stock Ownership Policy, effective as of March 1, 2014, as it may be amended from time to time by the Board in the future (the "Stock Ownership Policy"), then by accepting this Award and any shares that the Participant may acquire in the future pursuant to this Award, as well as any other equity-based incentive compensation the Participant is granted after the Participant becomes subject to the Stock Ownership Policy, the Participant agrees that the Participant will be subject to the terms of the Stock Ownership Policy, including without limitation the requirement to retain an amount equal to at least 50% of the net shares received as a result of the exercise, vesting or payment of any equity awards granted until the Participant's applicable requirement levels are met; and

(iii) that if the Participant is notified by the Company or its equity plan administrator that Participant is required to enter into a Non-Competition, Non-Solicitation and Confidentiality Agreement with the Company, this Award shall be contingent upon and subject to the Participant (x) executing and delivering to the Company a Non-Competition, Non-Solicitation and Confidentiality Agreement by and between the Participant and the Company, in a form prescribed by and no later than a date designated by the Company; or (y) confirming and agreeing that the Participant remains bound by and subject to the terms of the Participant's previously executed Non-Competition, Non-Solicitation and Confidentiality Agreement(s), which confirmation and agreement will occur upon your acceptance of this Award. For the avoidance of doubt, if the Participant has not executed and delivered to the Company a Non-Competition, Non-Solicitation and Confidentiality Agreement or confirmed and agreed (through acceptance of this Award) the terms of the Optionee's existing Non-Competition, Non-Solicitation and Confidentiality Agreement(s) no later than 90 days from the date of this Award, this Award will not take effect and will be null and void.

(iv) The acknowledgements and agreements set forth in this section are material conditions to receiving this Award, which would not have been made to the Participant otherwise.

2. This Agreement relates to an Award providing the Participant with the potential ability to earn shares of the Company's Common Stock contingent on the Company's performance in achieving its pre-established cumulative EPS and average ROIC targets over the Performance Period, as adjusted by the TSR Modifier. The cumulative EPS and ROIC targets for the Performance Period are set forth on Exhibit A:

The threshold and maximum levels for cumulative EPS and average ROIC, as well as the TSR Modifier, contributing to shares being earned under this Award are set forth on Exhibit A to this Agreement. Following the end of the Performance Period, the Committee will determine the Company's cumulative EPS and average ROIC over the Performance Period and the TSR Modifier over the Performance Period. The Committee will certify the Company's cumulative EPS and average ROIC over the Performance Period and the TSR Modifier over the Performance Period as promptly as is reasonably possible following the completion of the Performance Period, but in no event later than 75 days following the completion of the Performance Period. The Award, to the extent earned based on attainment of the performance measures as certified by the Committee, will fully vest on February 20, 2026 (the "Vesting Date").

3. For purposes of this Award, the Company's EPS and average ROIC over the Performance Period will be computed on a consolidated basis in the same manner used by the Company in computing its consolidated financial performance under generally accepted accounting principles ("GAAP"), except for the deviations from GAAP which are set forth on Exhibit B to this Agreement. Further, EPS will be calculated based on actual results translated at exchange rates established at the beginning of the Performance Period.

4. The target number of shares of Common Stock which may be issuable under this Award in the event of 100% achievement of the pre-established cumulative EPS and average ROIC measures over the Performance Period is the specified number of shares communicated by separate communication to the Participant (the "Target Shares"). The tables appearing on Exhibit A to this Agreement set forth the contingent number of shares of Common Stock which the Participant may actually earn under this Award, as a percentage of the Target Shares, based upon certain performances by the Company in achieving the EPS and average ROIC targets. To compute the actual number of shares of Common Stock, if any, which may be earned by the Participant, the cumulative EPS and average ROIC performances of the Company, each

weighted as 50%, are applied to the tables on Exhibit A, and then such number of shares of Common Stock, if any, is subject to a +/- 25% modifier for the Company's TSR Performance against the TSR Comparator Group (as defined on Exhibit A).

On the date that the Company pays a cash dividend to holders of Common Stock, unless otherwise determined by the Committee in its sole discretion, the Company shall credit each Target Share with a dividend equivalent unit ("DEU"). DEUs will be calculated at the same dividend rate paid to other holders of shares of Common Stock and will equal the total number of Target Shares multiplied by the dollar amount of the cash dividend paid per share of Common Stock by the Company on such date divided by the Fair Market Value (as defined in the Plan) of a share of Common Stock on such date. DEUs will be credited in whole shares only and any residual amount that cannot be converted to a whole share shall be aggregated with the immediately following dividend and used to calculate the DEUs attributable to such dividend, as described above. DEUs shall be subject to the same terms and conditions as the underlying Target Shares and will vest in accordance with the vesting schedule applicable to the shares subject to this Award. The Participant shall not be entitled to any voting rights with respect to the DEUs prior to vesting.

5. Subject to the terms of this Agreement, once the Company has determined the actual number of shares of Common Stock, if any, which have been earned by the Participant, the Company or its designee will as promptly as possible after the Vesting Date, but in all events not later than the 15th day of the third month following the end of the calendar year in which the Performance Period ends, issue any such shares of Common Stock which have been deemed earned to the Participant.

6. The Participant shall consult with the Company or its designee in advance of the issuance of any shares pursuant to this Award so as to designate the manner in which the Participant wishes to pay any withholding taxes due, and any such Participant's designation must be made by the Participant affirmatively to the Company, in the manner specified by the Company, and on or before the date selected by the Company. Each Participant who elects to pay withholding taxes in cash shall deliver to the Company or its designee, a check payable to Hasbro, Inc. or its designee, or a wire transfer to such account of the Company or its designee, as the Company may designate, in United States dollars, in the amount of any withholding required by law for any and all federal, state, local or foreign taxes payable as a result of the Participant

earning any shares under this Award or being issued any shares pursuant to the provisions below based on certain other events. Alternatively, a Participant may elect to satisfy the minimum withholding taxes required by law payable as a result of the issuance of any shares pursuant to this Award (the "Taxes"), in whole or in part, either (i) by having the Company withhold from the shares of Common Stock to be issued pursuant to this Award or (ii) delivering to the Company or its designee shares of Common Stock already owned by the Participant and held by the Participant for at least six (6) months (represented by stock certificates duly endorsed to the Company or its designee or accompanied by an executed stock power in each case with signatures guaranteed by a bank or broker to the extent required by the Company or its designee), in each case in an amount whose Fair Market Value on the date the Participant has become entitled to such shares pursuant to this Award is either equal to the Taxes or less than the Taxes, provided that a check payable to Hasbro, Inc. or its designee, or a wire transfer to such account of the Company or its designee as the Company may designate, in United States dollars for the balance of the Taxes is also delivered to the Company, or its designee, at the time of issuance. If the Participant fails to timely elect to pay the withholding taxes in some other manner pursuant to the preceding provisions, or otherwise does not timely remit payment of the required withholding taxes, then the Participant’s tax withholding requirements will be satisfied through the withholding of shares of Common Stock and to the extent a fractional share needs to be withheld, the Company or its designee will withhold the next highest number of full shares and will remit the value of the fraction of a share which exceeds the required withholding to the Participant. As soon as practicable after receipt of the withholding taxes and any other materials or information reasonably required by the Company or its designee, the Company or its designee shall deliver or cause to be delivered to the Participant, using the method of delivery determined by the Company or its designee, the shares payable pursuant to the Award (less any shares deducted to pay Taxes).

7. Until such time, if any, that actual shares of Common Stock become due and are issued to the Participant in accordance with the terms of this Agreement, the Participant will not receive any dividends and will not have any voting rights with respect to any shares which may be issuable in the future pursuant to this Award. The Participant's rights under this Award shall be no greater than those of an unsecured general creditor of the Company, and nothing herein shall be construed as requiring the Company or any other person to establish a trust or to set aside assets to meet the Company's obligations hereunder.

8. (a) If a Participant who is an employee of the Company or of a direct or indirect subsidiary of the Company dies before the Performance Period is completed, then the Company will issue the number of shares of Common Stock to the executor, administrator or trustee of the Participant's estate, or the Participant's legal representative, as the case may be, that is computed by multiplying: (i) the number of shares of Common Stock which would have been issuable to the Participant pursuant to the Award assuming completion of the Performance Period and the Company's achievement over the Performance Period of cumulative EPS and average ROIC equal to target in each case by (ii) a fraction, the numerator of which is the number of days from the start of the Performance Period to the date that the Participant died and the denominator of which is the total number of days in the Performance Period. This pro-rated target award will be payable as soon following the Participant's death as is reasonably practicable. If a Participant dies after the end of the Performance Period, but prior to the delivery of any shares of Common Stock issuable pursuant to this Award, then the Company or its designee will issue to the Participant's estate, or the Participant's legal representative, as the case may be, the number of shares of Common Stock, if any, which would have otherwise been issuable to the Participant if the Participant had not died.

(b) If a Participant with at least one year of Credited Service of the Company suffers a permanent physical or mental disability (as defined below), before the Performance Period is completed, then the Participant's Award will remain outstanding during the remaining portion of the Performance Period. At the end of the Performance Period the Committee will compute how many, if any, shares of Common Stock would be issuable pursuant to the Award based on the Company’s performance against its cumulative EPS and average ROIC targets, as adjusted by the TSR Modifier. That actual number of shares of Common Stock which would have been earned under the Award over the entire Performance Period, as adjusted by the TSR Modifier, will then be multiplied by a fraction the numerator of which is the number of days from the start of the Performance Period to the date that the Participant became disabled and the denominator of which is the total number of days in the Performance Period. This pro-rated number of shares will then be issuable to the Participant in the same manner as shares are issued to other Participants.

(c) If a Participant who is an employee of the Company or of a direct or indirect subsidiary of the Company retires at either an Early Retirement Date or a Normal Retirement Date (each as defined below), before the Performance Period is completed, then the Participant’s Award will remain outstanding during the remaining portion of the Performance Period. At the end of the Performance Period the Committee will compute how many, if any, shares of Common Stock would be issuable pursuant to the Award based on the Company’s performance against its cumulative EPS and average ROIC targets, as adjusted by the TSR Modifier. That actual number of shares of Common Stock which would have been earned under the Award over the entire Performance Period, as adjusted by the TSR Modifier, will then be multiplied by a fraction the numerator of which is the number of days from the start of the Performance Period to the date that the Participant retired and the denominator of which is the total number of days in the Performance Period. This pro-rated number of shares will then be issuable to the Participant in the same manner as shares are issued to other Participants.

(d) Except as otherwise determined by the Committee (or, if delegated by the Committee, by a subcommittee of the Committee or an officer of the Company), if a Participant ceases to be employed by the Company or by a direct or indirect subsidiary of the Company before the Vesting Date for any reason other than the reasons set forth in subsections (a), (b) and (c) of this Section 9, including, without limitation, if Participant resigns from the Company (or a direct or indirect subsidiary of the Company) or the Participant's employment is terminated by the Company (or a direct or indirect subsidiary of the Company) without cause or for cause or for any other reason that casts such discredit on the Participant as to make termination of the Participant's employment appropriate (cause or such other reasons being determined in the sole discretion of the Administrator and the Administrator not being limited to any definition of Cause in the Plan), the Award will be forfeited and the Participant will not have any further rights under the Award, including, without limitation, any rights to receive shares of Common Stock.

For purposes of subsections (a), (b) and (c) above:

* A year of "Credited Service" shall mean a calendar year in which the Participant is paid for at least 1,000 hours of employment with the Company or of a subsidiary of the Company.
* "Early Retirement Date" shall mean: the day on which a Participant who has attained age fifty-five (55), but has not reached age sixty-five (65), with ten (l0) or more years of Credited Service, retires. A Participant is eligible for early retirement on the first day of the calendar month coincidental with or immediately following the attainment of age fifty-five (55) and the completion of ten (l0) years of Credited Service, and "early retirement" shall mean retirement by an eligible Participant at the Early Retirement Date.
* "Normal Retirement Date" shall mean: the day on which a Participant who has attained age sixty-five (65) with five (5) or more years of Credited Service, retires. A Participant is eligible for normal retirement on the first day of the calendar month coincident with or immediately following the Participant's attainment of age sixty-five (65) and completion of five (5) or more years of Credited Service, and "normal

retirement" shall mean the retirement by an eligible Participant at the Normal Retirement Date.

* "permanent physical or mental disability" shall mean: a Participant's inability to perform his or her job or any position which the Participant can reasonably perform with his or her background and training by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long, continued and indefinite duration, all as determined by the Committee in its discretion.

9. In the event of a Change in Control (as defined in the Plan) prior to the Vesting Date, this Award will be treated in accordance with the provisions of the Plan applicable to a Change in Control, provided, however, that for purposes of computing the payment due to the Participant as a result of a termination of employment following a Change in Control under the terms set forth in the Plan, (i) the full number of Target Shares will be used (as opposed to the actual number of shares, if any, that may be issuable based on performance through the date of the termination of employment following the Change in Control) and (ii) no pro-ration of the Award will be applied to account for less than the full Performance Period having had elapsed as of the date of the termination of employment following a Change in Control.

10. The adjustment provisions set forth in Section 8 of the Plan shall apply to this Award.

11. This Award shall not be transferable by the Participant, in whole or in part, except in accordance with Section 7 of the Plan. Any purported assignment, transfer, pledge, hypothecation or other disposition of the Award or any interest therein contrary to the provisions of the Plan, and the levy of any execution to, or the attachment or similar process upon, the Award or any interest therein, shall be null and void and without effect.

12. Subject to the applicable provisions of the Plan, and particularly to Section 7 of the Plan, this Agreement shall be binding upon and shall inure to the benefit of Participant, Participant’s successors and permitted assigns, and the Company and its successors and assigns.

13. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Rhode Island and Providence Plantations and applicable Federal law.

14. In the event of any inconsistency between the provisions of this Agreement and, if applicable, the terms of the Participant's Employment Agreement, the provisions set forth in the Employment Agreement shall control, provided that to the extent the provisions of this Agreement or the Participant's Employment Agreement are inconsistent with the terms of the Plan, then the terms of the Plan shall control.

15. Notwithstanding any other terms and conditions of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the issuance of this Award or any shares of Common Stock and the Participant may become entitled to under the Award in the future, the Company shall not be required to deliver any such securities prior to the completion of any registration or qualification of any such securities under any non-U.S. securities, exchange control or other law, or under the ruling or regulations of any governmental regulatory body, or prior to obtaining any approval or other clearance from any governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Participant understands that the Company is under no obligation to register or qualify any such securities with any non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of any such securities. Further, the Participant agrees that his or her participation in the trade and acceptance of such securities is voluntary and that the Company shall have unilateral authority to amend the Plan and the Agreement without the Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of any such securities.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Company and the Participant have entered this Agreement effective as of the day and year first above written. By accepting the terms of the award represented by this Agreement through an electronic form offered by the Company, or the Company's designee, the Participant hereby agrees to the terms of this Agreement with the same effect as if the Participant had signed this Agreement.

HASBRO, INC.

By: /s/ Chris Cocks
Chris Cocks
Chief Executive Officer

By: ___________________________
Participant

Exhibit A
Performance Criteria and Conditions

Performance Targets:

The cumulative EPS and ROIC targets for the Performance Period are:

EPS: $______
Average ROIC: _______%

For purposes of this Agreement, the Company's cumulative EPS and average ROIC over the Performance Period will be computed on a consolidated basis in the same manner used by the Company in computing its consolidated financial performance under generally accepted accounting principles ("GAAP"), except for the deviations from GAAP which are set forth on Exhibit B to this Agreement. Further, EPS will be calculated based on actual results translated at exchange rates established at the beginning of the Performance Period. Average ROIC shall be computed as Net Income plus after-tax interest expense divided by the sum of net debt (calculated by subtracting the Company's total cash and cash equivalents from its total short-term and long-term debt) plus Shareholder's Equity, averaged over the three fiscal years in the Performance Period.

Number of Shares:

The total number of shares of Common Stock which may be issuable under this Award will be equal to the product of the (i) the Target Shares and (ii) the Payout Factor set forth below, subject to adjustment for the TSR Modifier as described below (with any fractional shares rounded up to the next whole share).

Payout Factors for EPS and ROIC Metrics:
Each of the cumulative EPS and average ROIC metrics is weighted 50%. The payout percentage for each metric shall be determined separately, and then aggregated, resulting in a total payout factor (the "Payout Factor"), prior the adjustment for the TSR Modifier. By way of example, if performance for the cumulative EPS metric is achieved at 80% (i.e., threshold), then the payout for that metric would be 50%, and if the average ROIC metric is achieved at 100% (i.e., target), then the payout for that metric would be 100%, resulting in an overall Payout Factor (prior to adjustment for the TSR Modifier) of 75% (i.e., 50% weighting x 50% payout for the EPS metric, plus 50% weighing x 100% payout for the ROIC metric).

In the event that achievement for a metric is between threshold (80%) and target (100%) or between target (100%) and maximum (125% for cumulative EPS and average ROIC) performance, the applicable payout percentage will be determined by linear interpolation between threshold and target performance or target and maximum performance, as applicable. There is no payout for a metric if achievement is less than threshold.

EPS	Achievement	Payout
Less than $	<80%	0%
$ (Threshold)	80%	50%
$ (Target)	100%	100%
$ (Maximum)	125%	200%

ROIC	Achievement	Payout
Less than %	<80%	0%
% (Threshold)	80%	50%
% (Target)	100%	100%
% (Maximum)	125%	200%

Adjustment for TSR Modifier:

The number of shares earned based on the Payout Factor, as determined above, is subject to a +/- 25% modifier based on the Company's TSR Performance against the TSR Comparator Group over the TSR Performance Period.

- If the Company's TSR Performance is below the 25th percentile of the TSR Performance of the TSR Comparator Group over the TSR Performance Period, then the number of shares earned according to the Payout Factor will be reduced by 25%.

- If the Company's TSR Performance is greater than the 75th percentile of the TSR Performance of the TSR Comparator Group over the TSR Performance Period, then the number of shares earned according to the Payout Factor will be increased by 25%.

- The number of shares earned based on the Payout Factor will not be modified if the Company's TSR Performance is between the 25th and 75th percentile of the TSR Performance of the TSR Comparator Group.

The following definitions shall apply for the purpose of applying the TSR Modifier:

<u>TSR Performance Calculation</u>:
Hasbro's stock price change + Dividends (assumed reinvested) divided by the beginning stock price. The change in stock price will be calculated using a 20-trading average closing stock price including adjustments for cash and stock dividends prior to the beginning and the end of the performance period.

<u>Beginning Stock Price</u>:
The beginning stock price will be determined using the 20-trading day average closing stock price ending on the first day of the performance period.

<u>Ending Stock Price</u>:
The ending stock price will be determined using the 20-trading day average closing stock price ending on the last day of the performance period.

"<u>20-Trading Day Average Closing Price</u> " means the average of the closing transaction prices of a share of Common Stock of the Company, as reported on the principal national stock exchange on which such Common Stock is traded for the 20 business days immediately preceding the date for which the average stock price is being determined.

"<u>TSR Comparator Group</u>" means the S&P 500. For purposes of determining TSR Performance with respect to the TSR Performance Period, the companies included in S&P 500 shall be determined at the beginning of the TSR Performance Period, excluding those entities that are bankrupt, listed on the pink sheets or not listed at all. Should a company within the TSR Comparator Group become bankrupt after the start of the TSR Performance Period, they shall be assigned a TSR of -100%. Companies emerging from bankruptcy shall not be tracked for purposes of the current TSR Performance Period. If a company is acquired during the TSR Performance Period or is taken private, it will be eliminated for the entire measurement period. Companies with stock splits or recapitalizations during the TSR Performance Period will have their opening share price adjusted for the split or recapitalization. If two companies within the TSR Comparator Group merge, only the surviving entity shall be counted. Should a company within the TSR Comparator Group merge with a company outside of the TSR Comparator Group, then that entity shall be excluded from the final calculation.

Percentile Rank:

Hasbro’s percentile rank compared to the comparator companies (excluding Hasbro) is determined by interpolating between the percentile ranks for the comparator companies immediately above and below them based on differences in TSR.

Exhibit B
Adjustments

Metrics (EPS and ROIC) will be computed excluding the impact of the following events or activities which occur during the Performance Period:

(i) Non-GAAP adjustments, including but not limited to:
   a. Hasbro Transformation Office (“HTO”) charges, including severance, consulting fees and other one-time costs associated with the transformation program;
   b. eOne acquisition intangible amortization; and
   c. Other Non-GAAP adjustments not contemplated in the plan, including non-cash impairment charges, acquisition or divestiture costs, and other restructuring events outside of the HTO program.

(ii) The results of any material divestiture or acquisition made by the Company in any fiscal year during the Performance Period.

(iii) Unusual, one-time, non-operating or other significant unbudgeted costs or expenses in excess of $25 million in any fiscal year during the Performance Period, which costs, or expenses are related to changes in accounting rules that are effective after the date of this Agreement.

(iv) Unusual, one-time, non-operating or other significant unbudgeted costs or expenses in excess of $25 million in any fiscal year during the Performance Period, which costs, or expenses relate to litigations, arbitrations, or regulatory matters, or cash settlements.

(v) Unanticipated one-time operational or tax costs associated with changes to the US or international tax code that impacts cash flow, operating profit and/or tax expenses in excess of $25 million in any fiscal year during the Performance Period.

(vi) Any customer bankruptcy or significant financial issue that is estimated to have an impact on the Company’s net sales of $100,000,000 or more over the Performance Period.

(vii) Significant unanticipated or unbudgeted payments outside the normal course of business in any fiscal year during the Performance Period related to capital expenditures greater than $25 million, unanticipated tax payments greater than $25 million or contract amendments, renewals or arrangements greater than $25 million.

Exhibit 31.1

CERTIFICATION

I, Christian P. Cocks, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hasbro, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2023

/s/ Christian P. Cocks
Christian P. Cocks
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Deborah Thomas, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hasbro, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2023

/s/ Deborah Thomas

Deborah Thomas
Executive Vice President and
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
SECTION 1350, CHAPTER 63 OF TITLE 18, UNITED STATES CODE,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned, as Chief Executive Officer of Hasbro, Inc., a Rhode Island corporation (the “Company”), does hereby certify that to the best of the undersigned’s knowledge:

1) the Company’s Quarterly Report on Form 10-Q for the quarter ended April 2, 2023, as filed with the Securities and Exchange Commission (the “10-Q Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) the information contained in the Company's 10-Q Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Christian P. Cocks
Christian P. Cocks
Chief Executive Officer of Hasbro, Inc.

Dated: May 3, 2023

A signed original of this written statement required by Section 906 has been provided to Hasbro, Inc. and will be retained by Hasbro, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO
SECTION 1350, CHAPTER 63 OF TITLE 18, UNITED STATES CODE,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned, as Chief Financial Officer of Hasbro, Inc., a Rhode Island corporation (the “Company”), does hereby certify that to the best of the undersigned’s knowledge:

1) the Company’s Quarterly Report on Form 10-Q for the quarter ended April 2, 2023, as filed with the Securities and Exchange Commission (the “10-Q Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) the information contained in the Company's 10-Q Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Deborah Thomas
Deborah Thomas
Executive Vice President and Chief Financial Officer of Hasbro, Inc.

Dated: May 3, 2023

A signed original of this written statement required by Section 906 has been provided to Hasbro, Inc. and will be retained by Hasbro, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.