GAMES WORKSHOP GROUP PLC

Annual report 2024

FINANCIAL HIGHLIGHTS

	53 weeks ended 2 June 2024 £m	52 weeks ended 28 May 2023 £m
Core revenue	**494.7**	445.4
Licensing revenue	**31.0**	25.4
Revenue	**525.7**	470.8
Revenue at constant currency	**540.2**	470.8
Core operating profit	**174.8**	148.2
Core operating profit at constant currency	**185.6**	148.2
Licensing operating profit	**27.0**	22.0
Licensing operating profit at constant currency	**28.8**	22.0
Operating profit	**201.8**	170.2
Profit before taxation	**203.0**	170.6
Net increase in cash - pre-dividends paid	**155.9**	155.5
Earnings per share	**458.8p**	409.7p
Dividends per share declared and paid in the period	**420p**	415p

See the glossary on page 86 for details on the alternative performance measures (APMs) used by the Group. Where appropriate, a reconciliation between an APM and its closest statutory equivalent is provided.

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CHAIR'S STATEMENT

I'm delighted to be introducing an annual report describing another year of record performance for revenue, profit, dividends to shareholders and group profit share payments to staff.

Games Workshop has dedicated and skilled teams delivering high quality products to amazing customers. It has continued to grow and produce stellar financial returns.

Delivering these results consistently over many years is truly exceptional and it isn't easy. It requires the application of a proven business model by teams of experts, operating within a culture built on fundamental principles. Continued success requires a confidence in this approach combined with awareness and agility to ride any issues beyond our control.

Maintaining a straightforward approach to our finances helps - we have no debt, we don't hedge against currency movements and we distribute truly surplus cash to our shareholders as a dividend.

Avoiding distraction supports a laser focus on things which are in our control - investing in fantastic intellectual property and class leading miniatures, giving our amazing customers the maximum opportunity to engage with and enjoy our products, expanding globally while maintaining control of manufacturing and logistics to maximise margins - ensuring we make decisions for the long term.

This report shows that Games Workshop has delivered again. If it was easy - everyone would do it.

As previously announced, Rachel Tongue is standing down as CFO after many successful years in the Company. Her successor is an internal appointment, Liz Harrison, who is nominated to join the board as group finance director at the AGM.

As we continue to build our board for the future, it is also time to look to my succession. Having served on the board for six years, I have communicated that I intend to ask the nomination committee to commence a search for the next non-executive chair of this unique company as I do not anticipate standing for re-election at next year's AGM in 2025. This timetable allows for an orderly handover and reflects my personal decision that it is time to retire and spend more time fixing dry stone walls in Cumbria.

On behalf of the board, I would like to thank:

- The whole Games Workshop team for delivering another year of amazing performance.
- All the customers who engaged with our intellectual property and bought our amazing fantasy miniatures.
- Our shareholders for their ongoing support - we look forward to seeing you at the AGM in Nottingham on 18 September 2024.

John Brewis
Non-executive chair
29 July 2024

STRATEGIC REPORT

Strategy and objectives
Games Workshop is committed to the continuous development of our intellectual property ('IP') and making the Warhammer hobby and our business ever better.

Our ambitions remain clear: to make the best fantasy miniatures in the world, to engage and inspire our customers, and to sell our products globally at a profit. We intend to do this forever. Our decisions are focused on long-term success, not short-term gains.

Let me go through our strategy part-by-part:

The first element is that we make high quality miniatures. We understand that what we make may not appeal to everyone, so to recruit and retain customers we are absolutely focused on making our models the best in the world. In order to continue to do that forever and to deliver a decent return to our owners, we sell our miniatures for a price that we believe represents the investment in their quality.

The second element is that we make fantasy miniatures based in our endless, imaginary worlds. This gives us control over the imagery and styles we use, and ownership of the IP. Aside from our core business, we are constantly looking to grow our licensing income from opportunities to use our IP in other markets.

The third element is that we are customer focused. We aim to communicate in an open, fun way. Whoever and wherever our customers are, and in whichever way they want to engage with Warhammer, we will do our utmost to support them.

The fourth element is the global nature of our business. Our customers can be found anywhere, and we seek them out all over the world. They're a passionate bunch with an interest in science fiction and fantasy. They're collectors, painters, model builders, gamers, book lovers and much more. And while no two customers engage with Warhammer in exactly the same way, they're all deeply invested in the rich characters and settings of our IP.

To reach them, we have two key tools: our retail chain and our digital content. In retail, we showcase the Warhammer hobby and offer a fantastic customer experience. Our digital offering has never been richer. Through warhammer-community.com and social media we reach hundreds of thousands of people every day, showing them the very best aspects of the Warhammer hobby and inviting them to join our global community of enthusiastic fans.

Our retail channel is supported by our own online store (it has the full range of our products) and our independent stockist and trade accounts across the world. These independent accounts do a great job supporting our customers in parts of the world where we either have not yet opened one of our stores or where it is not commercially viable for us to have one. Our long-term goal is to have all three channels (retail, trade and online) growing in harmony. We will always have more independent accounts than our own stores. Our strategy is to grow our business through geographic spread, growing all of the three complementary channels.

The fifth element is being focused on cash. By delivering a good cash return every year we can continue to innovate, surprise and delight our loyal existing customers and new customers with great products. To be around forever we also need to invest in both long-term capital and short-term maintenance projects every year, pay our staff what they have earned for the value they contribute and deliver surplus cash to our shareholders. Our dedication and focus should ensure we deliver on time and within our agreed cash limits.

We measure our long-term success by seeking a high return on investment. In the short term, we measure our success on our ability to grow sales whilst maintaining our core operating profit margin at current levels. The way we go about implementing this strategy is to recruit the best staff we can to fit the job, and the team. The team is more important than the individuals. We look for those with the appropriate attitude and behaviour a given job requires and for those who are aligned with our beliefs and who are quality obsessed. It is also important that everyone we employ has a real desire to learn the skills needed to do their job and has a great attitude towards change. To support them, we offer all of our staff both personal development and skills training.

Our brands
We have originated and are in control of a number of strong, globally recognised brands with their own identities, associations and logos.

Our key consumer facing brand is 'Warhammer' - this unites all aspects of the Warhammer hobby - collecting, building, painting, playing, reading, watching, gaming, etc. in the worlds of Warhammer.

We have two main universes/settings - our dark, gritty fantasy sci-fi universe, which encompasses 'Warhammer 40,000', 'Warhammer: The Horus Heresy' and 'Necromunda', and our unique fantasy setting that includes 'Warhammer Age of Sigmar', 'Blood Bowl' (albeit a tongue in cheek parody) and 'Warhammer: The Old World'. We believe our IP to be among the best in the world.

We continue to add to the depth of these worlds with an ever evolving range of miniatures that we hope will keep hobbyists engaged and excited for a lifetime.

STRATEGIC REPORT continued

Strategy and objectives continued

Our brands continued

The Warhammer settings are set against incredibly rich and evocative backdrops. They're populated by more than three decades of fantastical characters and comprise thousands of exciting narratives. We are committed to making it easier than ever for people to discover, engage with and immerse themselves in our IP. Aided by a small senior team, we have already begun to find new partners, and new ways to help us bring the worlds of Warhammer to life like never before. Together, we'll continue to explore animation, live action, video games and more. We'll present the very best aspects of our rich IP, delighting audiences while always ensuring we do no harm to our core miniatures business.

Business model and structure

We are a vertically integrated business. We design, manufacture, distribute and sell our fantasy miniatures and related products. These are fantasy miniatures from our own sci-fi and fantasy universes. We are an international business centrally run from our HQ in Nottingham, with 78% of our sales coming from outside the UK. We have our two main factories, a paint factory, two warehouse facilities, the Warhammer Studio and back office support functions - all are based in or near Nottingham.

Design

We design all of our products at our HQ in Nottingham. Employing c.320 people, the Warhammer Studio creates all the IP and all the associated miniatures, artwork, games and publications that we sell. Annually, these specialist staff produce hundreds of new sculpts, illustrations, rules, stories etc. enabling us to deliver new products every week and continue to keep our customers engaged and excited. In 2023/24 we invested £18.0 million in the Warhammer Studio with a further £7.0 million spent on tooling, the majority of which was for new plastic miniatures. We are committed to investing in these areas at an appropriate level every year.

All of our plastic miniatures are branded as Citadel Miniatures, a mark with an unparalleled reputation for quality. It denotes both a style and level of detail that we apply to both our own worlds (Warhammer 40,000, Warhammer Age of Sigmar etc.) and those of others, e.g. Lord of the Rings. Our resin miniatures, designed for more experienced customers, are branded as Forge World and are less widely available than their plastic counterparts.

Many customers love personalising their miniatures and our Citadel Colour paint range, brushes and accompanying painting system are designed to help everyone from the complete beginner to the most experienced painters in the world achieve great results. In the pursuit of ever better, we continually develop new types of paint and ways of using them. The result - our paints are used the world over. And for painting more than just our miniatures.

When not interacting with our miniatures, many customers enjoy reading stories set in our rich and immersive worlds. Under our Black Library imprint we publish new titles every year, from short stories and audio dramas through to full length novels and audio books. These we make available in physical bookstores, on third party digital platforms and through our own retail and other specialist stores.

Manufacture

We are proud to manufacture our product in Nottingham which is the centre of expertise for our global business. It's where we started and where we intend to stay.

Logistics

Our product is distributed from our warehouse (EMG) approximately 25 minutes away from our HQ in Nottingham. EMG supplies our two hubs; one in Memphis, Tennessee and one in Sydney, Australia. Between these three warehouses, we are able to directly supply our independent retailers, our own retail stores and fulfil our online orders.

Sell

Our core revenue is generated via three channels, our own stores 'Retail', third party independent retailers 'Trade' and our online store 'Online'. We also sell via our licensing partners. We support these channels and activities via our digital and marketing team.

Retail - our stores provide the focus for the Warhammer hobby in their geographical areas. Our stores only stock Games Workshop products. They are where we recruit the majority of our new customers. To do so, the stores don't offer the full range of our product, only starter sets, new release products and the appropriate extended range. At the period end, we had 548 of our own retail stores in 23 countries. We have 412 single staff stores: small sites, each one operated by only one store manager. We also have 136 multi-staff stores, which, like our single staff stores, are constantly reviewed to ensure they remain profitable. If not, they will probably be converted to single staff stores.

Trade - we sell to third party retailers under closely controlled terms and conditions. Independent retailers are an integral part of our business model helping us to sell our products around the world and importantly in areas where we don't have our own stores. Games Workshop strives to support those outlets which help to build the Warhammer hobby community in their local areas. The bulk of our sales to independent retailers are made via our telesales teams based in Memphis, Nottingham and Barcelona. We also have small telesales teams in Sydney, Tokyo, Shanghai, Singapore, Hong Kong and Kuala Lumpur. In 2023/24 we had 7,200 independent retailers (2022/23: 6,500) in 71 countries. We strive to deliver excellent service, operating in 20 languages covering all time zones. Independent retailers sell from their physical stores as well as their own online web stores.

Business model and structure continued

Sell continued

Online - sales via our own web stores. All of our retail stores also have a web store terminal that allows our customers to access the full range from within the store. Our web stores are run centrally from our HQ in Nottingham.

Licensing - we grant licences to a number of carefully chosen partners. This allows us to exploit our IP to broaden the presence and brand exposure of Warhammer around the world, often entering new markets such as media and entertainment. It also allows us to generate additional income. Currently, the majority of this income is generated by video games sales in North America, the UK and Continental Europe.

Marketing - keep us customer focused. This team acts as the bridge between our other business areas, ensuring we have a joined up approach between product (design to manufacture) and sales. Marketing spend a lot of time listening and developing a two way dialogue with our customers to make sure we keep their needs at the forefront, championing the Warhammer hobby around the globe and injecting our content and communications with a real sense of passion and fun.

Structure

We control the business centrally from our HQ in Nottingham; it is where the majority of people with experience and knowledge of running our business work. I have put in place a flat structure: the people with senior responsibility, that make all of the big decisions, report directly to me.

I have two main teams: an operational board team and a senior management team. The operational board members are: the chief financial officer, a global IP and product design director, a global business to business (B2B) sales and marketing director, a global manufacturing and supply chain director, and a creative media director. I represent our own sales channels, Retail and Online, at the regular reviews.

Our global IP and product design director is responsible for our Warhammer design studios (miniatures, books and box games, specialist systems, hobby product, our publishing business - Black Library, and creative approvals for third party licences). They ensure any content that is produced, whether physical or virtual, truly represents our IP. They also support me in exploiting our IP, alongside our creative media director.

The responsibility for our trade sales is with our global B2B sales and marketing director who also manages the marketing team for all sales channels.

Reporting directly to me, our retail chain is split between two retail territory managers, one for North America and Asia and one for the rest of the world. Our online store (our biggest store) is the responsibility of our rest of the world retail manager, who also manages our biggest physical store, Warhammer World.

The global manufacturing and supply chain director manages the three factories in Nottingham and our main warehouse facilities in Nottingham, Memphis and Sydney as well as the service levels at our third party run warehouses in Tokyo and Shanghai. He is also responsible for our stock forecasting and our merchandising team, supporting all sales channels.

Our operations and support structure includes the chief financial officer for Games Workshop who is responsible for accounts, HR, legal and compliance, and IT. They also support me in exploiting our IP by managing the licensing team.

The senior management team comprises the members of the operational board together with our global head of IT, two retail territory heads, our Group company secretary/general counsel, two HR managers (covering support and advisory as well as recruitment and development). In addition, my executive assistant helps me by running a team who supports the day to day running of the teams above.

Key performance indicators

The boards and management team use a number of key performance indicators to provide a consistent method of analysing performance, in addition to allowing the boards to benchmark performance against our forecast. The key performance indicators utilised by the boards can be split into key financial performance indicators and key non-financial performance indicators.

Our key financial performance indicators are:

Monthly and year to date core business sales growth by channel

This measures the core business sales growth achieved in each of our core channels on a monthly and year to date basis: see page 10.

Monthly and year to date core gross margin

This measures the core gross margin achieved on core sales after taking account of the direct costs, depreciation of manufacturing equipment and the costs of shipping our product to customers/stores on a monthly and year to date basis: see page 12.

Year to date core operating profit percentage

The ratio of core operating profit against core revenue, as a percentage: see page 13. This is considered to be a measure which reflects sales and costs under our direct control.

STRATEGIC REPORT continued

Key performance indicators continued
Monthly and year to date core operating profit
This measures gross profit less operating expenses for the core business on a monthly and year to date basis: see page 13. This is considered to be a measure which reflects sales and costs under our direct control.

Year to date licensing revenue
This measures licensing revenue and cash earned from licensing: see page 11. These measures reflect revenue which is not under our control.

Our key non-financial performance indicators are:
Number of own stores by territory
This measures the number of our own stores which is an indicator of our global reach: see page 11.

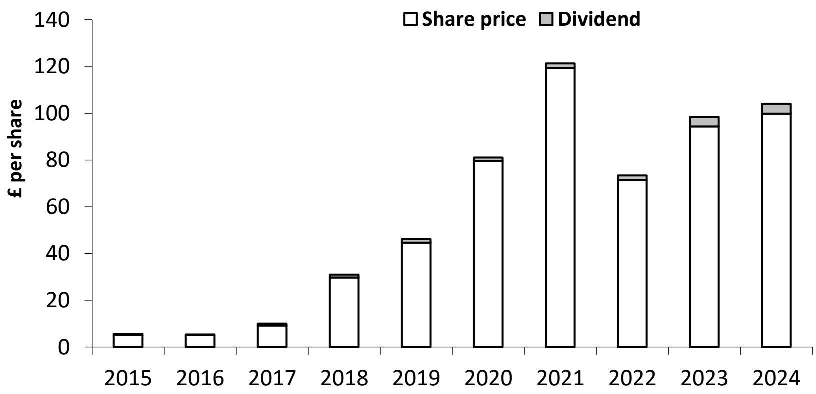
Number of ordering stockist accounts by territory
This measures the number of trade outlets that have ordered from us in the last six months. It is an indicator of our global reach and the health of our trade account base: see page 11.

Customer engagement
We measure this through our own content channel warhammer-community.com and reach, delivered through our social platforms: see page 9.

Shareholder value
We believe shareholder value is created, primarily, by not destroying it. We have no intention to acquire other companies, nor to dispose of any of those we own.

We return our surplus cash to our owners and try to do so in ever increasing amounts. A cash buffer of three months' worth of working capital requirement (now £80 million) alongside three months' worth of tax payments and any large planned capital purchases or Group Profit Share payments/bonuses over £1 million, have been set aside before deciding how much cash is truly surplus for the purpose of declaring dividends.

Graph of shareholder value
Shareholder value for this graph is calculated as the price of our shares at period end plus the dividend per share declared in the period.



Review of the period
Games Workshop and the Warhammer hobby are in great shape.

I am delighted to report the best results in Games Workshop's history, so far. We have delivered sales, profits and dividend payments to shareholders at record levels.

We once again have designed, made and sold in record quantities, the best fantasy miniatures in the world - our Warhammer Studio has again been inspiring, thank you all.

Review of the period continued

Performance

These record results were delivered by an incredible international team performance. A team that cares passionately about the Warhammer hobby and our loyal fans. We delivered 12 out of 12 months of profitable sales growth at constant currency. This consistent performance is a direct result of the team being absolutely focused on the delivery of a great customer offer. At the same time, they've shown a great ability to work together to deliver our detailed commercial plan. Both are essential to our ongoing success and neither is easy to deliver week after week.

Our business is run to a weekly rhythm e.g. range management - too much stock or too little stock, for our vertically integrated business is a trade off of either too much cash tied up in stock versus not making enough stock to support weekly new releases or existing range items, sometimes leaving a few customers annoyed. We have flexed up our safety stock levels in the last year and we are still working to get this balance right. We have purposefully, for our customers, increased stock levels year on year and the result is gross stock is higher. So, in the year ahead we will need to continue to be ambitious on our new release product performance and at the same time pragmatic when forecasting customer demand on our existing ranges. This will ensure we deliver great customer service, support our sales channels and at the same time keep to our commercial short-term performance goals.

The most likely thing we are aware of at this stage in the trading period that could stall our growth plans is our old IT system. It keeps randomly annoying us and causing temporary issues for us and our customers - particularly in order processing. We have skilled staff who know, more now than we have ever done, what the problems are to solve. We have an outline plan to replace our legacy systems and have agreed and implemented an increase in investment. It's clearly being managed better, and it's not getting in the way, too much, of us delivering record volumes.

We aim for many more years of profitable growth and for all our customers to continue to enjoy their hobby. So every year as we plan for the next few, we continue to set the sales volume bar higher; as I wrote in 2021, it is still worth noting that historically the launch year of a new Warhammer 40,000 edition is normally the financial high point, until the next edition of Warhammer 40,000. I'm stating the facts: Warhammer 40,000 is still our best selling range of products. We have an ambitious plan for the next period, time will tell whether it was good enough.

Cash

Since May 2023, we have increased our cash buffer from £50 million to £80 million, in line with the new three monthly cash cost of running Games Workshop. Our job is to run the business under all scenarios - some not so positive ones are highlighted in our annual report under going concern scenarios - our cash buffer levels pass all these scenarios.

Climate change - supporting global temperature reduction

We have made good progress on this strategic priority. As promised, we are focussing on our scope 1 and 2 CO_2e emissions and we are ahead of the milestones presented in the 2023 annual report. More on that later.

Culture

I am really proud that I see a great culture at Games Workshop. A culture built on us all appreciating the efforts of everyone in the team, all working hard to do the right thing for Games Workshop. A culture which allows a few of us to make big judgements with no fear; we are allowed to make mistakes, tomorrow is another day. We are ambitious and so occasionally we do make mistakes. We also understand that continuing to improve all the little things is essential for our ongoing success: there are no silver bullets - these results are built on our hard work and focus on what's in our control. As time goes by and a few long-standing team members leave, we will continue to help all our staff understand the key elements of our culture that have shaped the successful company we are. For example, ensuring we continue to recruit well (behavioural fit is more important than skills - which we can ultimately train) and our personal development, most importantly self-awareness, and the impact on the morale of those around you at Games Workshop, really does matter. We are here for the Company and for each other.

At Games Workshop we have a senior team that has an average tenure of over 20 years. So, pragmatically as some leave, we look for a few remarkable people to be our future leaders. I still believe, for a niche vertically integrated company like us, it is in the best interests of Games Workshop, Warhammer fans and our broader stakeholders to recruit senior jobs from within. The challenge for most companies, and it is the same for Games Workshop, is that only a few people have the personal qualities to be consistently successful in the most senior jobs or the willingness to accept the responsibility that comes with these jobs…and at the same time remain ego free. Rachel Tongue and John Blanche, two of our great leaders, are moving on. We thank them both for their many years of considerable efforts and support - we wish them both all the best for the future.

Our staff and their team efforts are critical to our ongoing success so we are all proud that our staff retention rate continues to remain high. We thank all of our staff for their ongoing support and their focus on delivering their department strategies. This year, in line with our remuneration policy, to reward their huge efforts we increased the Group Profit Share payments to a record level.

STRATEGIC REPORT continued

Review of the period - core business

Design

In June we launched the 10th edition of Warhammer 40,000 - now 37 years old and going strong. The response to the new miniatures and rules has been fantastic, driving growth through the whole of the Warhammer 40,000 range.

Our Horus Heresy offer explores the civil war that is the founding story of the Warhammer 40,000 setting. Our drive to turn this predominantly resin range into plastic continues at pace. In December we launched Horus Heresy Legions Imperialis to complement the Horus Heresy range - the same setting but with a different scale of miniature allowing customers to recreate huge battles on the tabletop.

Warhammer Age of Sigmar received several faction launches over the year, the most significant being Cities of Sigmar. Accompanying them was an unfolding storyline, culminating in the summer of 2024 with the return of a much loved protagonist…

In January we expanded our fantasy offer with the return of Warhammer: The Old World (first launched in the 1980s). Sales suggest that it is appealing to both new and veteran hobbyists alike. As with everything we do, we have grand plans for the years ahead.

Finally, our monthly printed magazine, White Dwarf, hit its 500th issue in May 2024 - quite a milestone in an ever increasingly digital age.

Manufacturing

Our manufacturing focus has remained, as always, on producing the best fantasy miniatures in the world.

All three Nottingham factories have operated in line with our forecast and expectations throughout the year. Factory output has been at record levels, producing in excess of 40 million plastic sprues during the year. Projects to improve efficiency, (we re-laid out our factories amongst other initiatives) allowed this to happen without adding additional machinery or buildings. We have also undertaken work to improve our factory environments for staff with air conditioning and lighting systems being upgraded. To give us extra capacity, we are now in the planning approval stage of an additional factory, called Factory 4, on our existing Nottingham site. The land was purchased in 2020 at a cost of c.£2.7 million and we estimate the fully operational build cost to be c.£9 million.

Total production costs have increased by £3.9 million to £25.8 million, this includes increased staff costs of £2.7 million; as a percentage of core sales, production costs have increased from 4.9% to 5.2%.

Warehousing

Our warehousing, logistics and distribution focus has been improving the service offered to our customers, which in the recent past has been below what we'd expect.

North America

We are still having some issues with our old IT systems at our Memphis facility. They will be addressed fully as we implement our systems improvement programme. These issues are random which can be frustrating for us and some customers, as it temporarily drops our service levels to below expectations. We have invested in an additional 25 robots and associated equipment during the period to further increase our picking capacity. More can be added in future, as and when required. I highlighted earlier some tremendous efforts by the team to not only deliver the highest dispatch volumes ever, but they also planned and implemented, without any real drama, the transition from the old warehouse set up to the new one in April 2024.

UK

All UK and European finished goods fulfilment has now transitioned to the EMG site. During this transition, the service we provided to customers from September to January, particularly to our direct web customers, was late. However, with everything now in place the site delivered the expected improvements with Online orders now routinely dispatched in under 48 hours (excluding pre orders and made to order). Here too, an additional 25 robots and associated equipment were introduced to scale picking capacity. There is plenty of room for more, as and when they are required. The legacy Eurohub warehouse was successfully refurbished and converted to become our dedicated materials and component warehouse (now known as the Lenton Components Operation or LCO). Its location, close to the factories, has enabled a more just in time service, and the consistency of delivery has greatly aided the factories' record productivity. Consistency and reliability of cross border shipping remains a key focus for orders transiting into Europe. A finished goods warehouse solution in Europe is still under review. It is likely to be an outsourced solution like we have implemented in Asia.

Australia

After over 25 years, we concluded the time had come for us to upgrade to a new, larger, modern warehouse to better meet the needs of our sales channels in Australia and New Zealand. At the time of writing the construction of our new warehouse, situated in Leppington, Sydney (close to our original Ingleburn warehouse) is nearing completion. Our warehouse team (and the wider Australian sales and support teams) will move into this new site during 2024/25.

Total warehousing costs have increased by £3.1 million to £29.0 million, this includes increased staff costs of £2.6 million; as a percentage of core sales, warehouse costs have increased from 5.8% to 5.9%.

Service centres
During the year our teams helped deliver the change programmes described above. In addition, they have been busy: benchmarking salaries on all jobs, supporting our investment in ESG topics, helping us open up in new countries (the admin burden is often considerable), navigating us through the significant tax reporting and returns we do in 38 countries, working alongside our trade accounts to manage to the £12 million credit we have across 7,200 accounts and paying the 3,500 suppliers. Not forgetting paying our c.3,500 staff on time across 23 countries. We thank them all for their considerable efforts and for their commitment to continuous improvement. There will be some small structure changes in the next year as Rachel (CFO) leaves and passes the cheque book and keys to Liz (Group FD).

IT
Following a thorough review of our services we have increased our cash allocation investment in IT from c.3% of core revenue up to c.5%. It's worth noting that most of this spend is written off in the period it is incurred in line with accounting standards. The review process was fairly challenging for our new team- it is clear to them that we run IT like everything else, aligned with core business operational KPIs. The work to remove our legacy systems will take three to five years so we will just let them crack on. We will judge the team on delivery of the key milestones. The next key one is the go live of the new core systems in Australia, which is by September 2025.

Customer focused
Our goal remains to reach out and find new fans, and engage and inspire existing Warhammer enthusiasts, wherever in the world they may be. We continue to focus our efforts on six of our own key areas:

Our stores
For decades, the staff in our retail stores have worked cheerfully and relentlessly to offer great customer service and more importantly recruit ever more new customers into the Warhammer hobby. Our stores continue to be the best place to start your hobby journey with us. We continue to offer free introductory experiences: receive your first model, learn how to build and paint it, and play an exciting game with store staff. Our store formats are varied and applicable to the local area; from small stores run by a manager to our large café format stores found in the US and Japan. The Warhammer Alliance schools programme has c.7,700 active school and library clubs signed up worldwide, supporting young people in improving their engineering, arts, and maths skills.

Warhammer community and social media
Warhammer-community.com remains the cornerstone of our online presence. The best place to come for all the latest news from our Warhammer universes. During the year, the team again put out thousands of pieces of content to engage, inform and inspire Warhammer fans globally, including news of the new edition of Warhammer 40,000, supported by our latest animated trailer. The most recent exciting news is an increase in our coverage of our IP and product content to cover more languages; including local language coverage in some of our fastest growing markets like Germany and Japan.

My Warhammer
This single login gives access to our webstore and related apps. As at the period end, we have 565,000 active users (2022/23: 427,000). We define active users as someone who has engaged with us online in the last six months.

Warhammer+
Our subscription service for Warhammer fans is approaching its third year. Packed with original animated shows, tutorials and much more, it continues to extend the ways in which everyone can explore the worlds of Warhammer.

The exciting content delivered through Warhammer+ will remain an integral part of our digital offer and how we share our IP. Subscriber numbers are currently 176,000 (2022/23: 136,000).

Email
Our email campaigns continue to be one of our most effective methods of communication. Subscriber numbers, defined as people who opened one of our emails in the last six months, at the period end were 598,000 (2022/23: 531,000).

External events and product placement
To broaden our reach to ever more potential enthusiasts, we continue to attend many of the largest tabletop third party events in the world including in the US, Germany and Japan.

The network of local clubs, schools and group events, plus the activities of our trading partners and our own Warhammer stores, have helped local Warhammer communities grow offline…in the *real* world.

STRATEGIC REPORT continued

Review of the period - licensing business
Warhammer IP is rich, vast and endless so as we do more projects, it's important that we are focused on exploiting it all and that we can always defend the ownership of our IP. We always work with partners that understand that their IP representation continues to be respectfully aligned to ours. We do understand that we are not funding these products nor do we own them, so this is a relationship built on trust. During the period, we transferred the approval process for managing our IP with licensing partners to the management team at the heart of Games Workshop, our Warhammer Studio. This will ensure our views on what our IP representation is, comes from our experts.

Our strategy is to exploit the value of our IP beyond our core tabletop business, in multiple categories and markets globally. We intend to ensure Warhammer's place as one of the top fantasy IPs globally. The main areas of focus are:

Entertainment
As we announced in December 2023, we have entered into an agreement with Amazon Content Services LLC ('Amazon'), a subsidiary of Amazon.com, Inc., for the prospective development by Amazon of Games Workshop's Warhammer 40,000 universe into films and television series, together with associated merchandising rights.

Under the terms of the agreement, Games Workshop has granted exclusive rights to Amazon in relation to films and television series set within the Warhammer 40,000 universe, together with an option for Amazon to license equivalent rights in the Warhammer Fantasy universe following the release of the initial Warhammer 40,000 production.

Games Workshop and Amazon are working together for a period of 12 months, ending in December 2024, to agree creative guidelines for the films and television series to be developed by Amazon. The agreement will only proceed if the creative guidelines are mutually agreed between Games Workshop and Amazon. We will update you accordingly.

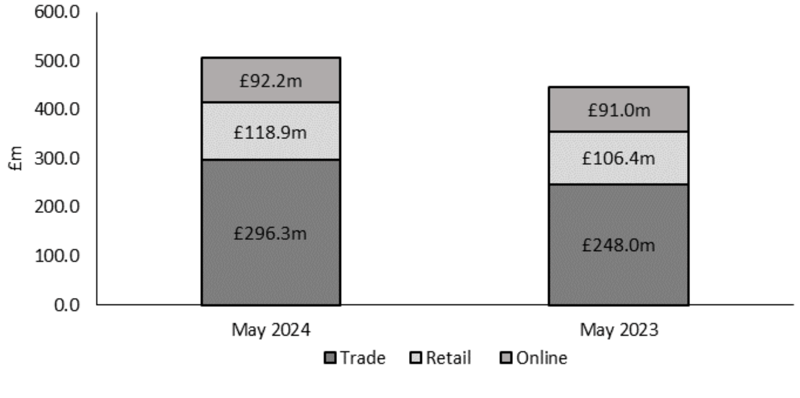
Video games
During the period our licensing partners launched three new games; two PC/console and one mobile. We also saw revenue from established games that continue to perform well, many years after launch, through a mixture of added content and continued marketing. Particular launches of note were Rogue Trader and Warpforge.

The general backdrop still remains challenging for this market in the short term. Our team, under a new boss, continues to promote the depth of our IP and its unique lore and settings to potential licensing partners. Two new games were announced in the period, a sequel to a successful PC and console tactical game, Mechanicus 2, and a digital version of Talisman 5th edition.

We are delighted that new games launching in 2024/25 include the highly anticipated video game - Space Marine 2.

As a reminder, the viability and ongoing success of any of our licensing deals is broadly out of our control; they are reliant on the successful development and delivery by our licensing partners. Our cash receipts performance is linked to games launched. This can be different to reported income which includes an element of guarantee income on multi year contracts not yet paid, more on that below.

Revenue
Reported core revenue grew by 11.1% to £494.7 million for the period. On a constant currency basis, core sales were up by 13.9% to £507.4 million; split by channel this comprised:



Revenue continued

Licensing revenue from royalty income was up in the period at £31.0 million (2022/23: £25.4 million). This was partly due to a high level of guarantee income on multi-year contracts signed in the second half of the year; this income was recognised in full at the inception of the contract in line with IFRS 15 'Revenue from contracts with customers' following assessment of the performance obligations of the contract. As at the period end we had receivable balances of £9.6 million falling due in the year ahead. The total licensing receivables balance at the period end was £28.3 million.

Reported income is split as follows: 70% PC and console games, 15% mobile and 15% other. In the period, guarantee income was £17.6 million (2022/23: £8.1 million). Cash received from licensees in the period was £25.0 million (2022/23: £26.5 million).

Revenue by sales channel

	53 weeks ended 2 June 2024 Constant currency £m	52 weeks ended 28 May 2023 Constant currency £m	**53 weeks ended 2 June 2024 Actual rates £m**	52 weeks ended 28 May 2023 Actual rates £m	**2024 % of core revenue**	2023 % of core revenue
Trade	**296.3**	248.0	**288.4**	248.0	**58%**	56%
Retail	**118.9**	106.4	**115.6**	106.4	**24%**	24%
Online	**92.2**	91.0	**90.7**	91.0	**18%**	20%
Core revenue	**507.4**	445.4	**494.7**	445.4		
Licensing revenue	**32.8**	25.4	**31.0**	25.4		
Revenue	**540.2**	470.8	**525.7**	470.8		

Trade

Trade achieved significant growth of 16.3% with growth in all key countries. In the period, our net number of trade outlets increased by c.700 accounts to 7,200 which helped drive forward sales in this channel. It's worth noting that a large number of independent retailers now also sell our products online, meaning our customers have more choice than ever about where to buy Warhammer. A highlight in the period reported is the performance of our multilingual team based in Barcelona; nearly all of our trade team that supports our trade accounts across Continental Europe sit in an office in Spain. This has resolved our staff recruitment challenges.

Retail

We believe our stores are the best place to start your Warhammer hobby journey. Our stores are filled with staff who have extensive Warhammer knowledge, build local communities, and offer Warhammer hobby guidance and support. It is an essential and unique customer service offer that we are proud of. In the period, Retail achieved growth of 8.6%.

Store openings and closures during the period:

	Number of stores at 28 May 2023	Opened	Closed	**Number of stores at 2 June 2024**	**Number of single staff stores at 2 June 2024**	Number of single staff stores at 28 May 2023
UK	135	3	4	**134**	**83**	90
North America	172	14	1	**185**	**158**	145
Continental Europe	154	10	2	**162**	**120**	113
Australia	49	1	1	**49**	**36**	37
Asia	16	2	-	**18**	**15**	14
	526	30	8	**548**	**412**	399

In the period, we opened, including relocations, 30 stores. After closing 8 stores, our total number of stores at the end of the period was 548. The performance of each store will be kept under review and any stores that do not meet our financial model will be closed.

Our new country structures in North America (now run through four regional managers instead of centrally from a boss at retail HQ in Dallas) and the UK (staff development opportunity with some additional regional managers) are in their early stages but performing well. Retail sales in North America are up 10.0% to £45.1 million and in the UK up 6.9% to £34.3 million. We may, if needed, slow down new store openings to give them additional time to focus on the performance of our existing stores. The team has highlighted significant opportunities including reaching 200 stores in North America soon.

Our new Australia and New Zealand retail territory manager, appointed in 2023, with the support of our UK retail team, has gone back to ensuring all of our staff across our 49 stores in this region are focused on delivering the essential customer facing services to our very high standards; they are making some good progress. This, as expected, has impacted sales. Our sales performance in Retail in Australia and New Zealand is down 10.6% to £8.4 million. It's going to be busy in Australia in the next few years as we upgrade their core financial systems and relocate the whole team to a new warehouse and office HQ too. Any IT solutions rolled out here will be the globally chosen solution. These projects will be a fair challenge; centrally run with the full support of the UK based team with an appropriately resourced local implementation team. My fingers are crossed - we will deploy more resources, if needed, to ensure they're not crossed for too long.

Sales in Retail in Continental Europe are up 15.6% to £24.4 million with all countries in growth.

Asia, China and Japan were in like for like growth with Retail sales in Asia up 21.4% to £3.4 million.

STRATEGIC REPORT continued

Retail continued

Our new store openings will continue to follow our single staff model, where appropriate. Managing rents and shopfits has been more challenging during the period with the average rent increase at c.4% at constant currency and average capex at £40,000. All but a few of our stores remain profitable at these new levels. Our larger stores continue to perform within their multi staff model too: our North America retail team are looking forward to finding a new location for a café format store on the east coast to open when they're ready.

Ensuring we always recruit great store managers and offer our customers an exceptional in-store experience, remains a priority for us. We have had no issues during the year recruiting store managers…it's a very rewarding job being one of our wonderful ambassadors.

Online

In October, we launched our new Warhammer.com store. Completed successfully, a few months earlier than planned, phase 1 was focused on moving us to a new, more stable platform. Phase 2 is now progressing, and will add extra functionality to give customers a better shopping experience.

Reported Online sales have decreased by 0.3% compared to the same period last year. Excluding digital sales, Online sales decreased by 5.2% or £3.8 million. This was due to fewer customers ordering directly to and from home with us. There was a significant increase of 46% (£2.7 million) to £9 million of orders from home and picked up in a Warhammer store (reported in Online).

Our Warhammer.com webstore functions as more than just our B2C online shopping channel. It fully supports our retail stores and trade partners, acting as a virtual stockroom portal, allowing us to offer the widest possible Warhammer range to every customer. We're not precious about where our customers shop - only that they can do it how they want, wherever they are.

We saw orders in our own stores and/or in trade accounts processed by the platform increasing in popularity. There has been a 20% (£3.0 million) increase to £18 million in the period in 'Direct through Trade' (reported in Trade). There was a 16% (£2.0 million) increase to £15 million in the period of sales of products ordered through our in store terminals (reported in Retail).

Core gross margin

Core gross margin percentage increased in the period from 66.5% to 69.4%.

	%
Core gross margin at May 2023	66.5
Inventory provision	+0.7
Materials	-0.1
Production	+0.2
Carriage	+1.1
Warehousing and logistics	-0.2
Other	+0.2
Gross margin before animation	68.4
Animation	+1.0
Core gross margin at May 2024	**69.4**

Core gross margin increase of 2.9% has benefitted from a reduction in the charge to inventory provisions (+0.7%) due to sales performance of new release products. There has also been a decrease in carriage costs (+1.1%) following the high costs experienced in the first half of the prior period. These have been offset by an increase in logistics costs (-0.2%) as a result of our expanded warehouse facilities. Animation relates to the costs of producing the content for Warhammer+, the amortisation of which is reported in cost of sales.

Operating expenses

Core operating expenses have increased by £20.7 million in the period (2023/24: 34.1% of core revenue; 2022/23: 33.2%).

	£m
Core operating expenses at May 2023	148.0
Staff costs	+8.5
Group profit share	+6.7
New stores	+1.6
Other	+3.9
Core operating expenses at May 2024	**168.7**

The increase of £20.7 million was directly attributable to our investment in our staff: increasing the levels of pay to our staff and investing in new roles, as well as paying all staff more Group Profit Share. Included in other costs are increases in professional fees (+£1.2 million) and marketing spend (+£1.6 million).

Licensing operating expenses have increased by £0.6 million due to a provision against licensing receivables.

Operating profit

Core operating profit increased by £26.6 million to £174.8 million (2022/23: £148.2 million). As a percentage of core sales, core business operating profit was 35.3% (2022/23: 33.3%). Core operating profit excluding Group Profit Share increased from 35.9% in 2022/23 to 39.1%. On a constant currency basis, core business operating profit increased by £37.4 million to £185.6 million.

Licensing operating profit increased by £5.0 million to £27.0 million (2022/23: £22.0 million). On a constant currency basis, licensing operating profit increased by £6.8 million to £28.8 million. These numbers are income less costs; they do not include any costs related to using the IP created in the core business.

Total operating profit increased by £31.6 million to £201.8 million.

Cash generation

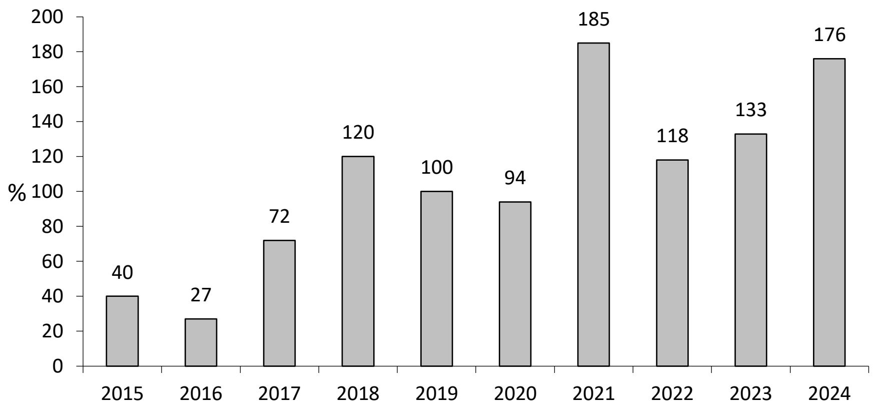
	£m
Cash and cash equivalents at May 2023	90.2
Cash generated from operations	+237.9
Share issue	+2.7
Interest received	+2.5
Lease payments	-12.9
Product development	-15.4
Purchase of capital assets	-17.2
Other	-0.2
Tax paid	-41.7
Dividends paid	-138.3
Cash and cash equivalents at May 2024	**107.6**

Included within cash generated from operations are increases in spend on inventory of £10.0 million and an increase in trade and other receivables of £7.6 million, of which £6.8 million relates to an increase in licensing receivables due to the multi year contracts signed in the year.

Dividends

We followed our principle of returning truly surplus cash to shareholders. Dividends of £138.3 million (2022/23: £136.5 million) were declared during the period. Surplus cash in the prior period benefitted from the repayment of a French VAT receivable of £11.6 million. A cash buffer of three months' worth of working capital requirement (now £80 million) alongside three months' worth of tax payments and any large planned capital purchases or Group Profit Share payments/bonuses over £1 million, have been set aside before deciding how much cash is truly surplus for the purpose of declaring dividends.

Return on capital employed - core business



A long-term measure of our performance has been return on capital employed (ROCE). During the year our core business return on capital has increased from 133% to 176%. If ROCE was calculated using the period end values, it would be 173% (2022/23: 155%). Core average capital employed decreased by £12.4 million to £99.3 million with average balances being calculated over the 12 month period. Core operating profit increased by £26.6 million to £174.8 million (2022/23: £148.2 million).

STRATEGIC REPORT continued

Investments in assets

This is what we have been spending your money on:

	2024	2023
	£m	£m
Shop fits for new and existing stores	**1.2**	1.3
Production equipment and tooling	**10.7**	9.3
Computer equipment and software	**2.1**	2.1
Site	**2.0**	1.9
Total capital additions	**16.0**	14.6

In 2023/24, we invested £7.0 million on moulding tools and £1.1 million in tooling, milling and injection moulding machines. The investment in computer equipment and software includes £0.3 million on the upgrade of our Australia warehousing system. The investment in site includes £0.3 million on our US warehouse and several projects at our HQ in Nottingham.

Inventories

Inventories have increased by £9.2 million, to provide better product availability to our customers. Inventory before inventory provisions increased by £11.3 million to £47.9 million (2023: £36.6 million). Provisions at the period end increased to 11.9% of gross stock (2023: 9.8%) due to the phasing of provisioning and obsolete stock disposals. We continue to offer a broad range of price points. Our average RRP increase on miniatures in the period reported was 2% and an average of 2% across all other product lines.

Trade and other receivables

Trade and other receivables increased by £7.6 million. This includes a £6.8 million increase in licensing receivables due to the multi year contracts signed in the year, a £0.5 million increase in trade account debtor balances, and an increase in property deposits for the new Australia warehouse of £0.3m.

Trade and other payables

Trade and other payables increased by £9.5 million, including: a £3.5 million increase in advance payments made by trade and online customers relating to made to order products and a change in the preorder window for new release products; a £3.1 million increase in trade payables; a £1.8 million increase in PAYE and other staff costs payable; and an increase of £0.8 million in guaranteed royalty payables. These were partially offset by a £0.9 million decrease in VAT liabilities.

Taxation

The effective tax rate for the period was 25.6% (2022/23: 21.0%) as the UK corporate tax rate increased from 19% to 25% on 1 April 2023. This continues to be above the UK rate of 25% (2022/23: 20%) due to items not deductible for tax and the marginal impact of higher overseas rates.

Treasury

The objective of our treasury operation is the cost effective management of financial risk. The treasury relationships are managed centrally and operate within a range of board approved policies. No transactions of a speculative nature are permitted. Credit risk on cash and short term deposits is mitigated as the counterparties are banks with high credit ratings assigned by international credit agencies.

Funding and liquidity risk

The Group pays for its operations entirely from its free cash flow.

Interest rate risk

Interest income for the period was £2.5 million (2022/23: £1.3 million) and interest expense was £1.3 million (2022/23: £0.9 million).

Foreign exchange risk

The sensitivity of the Group's income statement to depreciation in foreign exchange rates on US dollar and euro financial assets and liabilities are disclosed below. An appreciation of the stated currencies would have an equal and opposite effect:

	Income statement losses
	2024
	£m
15% depreciation of the US dollar	4.2
15% depreciation of the euro	1.5

Our main currency exposures are in respect of the euro and US dollars. The rates used for these throughout the accounts are:

	euro		US dollar	
	2024	2023	**2024**	2023
Period end rate used for the balance sheet	**1.17**	1.15	**1.27**	1.23
Average rate used for earnings	**1.16**	1.15	**1.26**	1.20

Non-financial and sustainability information statement

As highlighted in the business model section earlier in this annual report, we are a relatively complex business. With this in mind, we aim to comply with the Non-Financial Reporting requirements contained in sections 414CA and 414CB of the Companies Act 2006. The table below and the information it refers to is intended to help stakeholders understand our position on key non-financial matters and how we are addressing our reporting requirements. This is an area of focus for us going forwards.

Reporting requirement	Key policies and standards which govern our approach and controls	Where this is referenced in this annual report
Employees	Employee statement	Pages 27 to 29
	Attendance and absence policies including career break, maternity, paternity and shared parental leave	
	Disciplinary, grievance and appeals policy	
	Social media policy	
	Health and safety policy	
Anti-corruption and bribery	Anti-bribery policy	Page 39
	Anti-slavery policy	Page 29
	Insider dealing policy	
	Whistleblowing policy	Page 39
Human rights	Safeguarding policy	
	Data protection policy	
	Dignity at work policy	
	Equal opportunities policy	Pages 28 and 29
Environmental matters	Environmental statement	Pages 22 to 27
	Product safety policy	Page 30
	Climate related financial disclosures	Pages 25 and 26
Business model		Pages 4 and 5
Non-financial KPIs		Page 6
Description of principal risks		Pages 16 to 18

Gender diversity, greenhouse gases, social, community and human rights, and employees

We report on these topics in the directors' report on pages 22 to 30.

Section 172 statement

This section describes how the directors have had regard to the matters set out in section 172(1) of the Companies Act 2006 in exercising their duty to promote the success of the Company for the benefit of its members as a whole.

The likely consequences of any decision in the long term

To be around forever, it is essential that the board makes decisions which are the best for Games Workshop in the long term. These decisions are focused on long-term success, not short-term gains. The best example of this is the continued investment in our Warhammer Studio and our rich IP. This together with further investment in our production facilities, warehousing space and technology, as well as global IT infrastructure stands us in good stead for the future.

The interests of the Group's employees

The board actively engages with employees to ensure that the opinions and ideas of staff are always considered, and that staff are kept up to date and informed. This has been achieved by running a series of quarterly departmental briefings, led by senior managers which helps facilitate open communication.

The need to foster the Group's business relationships with suppliers, customers and others

Suppliers

The board is briefed on a monthly basis regarding major investments and ongoing relationships with key suppliers as required. The board also has oversight of relationships with suppliers through regular updates and reports from the executive directors. Details of how we engage with suppliers can be found in the directors' report on pages 29 and 30.

Customers

The enjoyment of all things Warhammer by our customers is our priority. The board assesses and considers customer satisfaction and engagement on a regular basis. Sales and performance information provide the board with good visibility of customer demand on a monthly basis. Key performance indicators in respect of engagement with customers through our warhammer-community.com website, digital communications, and initiatives like Warhammer Alliance are likewise reported to, and assessed by, the board regularly. Any other significant trends, issues or opinions of our customers are reported up to and discussed by the board when appropriate. Details of how we engage with customers can be found in the director's report on page 30.

The impact of the Group's operations on the community and the environment

The board recognises the importance of managing the social impact of the business and minimising any adverse impact of our operations on the environment. Details of the progress made in respect of social responsibility and sustainability can be found in the directors' report on pages 22 to 27.

STRATEGIC REPORT continued

Section 172 statement continued

The desirability of the Group to maintain a reputation for high standards of business conduct

The board expects the highest standards of business conduct. The board receives regular updates in respect of matters of regulatory compliance, and the business has policies, procedures and processes in place in respect of modern slavery, bribery and corruption, ethical sourcing and tax evasion. The board recognises the importance of good corporate governance. Details of the approach taken by Games Workshop can be found in our corporate governance report on pages 32 to 36.

The need to act fairly as between members of the Company

The Company has one class of shares so all shareholders are treated equally. Details of how we engage with shareholders can be found in our corporate governance report on page 35.

Principal risks and uncertainties

Risk governance and oversight

The board has overall responsibility for ensuring risk is appropriately managed across the Group, for ensuring effective internal controls are in place, and for carrying out robust assessments of the principal risks to the business.

Our approach to risk management

We operate a top-down and bottom-up approach to identifying and managing risks.

Key strategic risks (principal risks) to the Group are regularly reviewed by the board. Individual members of the senior management team are responsible for managing operational risks, the mitigating controls for their areas of the business, and escalating any emerging or changes to key risks.

Operational risks and mitigating activities are identified, assessed and monitored at regular risk assessment meetings, attended by the senior management team and coordinated by the internal audit function. The risk assessment considers both the inherent risk (before mitigation) and residual risk (after mitigation), and is captured in the operational risk register. The output is reported to the audit and risk committee twice yearly for awareness, review and challenge.

Independent assurance over the effectiveness of risk management and internal control is provided via a risk-based internal audit programme delivered by internal audit and approved by the audit and risk committee.

Risk appetite

The board is responsible for establishing the risk appetite for the Group, taking account of our business strategy and principal risks. We manage all controllable risks to a level within this risk appetite, and where risks are more uncertain, we base our decisions on our long-term business strategy and objectives (see pages 3 and 4). Our long-term success is measured by achieving a high return on investment, and our strong financial disciplines help ensure we are well placed to withstand the impact of risks.

Assessment of principal risks and uncertainties

The principal risks and uncertainties have been discussed and assessed by the board, including any risks that would impact the Group's business model or future performance.

Following this review, the board agreed no fundamental changes were necessary to the principal risks and uncertainties this year. Our principal risks are described below, with some more detail this year explaining the nature of the risks and how they are managed.

In summary, our principal risks are as follows:

Principal risks	Risk trend
IP protection	▲
Cyber security, data and systems	▲
Global distribution and supply disruption	◀▶
Loss of key manufacturing and warehousing facilities	◀▶

Principal risks and uncertainties continued

More detail on our principal risks and how we manage them can be found below:

Why the risk is important to us	What is the risk	How we manage the risk
IP protection		**Risk trend: ▲**
Development and exploitation of our IP is fundamental to our future growth.	Failure to protect our IP may erode our competitive advantage and/or undermine our reputation, which will negatively impact our financial performance.	• An IP steering committee is in place with oversight of IP compliance processes, and ensures on-going review of our IP protection resources and capabilities. • Our specialist legal, IP and archiving teams maintain historical records and samples in respect of IP creation. • Our specialist IP and licensing teams work closely together to ensure IP consistency and correctness. • Timely and appropriate action is taken against infringement of our IP.
Cyber security, data and systems		**Risk trend: ▲**
Our IT systems are critical to our ability to operate, to manufacture and distribute our products to customers. The threat of cyber attack is forever evolving, and as our business success and profile grows we could become a larger target.	It is impossible to completely protect ourselves from this inherent business risk. A cyber attack could result in reputational damage, regulatory fines, an inability to operate, IP leaks and will negatively impact our financial performance.	• Significant investment in IT improvements to protect our critical systems, increase our resilience, and strengthen our ability to recover from incidents. • We carry out due diligence in respect of partners that hold personal data on our behalf to ensure that they have appropriate security controls in place. • An IT security steering committee governs all our information security and data privacy risks, along with our mitigation plans. • Information security and data protection are overseen by subject matter experts who advise and support all departments across the business as required. • Compulsory cyber risk and data protection training for all employees.
Global distribution and supply disruption		**Risk trend: ◄►**
As a group with global reach, we are dependent on key global distribution suppliers and supply chains.	Global supply chain disruption and instability may negatively impact our manufacturing and distribution operations, and our ability to meet demand and fulfil orders. If this happened it would negatively impact our financial performance.	• Business continuity planning for short term disruption to ensure we can continue trading. This may not be possible in all scenarios. • On-going review of our international supply chain activity to ensure we react quickly. • Reduction of the risk of distribution supplier failure by working with multiple suppliers.

Principal risks and uncertainties continued

Why the risk is important to us	What is the risk	How we manage the risk
Loss of key manufacturing and warehousing facilities		**Risk trend: ◄►**
As a vertically integrated business, we are dependent on our key manufacturing and warehousing sites in Nottingham and Memphis in order to manufacture and deliver products to our customers and run our business.	Failure to ensure continuous supply from our key manufacturing and warehousing facilities, due to effects of climate change, physical damage, lack of capacity, and IT systems failure, could lead to the inability to supply customers.	• On-going collaboration with carefully selected and vetted suppliers to ensure early identification and rectification of potential issues or disruption. • Business continuity plans and business interruption insurance are in place. • Manufacturing risk register and compliance measures are in place to reduce the likelihood of major events (e.g. fire prevention) and limit their impact (e.g. ensuring quick recovery from flooding). • On-going review to ensure capacity is in line with our business plans. • On-going approved IT programme to improve system recovery times. Our core KPI is 8 hours. • A clear understanding of climate related risks, as documented in our TCFD reporting.

Climate change and environment
We have considered the environmental and climate change risks posed to Games Workshop, and their potential impacts on our business. We continue to comply with TCFD requirements, including undertaking climate change scenario analysis (see page 24) to ensure a better understanding of the key risks and to drive appropriate action.

Our key risks in the short to medium-term relate to physical impacts, such as extreme weather affecting our supply chain, manufacture, and distribution of our product (for example flooding interrupting operations), and on the transitional changes (for example, carbon and fossil fuel taxation increasing the cost to our business). We have concluded that these short to medium-term risks are not currently material to our business. However, we are committed to continue to monitor these risks closely.

We have therefore concluded that rather than being a separate business risk in its own right, climate and environment risk forms an integral part of a number of our principal risks. The impacts and our responses to them are included in the principal risks summary above. Management of these risks is overseen by the sustainability steering committee, with regular reporting to the board.

Priorities for 2024/25
We are making progress with our key priorities. Each of these is designed to ensure we deliver our exciting operational plan and continue to engage and inspire our loyal customers and attract new ones. It may seem a little repetitive, it is, we are not planning any significant changes to the implementation of our core strategy in the year ahead. We will remain commercially curious and inquisitive.

Like most years we set out the six key initiatives that will be prioritised in 2024/25. These are designed to give us the best chance of delivering further sales growth whilst maintaining our core operating profit margin and continuing to surprise and delight our customers. They are in addition to our investment in new product quality, increased levels of inventory in existing ranges and ensuring our factories and warehouses deliver the appropriate services at the right cost to help us meet studio output and satisfy customer demand whilst maintaining our gross margin.

Staff training and development
We care passionately about our international team. We have ambitious long-term plans, but we also run the business with only the resources we need. We will continue to recruit essential new jobs or where we need to back-fill positions. Like last year, many of these recruits will be in order to scale with activity levels - in our factories and warehouse facilities.

We will continue to support lifelong learning and training to develop the skills needed to enable all our staff to be successful. We are also more active in developing orderly succession plans of both the board and senior management. We continue in our commitment to diversity and inclusion at Games Workshop.

Priorities for 2024/25 continued

Growth

Our aim is to open new stores in North America and Continental Europe.

We again aim to grow in every major country in the world. We look forward to more hobbyists signing up to My Warhammer, an easy gateway into the depths of content on our fantasy worlds.

We will continue to open more independent retailer accounts. Selling via physical outlets remains an important sales channel for us. Some have their own online store, some not. We have seen sales grow in both. In the year ahead we expect the majority of our incremental growth to be through sales to independents, the channel we call Trade.

We have deployed a project team led by a veteran export sales manager to open up more countries across East Asia (they really enjoyed their recent trip to South Korea), and we are working with our local distributor in Mexico on an exciting growth plan for Latin America to be delivered in the years ahead. In addition, we will be opening our first Warhammer stores in Switzerland this year as part of our aim to build more communities worldwide.

We will continue to search for and engage with hobbyists everywhere.

As I highlighted earlier, delivering growth when the comparative year is the best Warhammer 40,000 launch year on record, is a fair challenge. That's the plan we are implementing for the period to May 2025. I'll let you know if we have any major problems on the way. My advice is please don't judge us on quarters. We do not manage the business to that rhythm: we monitor 12 month moving annual trends…i.e. reviewing whether we are heading in the right direction or not. It's very difficult to change our new release schedule live in any year, it is set in stone.

Customer focused

We will also continue to be customer focused - engaging better with our existing customers in our physical locations as well as online. We will deploy our normal plan to reach whole new audiences with the Warhammer hobby, and the rich worlds it is set within. We have agreed a new sales matrix approach to delivering an appropriate level of investment in new and existing countries. Once a country is delivering above our threshold level of sales, we will offer: an official Warhammer retail store with one of our great ambassadors to support any aspect of the Warhammer hobby, a local currency price list, the full core range translated into local language (with employed translators managed from the UK, but having the option of working in country), a locale on Warhammer.com and marketing support translated into the relevant language. We have been deploying this approach and it has shown to support the building of local communities and making the Warhammer hobby more fun and engaging.

Social responsibility

We are committed to ethical sourcing and staff wellbeing, diversity and inclusion. We will be collecting and reporting internally the ethnicity of our staff and we will track trends. Committed to diversity, we will continue to performance manage and recruit for the personal qualities needed to do a particular job as well as the necessary skills. I will continue to do my best to ensure this is the case and that we are fair and free from any bias and/or prejudice.

Sustainability - climate change

We will continue our work on reducing our carbon footprint in line with our plan documented on page 27 and explain how we are doing against those goals.

Licensing business

The priority remains the same to deliver on our strategy by licensing our IP to partners who will launch successful video games, live action or animation shows. In the short term the priority is to conclude our contractual negotiations with Amazon.

Outlook

After a record year, we will continue to focus on the things in our control. We have a very clear strategy, which remains unchanged, a detailed operational plan for the year ahead and a great team to deliver it. I wish to thank our staff, customers, trade accounts and broader stakeholders for their ongoing support. Exciting times.

Kevin Rountree
CEO
29 July 2024

DIRECTORS’ REPORT

The directors present their annual report together with the audited consolidated financial statements and independent auditor’s report for the period ended 2 June 2024.

General information
Games Workshop Group PLC (the ‘Company’) and its subsidiaries (together the ‘Group’) designs and manufactures miniature figures and games and distributes these through its own network of retail stores, independent retailers and online via the global web stores. The Group has manufacturing activities in the UK and sells mainly in the UK, Continental Europe, North America, Australia, New Zealand and Asia. The Group also grants licences to third parties for the development of video games, PC games, media and other products utilising the Group’s intellectual property.

The Company is a public listed company, incorporated and domiciled in the United Kingdom. The address of its registered office is Willow Road, Lenton, Nottingham, NG7 2WS, United Kingdom. The Company’s ordinary share capital is listed on the London Stock Exchange.

Dividends
Dividends of 420 pence per share were declared and paid during the period (2022/23: 415 pence per share declared and paid).

Directors
The present directors of the Company are listed on page 52. All of the directors were members of the board throughout the year and up to the date of signing the financial statements.

In accordance with the 2018 UK Corporate Governance Code (‘the Code’), all directors are subject to annual re-election. In relation to the non-executive directors, the chair has confirmed that, following formal performance evaluation, the performance of Kate Marsh, Randal Casson and Mark Lam continues to be effective, and they continue to demonstrate commitment to their roles as non-executive directors, including commitment of the necessary time to board and committee meetings and other duties. John Brewis is considered by the board to be independent of the Group, as set out in the corporate governance report. The non-executive and executive directors have formally evaluated the performance of John Brewis as non-executive chair and consider him to be effective in his role.

Directors’ interests
The interests of the directors in the shares of the Company, together with details of share options granted to the directors, are disclosed in the remuneration report on page 50. None of the directors had a material interest in any contract of significance to which the Company, or any of its subsidiaries, was a party during the year.

Directors’ indemnities
The Company has made qualifying third party indemnity provisions for the benefit of its directors, as permitted by section 234 of the Companies Act 2006, which were in force during the year and up to 29 July 2024.

Information on executive directors
Kevin Rountree, CEO. Kevin joined Games Workshop in March 1998 as assistant group accountant. He then had various management roles within Games Workshop, including head of sales for the Other Activities division (including Black Library, Licensing and Sabertooth Games). Kevin was appointed CFO in October 2008. and chief executive on 1 January 2015. He is a qualified chartered management accountant and prior to joining Games Workshop, Kevin was the management accountant at J Barbour & Sons Limited.

Rachel Tongue, CFO. Rachel joined Games Workshop in September 1996 as group tax manager. She then had various accounting and legal and compliance roles within Games Workshop and was appointed company secretary in October 2008. She was appointed group finance director in January 2015 and assumed the role of chief financial officer in November 2020. Rachel has notified the board that she does not wish to stand for re-election as a director at the AGM in September 2024 and will be leaving the Group in January 2025. Rachel is a qualified chartered accountant and chartered tax adviser having trained with Arthur Andersen.

Information on non-executive directors
John Brewis was appointed to the board on 20 June 2018 and became non-executive chair on 1 January 2023. John has over 30 years’ experience in high volume manufacturing businesses and had various roles within Reach Plc, formerly Trinity Mirror Plc, including managing director of the manufacturing division.

Randal Casson was appointed to the board on 1 July 2022. Randal qualified as a chartered accountant with PwC. He worked there for 35 years, the last 22 years of which he was an audit partner. He retired from PwC on 30 June 2022.

Kate Marsh was appointed to the board on 24 July 2019. Kate has over 30 years’ experience in digital and media industries, having built and managed significant businesses in senior roles with Sky, Sony Pictures Television, GroupM, the BBC and most recently with MGM Studios (which was acquired by Amazon). Kate stepped down from heading up MGM's branded digital services outside the US, namely, the expansion of streamer, MGM+ International towards the end of 2023 and was appointed non-Executive chair of AIM-listed Devolver Digital Inc. in January 2024; formerly serving as senior independent director. Previously, Kate has served as a non-executive director of Elstree Film Studios Limited and Mediahuis Ireland Limited (formerly INM plc), the home of the Irish Independent and Belfast Telegraph.

Information on non-executive directors continued

Mark Lam was appointed to the board on 11 April 2023 and became senior independent director on 18 May 2023. He is also currently a non-executive director of Lowland Investment Company plc and chair of the Royal Free London NHS Foundation Trust. Mark has many years of board experience in telecommunications and information technology. Mark was previously chief technology and information officer of Openreach and a senior executive at BT Group.

Independent auditor

As at 29 July 2024, so far as each director is aware, there is no relevant audit information of which the auditor is unaware and each director has taken all steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Share capital, share rights and other information

As at 29 July 2024, the Company's authorised share capital was £2,100,000 divided into 42,000,000 ordinary shares of 5p each nominal value ('ordinary shares'). On 26 July 2024 there were 32,951,909 (20 July 2023: 32,913,994) ordinary shares in issue. These ordinary shares are listed on the London Stock Exchange. All ordinary shares rank equally with respect to voting rights and the right to receive dividends. Shares acquired through the Company's share schemes rank pari passu with the shares in issue and have no special rights. The holders of ordinary shares are entitled to receive the Company's annual report, to attend and speak at general meetings of the Company, to appoint proxies and to exercise voting rights. There are no restrictions on transfer or limitations on the holding of any class of share and no requirements for prior approval of any transfers. The directors may refuse to register a transfer of shares if there is a failure to comply with certain requirements of the Company's articles of association. None of the shares carry any special rights with regard to control of the Company.

In accordance with the Company's articles of association, each share (other than those held in treasury) entitles the holder to one vote at general meetings of the Company on votes taken on a poll. On a show of hands at a meeting, every member present in person or by one or more proxies and entitled to vote has one vote. Unless the directors decide otherwise, if a shareholder is given notice that he has failed to provide information required in relation to any shares pursuant to a notice under section 793 of the Companies Act 2006, that member will be unable to vote on those shares both in a general meeting and at a meeting of the shareholders of that class. If such shareholder holds more than 0.25% of the issued shares of a class (excluding treasury shares) and is in default of a section 793 notice, the directors may also state in the notice that: (i) the payment of any dividend shall be withheld; and (ii) that there can be no transfer of the shares held by such shareholder.

Subject to the provision of law, the Company may by ordinary resolution declare a dividend to be paid to the members according to their respective rights and interest, but no dividend may exceed the amount recommended by the directors. The directors may also declare and pay interim dividends. Subject to shareholder approval, the directors may pay dividends by issuing shares credited as fully paid up in lieu of cash dividends. If dividends remain unclaimed for 12 years they are forfeited and revert to the Company.

The rules about the appointment and replacement of directors are contained in the Company's articles of association. The Company's articles of association state that a director may be appointed by an ordinary resolution of the shareholders or by the directors, either to fill a vacancy or as an addition to the existing board but so that the total number of directors does not exceed the maximum number of directors allowed pursuant to the Company's articles of association. The Company's articles of association do not currently specify a maximum number of directors. The Company may by ordinary resolution remove a director from the board of directors.

The Company's articles of association also state that the board of directors is responsible for the management of the business of the Company and in doing so may exercise all the powers of the Company subject to the provision of relevant legislation and the Company's constitutional documentation. The powers of the directors set out in the Company's articles of association include those in relation to the issue and buy-back of shares. As at 2 June 2024, the Company had an unexpired authority to repurchase shares up to a maximum of 3,291,399 shares. During the period no shares were purchased in the market for cancellation.

Changes to the articles of association must be approved by the shareholders in accordance with the legislation in force from time to time.

The Company does not have agreements with any director or employee that would provide compensation for loss of office or employment resulting from a takeover, except that the provisions of the Company's sharesave scheme may cause options to be exercised in a takeover.

Constructive use of the AGM

The chairs of the audit and risk, remuneration and nomination committees will be available to answer questions at the AGM. Separate resolutions are proposed for substantially separate issues at the meeting.

Corporate governance

The Company's statement on corporate governance is included in the corporate governance report on page 33 and forms part of this report.

DIRECTORS' REPORT continued

Environment and social
We continue to move forward with our social responsibility and sustainability (SRS) strategy ensuring that our business is ethically and environmentally responsible, and resilient to the changing environment in which we operate.

To help improve the consistency and transparency of our SRS reporting, we focus our reporting on the environment and on people as set out below.

Environment
Our ongoing aim is to promote high levels of environmental sustainability throughout all of our activities and play our part in tackling climate change.

Climate change - global temperature reduction
Whilst our carbon footprint is relatively small, we recognise that we still have a responsibility to manage our exposure to the impacts of climate change. We believe there are opportunities to reduce emissions by making our own operations more sustainable and by working with our suppliers and trade accounts to help them do the same.

There are two mechanisms by which we manage our impacts on climate change:
- Managing our emissions: measuring our emissions that impact global temperature increase and setting targets to reduce them.
- Managing climate-related risk: assessing how the impacts of climate change may result in physical and transitional climate-related risks that may affect our strategic and financial planning.

Managing our emissions
Below is a summary table of our scope 1, 2 and 3 emissions for 2023/24.

The emissions are measured in CO_2e (carbon dioxide equivalent), which allows us to include the impact of any greenhouse gases in terms of an equivalent amount of carbon dioxide.

		2024		2023	
Scope	Emissions source	TCO_2e UK emissions	TCO_2e Total emissions	TCO_2e UK emissions	TCO_2e Total emissions
Scope 1	Natural gas	209	447	278	580
	Company cars	7	25	23	31
	Other fuels	5	5	1	1
	Refrigerants	7	7	3	4
	Total scope 1	228	484	305	616
Scope 2	Electricity (location based)	2,144	4,617	1,824	3,992
	Electricity (market based)	283	2,698	n/a	n/a
	District heating (location and market based)	-	38	-	36
	Total scope 2 (location based)	2,144	4,655	1824	4,028
	Total scope 2 (market based)	283	2,736	n/a	n/a
	Total scope 1 and 2 (market based)	**511**	**3,220**	2,129	4,644[1]
Scope 3	Purchased goods and services		45,332		41,188
	Capital goods		565		791
	Upstream transport and distribution - air		5,828		3,020
	Upstream transport and distribution - sea		1,445		1,338
	Upstream transport and distribution - road		1,839		2,684
	Upstream transport and distribution - warehousing		261		96
	Upstream transport and distribution - other		2,750		2,586
	Waste generated in operations		254		231
	Business travel - flights		499		665
	Business travel - other		449		93
	Total scope 3		59,222		52,692
	Total scope 1, 2 (market based) and 3		**62,442**		57,336[1]
Total energy usage (thousands kWh)		**11,463**	**20,500**	10,976	19,151

[1] The prior year data was only available for location based measures.

Below are measures for the intensity of the carbon emissions (measured in CO_2e) we emit, one per £000 of revenue generated, and a second per full time equivalent employee (FTE).

	2024	2023
Carbon intensity (tCO_2e /£000) scope 1, 2, 3	**0.1**	0.1
Carbon intensity (tCO_2e /FTE) scope 1, 2, 3	**22.3**	21.7

Environment continued

Managing our emissions - continued

Games Workshop has used a carbon management platform to independently calculate its Greenhouse Gas (GHG) emissions in accordance with the principles of the Greenhouse Gas Protocol. The GHG emissions have been assessed following the ISO 14064:2018 standard and have used the 2023 emission conversion factors published by the Environmental Protection Agency (EPA), the Department for Energy Security and Net Zero (DESNZ), International Energy Agency (IEA) and other public resources.

The reporting year shown is from 1 June 2023 to 31 May 2024, and considers all assets under the Company's operational control. The scope 3 boundary has been developed in accordance with the Greenhouse Gas Protocol Scope 3 Guidelines. Actual activity data has been collected from across the Group on a monthly basis where available, and annually if not. This data has been summarised, reviewed, and assessed by a third party. The activity data is multiplied by an appropriate emission factor to calculate the scope 1 and 2 emissions. For scope 3, appropriate methodologies have been used. The nature of these calculations and the data they are based on mean that there is an element of estimation in the emissions quoted and so the numbers should be viewed as giving more of a direction of travel rather than an absolute accurate number.

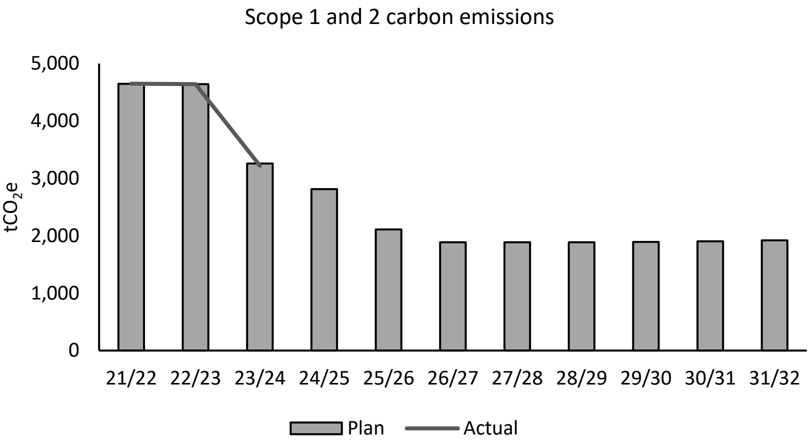
This year our total GHG emissions for scope 1, scope 2 and scope 3 increased by 9% on last year. This increase is primarily driven by an increase in emissions associated with our purchased goods and services as well as an increase in air freight, in line with our growth as a business. In 2023/24, as global freight became disrupted, our use of air freight temporarily increased. This switch had an immediate impact upon our scope 3 carbon emissions. We expect to reverse this temporary shift in the coming year. Our revenue based emissions intensity is the same as the prior year at 0.1 tCO_2e/£000 of revenue whereas the employee based intensity measure increased by 2.8%.

Targets

Last year, we set a scope 1 and 2 emissions reduction target which aligns with the level of decarbonisation required to limit temperature rises to 1.5ºC. Our scope 1 and 2 target is to reduce our CO_2e emissions by 55% by 2032, using 2021/22 emissions as a baseline. Over the past 12 months we've made significant progress in achieving this target (shown in the chart below).

These reductions have been primarily achieved by switching a large portion of our electricity supply to certified renewables - specifically our UK and US manufacturing and warehousing operations, and our UK retail stores. We also expanded our UK on site generating capacity through the addition of a new solar array.

We are constantly evaluating areas of impact and we set targets for those areas which are relevant to the business.



Managing climate-related risk

For several years we have maintained a climate related risk register as part of our overarching SRS strategy and to ensure compliance with the requirements for climate-related financial disclosures. This risk register uses climate scenario analysis (CSA) to look at a series of plausible future climate scenarios (caused by the impacts of, and responses to, climate change) and use these to assess the potential impacts on our business. We updated this analysis for 2024 to ensure it remains consistent with the latest available data.

CSA - methodology

Our approach followed a standard CSA approach and is outlined below:

- Risk screening and risk register review: For this refresh of our CSA, we first engaged key stakeholders from across the different functions of our business. We carried out a series of workshops with these stakeholders to identify all potential climate related risks and review and update our existing risk register.
- Scenario selection: We reviewed the latest scenarios provided by the Network for Greening the Financial System (NGFS). For our CSA, we selected the three scenarios that best allow us to review and understand the possible timescales, likelihoods, and impacts of the identified risks. Details can be seen in the climate scenarios below.
- Impact review: With our risk register updated with our latest analysis of the relevant risks, we then used a risk scoring matrix to quantify the potential impacts of each identified risk. We ensured that we took into account the different ways in which these risks might occur in the different scenarios and scored the risks both qualitatively and quantitatively wherever possible.

Environment continued

CSA - scenario selection

The three scenarios that we selected can be seen below along with a summary of what they each involve, both from a climate and overall risk perspective. These were chosen from the latest available suite of seven scenarios from the NGFS.

- 'Net zero 2050': This is an ambitious scenario that limits global warming to 1.5°C through stringent climate policies and innovation, reaching net zero CO_2 emissions around 2050. Some jurisdictions such as the US, EU and Japan reach net zero for all greenhouse gases by this point. This scenario assumes that ambitious climate policies are introduced immediately. Carbon removal is used to accelerate the decarbonisation but kept to the minimum possible and broadly in line with sustainable levels of bioenergy production. Net CO_2 emissions reach zero around 2050, giving at least a 50 % chance of limiting global warming to below 1.5°C by the end of the century. Physical risks are relatively low but transition risks are high.
- 'Delayed transition': This scenario assumes global annual emissions do not decrease until 2030. Strong policies are then needed to limit warming to below 2°C. Negative emissions are limited. This scenario assumes new climate policies are not introduced until 2030 and the level of action differs across countries based on currently implemented policies, leading to a 'fossil recovery'. The availability of carbon removal technologies is assumed to be low, pushing carbon prices higher than in net zero 2050. As a result, emissions exceed the carbon budget temporarily and decline more rapidly to ensure a 67% chance of limiting global warming to below 2°C. This leads to both higher transition and physical risks than the 'net zero 2050' scenario.
- 'Current policies': The current policies scenario assumes that only currently implemented policies are preserved, leading to high physical risks. Emissions grow until 2080 leading to about 3°C of warming and severe physical risks. This includes irreversible changes like higher sea level rise. This scenario can help central banks consider the long-term physical risks to the economy and financial system if we continue on our current path to a 'hot house world'.

CSA - outcomes

The ultimate outcome of this CSA was the identification of the most relevant climate-related risks for our business (summarised below) and a stronger understanding of their potential impacts across the different selected scenarios. Following the updated analysis carried out this year two additional risks, regarding customer perception and competition respectively, have been added. One existing risk was broadened out from solely relating to carbon pricing to now cover all fossil fuel related taxes. We also updated the structure for the risk register to analyse and score the likelihood, impact and severity of each risk across three timescales (0-1 year, 1-3 years and 3+ years). This new structure provides us with a much stronger understanding of the changing nature of these risks over different timescales and helps us to more appropriately incorporate them into our strategic and financial planning process.

Identified risks

Risk type	Risk	Description	Severity Short (<1 year)	Medium (1-3 years)	Long (3+ years)
Physical	1. Extreme weather	If the frequency and severity of events like flooding and hurricanes increase then this may interrupt operations and damage assets and facilities, leading to revenue loss and repair costs, respectively.	Medium	High	Very high
Transitional	2. Carbon pricing	If the level of carbon or fossil fuel taxation, levies, or reporting increases then this may increase our cost base or prevent import/export to certain regions.	Medium	Very High	Very high
Physical	3. Supply chain disruption	If the indirect effects of climate change increase in frequency or severity (e.g. weather, conflict, or geopolitical issues) then our supply chain may be interrupted and/or their costs may increase.	Medium	Medium	Very high
Transitional	4. Access to resources	If there is increased scrutiny on the use of fossil fuels then this could impact on the availability and/or cost of the raw material needed to manufacture our products and operate our facilities.	Medium	Medium	Very high
Physical	5. Staff availability	If the indirect effect of climate change increases the variety, severity, and transmission of human illness or diseases then we could experience staff shortages at levels that will impact on our ability to operate our business.	Medium	Medium	Medium
Transitional	6. Customer expectations	If customer attitudes around climate and carbon emissions change in the future, as the younger generation of our hobbyists become a larger proportion of our customers then this may limit growth and increase pressure for change and action.	Medium	Medium	High
Physical & transitional	7. Competition	If we become unable to distribute products in a certain region (for example, logistics disruption or regulatory barriers in response to climate change) then this may increase the opportunity for counterfeiters or competitors, potentially damaging our reputation, reducing our revenues, or increasing our legal costs.	Medium	Medium	Medium

The severity of these risks is assessed through a climate risk matrix. The short to medium-term risks are not currently material to our business, based on the financial impact to our viability, but we continue to monitor them closely.

Environment continued

Taskforce for climate-related financial disclosures (TCFD)

In accordance with UK Listing Rule 6.6.6R (8), we confirm that the statement of this annual report includes climate-related financial disclosures consistent with the TCFD Recommendations and Recommended Disclosures. In determining this, we have followed Section C of the TCFD Annex entitled 'Guidance for All Sectors' and Section E of TCFD Annex entitled 'Supplemental Guidance for Non-Financial Groups' (where relevant).

The following is a summary table detailing our broad approach to each recommended disclosure, and signposting to the relevant sections of our annual report.

TCFD recommendation	Summary of approach to disclosure	Signpost to detailed disclosure
Governance		
Describe the board's oversight of climate related risks and opportunities	Ultimate accountability for and oversight of climate-related risks and opportunities sits with the board. The board reviews all strategic and financially material risks at least twice a year through the audit and risk committee, which includes current progress on any targets defined to manage climate-related issues associated with these risks. The outputs from these committee meetings help refine and plan any changes to the strategy, risk management processes and future investment.	Page 16 - Principal risks and uncertainties Page 34 - Board committees Page 37 - Significant issues considered by the audit and risk committee
Describe management's role in assessing and managing climate-related risks and opportunities	Strategic oversight of climate-related risks is provided by the senior management team Sustainability Steering Group (SSG). The SSG is chaired by the CFO and meets quarterly. It reviews climate-related and other sustainability risks from across Games Workshop, with any significant risks forwarded on to the audit and risk committee for consideration alongside other risks that could impact on the Group's strategic or financial planning. The SSG also monitors progress on risk management activities undertaken by the specific areas across the business as part of their efforts to manage climate-related issues. Our head of SRS is responsible for coordinating the management of climate-related risks and opportunities via the carbon management steering group ('CMSG'). This group meets monthly to review progress on delivery of our plan including: the identification, assessment, and management of climate related risks; and monitoring of associated goals and targets. The group is chaired by the head of SRS and is supported by senior managers from the relevant teams across the business.	Page 37 - Significant issues considered by the audit and risk committee Page 38 - Risk management
Strategy		
Describe the climate related risks and opportunities the organisation has identified over the short, medium and long term	We have carried out a CSA. This CSA helps us understand the potential context in which our business will be operating in the future and allows us to prepare for a variety of different possible outcomes. The analysis uses existing climate change science and applies projections to suggest how our business may be impacted by climate change. The ultimate outcome of this CSA was the identification of the most relevant climate-related risks for our business (summarised on page 24 'identified risks').	Pages 23 and 24 - Environment
Describe the impact of climate related risks and opportunities on the organisation's business, strategy and financial planning	We review the business' strategy and financial planning against the outputs of the CSA and the associated climate risk register. The updated CSA has identified risks that, whilst not substantive, will influence our long term planning for the expansion and growth of the business. • We will factor risk 1 above into our plans for the development of factory 4 and ensure the site is planned and developed in a way which maximises its resilience to the impacts of extreme weather events. • Risks 2, 3 and 7 above will be incorporated into any future planning around any plans for the expansion of our retail operations into new territories. • Finally, risks 4 and 6 above will be factored into our long term product research and development plans.	Pages 23 and 24 - Strategy
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Based on the response to the recommendation above, the Group considers that its strategy is resilient to the potential impacts of the scenarios identified.	Pages 23 and 24 - Strategy

Environment continued

Taskforce for climate-related financial disclosures (TCFD) continued

TCFD recommendation	Summary of approach to disclosure	Signpost to detailed disclosure
Risk management		
Describe the organisation's process for identifying and assessing climate related risks	The identification of emerging climate related risks and opportunities and the monitoring of any changes is coordinated through the CMSG. Any hazards that can potentially result in climate related risks and opportunities are identified. Relevant hazards are then consolidated into risks and opportunities and assessed by our CMSG based on the likelihood of occurrence and the potential impact. The identified risks are added to our climate risk register where they are ranked and prioritised. Any risks that pass a certain threshold are also added to the risk register for the relevant part of the business who are then responsible for managing that risk appropriately. Should any of these risks have the potential to impact on the Group's strategic or financial planning then they are also forwarded to the SSG and (where appropriate) the audit and risk committee for review.	Page 38 - Risk management
Describe the organisation's process for managing climate-related risks	Climate-related risks cover a broad range of potential business risks - from specific risks where climate change acts as the primary cause, to risks where climate change acts to accelerate or worsen the impact of existing risks. The management of these different risks varies according to the type of risk they are, and their effective time horizon as follows: • Transitional risks, such as those caused by the increasing cost of high carbon materials, are often not within our control. For example, the development of manufacturing technology that avoids such materials. • Physical risks, such as the increased likelihood of supply chain disruption caused by extreme weather conditions, that are outside our control are often best managed through risk transfer. For example, having business continuity insurance to cover any lost revenue caused by an unforeseen disruption in business operations. Whilst some aspects of the management of climate related risks (such as their impact on financial planning) apply at all time horizons, other aspects are more suited to specific time frame as follows: • Short term: considers climate related risks that could affect the business within the next 12 months. The management of such risks will form part of decisions made in our usual planning processes. • Medium term: considers climate related risks that could affect the business in one to three years' time. These risks are managed through our planning activities and influence decisions such as target setting. • Long term: considers climate related risks that could affect the business beyond three years. These risks are managed as part of our planning activities.	Pages 18 and 19 - Priorities for 2023/2024 Page 22 - Environment and social Pages 23 and 24 - Environment Pages 22 and 23 - Metrics and targets Page 38 - Risk management
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Climate related risks are considered as part of our company wide risk management process. Substantive climate related risks with the potential to have a material financial or strategic impact on our business are added to the operational risk register. These substantive risks are reviewed, alongside all other company wide risks at least twice a year by the audit and risk committee.	Page 34 - Board committees Page 37 - Significant issues considered by the audit and risk committee Page 38 - Risk management
Metrics and targets		
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Specific climate related risks are assessed using a range of scope 1, 2, and 3 carbon emissions data that help us monitor the effect of any management activities and so help steer our strategy. For example, we measure the carbon emissions associated with purchased goods and services to evaluate the effect of activities aimed at reducing our exposure to carbon pricing.	Pages 23 and 24 - Environment Page 38 - Risk management
Disclose Scope 1, scope 2 and, if appropriate, scope 3 greenhouse gas (GHG) emissions and the related risks.	We report annually on all material global emissions using an operational control approach for our scopes 1 and 2, plus selected scope 3 emissions. Our audit and risk committee considers all relevant climate related factors as part of our overall approach to risk management.	Pages 22 and 23 - Metrics and targets
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	To help us to set targets and manage the externally driven elements of these risks, we continue to work with our supply base to better measure carbon emissions and impacts associated with the goods and services they provide. However, we have a good understanding of our scope 1 and 2 emissions and the internal factors that drive them. As such, we have committed to a target to reduce these emissions by 55% over 10 years (from a 21/22 baseline).	Pages 22 and 23 - Metrics and targets

Environment continued

Sustainable products

Our games and miniatures are long term products, intended to be treasured possessions for hobbyists to enjoy for many years and so we believe they represent a good investment in the energy and resources needed to design and manufacture them. However, there is always room for improvement and the constant advances in technology present us with more and more options to explore ways to capture those improvements.

Reducing single use plastic packaging

We have begun to make changes to a lot of our product packaging - removing excess packaging elements where possible and replacing any single use plastic packaging with sustainable paper and card alternatives. We will reduce waste to a minimum but when waste is unavoidable, ensure that customers have a free and easily accessible route to have it recycled. We've made some progress already and are working hard to find ways to do more.

In store recycling

During the period we successfully trialled, then launched, a recycling scheme for plastic sprues in our UK retail stores. The results have been very positive with 8.5 tonnes of plastic collected and recycled since the launch of the scheme. We will, where feasible/possible, expand this scheme to other territories worldwide.

Sustainable operations

How we operate is fundamental to our sustainability - both in terms of reducing our impact on the environment and in terms of making our business resilient to the changing world in which we operate.

Energy efficiency and self generation

Energy generation continues to be one of the main sources for carbon emissions that are within our operational control. The implementation of our carbon reduction plan demonstrates the progress we have made, and plan to make, to reduce these emissions by switching to renewable supplies. Whilst we are confident that we can achieve our carbon reduction targets through this approach, it is only part of making our operations more sustainable as efficiency and self generation of resources also play significant roles.

In June 2023, we completed the installation of a second solar array at our main Lenton site. This new array has a 263 kWp generation capability. When combined with our existing array, it will provide 7% of the total annual electricity needs for our Lenton site. We continue to explore other opportunities to increase our self generation capacity with our forthcoming factory build incorporating renewables and energy efficiency into its design.

Waste

In 2023/24, we improved our waste data and management systems for our UK manufacturing operations. Our aim is to have a much more granular understanding of what waste we are generating, why it is being generated, and how that can be better managed. Ultimately, as with our products, we want to minimise the amount of operational waste that is generated and where waste is unavoidable, ensure that it is reused or recycled. As part of plans to tackle waste, plastic carrier bags are being phased out of our retail stores, starting from June 2024.

People

Our ongoing aim is to create safe, positive and supporting working environments, and promote high levels of social responsibility throughout our business and supply chain.

Staff

The people that we work with are one of our greatest assets. Ensuring that we conduct our business in a socially responsible manner and taking responsibility for ensuring people are treated with respect is important if we are to be around forever.

The enjoyment of all things Warhammer by our customers is our priority. By always conducting business in a responsible way, we will ensure that Warhammer is a safe and fun experience for all.

Our objectives and efforts in this area are to support both our direct employees and the wider workforce of our supply chain so they feel valued and respected, and to protect our customers who use our products or visit our stores or events.

Development and training

Our employees are constantly looking for ways to improve. We strive to create a culture and environment that encourages everyone to achieve their potential.

We continue to invest in our learning and development offer, this year has seen our development team offer facilitated management training to all managers globally for both development of skills and sharing of best practice. We will continue to grow our learning content which is developed according to our needs as a business. We continue to encourage all employees to enhance their personal and professional development.

DIRECTORS' REPORT continued

Staff continued

Development and training continued

All new starters who join Games Workshop around the world take part in a global induction process. This ensures that everyone who joins us, regardless of country or role, receives a positive welcome, a consistent understanding of who we are and what we do and an understanding of our culture. We have a strong culture built on the principles of honesty, courage, humility, and inclusivity.

We continue to build partnerships with trusted apprenticeship schemes in the UK. These support, complement and enhance our staff recruitment, retention and development, providing us with 'home-grown' employees with the right fit, knowledge and skills for our business. We currently have apprentices working in positions across our manufacturing and engineering teams.

We continue to maintain and develop policies to ensure our business operates to high ethical standards. This includes our policy on anti-bribery and corruption, which is applicable to all relevant employees. We also maintain favourable employment terms for our employees which include flexible working, where appropriate.

People plan

We continue to carry out a group wide people plan review on a six monthly basis. The review allows us to proactively plan for the future resource needs of the business, mitigate against any resourcing risks and identify the development needs of our staff. The plan is critical to making sure that we have the right people, in the right jobs, at the right time, both now and in the future.

Staff communications

We are always looking for ways to improve communication with our staff. We run quarterly senior management briefings to allow senior managers to brief all staff in their areas on significant business updates. This forum also allows staff to ask questions of their senior management team. We continue to explore ways to integrate further feedback mechanisms to ensure staff feel engaged, included and listened to. Further details of how we engage with staff, and the effect of this is detailed in our section 172 statement on pages 15 and 16.

Living wage

The Group pays ahead of the UK national living wage for all UK employees, regardless of age. We also pay at least the local statutory minimum wage in all countries in which we employ staff.

Sharesave

The Group operates an employee sharesave scheme as a means of further encouraging the involvement of employees in the Group's performance.

Diversity

The board recognises that the business can benefit from a wide range of perspectives and backgrounds. The board firmly believes that diversity plays a key role in promoting balanced decision making, through the sharing of a variety of perspectives and insight. In defining the composition of the board, the board will always meet its regulatory obligations, as well as take into consideration best practice and stakeholder expectations, while having regard to the needs of the business and one of our core principles: we look for those with the appropriate attitude and behaviour a given job requires and for those who are aligned with our principles and who are quality obsessed.

This also forms part of our approach to encourage diversity, equality and inclusion among our workforce. All employees have had the opportunity to undertake unconscious bias training and this is a mandatory part of the training for all new starters. This has helped to reduce any bias which might impact our search for the best person for every job. We have broadened our range of advertising platforms to reach a wider pool of candidates with our recruitment process and ensure our adverts use inclusive language. The board does not, however, consider that diversity can be best achieved by establishing specific quotas and targets.

As at the end of the financial period:

Gender[1]		**2024**			2023	
	Female	**Male**	**Total**	Female	Male	Total
The board (number of employees)	**2**	**4**	**6**	2	4	6
Senior management (FTE)	**2**	**8**	**10**	2	8	10
Total workforce (FTE)	**722**	**2,228**	**2,950**	622	2,078	2,700

Ethnicity[1]		**2024**			2023	
	White	**Ethnic minority**	**Total**	White	Ethnic minority	Total
The board (number of employees)	**5**	**1**	**6**	5	1	6
Senior management (FTE)	**10**	**-**	**10**	10	-	10

[1] Gender and ethnicity data was collected directly from the individuals.

There are currently two women on our board (2023: two), with an overall gender diversity level of 33%, below the 40% set out in the UK Listing Rules. All appointments to the board are made on an objective and shared understanding of merit and in line with required competencies and personal qualities relevant to the job.

Staff continued

Disability

The Group's policy is to consider, for recruitment, disabled people for those vacancies that they are able to fill. All reasonable adjustments will be made for disabled workers, and all necessary assistance with training is provided. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Health, safety and wellbeing

Whatever, whenever and wherever we do things, we will do them in a safe manner.

This year has seen us continue to promote the importance of all staff, at all levels, having the appropriate training for the work they do as well as further development of our online learning platform. We have continued to promote our in-house, IOSH accredited, 'Working Safely' training at our UK sites and the 'OSHA 10' programme in the US, all helping to ensure we have a workforce who know what to do, and when to do it.

Regular safety tours by senior management, including the CEO, help to ensure that the subject continues to maintain the high profile we believe it deserves and furthers staff engagement on this subject.

We are implementing a new health and safety management software system that will help to ensure that the right information is shared with the right people at the right time with individual dashboards helping managers understand their priorities, allowing them to ensure actions are carried out promptly and effectively.

During the period, there were six injuries reported under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 in the UK (2022/23: three), seven cases reported to the US Occupational Safety and Health Administration (2022/23: three) and eight cases under other national legislation (2022/23: six). Under certain European regulations, we are required to report incidents occurring to staff on their commute to and from work - excluding these, the numbers under other national legislation would be three cases for the current period (2022/23: two).

Alongside the safety of our staff, their wellbeing and physical and mental welfare continues to be a priority. We are committed to creating a culture where talking about physical and mental health is commonplace. We aren't there yet, but we will continue to work to fully embed a culture that is open and honest about mental health, working with our colleagues to understand their needs and build upon our strong foundations.

We also recognise that there will be times in everyone's lives, whether related to work or not, where they need additional support - in these situations we want our people to receive the help they require wherever they are, whatever they're doing and whenever they need it. Our global employee assistance programme provider helps us to do this more effectively. Amongst other things, access in local language through a mobile app improves accessibility for all employees, allowing our people to use this service whenever and wherever they may need it.

Suppliers

Child labour and anti-slavery

Modern slavery is a crime and a violation of fundamental human rights. Allowing it to take place within an organisation, either consciously or through complacency, results in extensive and unnecessary suffering, often in a way that disproportionately affects groups of the most disadvantaged people. We are committed to acting ethically to implement and enforce effective systems and controls to ensure modern slavery is not taking place within our operations or supply chains.

As part of this commitment, we conduct a risk assessment at least every 12 months for the purpose of monitoring compliance with anti-slavery requirements, and to ensure we have adequate controls in place to manage any risks appropriately. The main areas of our business that we have identified as being at an elevated risk of exposure to potential instances of slavery are the buying and merchandising, licensing and people teams. The risks associated with those areas of the business mostly stem from the risk of any failure to conduct an appropriate amount of due diligence when working with third parties - particularly in regions where instances of slavery may be more prevalent. As such, we use a combination of Sedex and ICTI assessment and certification to help us conduct appropriate levels of due diligence in respect of suppliers and other external parties that we work with to verify that anti-slavery and child labour controls are in place throughout our supply chain.

There were no reported breaches of our anti-slavery policies during this financial period.

Suppliers continued

Anti-bribery and corruption

Honesty, courage and humility are the foundations of our working culture at Games Workshop. Bribery and corrupt practices are never tolerated in the pursuit of our business objectives or relationships. This commitment is driven from the CEO and board throughout the entire company and the same commitment is expected of all those who work with us.

Each year we conduct a risk assessment for the purpose of monitoring compliance with anti-bribery and corruption requirements, and to help us make sure we have adequate controls in place. The main areas of our business that we have identified as being at an elevated risk of exposure to instances of bribery and corruption are the distribution, logistics, buying and merchandising teams. As with child labour and slavery, the risks associated with those areas of the business mostly stem from the risk of any failure to conduct an appropriate amount of due diligence when working with third parties - particularly in regions where standards of what constitutes bribery differ to the UK. As such, we use a combination of Sedex and ICTI assessment and certification to help us conduct appropriate levels of due diligence in respect of suppliers and other external parties that we work with to verify that anti-bribery and corruption controls are in place throughout our supply chain.

During this period there were no reported instances of bribery or corruption.

Customers

Safeguarding

Games Workshop is committed to ensuring that its stores and events are safe for children and adults who are vulnerable or potentially at risk from harm. To that end we have an internal team of designated safeguarding officers who handle safeguarding concerns, operate a safeguarding policy and train all employees in customer facing jobs on safeguarding annually. To the extent in which the country allows, retail staff are criminal records checked.

Product safety

Games Workshop's team of specialist product safety staff work closely with our manufacturing team, buyers, Warhammer Studio and suppliers to ensure that our products are safe and comply with relevant legislation. During development, Games Workshop's products are subject to safety checks in order to minimise any risk presented by our products. We also conduct testing at external, nationally accredited laboratories to verify our in-house checks and confirm that our products are safe.

Due to Games Workshop's vertically integrated business model, the majority of our products are manufactured and packed in house. This allows us to maintain tight control over the raw materials that go into our product, and over the process of assembling and packing them into finished goods. Both in house and third party supplied items are subject to approval and change control processes, in order to ensure that they meet our requirements and those specifications are understood by all parties. Our specifications are designed to meet relevant legal requirements.

During the year, we have expanded and enhanced our product safety processes and controls and have partnered with an external consultant to provide expert analysis and advice in respect of chemical product safety and labelling. We have had no product recalls during the current financial period.

Donations

Games Workshop does not make any donations to charities or political parties. Instead, we allow all employees to use two working days during the year to do work for their chosen charities. We are pleased to see that this year there has been an uptake of the use of this allowance.

Research and development

The Group does not undertake research activities. Development activities relate to the development of new product lines and animation. The charge to the income statement for the period in respect of development activities is detailed in note 9 to the financial statements.

Future developments

The future developments for the Group are discussed in the strategic report on pages 3 to 19.

Financial risks

The financial risks facing the Group are set out in note 23 to these financial statements.

Going concern and viability statement

Assessment of prospects

The Group operates a strategic planning process which includes monthly reviews of business and financial performance, regular financial projections and an annual planning review for the next financial period. Medium term projections (for periods ending two years and three years hence) are reviewed taking into account known strategy changes in that time frame. The three year plan considers the Group's growth potential, cash flows and key financial ratios. This strategic planning process is managed centrally, led by the CFO.

Assessment of viability

The strategic plan reflects the directors' cautious view of possible outcomes. It is not used to set targets for performance. The directors have considered a base case going concern model, a continuation of our current operations in line with budgeted growth, and then modelled the scenarios set out below. Under these scenarios no additional funding is required and there would be no breach of banking covenants as we currently have no funding facilities in place:

- Damage/disruption to our Memphis warehouse meaning we were unable to dispatch from the warehouse for a prolonged period. This would result in disruption to sales across North America.
- Loss of main production facilities at the head office site, in Nottingham, due to a major incident. This would result in a complete loss of machinery impacting our ability to produce miniatures.
- A ransomware attack, which would result in loss of access to systems and data for one month impacting all areas of the business including loss of all sales and production.

The viability assessment has been conducted for a period of three years which is in line with the Group's strategic planning period as discussed above. The board believes that this time frame is the most appropriate as it is difficult to make meaningful projections beyond three years. This assessment of viability has been made with reference to the Group's current position and future prospects, its strategy and its operational risks and the mitigation in place to manage them. In making the viability assessment the principal risks (see page 16) facing the business have been considered and a number of severe but plausible scenarios assessed for the impact of these on the medium-term projections. The principal risks disclosed on pages 16 to 18 are not considered to have a material impact on viability. The scenarios tested include those tested as part of our going concern review. Stress testing has been performed on the cash projections to determine the extent to which sales can decline before the Group's cash reserves become depleted to the point additional funding and cost reductions would be needed. The results of this showed that the Group would need to increase the cost of all materials, production and overheads while decreasing sales (compared to the base case) to such an extent that it is not considered to be a plausible scenario.

Viability statement

Based on the board's assessment as described above and the Group's strong balance sheet, the directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three year period ending 1 June 2027.

Going concern

After making appropriate enquiries with the operational board, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for at least twelve months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the Group's and Company's financial statements.

On behalf of the board

Ross Matthews
Company secretary
29 July 2024

CORPORATE GOVERNANCE REPORT

An introduction from our non-executive chair
I am pleased to introduce the corporate governance report where we set out our approach to governance and how the board and its committees operate.

The board believes that Games Workshop's unique culture and values drive its performance, so we have a responsibility not to disrupt these important elements of the Group's success.

We always intend to comply with legislation and will comply or explain our position with regard to the UK Corporate Governance Code (the 'Code'). Put another way, we will obey the law and consider our position with regard to best practice, complying in nearly all cases but being willing to defend a position that we feel is better for us and in line with our Group's culture and values.

We spend time as a board establishing and reviewing our position on ESG and governance principles making what we hope are good, nuanced judgements that balance the expectations of our stakeholders and what we believe is fundamental to our culture, values and principles. We believe it acceptable to take time to consider the potential for unintended consequences of initiatives before declaring our commitment to a position and we are instinctively reluctant to say we will deliver until we are certain that we can.

We have a small board with two executive directors, a non-executive chair and three further independent non-executive directors. These six people have a balance of attitudes, knowledge and backgrounds to enable each director and the board as a whole to discharge their duties effectively. As a group, we are a relatively new team as we have refreshed the board and the roles within it over the last 12 to 24 months. We conduct a board effectiveness review annually, which is externally facilitated every third year. We employed a third party to conduct an external review in 2021/22 and will do so again in 2024/25. This year, we have conducted an internal review, which confirmed that we consider ourselves to be an effective board and duties have been fulfilled.

Quarterly departmental engagement sessions are ongoing and deliver on the dual aims of senior managers communicating strategic and operational messages to their teams and the creation of an opportunity for all staff around the globe to ask questions and engage in discussion.

Engagement with shareholders continues to be led by Kevin and Rachel, our CEO and CFO, with other members of the board being available on request. I will continue to act as the designated non-executive director for staff engagement, providing a conduit for the voice of our staff to be considered during board meetings.

I am satisfied with the standards of governance that the board continues to maintain and build upon. The Code has been adopted as required and the Company has complied with the Code. All our directors will be seeking reappointment at the AGM in September 2024 with the exception of Rachel Tongue, who is stepping down from the board at the AGM and will leave the Group in January 2025. As previously announced, Liz Harrison will be proposed for appointment to the board as group finance director at the AGM, subject to shareholder approval.

John Brewis
Non-executive chair

The UK Listing Rules of the Financial Conduct Authority (FCA) require listed companies to disclose, in relation to the Code, how they have applied its principles and whether they have complied with its provisions throughout the accounting period. The UK Corporate Governance Code can be found at www.frc.org.

This statement, together with the remuneration report on pages 40 to 50, and further statements as referenced below, explains how the Company has applied the principles and complied with the provisions set out in the Code.

Reporting requirement	Where this is referenced in this annual report	
Assessment of value over the long-term	Strategy and objectives	Page 3 and 4
Understanding the views of other key stakeholders, as set out in section 172	Section 172 statement	Pages 15 and 16
Provision of means for the workforce to raise concerns in confidence	Whistleblowing	Page 39
Details of meetings of the audit and risk committee	Significant issues considered by the audit and risk committee	Page 37
Assessment of principal risks	Risks and uncertainties	Pages 16 to 18
Monitoring of risk management and internal control	Internal control Risk management	Page 38 Page 38
Statement of going concern Assessment of the prospects of the Group	Going concern and viability statement	Page 31

The board
The board operates through monthly meetings which senior management attend on a regular basis. The board is responsible for leading and controlling the Group and monitoring executive management. It considers all issues relating to strategy, management and future direction of the Company. During the year, John Brewis continued to act as the designated non-executive director responsible for staff engagement. This is achieved through regular involvement with a variety of employees across the Group and attendance at the quarterly staff departmental meetings. The board has a schedule of matters reserved to it for decision that is regularly updated; these include decisions on the Group's strategy, financial plans, major capital expenditure and dividend policy. The board is updated about operational decisions through the monthly meetings. It meets at least nine times a year. In 2023/24 the board had 10 scheduled meetings, each of which was attended by all members of the board. Terms of reference for the board committees (as set out below) are available on the Company's website.

The Company maintains an appropriate level of director and officer liability insurance cover and has agreed to indemnify the directors against certain liabilities as discussed in the directors' report on page 20.

A review of the performance of the Group's main business activities is included in the strategic review. The board presents this review, together with the directors' report on pages 20 to 31, to give a fair, balanced and understandable assessment of the Group's position and prospects.

The board comprises the non-executive chair, the CEO, the CFO, and three further non-executive directors. It is chaired by John Brewis. The biographies and prior experience of board members are set out on pages 20 and 21.

The non-executive directors have a breadth of successful commercial and professional experience and are considered by the board to be independent of the Group.

All of the directors bring an independent judgement to bear on issues of strategy, performance, resources (including key appointments) and standards of conduct. John Brewis, as chair, was independent on being appointed to the board. The board considers that it has been supplied with sufficient timely and accurate information to enable it to discharge its duties.

All members of the board have access to the services and advice of the company secretary. There is a procedure for directors to take independent professional advice at the Company's expense where relevant to the execution of their duties. The executive directors attach great importance to ensuring that the non-executive directors are provided with accurate, timely and clear information on the Group. In addition, the non-executive directors are actively encouraged to continually update their knowledge of and familiarity with the Group and the issues affecting it, so as to enable them to effectively fulfil their roles on both the board and its committees.

Board evaluation
In 2021/22 the board undertook an externally facilitated review of its performance, in addition to the board's already established process for the ongoing assessment of its own performance and that of its committees. This year, we conducted an internal board effectiveness review, involving all of the Company's directors along with the company secretary. The board concluded it was effective and its duties had been fulfilled. We're always keen to find ways to improve and work together to do the best job possible. Areas of focus for the next year include chair succession and the resulting assessment of the composition and any skills gaps for the board. Further, when recruiting for the board, we will remind ourselves of one of the fundamental principles of Games Workshop's success: that recruitment processes should be based on behaviours and personal qualities as well as skills. The next externally facilitated review will take place in 2024/25.

Board committees
The board has three principal committees, all with written terms of reference which are published on the Company's website, and which are available on application to the company secretary at the Company's registered office. The company secretary serves as secretary to all three committees. The chairs of the audit and risk committee, the remuneration committee and the nomination committee will be available at the AGM to answer any questions.

Audit and risk committee
The audit and risk committee currently comprises the non-executive directors and is chaired by Randal Casson who has significant relevant financial and accounting knowledge and experience. The audit and risk committee's terms of reference include monitoring the integrity of the financial statements and other announcements relating to the Company's financial performance including reviewing significant financial reporting judgements, internal control and operational risk assessment and keeping under review the scope, results and effectiveness of the external and internal audits and the independence of the Company's external auditor.

Audit and risk committee report
A more detailed description of the activities of the audit and risk committee and the internal control and risk management systems that are in place are discussed in the audit and risk committee report on pages 37 to 39.

Remuneration committee
The remuneration committee comprises the non-executive directors and chair of the board and is chaired by Kate Marsh. The remuneration committee normally meets at least three times a year and is responsible for making recommendations to the board on remuneration policy for all executive directors and senior management (including determining specific remuneration packages, terms of employment and variable pay performance incentive arrangements). The procedures and guidelines used by the remuneration committee in determining remuneration are outlined in the separate remuneration report. The remuneration committee held four scheduled meetings in the year, which were attended by all members of the committee. Executive directors attend by invitation and the committee meets without the executive directors at least annually to appraise the executive directors' performance.

Remuneration report
The Company's policy on executive remuneration and details of the executive directors' salaries, profit share and pensions, and fees for the non-executive directors are set out in the remuneration report on pages 40 to 50.

Nomination committee
The nomination committee comprises the non-executive directors and is chaired by John Brewis. It is responsible for nominating, for approval by the board, candidates for appointment to the board. The committee regularly reviews the structure, size and composition (including the skills, knowledge, experience and diversity) of the board and gives consideration to succession planning for directors and other senior executives, taking into account the challenges and opportunities facing the Group and the skills and expertise needed on the board in the future.

As CEO, Kevin Rountree was invited to attend a meeting of the committee and present his current senior management team structure and to discuss succession planning. Succession planning for the executives and the senior management team will always be a business risk and the committee is committed to reviewing progress on this going forward. The committee held four scheduled meetings in the year which were attended by all members of the committee. Kevin also meets John monthly and succession planning is an ongoing topic.

Appointments to the board
After announcing that Rachel Tongue is leaving the Group in January 2025, the nomination committee ran a process to appoint a new group finance director. Finding the right people has always been one of our biggest challenges, including for our board. We take our time to ensure that we run a process free from any bias and we hold our resolve to never compromise our high standards of cultural fit when assessing potential candidates. Sometimes this means that the recruitment process can become quite elongated - but we believe that it is always better to do what is right than what is easy. After an extensive search process, including external search and open advertising, Liz Harrison, who has been with Games Workshop since 2000 will be nominated to stand for appointment as a director at the AGM when, subject to shareholder approval, she will join the board as group finance director.

Newly appointed directors are given appropriate training and non-executive directors meet regularly with members of the executive and other staff within the Group. In addition, site visits ensure that the non-executive directors gain first-hand experience of developments within the Group.

Any director appointed during the year is required, under the provisions of the Company's articles of association, to retire and seek election by the shareholders at the next AGM.

Stakeholder engagement
The Company understands the importance of engaging with our stakeholders. The board seeks to understand the views and interests of the stakeholder groups detailed below to ensure that these are always considered as part of any decision making.

Shareholders
We maintain an open dialogue with our shareholders. On a continuing basis, the Company encourages two-way communication with its institutional and private shareholders and responds promptly to queries received verbally, in writing or directly through its investor relations website, investor.games-workshop.com or through brokers. In addition to the annual report and half yearly report, the non-executive chair, committee chairs and the CEO and CFO are available to meet and do meet with shareholders and potential shareholders to discuss any questions they may have and ensure that the board has a clear understanding of the views of shareholders. In the year, we also hosted two institutional shareholder days at our HQ in Nottingham alongside Peel Hunt and Edison. Any issues arising at such meetings are reported to and considered by the board. In 2023/24 matters discussed were in relation to performance of the Group throughout the year and whether share buybacks were appropriate. We ensure our shareholders have a good understanding of our strategy, business model, culture and capital allocation policy.

Our staff
We rely on the hard work and creativity of our employees to make sure we drive the creation of value in the long term. We engage with our employees through formal and informal meetings, and through the quarterly departmental meetings. Throughout the year, members of the board have attended the quarterly briefing meetings to help increase board engagement and visibility with employees. John Brewis continued his role as designated non-executive director for staff engagement. John has many years of experience of workforce engagement in a manufacturing environment and has, over the past year, engaged with staff by reviewing a staff survey, attending briefings, visiting factories, warehouses, retail stores and sales offices in both the UK and Europe. The board is also responsible for assessing and monitoring culture within the Group through attendance at quarterly briefings and site visits.

Customers
We engage with our customers through our retail stores, our social media sites, and through warhammer-community.com. This allows two-way communication with our customers. Any recurring topics or points of note are shared with and considered by the board. Senior management also visit retail stores as well as independent retailers to help understand customer views.

Suppliers
The integrity of our supply chain is an essential part of ensuring we design and make great products. Although as a vertically integrated group we are in control of large parts of the design and manufacturing process, it is important that our suppliers share the same standards and ethics as we do. As discussed on page 29, we are committed to implementing effective controls to ensure good ethical sourcing standards throughout our supply chain. We have strong partnerships with our key suppliers that have been built up over a number of years to ensure we get the best materials through a stable, reliable and responsible supply chain.

Culture
Companies are run by people. Games Workshop is run by people. How our people get on with the task of running Games Workshop and how they get on with one another is vital.

How we behave does matter. Therefore, what we are like does matter.

This is why we make such efforts to recruit people who are likely to have the right qualities to be successful at their job. Everything we do is for the good of Games Workshop, and thereby our customers and colleagues and shareholders. No one's personality is bigger than that; none of us is more important than this ultimate goal. This is a huge challenge and it requires lots of humility, honesty and courage. That is, humility in recognising we must put Games Workshop's needs first, honesty to identify truly those occasions when we are being driven by our ego or our selfishness, and courage to do something about it.

It is always better to work amongst nice people and to have fun. We love that too. However, the behaviours we are looking for are these - consistency, clarity, firmness, fairness, openness, integrity, compassion and urgency. What we ultimately mean by 'good behaviour' is evidenced by what we would expect to see:

- an absolute belief that it is better to do what is right rather than what is easy;
- a determination to be cheerful and confident and passionate about this, the best of all jobs;
- an ego-free environment - this leads to people who put the business first and don't have private agendas, people who welcome newcomers that bring the skills we need, people who can criticise themselves and our business but are justly proud of their own and our business's achievements; and
- an absolute commitment to the niche market business model and the quality of our products and services.

As a consequence, we know that attitudes and behaviour are even more important than skills.

CORPORATE GOVERNANCE REPORT continued

Conflicts of interests
The Company's articles of association take account of certain provisions of the Companies Act 2006 relating to directors' conflicts of interests. These provisions permit the board to consider, and if thought fit, to authorise situations where a director has an interest that conflicts, or may possibly conflict, with the interests of the Company. The board has adopted procedures for the approval of such conflicts and applied them effectively during the year. During the year, the board authorised and managed one situational conflict, as a matter of precaution, which has now ended.

Substantial shareholdings
The following interests in 3% or more of the issued share capital of the Company as at 2 June 2024 have been disclosed to the Company:
The Company has not been notified of any changes in these interests since the period end. The Company has not been notified of any other substantial shareholdings.

	No. of shares	%
Baillie Gifford	3,697,567	11.2
BlackRock	1,818,419	5.5
Vanguard Group	1,656,805	5.0
Fidelity	1,425,534	4.3
abrdn	1,315,576	4.0
Schroder Investment Management	1,124,648	3.4
Capital Group	1,014,021	3.1

Statement of compliance with the UK Corporate Governance Code
The Company has complied with all of the provisions set out in the Code.

On behalf of the board

John Brewis
Non-executive chair
29 July 2024

AUDIT AND RISK COMMITTEE REPORT

The report details the role of the audit and risk committee and the work it has undertaken during the year, as well as its meeting in July 2024 when this annual report and financial statements were approved.

Committee membership
The audit and risk committee currently comprises the three non-executive directors and is chaired by Randal Casson. The board considers that as serving chair during the year up to publication of this annual report, Randal Casson has recent relevant financial experience by virtue of his professional qualifications and previous role. Members of the committee can also demonstrate a breadth of experience across the manufacturing, IT and media sectors through their current and previous roles.

Significant issues considered by the audit and risk committee
The committee had four scheduled meetings during the year which were attended by all members of the committee. It has an agenda linked to the events in the Group's financial calendar. The external auditor met with the committee without management being present and the chair and members of the committee have direct contact with the audit partner as required. During the year the committee:

- reviewed the half year and full year results;
- received and considered, as part of the review of the annual financial statements, reports from the external auditor in respect of the auditor's Group audit plan for the year and the results of the annual audit. These reports included the scope of the annual audit, the approach adopted by the auditor to address and conclude upon significant risks, key audit matters and other audit areas, the basis on which the auditor assesses materiality, the terms of engagement for the auditor and an ongoing assessment of the impact of future accounting developments on the Group;
- considered whether the annual report is fair, balanced and understandable. In doing so, the committee reviewed and discussed with management the content and appropriateness of the information included within the 2024 annual report. This provided the committee with the supporting detail to ensure that it was in a position to report to the board that the 2024 annual report, taken as a whole, was fair, balanced and understandable. This was on the basis that the business description, business model and strategy agreed with its own understanding of the Group, and the balance in the reporting of performance reflected both positive and negative issues and reflected the Group's activities during the year;
- considered the effectiveness and independence of the external auditor. The auditor specifically demonstrated professional scepticism and challenged management assumptions;
- made a recommendation to the board to re-appoint KPMG as external auditor;
- reviewed and challenged the level of the 2023/24 audit fee proposed by the auditor;
- reviewed the Company's policy on non-audit fees and ensured appropriate safeguards are in place;
- considered and agreed the internal audit work programme and received regular reports on the key issues arising from its implementation during the year; and
- reviewed reports on the key business risks, including a review of the internal control processes used to identify, monitor and mitigate the principal and emerging risks and uncertainties.

The committee received, reviewed and challenged reports from management and the external auditor setting out the key areas in relation to the 2024 annual report and made their own assessment. These issues were discussed and challenged with management during the year. They were also discussed with the auditor at the time the committee reviewed and agreed the auditor's Group audit plan and at the conclusion of the audit of the financial statements. The areas that were discussed were:

- forthcoming reporting requirements on risk management and internal controls
- key audit matters relating to core revenue recognition

The committee formally meets at least three times a year with the executive directors and internal auditor. The external auditors are invited to join twice a year. The external and internal auditors are given the opportunity to raise any matters or concerns they may have in the absence of the executive directors at separate meetings with the audit and risk committee or its chair.

Auditor's independence
The committee reviews the independence of the external auditor by assessing the arrangements for the day-to-day management of the audit relationship as well as reviewing the auditor's report which describes their procedures for identifying and reporting conflicts of interest. To maintain the auditor's independence, the committee has also established the policy that the primary role of the external auditor is to perform services directly related to their audit responsibilities. Any non-audit services would have to be approved by the committee. Non-audit fees paid to the auditor amounted to £nil in the period. The Group uses other advisers for taxation advice and other services. The audit fees are disclosed in note 9.

The audit and risk committee considers the re-appointment of the external auditor each year, as well as remuneration and other terms of engagement. In 2020/21, the committee ran a comprehensive and competitive audit tender process. The decision to appoint KPMG as the new auditor to the Group was ratified at the AGMs since 2021. The committee now recommends the re-appointment of KPMG as external auditor at the 2024 AGM. There are currently no contractual obligations which restrict the choice of external auditor.

AUDIT AND RISK COMMITTEE REPORT continued

Internal control
The directors recognise that they have overall responsibility for ensuring that the Group maintains a sound system of internal control to safeguard shareholders' investment and the Group's assets, and for reviewing its effectiveness. The system is designed to manage risks that may prevent the Group from achieving its business objectives, rather than to eliminate these risks. However, even the most effective system can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have established an ongoing process for identifying, evaluating and managing the significant risks faced by the Group, which has been in place from the start of the period until the date of approval of this report. This process is regularly reviewed by the committee and the board throughout the year.

The effectiveness of the Group's system of internal control is regularly reviewed by the committee and the board. The review covers all material controls, including financial, operational and compliance controls and risk management. The monitoring of control procedures is achieved through regular review by the CFO and the company secretary, reporting to the committee and to the board. This review process considers whether significant risks have been identified, evaluated and controlled and whether any significant weaknesses are promptly remedied and indicate a need for more extensive monitoring. Regular reporting by senior management ensures that, as far as possible, the controls and safeguards are being operated appropriately. This process is considered by the audit and risk committee alongside the adequacy of the risk management and internal control systems, and the external and internal auditors' reports. The internal control and risk management systems are considered to be appropriate.

The Group has continued its programme of internal audit reviews during the year. The audit and risk committee agrees an annual internal audit plan, focusing on business specific issues. Actions agreed by management, in response to recommendations made, are followed up.

The board, with advice from the audit and risk committee, has completed its annual review of the system of internal control and is satisfied that it has acted appropriately and in accordance with that guidance. During the course of its review of the system of internal control, the board has not identified nor been advised of any failings or weaknesses which it has determined to be significant. Therefore, a confirmation in respect of necessary actions is not considered appropriate.

Internal audit
The internal audit team follows a programme of activities that are closely aligned with principal operational risks. Reviews are conducted either by a dedicated internal auditor, an internal team that is independent of the area under review or by an external party, decided on a case by case basis. In all cases the review is conducted on behalf of the committee and reported back to them. Reports are discussed with the committee and a remediation plan agreed with management to improve controls where appropriate. Over the year, 14 internal audit reviews were completed. The committee can confirm that the quality, experience and expertise of the function is appropriate.

Risk management
The committee is responsible for assessing the scope and effectiveness of the systems established by management to identify, assess, manage and monitor financial and non-financial risks. A description of the principal risks and the strategies to manage these risks is included on pages 17 and 18.

Throughout 2023/24 we have continued to improve our understanding of our operational risks, and to monitor the effectiveness of mitigating actions against each of them. The committee is satisfied that good progress has been made, and key operational risks have been adequately included within the audit programme in the year. The committee expects that this programme will evolve further in 2024/25 as we continue with activities to ensure readiness for the forthcoming changes to the UK corporate governance code.

Process for preparing consolidated financial statements
The Group has established internal control and risk management systems in relation to the process for preparing the consolidated financial statements. The key features of these systems are:

- Management regularly monitors and considers developments in accounting standards and best practice in financial reporting and reflects developments in the financial statements where appropriate. The external auditor also keeps the committee apprised of these developments.
- The committee and the board review the draft financial statements. The committee receives reports from management and the external auditor on potentially significant judgements, changes in accounting policies, changes in accounting estimates and any other appropriate changes to the financial statements.

Anti-bribery and corruption
Bribery and corrupt practices are never tolerated in the pursuit of Games Workshop's business objectives or goals, or within business relationships, or the actions of its employees and associated parties. This commitment is driven from the chief executive and the board throughout the entire Group and a commitment is expected of all who work with the Group and who act on our behalf or are employed or engaged in any capacity by us. The Games Workshop anti-bribery policy reflects Games Workshop's position in respect of any act of bribery and corruption.

Games Workshop conducts appropriate levels of due diligence in respect of suppliers and other external parties that we work with to verify anti-bribery and anti-corruption controls are in place throughout our supply chain.

Whistleblowing
The board is responsible for the review of the Company's procedures for responding to the allegations of whistleblowers alongside input from the audit and risk committee. Whistleblowing arrangements are in place to enable staff who may, in confidence, want to raise concerns about possible financial reporting irregularities amongst other concerns. If an employee does not feel comfortable reporting any potential, suspected, attempted or actual breaches of company policy, they can report such activity to Games Workshop's chair of the audit and risk committee using a dedicated whistleblowing online portal. Staff can report any concerns via the online portal without disclosing their identity should they wish to. This whistleblowing procedure is communicated to staff within relevant employee policies and is regularly promoted to staff. Games Workshop endeavours to protect those who make disclosures of wrongdoing. Any reports made in good faith will be dealt with in confidence (to the extent possible), and the reporting employee shall not be discriminated against as a result of their actions.

On behalf of the board

Randal Casson
Audit and risk committee chair
29 July 2024

REMUNERATION REPORT

Introduction

The remuneration report for the period ending 2 June 2024 has been prepared on behalf of the board by the remuneration committee in accordance with the requirements of the Companies Act 2006 and Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, as amended, and meets the relevant requirements of the UK Listing Rules of the Financial Conduct Authority and the UK Corporate Governance Code.

This remuneration report sets out payments made to executive directors and non-executive directors under the current remuneration policy which was approved by more than 85% of shareholders who submitted a proxy vote at the 2021 AGM. The report details the relationship between company performance and remuneration for the 2023/24 financial period, how the policy has been implemented and the activities of the remuneration committee. The report is subject to an advisory vote at the 2024 AGM.

As part of a three year cycle, the remuneration committee has also undertaken a review of director compensation, supported by independent external consultants Alvarez & Marsal Tax LLP, to assess that the directors' remuneration policy remains valid and aligned to the Company's strategy and culture. The outcome of such review is outlined below.

Review of the period

Group-wide remuneration

A pay increase was applied on 1 June 2023 which averaged 5% across all staff, except for the two executive directors. Going forward into 2024/25, a 3% increase has been agreed by the committee for the wider workforce taking effect from 1 June 2024 and the Group again reaffirmed its commitment to paying the UK national living wage (increasing to £12.00 per hour) which took effect from April 2024. The executive directors' base pay was reviewed under the current remuneration policy annual review following independent benchmarking which was commissioned in February 2024. The committee agreed to award both the CEO and CFO an annual increase in base salary of 7.4% from 1 January 2024. The committee agreed such, after independent evaluation of the benchmarking and taking into consideration the executive directors did not receive a base pay annual increase in 2021/22 nor in 2022/23. Non-executive directors received a 5% increase in base fees from 1 June 2023 and following an independent benchmarking exercise, base fees will remain flat from 1 June 2024 but additional fees for committee chairs and the senior independent director will be increased from £5,000 to £10,000 per annum. The fees for the chair will increase by 5% from 1 June 2024.

Senior management bonus

As a result of discussions between Kevin Rountree and the committee, the committee agreed to support a discretionary bonus, payable in cash, to a number of individual managers who contributed to the Company's outstanding performance. The committee was pleased to support this proposal in recognition of the effort and skill required to deliver the record results detailed in this report.

Group Profit Share Scheme

Under the remuneration policy approved at the 2021 AGM, all eligible employees (excluding the executive directors) are included within the Group Profit Share Scheme. Cash payments were made to eligible staff in December 2023 and May 2024 under the Group Profit Share Scheme. For 2023/24 each eligible employee received a total of £6,000 (2022/23: £4,000) - in total £18.4 million (2022/23: £11.6 million).

Executive director Exceptional Bonus Award

In 2021, in consultation with shareholders, the committee undertook to articulate exceptional performance and to appropriately exercise its discretion in making any Exceptional Bonus Award in future years. This remains true for the 2023/24 financial period.

When considering the potential payment of an Exceptional Bonus Award, the committee applies discretion to a suite of financial indicators including growth, margin, group profit, earnings per share, cash generation and dividend payments made to shareholders. If performance against this basket of criteria is exceptional, then the Group will have generated sufficient profit and cash to have paid dividends to shareholders and appropriate cash payments to all staff under the Group Profit Share Scheme.

	2021/22	2022/23	**2023/24**
Core revenue	£386.8 million	£445.4 million	**£494.7 million**
Core gross margin	67.1%	66.5%	**69.4%**
Profit before tax	£156.5 million	£170.6 million	**£203.0 million**
Earnings per share	391.3p	409.7p	**458.8p**
Dividends declared per share	235p	415p	**420p**

For the financial and operational performance reasons detailed above, particularly the continued growth in core revenue from £445.4 million in 2022/23 to £494.7 million in 2023/24 and growth in profit before taxation from £170.6 million in 2022/23 to £203.0 million in 2023/24, combined with the delivery of record levels of dividend payments and payments to all staff under the Group Profit Share Scheme, the committee agreed that the threshold for proven, exceptional performance was reached in 2023/24. The committee applied discretion and deemed it appropriate to award each of the executive directors an Exceptional Bonus Award of 150% of base salary being the 150% maximum allowed under the shareholder approved policy. In accordance with the approved policy, each executive director must purchase Company shares with 67% of such cash bonus (within 30 days of receipt) after any tax settlement and are expected to hold such shares for at least three years. The bonus for 2023/24 will be paid in July 2024.

Remuneration policy review

As required by the Companies Act, our shareholders have the right to a binding vote on our remuneration policy at the upcoming 2024 AGM. In line with best practice, the committee has engaged the services of independent remuneration consultants to conduct a review of director compensation to help inform the committee of current peer group rates and practices. This review was carried out in February 2024 and has informed the committee's independent decision to maintain all components of the current approved policy, which received 85% shareholder approval at the 2021 AGM, for the following reasons:

- it continues to motivate executive directors and senior management
- it is a simple structure made up of base pay, pension, benefits and exceptional bonus award (the bonus being awarded at the independent discretion of the remuneration committee in the event that proven, exceptional performance has been delivered)
- any variable, discretionary bonus is awarded in consideration of a basket of financial indicators (see above) and is subject to a clawback provision, taking into account the wider stakeholder experience - that of shareholders and employees
- it is a structure that has promoted long-term sustainable growth and performance to the benefit of all stakeholders since inception
- the outcomes of the potential rewards are predictable - subject to clear limits and caps
- executive directors are required to buy shares with 67% of any discretionary bonus and are expected to hold shares for three years thus promoting substantial shareholding and aligning reward with shareholder interest.

It is also noted, as in previous annual reports, that the current remuneration policy cannot fully address like-for-like total compensation for executive directors compared to the majority of FTSE 250 peers, due to the absence of any LTIP or long-term share award scheme. As a group, in keeping with the culture and values of the Company, the belief is that formulaic target incentive setting within LTIPs goes counter-culture to the forever, team effort and leadership that the Company has thrived on to produce year-on-year growth over time, therefore, a performance share-based element common to large and medium sized companies has not been part of the accepted remuneration policy. The current policy does not allow for any alternative compensation mechanism.

New executive director

As first communicated in January 2024, our long-serving CFO, Rachel Tongue, is stepping down from her role after 27 years of service with Games Workshop and will not be seeking re-election at the 2024 AGM. Rachel will be leaving Games Workshop with our sincere thanks for her contribution to our sustained success as expressed earlier in this annual report. As announced on 22 May 2024, the nomination committee intends to nominate Liz Harrison for election to the board as group finance director. In line with our current remuneration policy, base salary will be set at a level appropriate for the role and the experience of the nominated director and benefits, pension and the Exceptional Bonus Award will be considered in line with the policy.

The committee

The committee will continue to assess and monitor the consistency of the remuneration policy across the Group with a view to ensuring that an appropriate reward structure exists to recognise and reward our key executives and attract talented individuals in alignment with the Company's unique culture and which continues to promote appropriate behaviours and long-term performance in the interests of shareholders and all stakeholders. As part of this process, the committee will also continue to regularly discuss and assess the effectiveness and appropriateness of the policy's component parts and mechanisms to ensure remuneration policies and strategies are designed to support company strategy and promote long-term, 'forever' sustainable success. Our mission is to 'make the best fantasy miniatures in the world, to engage and inspire our customers, and to sell our products globally at a profit. We intend to do this forever'. 'Forever' is a very important word and our decisions are focused on long-term success, not short-term gains.

Kate Marsh
Remuneration committee chair
29 July 2024

Annual report on remuneration 2023/2024

Remuneration policy
This part of the report sets out the directors' remuneration policy, which was approved by shareholders at the 2021 AGM and has remained unchanged during 2023/24. It is also commended by the committee to be retained as the forward directors' remuneration policy for 2024/25.

The aim of the Group's remuneration policy is to reward fairly and to attract, motivate and retain high quality management that befits Games Workshop's culture and values. The total size of the remuneration package for executive directors is judged by and compared with the remuneration packages of similar companies, having regard to:

- the size of the company, its turnover, profits and number of people employed
- the diversity and complexity of the business
- the geographical spread of the business
- the growth and expansion profile

As noted above, the current remuneration policy cannot fully address like-for-like total compensation for executive directors compared to the majority of FTSE 250 peers due to the absence of any LTIP or long-term share award element which continues not to be aligned with the Company's culture and values. We believe that LTIPs could have the potential to unbalance the organisation with individuals being incentivised to achieve personal goals, at the expense of the wider organisation.

The Company's non-executive directors are remunerated with fees in line with market rates. They do not receive any pension or other benefits, other than the reimbursement of reasonable expenses, and they do not participate in any bonus or share schemes.

Under our terms of reference, the remuneration committee is able to employ remuneration consultants to provide reference and advice, which is subject to independent evaluation by the committee. In February 2024, the committee commissioned a review of directors' compensation in relation to the market from Alvarez & Marsal Tax LLP to inform the committee's consideration of the remuneration policy going forward and to update such, as appropriate, subject to shareholder approval. Based on the nature of the advice, the committee was satisfied that the advice received was objective and independent.

Remuneration policy table
The table below summarises each of the components of the remuneration package for directors of the Company which comprise the current policy approved at the 2021 AGM. The committee may make minor changes to the policy, which do not have a material advantage to the directors, to aid its operation or implementation, taking account of the interests of shareholders but without the need to seek shareholder approval.

Component	Purpose and link to strategy	Operation	Maximum potential value	Performance metrics
Salary	Core element of fixed remuneration, reflecting the size and scope of the role. Purpose is to recruit and retain directors of the calibre required for the business.	Reviewed annually and usually fixed for 12 months from 1 June. There is no entitlement to an annual increase. Takes into consideration the director's role and attitudes. Takes into account prevailing market conditions and is aligned with staff pay reviews. Externally benchmarked by independent remuneration consultants from time to time against companies of a similar size and complexity.	There is no prescribed maximum annual increase in salary. Salaries are reviewed taking into consideration salary increases across the Group. Increases out of line with the workforce are carefully considered but may be awarded taking all relevant factors into account, for example, increases in scope and responsibility or salary falling significantly below market positioning.	Not applicable, although the individual's contribution and overall performance is one of the considerations in determining the level of any salary increase.

Remuneration policy table continued

Component	Purpose and link to strategy	Operation	Maximum potential value	Performance metrics
Benefits	Ensures the overall package is competitive. Purpose is to recruit and retain directors of the calibre required for the business. Participation in the sharesave scheme creates staff alignment with the Group and promotes a sense of ownership.	The executive directors each receive life assurance cover. The sharesave scheme is a HMRC approved monthly savings scheme facilitating the purchase of shares at a discount. Where appropriate other benefits may be offered including allowances for relocation and other expatriate benefits.	Set at a level which the committee considers appropriate against the market and provides a sufficient level of benefit based on individual circumstances. Sharesave contributions are as permitted in accordance with the relevant tax legislation.	Not applicable.
Pension	To provide cost effective retirement benefits.	Participation in a group personal pension scheme.	Up to 8.5% of salary up to a maximum of £10,000 per annum. Subject to changes in pension tapering by HMRC, any excess between up to 8.5% of salary and £10,000 is paid as additional salary (net of employers' national insurance).	Not applicable.
Exceptional Bonus Award	Rewards exceptional performance.	Any pay-out is determined by the committee after the period end, based on performance. Awards are payable in cash with 67% of the net amount required to be invested in the Company's shares, with an expectation that these are held for at least three years.	Maximum potential value is 150% of base salary.	The payment is at the discretion of the committee based on exceptional financial and operational performance being achieved during the year.
Non-executive directors' fees	Sole element of non-executive director remuneration is set at a level that reflects market conditions.	Fees are reviewed annually taking into account time commitment, responsibilities and fees paid by comparable companies. Additional fees are paid to the chair of the relevant board committees to reflect additional responsibilities. Non-executive directors are entitled to claim reasonable out of pocket expenses in connection with the performance of their duties.	Fees are reviewed annually taking into account time commitment, responsibilities and fees paid by comparable companies. Additional fees are paid to the chair of the relevant board committees to reflect additional responsibilities. Non-executive directors are entitled to claim reasonable out of pocket expenses in connection with the performance of their duties.	Not applicable.

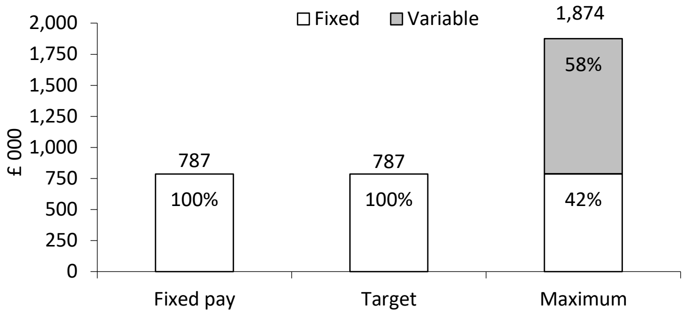
Changes to the remuneration policy
As described in the first section of this remuneration report, no changes have been implemented during the period 2023/24 under the policy approved at the 2021 AGM. We are also commending the current policy for approval at the 2024 AGM.

Explanation of the performance metrics chosen
The performance measures selected are aligned with the Company's strategy and business objectives. The remuneration committee considers a basket of financial measures when applying discretion to any payments under the terms of this policy.

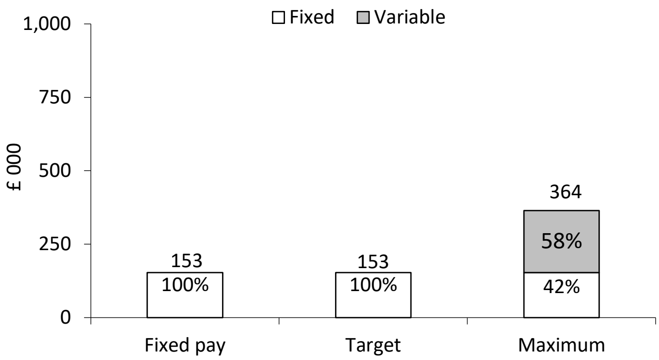
REMUNERATION REPORT continued

Illustration of application of the policy
The charts below show the relative split of remuneration between fixed pay (base salary, benefits and pension) and variable pay (Exceptional Bonus Award) for each executive director on the basis of minimum remuneration, remuneration receivable for performance in line with the Company's expectations and maximum remuneration.

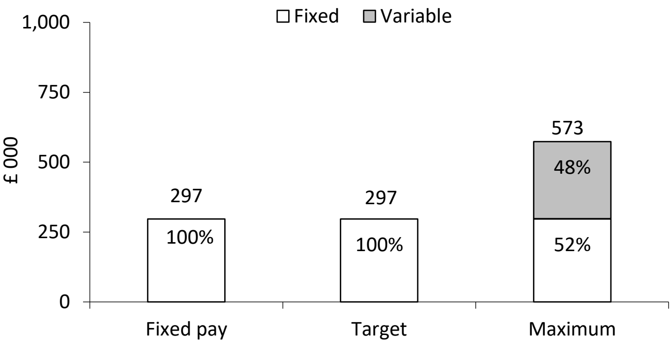
Kevin Rountree



Rachel Tongue (to 18 September 2024)



Liz Harrison (from 18 September 2024)



	Minimum	In line with expectations	Maximum
Fixed pay	Fixed elements of salary, benefits and pension. Salary is at 2 June 2024 or on appointment and the value of benefits is equivalent to that included in the single figure remuneration table on page 46.	As per minimum	As per minimum
Exceptional Bonus Award - Kevin Rountree, Rachel Tongue	Nil	Nil	150%
Exceptional Bonus Award - Liz Harrison	Nil	Nil	100%

Remuneration committee make-up
The remuneration committee is appointed by the board and comprises Kate Marsh (chair), John Brewis, Randal Casson and Mark Lam. The remuneration committee is responsible for setting the remuneration packages of the executive directors as well as approving their service contracts. The terms of reference for the committee are available on the Company's investor relations website.

Differences in policy from the wider employee population
The Company aims to provide a remuneration package that is competitive, complies with any statutory requirements and is applied fairly and equitably when taking into account the wider employee population. Where remuneration is not determined by statutory regulation, the Group operates the same core principles for the wider employee population as it does for the executive directors, namely:

- to remunerate people in a manner that allows for stability of the business and the opportunity for sustainable long-term growth
- to seek to remunerate fairly and consistently for each role with due regard to the marketplace and internal consistency
- to apply the Group Profit Share equally to all employees (excluding the executive directors)
- to encourage employees to own shares through the operation of the sharesave scheme.

As is common practice, the Company has introduced elements of variable pay through an Exceptional Bonus Award which is focused on the executive directors to ensure that the overall remuneration policy remains competitive with the exception of the exclusion of an LTIP component.

Remuneration policy for new directors
When setting the remuneration package for a new executive director, the committee seeks to apply the same principles and implement the policy framework as set out above. Base salary will be set at a level appropriate for the role and the experience of the director being appointed. Benefits, pension and the Exceptional Bonus Award will be in line with the stated policy. Any buy-out award, should one be required, would be limited to the amount of salary that would be foregone.

Non-executive director fees will be set at a competitive market level, reflecting the skills, knowledge, experience, responsibilities and time commitment required. An additional fee will be added for additional responsibility of chairing a board committee or undertaking the role of senior independent director.

Directors' service contracts and letters of appointment

Executive	**Date of contract**	**Unexpired term of contract**	**Notice period**
Kevin Rountree	25 February 2009	Rolling contract	12 months
Rachel Tongue	25 March 2015	Rolling contract	12 months
Non-executive	**Date of appointment**	**Date of last re-election at an AGM**	**Notice period**
John Brewis	20 June 2018	20 September 2023	6 months
Kate Marsh	24 July 2019	20 September 2023	6 months
Randal Casson	1 July 2022	20 September 2023	6 months
Mark Lam	11 April 2023	20 September 2023	6 months

In accordance with best practice and as set out in the Code, notice periods in new service contracts for executive directors are set at one year. Non-executive director appointments are made through letters of appointment for a one year term, subject to election and re-election by the Company's shareholders in accordance with the Company's articles and the Code. The letters of appointment may be inspected at the Company's registered office.

Policy on payment for loss of office
If an executive director's employment is to be terminated, the committee's policy in respect of the service agreement (in the absence of a breach of the service agreement by the director) is to agree a termination payment based on the value of base salary and contractual pension and other benefits that would have accrued to the director during the contractual notice period. Depending on the particular circumstances, a director may work the notice period, be placed on garden leave for some or all of the notice period or receive a payment in lieu of notice in accordance with the service agreement. The committee will consider mitigation to reduce the termination payment to a leaving director when appropriate to do so, having regard to the specific circumstances.

Non-executive directors' appointments may be terminated without compensation but with six months' notice.

External appointments
The executive directors may each accept one external appointment with the prior approval of the board, from which any fees may be retained. At present, neither of the executive directors hold any outside directorship.

Consideration of employment conditions elsewhere in the Group
The Group aims to provide a remuneration package to all employees that is market competitive, complies with any statutory requirements and is applied fairly and equitably across the employee population, taking into account local employment market conditions. The committee considers the general basic salary increase being offered to employees elsewhere in the Group when annually reviewing the salary increase and remuneration of the executive directors. Employees are not consulted in respect of board remuneration. The committee also reviews general workforce remuneration and the alignment of incentives with Games Workshop's culture to ensure it remains appropriate.

Consideration of shareholder views
The committee takes into account shareholder feedback received on remuneration matters, including comments in relation to the resolutions at the AGM in addition to any additional comments in correspondence received directly by the Company. The committee has sought and will continue to engage directly with major shareholders on any material changes to be made to the policy.

REMUNERATION REPORT continued

Annual report on remuneration (subject to audit)
The tables below set out in a single figure the total remuneration, including each element, for each person who served as a director of the Company during the financial periods ended 2 June 2024 and 28 May 2023.

53 weeks ended 2 June 2024

	Salary/fees £000	Pension related benefits £000	Total fixed pay £000	Sharesave option gain £000	Exceptional Bonus Award £000	Total variable pay £000	**Total £000**
Kevin Rountree	739	10	749	7	1,044	1,051	**1,800**
Rachel Tongue	490	10	500	7	696	703	**1,203**
John Brewis	175	-	175	-	-	-	**175**
Randal Casson	61	-	61	-	-	-	**61**
Mark Lam	61	-	61	-	-	-	**61**
Kate Marsh	61	-	61	-	-	-	**61**
Total	1,587	20	1,607	14	1,740	1,754	**3,361**

52 weeks ended 28 May 2023

	Salary/fees £000	Pension related benefits £000	Total fixed pay £000	Sharesave option gain £000	Exceptional Bonus Award £000	Total variable pay £000	Total £000
Kevin Rountree	715	5	720	-	675	675	1,395
Rachel Tongue	478	5	483	-	450	450	933
Elaine O'Donnell[1]	84	-	84	-	-	-	84
John Brewis	96	-	96	-	-	-	96
Randal Casson[2]	49	-	49	-	-	-	49
Mark Lam[3]	8	-	8	-	-	-	8
Kate Marsh	54	-	54	-	-	-	54
Total	1,484	10	1,494	-	1,125	1,125	2,619

[1] Elaine O'Donnell stepped down from the board on 31 December 2022
[2] Randal Casson was appointed to the board on 1 July 2022
[3] Mark Lam was appointed to the board on 11 April 2023

The figures in the single figure tables above are derived as follows:
Salary/fees - the amount of salary/fees received in the period including any additional salary due in excess of the pension tapering limits.
Pension related benefits - the cash value of pension contributions received by the executive directors. This includes the Company's contribution into the group personal pension scheme.
Sharesave gain - the difference between the share price on the date of exercise and the option price multiplied by the number of shares exercised.
Exceptional Bonus Award - 100% of the maximum potential award of 150% of salary was accrued in relation to performance in 2023/24 and 67% in relation to 2022/23.
No taxable benefits, payments for loss of office or sharesave option benefits were paid during 2023/24 and 2022/23.

CEO remuneration

Period	CEO	Total remuneration £000	% of maximum exceptional bonus award paid	% of maximum profit share paid[2]
2023/24	Kevin Rountree	1,800	100	n/a
2022/23		1,395	67	n/a
2021/22		1,327	60	n/a
2020/21		1,272	100	50
2019/20		667	20	100
2018/19		1,077[1]	20	100
2017/18		438	100	100
2016/17		401	n/a	100
2015/16		402	n/a	-
2014/15		168	n/a	-
2014/15	Tom Kirby[3]	291	n/a	-

[1] Remuneration to Kevin Rountree included Exceptional Bonus Awards for 2017/18 (£410,000) and 2018/19 (£105,000).
[2] Maximum profit share paid was between £250 and £1,000 per annum.
[3] Tom Kirby stepped down as CEO on 31 December 2014 and Kevin Rountree was appointed CEO with effect from 1 January 2015.

Percentage change in directors' remuneration

The table below shows how the percentage change in the directors' salary/fees in 2023/24 and earlier years compares with the percentage change in the average remuneration and Group Profit Share of all employees within the Group. The committee has selected the Group's entire staff population (excluding the directors) as these represent the most appropriate comparator.

Percentages	Wider workforce	Kevin Rountree	Rachel Tongue	John Brewis[4]	Kate Marsh[5]	Randal Casson[6]	Mark Lam[7]
Salary/fees							
2023/24	5.8	3.1[1]	3.1[1]	82.3	13.0	24.5	662.5
2022/23	4.9	0.0	0.0	54.8	0.0	-	-
2021/22	4.1	10.2[2]	16.3[2]	11.7	3.0	-	-
2020/21	4.0	17.7	31.2	6.4	16.9	-	-
Bonus							
2023/24	72.0[8]	54.6	54.6	n/a	n/a	n/a	n/a
2022/23	6.8[8]	11.2	11.1	n/a	n/a	-	-
2021/22	-18.7[8]	-1.0	4.4	n/a	n/a	-	-
2020/21	78.2[8]	483.8[3]	546.7[3]	n/a	n/a	-	-
Group Profit Share/ discretionary payment							
2023/24	50%	n/a	n/a	n/a	n/a	n/a	n/a
2022/23	14.3	n/a	n/a	n/a	n/a	-	-
2021/22	-30.0	n/a	n/a	n/a	n/a	-	-
2020/21	400.0	-50.0	-50.0	n/a	n/a	-	-

[1] The increase in salary percentage in 2023/24 is a result of a salary increase on 1 January 2024 following a benchmarking exercise. The other changes in the single figure table result from additional salary paid in respect of excess pension contributions as described on page 43.
[2] The increase in salary percentage in both 2021/22 and 2020/21 is a result of a salary increase on 1 November 2020 following a benchmarking exercise.
[3] The growth in bonus in 2020/21 was driven by reaching the threshold for 'exceptional performance' in the period, meaning 100% of the new base salary (as noted above) was paid compared to 20% in the prior period.
[4] John Brewis was appointed senior independent director on 1 January 2021 and was appointed non-executive chair on 1 January 2023.
[5] Kate Marsh was appointed on 24 July 2019 and was appointed as remuneration committee chair on 11 April 2023.
[6] Randal Casson was appointed on 1 July 2022 as both a non-executive director and chair of the audit and risk committee.
[7] Mark Lam was appointed on 11 April 2023 and was appointed as senior independent director on 18 May 2023.
[8] The bonus included within the wider workforce is only payable to a small number of employees.

The Group Profit Share payment to the CEO and CFO was £500 in 2020/21 and not applicable from 2021/22 onwards in accordance with the change in remuneration policy at the 2021 AGM, meaning directors are no longer eligible for the Group Profit Share. The Group Profit Share Scheme allows for a share of up to 10% of core operating profit.

Remuneration and Group Profit Share/discretionary bonus for the wider workforce have been calculated using the average exchange rates in the respective periods.

CEO pay ratio

We publish our CEO pay ratio in accordance with the Companies (Miscellaneous Reporting) Regulations 2018. In order to calculate our CEO pay ratios for 2023/24, we opted for Option A as this is the most statistically accurate method. For Option A, the total full time equivalent (FTE) remuneration for all the Group's UK employees for the relevant financial period is determined and those employees are ranked from low to high, based on their total FTE remuneration. The employees whose remuneration places them at the 25th, 50th (median) and 75th percentile points are then identified.

	CEO	25th percentile	50th percentile	75th percentile
Total pay (£000)	1,800	29	33	40
Base salary (£000)	739	25	26	34

	25th percentile	50th percentile	75th percentile
2023/24	48:1	43:1	36:1
2022/23	53:1	44:1	37:1
2021/22	56:1	46:1	35:1
2020/21	56:1	44:1	33:1

CEO pay ratio continued

To calculate these ratios, we determined the FTE pay and benefits for all UK employees in the financial period 2023/24 based on actual earnings reports as at 2 June 2024. The pay and benefits used to calculate the ratios include basic salary, pension, bonus payments, Group Profit Share, sharesave options and additional payments in relation to their role. Where an employee joined part way through the year, the monthly FTE pay was calculated and applied to the months before they joined.

The multiple of the CEO's remuneration, compared to percentiles within the workforce are considered by the committee when making judgements around executive reward. The committee accepts that the result of the remuneration policy will lead to the executive directors' remuneration being a considerable multiple, compared to other elements of the organisation. In reviewing executive remuneration and the CEO multiple, the committee has taken a number of themes into account:

- One of the guiding principles of our policy is that in order to attract and retain talented staff we need to have remuneration which is in line with what Games Workshop employees could earn in a broadly similar role in a broadly similar organisation. As this is true throughout the organisation, it must also apply to our executive directors. The amount our executive directors could earn in other organisations is available for all to read in the publicly available annual reports published by other companies in the FTSE. The absence of LTIPs means that the potential total remuneration available to our executive directors is lower when compared to other companies within the FTSE 250.
- Games Workshop has an established track record of internal promotion, blended with external recruits who fit with the organisation and bring additional expertise. The fact that our executive directors have achieved these positions through internal promotion and long service with the Company is evidence that others could do too. As noted earlier, Liz Harrison, who is nominated to be elected as a new member of the board as group finance director, is an internal candidate.
- This multiple is clearly largest when compared to employees at the lower end of the pay spectrum, but this is moderated to some extent by the Company's decision to:
  - pay the national living wage in the UK, regardless of age
  - ensure that Exceptional Bonus Awards are not made to executive directors unless the Group Profit Share Scheme is also paid
  - award the Group Profit Share equally, to all staff (excluding the executive directors), which represents a higher percentage payment to lower paid staff.

We are satisfied that the ratios accurately reflect our approach to pay and benefits.

Share price changes

The directors' remuneration does not vary depending on share price appreciation or depreciation.

Relative importance of spend on pay

The following table sets out the percentage change in dividends, profit attributable to owners and employee remuneration for the period ended 2 June 2024, compared to the period ended 28 May 2023:

	2024	2023	
	£m	£m	% change
Total staff costs	**138.7**	117.9	17.6
Profit attributable to owners	**151.1**	134.7	12.2
Dividends declared	**138.3**	136.5	1.3

Statement of voting at the last AGM

At the last AGM, significant votes on remuneration related resolutions were cast as follows:

	Votes for	% of vote	Votes against	% of vote	Votes withheld	% of vote
To approve the remuneration report	22,231,249	89.1	2,649,572	10.6	71,737	0.3

The board of Games Workshop remains fully committed to shareholder engagement and welcomes ongoing dialogue with all investors.

Implementation statement

2023/24 represents the third period of implementation of the current executive remuneration policy, approved at the 2021 AGM as part of a three-year cycle. The remuneration committee made decisions and applied discretion during the year, under the terms of this policy. A summary of the remuneration arrangements in 2023/24 and how the policy will be applied in 2024/25 is set out below:

Salary - fixed pay

As discussed earlier, Alvarez & Marsal Tax LLP were employed to review executive remuneration during the year. The committee continues to monitor executive directors' rewards, relative to other companies and in doing so considers the various elements of executive benefits - base salary, fixed pay, variable pay and total remuneration. The executive directors receive a pension contribution based on a percentage of their base salary, which is equivalent to that available to the wider workforce.

The salary of Liz Harrison will be £390,000 per annum from the date of her appointment as group finance director.

Implementation statement continued

Variable pay

The maximum annual Exceptional Bonus Award opportunity is 150% of base salary for Kevin Rountree and Rachel Tongue and a maximum of 100% for Liz Harrison, pro-rated for the period of appointment. The performance criteria are at the discretion of the remuneration committee and as outlined earlier in the report on page 43.

Sharesave

A further award of options will be made under the new sharesave scheme during the year which is on the same basis as previous years and available to all eligible employees.

Non-executive directors' fees

As part of annual review, the executive directors and chair of the board review non-executive director fees against compensation benchmarking. The remuneration committee reviews the fees for the non-executive chair, taking into account compensation benchmarking. Non-executive directors received a 5% increase in base fees from 1 June 2023 and following an independent benchmarking exercise, base fees will remain flat from 1 June 2024 but additional fees for committee chairs and the senior independent director will be increased from £5,000 to £10,000 per annum. The chair fees will increase by 5% from 1 June 2024, rising to £183,750.

Stakeholder alignment and wider governance context

In order to align with the experience of shareholders, the executive directors are required to invest 67% of any cash bonus payments (post tax) in the Company's shares on the open market, after the results have been published and within 30 days. These shares are expected to be held for at least three years. There is no dilution of shares, no compensation for taxation issues and Exceptional Bonus Award payments to the executive directors are subject to clawback. The committee notes that there may be more tax efficient mechanisms to achieve this share purchase, but the executives choose not to employ these alternatives, believing it inappropriate to use the Company's tax resources.

The Group Profit Share Scheme allows up to 10% of core operating profit, to be paid, equally, to all staff (other than the two executive directors). These payments are also subject to the independent discretion of the remuneration committee, ensuring the variable elements of the executive directors' remuneration are completely aligned with the experience of the wider workforce.

In applying discretion to both the Exceptional Bonus Award and the Group Profit Share Scheme, the committee prevents formulaic outcomes and strengthens the alignment of experience between awards to the executive directors, shareholders and the wider workforce. Each of these stakeholders are considered by the committee before making the Exceptional Bonus Award to our executive directors.

When considering the potential payment of an Exceptional Bonus Award, as stated above in the overview, the committee applies discretion to a suite of financial indicators including growth, margin, Group profit, earnings per share, cash generation and dividend payments made. If performance against this basket of criteria is exceptional, the Group will have generated sufficient profit and cash to have paid dividends to shareholders and appropriate cash payments to all staff under the Group Profit Share Scheme. There are currently no elements of executive variable pay that are assigned to the achievement of specific non-financial goals. The committee's view is that progress with the implementation of strategic objectives, completion of particular projects or progress with ESG elements are fundamental to our executive directors' roles and the isolation of particular elements to attract specific reward might distract from the performance of the business in the round or inadvertently emphasise the priorities of a particular stakeholder.

The committee notes the initiatives of other companies to use ESG targets as a mechanism to trigger an element of bonus awards. Our decision not to do this should not be interpreted as a lack of commitment to ESG. In fact, Games Workshop's long-established strategic statement emphasises our intention 'to do this forever'. This is such an entrenched part of Games Workshop's ethos that we do not believe that we should introduce specific targets which might distract from or emphasise particular elements of this intent. Our expectation is that progress on ESG matters is covered by the base salary element of the remuneration package.

We are aware that the Code states that remuneration schemes should promote long-term shareholdings by executive directors to support alignment with shareholder interests, with the Code stating that 'share awards granted for this purpose should be released on a phased basis and be subject to a total vesting and holding period of five years or more'. Our position remains that the benefits of granting LTIP share awards 'for this purpose' are outweighed by the potential negative impact of LTIPs on the unique culture of Games Workshop.

In association with the remuneration committee's judgement to retain a policy without LTIP share awards, we maintain our position where the executive directors are not subject to in-employment nor post-cessation minimum shareholding requirements. We have chosen not to impose these conditions as, based on their conduct, long service and consistent outstanding performance, the committee is satisfied that our executive directors' behaviour is focused on the long-term and is aligned with shareholder interests. It should also be noted that our executive directors must purchase shares at market rate from any bonus received, at a minimum level of 67% of that cash bonus post tax. Executive directors are expected to hold such shares for three years.

Advisers

Alvarez & Marsal Tax LLP were employed to review executive and non-executive remuneration during 2023/24 at a cost of £27,000 (2022/23: nil).

REMUNERATION REPORT continued

Directors' interests in shares of the Company (subject to audit)
The directors' interests (including their families) in the shares of the Company were as follows:

	As at 2 June 2024 Ordinary shares of 5p each		As at 28 May 2023 Ordinary shares of 5p each	
	Beneficial	**Non-beneficial**	Beneficial	Non-beneficial
Kevin Rountree	**15,394**	**-**	12,499	-
Rachel Tongue	**3,691**	**-**	9,561	-
John Brewis	**213**	**-**	213	-
Kate Marsh	**708**	**-**	378	-
Randal Casson	**500**	**-**	-	-
Mark Lam	**200**	**-**	-	-

Share options (subject to audit)
Share options granted to the directors under the sharesave scheme were as follows:

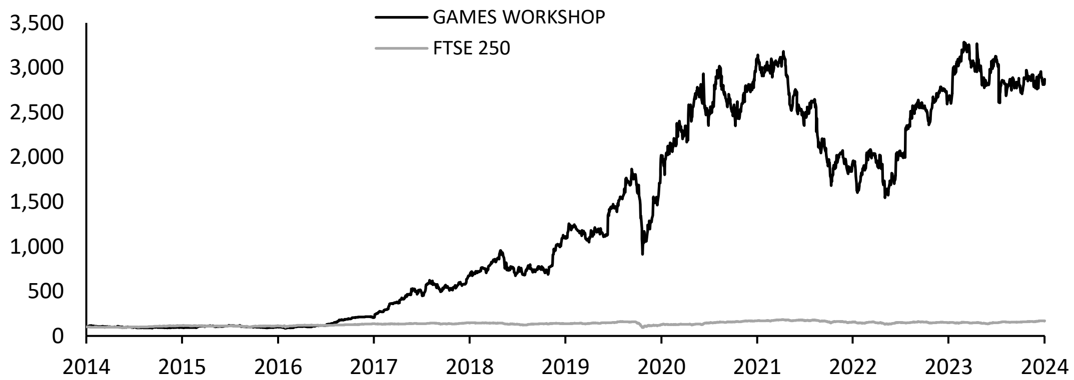
	Number as at 2 June 2024	Number as at 28 May 2023	Exercised	Granted	Exercise dates Commencement	Expiry	Exercise price
Kevin Rountree	**-**	252	252	-	Nov 2023	Apr 2024	£71.4627
	215	-	-	215	Nov 2026	Apr 2027	£85.8933
Rachel Tongue	**-**	252	252	-	Nov 2023	Apr 2024	£71.4627

The options above were granted under the Games Workshop Group PLC 2015 Sharesave Scheme which grants options at a 20% discount on the market price at grant. Participants save a fixed amount monthly for three years in order to fund the exercise of the option. At exercise an individual may choose to exercise their option or have their savings repaid to them. This scheme is open to all eligible employees and directors who satisfy a service qualification of at least three months. There are no performance targets associated with these options. No other directors have been granted share options in the shares of the Company.

The aggregate gains of directors arising from any exercise of options granted within the sharesave scheme in 2023/24 were £7,000 for Kevin Rountree (2022/23: £nil) and £7,000 for Rachel Tongue (2022/23: nil).

There were no movements in directors' interests in shares of the Company between 2 June 2024 and the date of this report.

Performance graph
The graph below represents the comparative total shareholder return performance of the Company against that of the index of the FTSE 250 companies during the previous ten years. The index of the FTSE 250 companies has been used because the constituents of this index most appropriately reflect the Company's size when compared to alternative indices.



On behalf of the board

Kate Marsh
Remuneration committee chair
29 July 2024

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the annual report and the Group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and parent company financial statements for each financial period. Under that law they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the parent company financial statements on the same basis.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent company and of the Group's profit or loss for that period. In preparing each of the Group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable
- state whether they have been prepared in accordance with UK-adopted international accounting standards;
- assess the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report, directors' report, remuneration report and corporate governance report that complies with that law and those regulations.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with Disclosure Guidance and Transparency Rule ('DTR') 4.1.16R, the financial statements will form part of the annual financial report prepared under DTR 4.1.17R and 4.1.18R. The auditor's report on these financial statements provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

Responsibility statement of the directors in respect of the annual report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and

- the strategic report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

We consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

On behalf of the board

Rachel Tongue
CFO
29 July 2024

COMPANY DIRECTORS AND ADVISERS

Directors
John Brewis, non-executive chair
Kevin Rountree, chief executive officer
Rachel Tongue, chief financial officer
Randal Casson, non-executive director
Mark Lam, senior non-executive director
Kate Marsh, non-executive director

Company secretary
Ross Matthews

Registered office
Willow Road, Lenton, Nottingham, NG7 2WS

Registered number
2670969

Financial advisers and stockbrokers
Peel Hunt LLP, 100 Liverpool Street, London, EC2M 2AT

Chartered accountants and independent statutory auditor
KPMG LLP, 1 Snow Hill, Queensway, Birmingham, B4 6GH

Registrar
Equiniti Limited, Aspect House, Spencer Road, Lancing, BN99 6DA

INDEPENDENT AUDITOR'S REPORT

To the members of Games Workshop Group PLC

Our opinion is unmodified

We have audited the financial statements of Games Workshop Group PLC ("the Company") for the 53-week period ended 2 June 2024 which comprise the consolidated income statement, consolidated statement of comprehensive income, balance sheets, consolidated and Company statements of changes in total equity, consolidated and Company cash flow statements and the related notes, including the accounting policies in note 2.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent company's affairs as at 2 June 2024 and of the Group's profit for the period then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit and risk committee.

We were first appointed as auditor by the shareholders on 15 September 2021. The period of total uninterrupted engagement is for three financial periods ended 2 June 2024. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters, in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	**Our response**
Core revenue recognition (Core Revenue - £494.7 million (2023: £445.4 million)) Risk vs 2023: ◄► Refer to page 59	**Low risk, high value** Core revenue relates to those channels that sell tangible product to external customers, through the Group's network of retail stores, independent retailers and online via the global web stores, in addition to those channels that provide the Group's offering of digital product either via the Group's own web store or third-party online platforms and consists of 94% (2023: 95%) of the Group's total revenue. Professional standards require us to presume (unless rebutted) that the fraud risk from revenue recognition is a significant risk. Given that Core Revenue is recognised at a point in time, is simple in nature and individual sales are of high volume and low value (meaning that a large volume of sales transactions would need to be misstated to result in a material misstatement) we rebutted the presumption of a significant risk due to fraud and we did not identify a significant risk of misstatement due to error either during the period or at the period-end. We continue to consider Core Revenue recognition to be a key audit matter as it is the main driver of the Group's results and its size is reflected in the allocation of our resources in planning and executing the audit.	For in-scope components our procedures included: • **Test of detail:** For certain revenue transactions, we utilised a data driven transaction scoring tool. The tool scores transactions as being Low, Medium, or High risk based on the characteristics of the individual transactions using a combination of rules based and machine learning algorithms. Medium and high risk transactions have been sampled in the period to match revenue recognised to appropriate supporting documentation such as agreement to delivery note or cash received. • **Test of detail:** For the remaining revenue transactions where revenue was not covered by the transaction scoring procedure described above, we substantively sampled the revenue in the period to match sales invoices to related orders, dispatch notes and/or cash and/or trade debtors; We performed the detailed tests above rather than seeking to rely on any of the Group's controls because our knowledge of the design of these controls indicated that we would not be able to obtain the required evidence to support reliance on controls. **Our results:** We found the recognition of core revenue to be acceptable (2023: acceptable).

INDEPENDENT AUDITOR'S REPORT continued

	The risk	Our response
Recoverability of parent company investments in subsidiaries (Investments £30.6 million (2023: £30.6 million), Risk vs 2023: ◄► Refer to note 17 on pages 74 and notes 20 and 21 on pages 75 and 76	**Low risk, high value** The carrying amount of the parent company's investments in subsidiaries represents 21% (2023: 33%) of the parent company's total assets. Their recoverability is not at a high risk of significant misstatement or subject to significant judgement. However, due to their materiality in the context of the parent company financial statements, this is considered to be the area that had the greatest effect on our overall parent company audit.	Our procedures included: • **Tests of detail**: Comparing the carrying amount of all investments with the relevant subsidiaries' draft balance sheet to identify whether their net assets, being an approximation of their minimum recoverable amount, were in excess of the carrying amount of those investments. • **Comparing valuations:** For the investments where the carrying amount exceeded the net asset value, we compared the carrying amount of the investment with the expected value of the business based on 5-year discounted cash flow forecasts to assess whether the future profits of the business would support the investment. We performed the detailed tests above rather than seeking to rely on any of the Group's controls because our knowledge of the design of these controls indicated that we would not be able to obtain the required evidence to support reliance on controls. **Our results:** We found the Company's conclusion that there is no impairment of its investments in subsidiaries to be acceptable (2023: acceptable).

Recoverability of receivables was identified as a KAM in FY23, however we do not consider there to be a risk of material misstatement relating to expected credit losses from the counterparties in this period and therefore we have not identified a KAM in this period's report.

Our application of materiality and an overview of the scope of our audit
Materiality for the Group financial statements as a whole was set at £9.0m (2023: £8.5m), determined with reference to a benchmark of Group profit before tax, of which it represents 4.4% (2023: 5.0%).

Materiality for the parent company financial statements as a whole was set at £1.2m (2023: £1.0m), determined with reference to a benchmark of the parent company's net assets, of which it represents 1.0% (2023: 1.4%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 75% (2023: 75%) of materiality for the financial statements as a whole, which equates to £6.75m (2023: £6.40m) for the Group and £0.90m (2023: £0.75m) for the parent company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the audit and risk committee any corrected or uncorrected identified misstatements exceeding £0.450m (2023: £0.425m), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Of the Group's 56 (2023: 56) reporting components, we subjected 7 (2023: 6) to full scope audits for group purposes and none (2023: 2) to specified risk-focused audit procedures over revenue. In the prior period, the latter were not financially significant enough to require a full-scope audit for group purposes but did present specific individual risks that needed to be addressed. In the current period, 1 of these two components has become a full scope component in our audit due to size, while the specific individual risk that needs to be addressed in the 1 remaining component is no longer considered to be present.

The components within the scope of our work accounted for 86% of total Group revenue (2023: 89%), 97% of Group profit before tax (2023: 96%) and 94% of total Group assets (2023: 94%).

The remaining 14% (2023: 11%) of total Group revenue, 3% (2023: 4%) of Group profit before tax and 6% (2023: 6%) of total Group assets is represented by 49 (2023: 48) reporting components, none of which individually represented more than 5% (2023: 3%) of total Group revenue, Group profit before tax or total Group assets. For the residual components, we performed analysis at an aggregated Group level to re-examine our assessment that there were no significant risks of material misstatement within these.

The scope of the audit work performed was fully substantive as we did not rely upon the Group's internal controls over financial reporting.

The work on all of the components, including the audit of the parent company, was performed by the Group team.

The impact of climate change on our audit
In planning our audit, we have considered the potential impact of climate change on the Group's business and its financial statements.

Taking into account the nature of the business operations of the Group, the potential increase in costs relating to decarbonisation, climate related taxes and changes in regulations, we did not identify any risks that significantly impact our audit or key audit matters. We read the climate related disclosures in the front half of the annual report and considered consistency with the financial statements and our audit knowledge.

Going concern
The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the parent company or to cease their operations, and as they have concluded that the Group's and the parent company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and parent company's financial resources or ability to continue operations over the going concern period. The risk that we considered most likely to adversely affect the Group's and parent company's available financial resources over this period was a loss of warehouse and production facilities.

We considered whether these risks could plausibly affect the liquidity in the going concern period by comparing severe, but plausible, downside scenarios that could arise from these risks individually and collectively against the levels of available financial resources indicated by the Group's financial forecasts.

We assessed the completeness of the going concern disclosure.

Our conclusions based on this work:
- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or parent company's ability to continue as a going concern for the going concern period;
- we have nothing material to add or draw attention to in relation to the directors' statement in note 2 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and parent company's use of that basis for the going concern period, and we found the going concern disclosure in note 2 to be acceptable; and
- the related statement under the UK Listing Rules set out on page 31 is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the parent company will continue in operation.

Fraud and breaches of laws and regulations - ability to detect
Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ('fraud risks') we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit and risk committee, internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for 'whistleblowing', as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading board, audit and risk committee, and remuneration committee minutes.
- Considering remuneration incentive schemes for executive directors; and
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. As required by auditing standards and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because core revenue is recognised at a point in time, is simple in nature and individual sales are of high volume and low value (meaning that a large volume of sales transactions would need to be misstated before resulting in a material error). Licensing revenue is also non-complex, with a small number of non-judgmental transactions.

INDEPENDENT AUDITOR'S REPORT continued

Fraud and breaches of laws and regulations - ability to detect continued
Identifying and responding to risks of material misstatement due to fraud continued

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included postings to cash or to revenue with an unexpected pairing.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.
We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.
In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations

We have nothing to report on the other information in the annual report
The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and directors' report
Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial period is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Remuneration report
In our opinion the part of the remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

Disclosures of emerging and principal risks and longer-term viability
We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation set out on page 14 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the risks and uncertainties disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and
- the directors' explanation in the going concern and viability statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the viability statement, set out on pages 26 and 27 under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's longer-term viability.

Corporate governance disclosures
We are required to perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the annual report describing the work of the audit and risk committee, including the significant issues that the audit and risk committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the UK Listing Rules for our review. We have nothing to report in this respect.

We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Respective responsibilities

Directors' responsibilities
As explained more fully in their statement set out on page 47, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT continued

Respective responsibilities continued

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The Company is required to include these financial statements in an annual financial report prepared under Disclosure Guidance and Transparency Rule 4.1.17R and 4.1.18R. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

The purpose of our audit work and to whom we owe our responsibilities

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

Anna Barrell (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snow Hill
Snow Hill Queensway
Birmingham
B4 6GH

29 July 2024

CONSOLIDATED INCOME STATEMENT

	Notes		**53 weeks ended 2 June 2024 £m**		52 weeks ended 28 May 2023 £m
Core revenue			**494.7**		445.4
Licensing revenue			**31.0**		25.4
Revenue	4		**525.7**		470.8
Cost of sales			**(151.2)**		(149.2)
Core gross profit		***343.5***		*296.2*	
Licensing gross profit		***31.0***		*25.4*	
Gross profit			**374.5**		321.6
Operating expenses	4,5		**(172.7)**		(151.4)
Core operating profit		***174.8***		*148.2*	
Licensing operating profit		***27.0***		*22.0*	
Operating profit			**201.8**		170.2
Finance income	7		**2.5**		1.3
Finance expenses	8		**(1.3)**		(0.9)
Profit before taxation	9		**203.0**		170.6
Taxation	10		**(51.9)**		(35.9)
Profit attributable to owners of the parent			**151.1**		134.7

Earnings per share for profit attributable to the owners of the parent during the period (expressed in pence per share):

	Notes	**53 weeks ended 2 June 2024**	52 weeks ended 28 May 2023
Basic earnings per ordinary share	11	**458.8p**	409.7p
Diluted earnings per ordinary share	11	**458.2p**	409.4p

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	**53 weeks ended 2 June 2024 £m**	52 weeks ended 28 May 2023 £m
Profit attributable to owners of the parent		**151.1**	134.7
Other comprehensive income			
Exchange losses on translation of foreign operations	29	**(0.6)**	(1.5)
Other comprehensive income for the period		**(0.6)**	(1.5)
Total comprehensive income attributable to owners of the parent		**150.5**	133.2

All items disclosed in the statements of comprehensive income will not be reclassified to the income statement.

As permitted by section 408 of the Companies Act 2006, the Company's income statement and statement of comprehensive income have not been included in these financial statements.

The notes on pages 63 to 84 are an integral part of these financial statements.

BALANCE SHEETS

		Group		Company	
		2 June 2024	28 May 2023	**2 June 2024**	28 May 2023
	Notes	**£m**	£m	**£m**	£m
Non-current assets					
Goodwill	13	**1.4**	1.4	**-**	-
Other intangible assets	14	**22.8**	21.2	**-**	-
Property, plant and equipment	15	**56.5**	55.7	**-**	-
Right-of-use assets	16	**46.1**	48.9	**-**	-
Investments in subsidiaries	17	**-**	-	**30.6**	30.6
Deferred tax assets	18	**12.9**	12.0	**-**	-
Non-current receivables	20	**19.7**	13.6	**68.5**	24.2
		159.4	152.8	**99.1**	54.8
Current assets					
Inventories	19	**42.2**	33.0	**-**	-
Trade and other receivables	21	**37.8**	36.3	**2.8**	7.0
Current tax assets		**4.3**	14.5	**-**	-
Cash and cash equivalents	22	**107.6**	90.2	**41.6**	32.2
		191.9	174.0	**44.4**	39.2
Total assets		**351.3**	326.8	**143.5**	94.0
Current liabilities					
Lease liabilities	24	**(10.0)**	(9.9)	**-**	-
Trade and other payables	25	**(46.3)**	(37.0)	**(3.0)**	(2.4)
Current tax liabilities		**(1.2)**	(0.4)	**-**	-
Provisions for other liabilities and charges	27	**(0.9)**	(0.9)	**-**	-
		(58.4)	(48.2)	**(3.0)**	(2.4)
Net current assets		**133.5**	125.8	**41.4**	36.8
Non-current liabilities					
Lease liabilities	24	**(37.2)**	(40.0)	**-**	-
Other non-current liabilities	26	**(0.7)**	(0.5)	**(20.0)**	(20.6)
Deferred tax liabilities	18	**(1.7)**	(1.4)	**-**	-
Provisions for other liabilities and charges	27	**(1.9)**	(1.6)	**-**	-
		(41.5)	(43.5)	**(20.0)**	(20.6)
Net assets		**251.4**	235.1	**120.5**	71.0
Capital and reserves					
Called up share capital	28	**1.6**	1.6	**1.6**	1.6
Share premium account	28	**21.6**	18.9	**21.6**	18.9
Other reserves	29	**0.8**	1.4	**0.1**	0.1
Retained earnings		**227.4**	213.2	**97.2**	50.4
Total equity		**251.4**	235.1	**120.5**	71.0

The Company's profit after taxation for the 53 weeks ended 2 June 2024 is £183.9m (2023: £132.4m).

The notes on pages 63 to 84 are an integral part of these financial statements.

The financial statements on pages 59 to 84 were approved by the board of directors on 29 July 2024 and were signed on its behalf by:

Kevin Rountree, Director

Rachel Tongue, Director

Registered number 2670969

CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY

	Called up share capital £m	Share premium account £m	Other reserves (note 29) £m	Retained earnings £m	Total equity £m
At 29 May 2022 and 30 May 2022	1.6	16.3	2.9	213.9	234.7
Profit for the 52 weeks to 28 May 2023	-	-	-	134.7	134.7
Exchange differences on translation of foreign operations	-	-	(1.5)	-	(1.5)
Total comprehensive income for the period	-	-	(1.5)	134.7	133.2
Transactions with owners:					
Share-based payments	-	-	-	1.0	1.0
Shares issued under employee sharesave scheme (note 28)	-	2.6	-	-	2.6
Deferred tax debit relating to share options	-	-	-	(0.2)	(0.2)
Current tax credit relating to exercised share options	-	-	-	0.3	0.3
Dividends paid to Company shareholders	-	-	-	(136.5)	(136.5)
Total transactions with owners	-	2.6	-	(135.4)	(132.8)
At 28 May 2023 and 29 May 2023	1.6	18.9	1.4	213.2	235.1
Profit for the 53 weeks to 2 June 2024	-	-	-	151.1	151.1
Exchange differences on translation of foreign operations	-	-	(0.6)	-	(0.6)
Total comprehensive income for the period	**-**	**-**	**(0.6)**	**151.1**	**150.5**
Transactions with owners:					
Share-based payments	-	-	-	1.2	1.2
Shares issued under employee sharesave scheme (note 28)	-	2.7	-	-	2.7
Deferred tax credit relating to share options	-	-	-	0.1	0.1
Current tax credit relating to exercised share options	-	-	-	0.1	0.1
Dividends paid to Company shareholders	-	-	-	(138.3)	(138.3)
Total transactions with owners	**-**	**2.7**	**-**	**(136.9)**	**(134.2)**
At 2 June 2024	**1.6**	**21.6**	**0.8**	**227.4**	**251.4**

COMPANY STATEMENT OF CHANGES IN TOTAL EQUITY

	Called up share capital £m	Share premium account £m	Other reserves (note 29) £m	Retained earnings £m	Total equity £m
At 29 May 2022 and 30 May 2022	1.6	16.3	0.1	53.5	71.5
Profit for the 52 weeks to 28 May 2023	-	-	-	132.4	132.4
Total comprehensive income for the period	-	-	-	132.4	132.4
Transactions with owners:					
Share-based payments	-	-	-	1.0	1.0
Shares issued under employee sharesave scheme (note 28)	-	2.6	-	-	2.6
Dividends paid to Company shareholders	-	-	-	(136.5)	(136.5)
Total transactions with owners	-	2.6	-	(135.5)	(132.9)
At 28 May 2023 and 29 May 2023	1.6	18.9	0.1	50.4	71.0
Profit for the 53 weeks to 2 June 2024	-	-	-	183.9	183.9
Total comprehensive income for the period	**-**	**-**	**-**	**183.9**	**183.9**
Transactions with owners:					
Share-based payments	-	-	-	1.2	1.2
Shares issued under employee sharesave scheme (note 28)	-	2.7	-	-	2.7
Dividends paid to Company shareholders	-	-	-	(138.3)	(138.3)
Total transactions with owners	**-**	**2.7**	**-**	**(137.1)**	**(134.4)**
At 2 June 2024	**1.6**	**21.6**	**0.1**	**97.2**	**120.5**

The notes on pages 63 to 84 are an integral part of these financial statements.

CONSOLIDATED AND COMPANY CASH FLOW STATEMENTS

		Group		Company	
	Notes	**53 weeks ended 2 June 2024 £m**	52 weeks ended 28 May 2023 £m	**53 weeks ended 2 June 2024 £m**	52 weeks ended 28 May 2023 £m
Cash flows from operating activities					
Cash generated from operations	30	**237.9**	231.7	**143.6**	135.0
UK corporation tax paid		**(40.0)**	(31.3)	**-**	-
Overseas tax paid		**(1.7)**	(7.7)	**-**	-
Net cash generated from operating activities		**196.2**	192.7	**143.6**	135.0
Cash flows from investing activities					
Purchases of property, plant and equipment		**(15.6)**	(14.8)	**-**	-
Purchases of other intangible assets		**(1.6)**	(0.4)	**-**	-
Expenditure on product development	14	**(15.4)**	(13.1)	**-**	-
Interest received		**2.5**	1.2	**3.0**	2.0
Net cash (used in)/generated from investing activities		**(30.1)**	(27.1)	**3.0**	2.0
Cash flows from financing activities					
Proceeds from issue of ordinary share capital	28	**2.7**	2.6	**2.7**	2.6
Repayment of principal under leases	24	**(11.8)**	(11.8)	**-**	-
Lease interest paid	24	**(1.1)**	(0.9)	**-**	-
Interest paid		**-**	-	**(1.6)**	(1.3)
Dividends paid to Company shareholders	12	**(138.3)**	(136.5)	**(138.3)**	(136.5)
Net cash used in financing activities		**(148.5)**	(146.6)	**(137.2)**	(135.2)
Net increase in cash and cash equivalents		**17.6**	19.0	**9.4**	1.8
Opening cash and cash equivalents		**90.2**	71.4	**32.2**	30.4
Effects of foreign exchange rates on cash and cash equivalents		**(0.2)**	(0.2)	**-**	-
Closing cash and cash equivalents	22	**107.6**	90.2	**41.6**	32.2

The notes on pages 63 to 84 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. General information
Games Workshop Group PLC (the 'Company') and its subsidiaries (together the 'Group') designs and manufactures miniature figures and games and distributes these through its own network of retail stores, independent retailers and online via the global web stores. The Group has manufacturing activities in the UK and sells mainly in the UK, Continental Europe, North America, Australia, New Zealand and Asia. The Group also grants licences to third parties for the development of video games and other products utilising the Group's intellectual property.

The Company is a public listed company, incorporated and domiciled in the United Kingdom. The address of its registered office is Willow Road, Lenton, Nottingham, NG7 2WS, United Kingdom.

The Company's ordinary share capital is listed on the London Stock Exchange.

2. Summary of significant accounting policies
The principal accounting policies applied in these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of preparation
The Group and the Company have presented these financial statements rounded to the nearest £0.1m.

The financial statements of Games Workshop Group PLC have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The consolidated and Company financial statements are prepared in accordance with the historical cost convention.

Going concern
In adopting the going concern basis for preparing the financial statements, the directors have considered a base case going concern model, a continuation of our current operations in line with budgeted growth, and then modelled a series of severe but plausible downside scenarios (see page 31). These scenarios include the loss of the warehouses, the loss of production facilities, and a cyber attack. After making appropriate enquiries with the operational board, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for at least twelve months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the Group's and Company's financial statements.

Basis of consolidation
The consolidated financial statements include the Company and its subsidiary undertakings drawn up for the 53 weeks ended 2 June 2024 and the 52 weeks ended 28 May 2023. The period end date is defined as the nearest Sunday to 31 May each year. Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated on consolidation. Accounting policies of subsidiaries are consistent with the policies adopted by the Group. Special purpose reporting information prepared under group accounting policies of all subsidiaries to 2 June 2024 and 28 May 2023 has been used for consolidation purposes.

Goodwill
Goodwill arising on acquisition of subsidiaries represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is tested annually for impairment, or when an indicator of impairment arises, and is carried at cost less accumulated impairment losses. Provision is made for any impairment by comparing the value in use to the net carrying value. Goodwill is allocated to cash generating units for the purpose of impairment testing.

Other intangible assets
Development costs
Costs incurred in respect of product design and development activities are recognised as intangible assets when they meet the criteria of IAS 38 'Intangible Assets' and are wholly attributable to specific projects. Product development costs recognised as intangible assets are either amortised on a reducing balance basis, with rates ranging from 65% to 80%, or are fully amortised in the month of the relevant product release. The selected amortisation method is chosen to match the expenditure incurred to the expected revenue generated from the subsequent product release.

Computer software
Acquired computer software licences and related development expenditure are capitalised on the basis of the costs incurred to acquire and bring into use the specific software. Where software is acquired under a cloud computing arrangement, only those costs incurred in developing a separate identifiable asset owned and controlled by the Group, such as an interface between the Group's systems, are capitalised. Computer software licences are held at cost and amortised on a straight line basis over the expected useful lives of the assets. Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Software development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Group are recognised as intangible assets when they meet the criteria of IAS 38 'Intangible Assets'. Other development expenditure that does not meet these criteria is recognised as an expense as incurred.

The principal annual amortisation rates are:

	% of cost
Core business systems computer software	10-33
Web store computer software	20
Other computer software	33-50

Other intangible assets
Intellectual property licences are capitalised on the basis of the costs incurred to acquire. Licences are amortised on a straight line basis over the licence term.

NOTES TO THE FINANCIAL STATEMENTS continued

2. Summary of significant accounting policies continued

Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and any provision for impairment. The cost of property, plant and equipment is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated over the expected useful economic lives of the assets concerned to write down to the assets' residual value and commences from the date the asset is available for use. The principal annual depreciation rates are:

	Straight line % of cost	Reducing balance % of net book value
Freehold buildings	2-4	-
Plant and equipment and vehicles	15-50	-
Fixtures and fittings	20-25	-
Moulding tools - product specific	-	50
Moulding tools - non-product specific	25	-

Leasehold improvements are depreciated over the shorter of the useful economic life of the asset or the period of the lease. These assets are included within fixtures and fittings. Freehold land is not depreciated.

Impairment of non-financial assets

Assets are tested for impairment in accordance with IAS 36 'Impairment of Assets'. For the purposes of assessing impairment, assets are grouped together at the lowest levels for which there are separately identifiable cash flows. Discount rates reflecting the asset specific risks and the time value of money are used for the value in use calculation.

Trade and licensing receivables

Trade and licensing receivables are recognised initially at fair value, which is typically the original invoice amount, and carried at amortised cost using the effective interest method less loss allowance. The Group applies the IFRS 9 'Financial instruments' simplified approach to measuring expected credit losses, using a lifetime expected loss allowance for trade and licensing receivables based on risk factors as assessed by the Group.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group completes its performance obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration.

Leases

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

Right-of-use assets are depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist under IAS 36 'Impairment of Assets'.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the Group's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset on the balance sheet, or income statement if the right-of-use asset is already reduced to zero.

Where a store continues to be occupied post lease end date, these stores will be accounted for as a short-term lease and directly expensed to the income statement.

The Group has calculated and applied the incremental borrowing rate ('IBR') to its future cash flows to determine the lease liability. The incremental borrowing rate has been defined by the standard as 'the rate of interest that a lessee would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar environment'. The Group has no external borrowing, therefore a credit risk spread approach has been used to calculate the IBR, which combines the risk-free security rate and a corporate security rate in each economic environment in which the Group has a lease, linked to the life of the underlying lease agreement.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less, and leases of low-value assets. The lease payments associated with these leases are recognised as expenses on a straight-line basis over the lease term.

2. Summary of significant accounting policies continued

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined using a standard costing method taking into account variances. In respect of finished goods, cost includes raw materials, direct labour, other direct costs and related production overheads based on a normal level of production. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Where necessary, provisions are made for obsolete, slow moving and defective inventories.

Foreign currency translation

The consolidated financial statements are presented in sterling, which is the Company's functional and presentation currency. Items included in the financial statements of each of the group entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). Monetary assets and liabilities expressed in currencies that are not the functional currency are translated into the functional currency at rates of exchange ruling at the balance sheet date. The financial statements of overseas subsidiary companies prepared in functional currencies other than sterling are translated into sterling as follows:

- Assets and liabilities are translated at the closing rate at the date of the balance sheet;
- Income and expenses are translated at the average rate for the period;
- All resulting exchange differences are recognised as a separate component of equity.

Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise deposits with banks and bank and cash balances, net of overdrafts where there is a legally enforceable right of offset.

Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities (deferred income) are recognised as revenue when the Group performs under the contract.

Other employment benefits

Pension costs

The Group operates defined contribution schemes and a group personal pension plan. Pension contributions are charged to the income statement as they accrue. There are no further obligations to the Group once payment has been made.

Long service benefits

The Group operates a long service incentive scheme under which employees receive a one off additional holiday entitlement of two weeks when they reach 10, 20, 30 and 40 years' service (Veterans scheme). The costs of these benefits are accrued over the period of employment based on expected staff retention rates and the anticipated future employment costs discounted to present value.

Share-based payments

The Group operates a number of equity-settled employee sharesave schemes. The fair value of the employee services received, measured at grant date in exchange for the grant of the awards, is recognised as an expense in the income statement, with the corresponding credit being recorded in retained earnings within equity over the vesting period. The total amount to be expensed over the vesting period is determined by reference to the fair value of the awards granted. At each balance sheet date, the Group revises its estimates of the number of awards that are expected to vest. The Group recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity, in periods in which the estimates are revised. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium when the options are exercised.

Investments

Shares and loans in subsidiary undertakings are stated at cost less provision for impairment.

Revenue

Core revenue

Revenue, which excludes value added tax and sales between group companies, represents the invoiced value of goods supplied (net of trade discounts for sales to independent retailers). Revenue is recognised on dispatch of goods to the customer for sales via the global web stores and for sales to independent retailers. The fulfilment of the performance obligation of the contract with the customer is achieved on delivery. The difference in timing of recognition of revenue and the fulfilment of the delivery has been considered and does not have a material effect on the financial statements. For revenue earned through the Group's retail stores and for digital products, revenue is recognised at the point of sale. Payment of the transaction price is due in line with agreed customer credit terms. Revenue for subscriptions is recognised on a straight line basis over the subscription period.

Revenue on goods sold to customers on a sale or return basis (which includes book sales) is recognised after making full provision for the level of expected returns, based on past experience. The level of returns is reviewed on a regular basis and the provision is amended accordingly. Revenue on a sale or return basis represents no more than 1% of consolidated revenue (2023: no more than 3%). We do not recognise any asset value in respect of these returns as they are not material.

NOTES TO THE FINANCIAL STATEMENTS continued

2. Summary of significant accounting policies continued

Revenue continued

Licensing revenue

Licensing revenue represents amounts invoiced to licensees for use of the Group's intellectual property ('IP'). This includes both minimum royalty guarantees charged on granting use of the intellectual property to licensees, and additional royalty income earned as a share of the licensee's sales of games and products which include use of the Group's IP.

Where a licensing agreement includes minimum royalty guarantee income, an assessment of the Group's performance obligations is made, and whether the agreement represents a right to use, or a right to access the Group's intellectual property. Currently, all existing licensing agreements are considered to be a right to use the Group's intellectual property. The performance obligations of these agreements have been met in granting use of the Group's existing intellectual property and minimum royalty guarantee income revenue is recognised in full at inception of the contract. Additional royalty income is recognised in the income statement when it can be reliably measured by reference to the underlying licensee performance as notified to the Group by the licensee.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors.

Taxation

The charge for current tax is based on the results for the period as adjusted for items which are non-assessable or disallowed. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is calculated at the rates that are expected to apply when the asset or liability is settled. Deferred tax is charged or credited in the income statement, except where it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Dividends

Dividend distributions are recognised in the financial statements in the period in which they are paid.

Provision for liabilities and charges

Provisions are recognised in accordance with IAS 37 'Provisions, Contingent Assets and Contingent Liabilities'. Provisions are made for property dilapidations where a legal obligation exists. The estimated employee benefit liability arising from the Veterans scheme is classified in accordance with IAS 19 'Employee Benefits' within provisions. Amounts relating to employees who reach 10, 20, 30 or 40 years' service in more than one year are classified as non-current. Provisions are made for redundancy costs once the employees affected have a valid expectation that their roles will become redundant.

Share capital

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

Financial instruments

All financial assets are classified as 'financial assets at amortised cost' and financial liabilities as 'financial liabilities at amortised cost' in accordance with IFRS 9. Management determines the classification of its financial assets and liabilities at initial recognition.

Critical accounting estimates and judgements

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and disclosure of contingencies at the balance sheet date. If in future such estimates and assumptions, which are based on management's best judgement at the date of the consolidated financial statements, deviate from actual circumstances, the original estimates and assumptions will be modified, as appropriate, in the period in which the circumstances change.

Management do not consider there to be any critical accounting estimates or judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

3. Changes in accounting policies

The Group has applied the following amendments for the first time in the financial statements:
- 'Disclosure of Accounting Policies' (Amendments to IAS 1 and IFRS Practice Statement 2);
- 'Deferred Tax relating to assets and liabilities arising from a single transaction' (Amendments to IAS 12).

The application of these new standards and amendments did not have a material impact on the financial statements. The Group considers that there are no other new accounting standards, amendments or interpretations issued, but not yet applicable, which have had, or are expected to have a significant effect on the financial statements.

4. Segment information

As Games Workshop is a vertically integrated business, management assesses the performance of sales channels and manufacturing and distribution channels separately. Share-based payment charges and Group Profit Share Scheme charges to employees have all been included in core operating expenses.

As at 2 June 2024, Games Workshop has two segments, core and licensing:
- Core: the core segment includes all revenue and expenditure relating to the design, manufacture and sales of our fantasy miniatures and related products. It also includes the revenue and expenditure related to Warhammer+.
- Licensing**:** the licensing segment includes all revenue and expenditure relating to licences granted to external partners.

We provide further information on revenue within the core segment below. The core segment has been divided into channels as follows:
- Trade: this sales channel sells globally to independent retailers, agents and distributors. It also includes the Group's magazine newsstand business and the distributor sales by the Group's publishing business (Black Library).
- Retail: this includes sales through the Group's retail stores, the Group's visitor centre in Nottingham and global events.
- Online: this includes sales through the Group's global web stores, our online subscription service (Warhammer+) and digital sales through external affiliates.
- Design, manufacturing, logistics and operations, which includes costs for:
  - the Warhammer Studio (that creates all of the IP and the associated miniatures, artwork, games and publications);
  - the production facilities;
  - the warehouses and logistics costs;
  - charges for inventory provisions. This includes adjustments for the profit in stock arising from inter-segment sales; and
  - support services (marketing, IT, accounting, payroll, personnel, procurement, legal, health and safety, customer services and credit control) provided to activities across the Group;
- Group: this includes the Company's overheads.

The chief operating decision-maker, identified as the executive directors, assesses the performance of each segment based on segmental operating profit. This has been reconciled to the Group's total profit before taxation below.

	Core		Licensing		Total	
	2024	2023	**2024**	2023	**2024**	2023
	£m	£m	**£m**	£m	**£m**	£m
Trade	**288.4**	248.0	**-**	-	**288.4**	248.0
Retail	**115.6**	106.4	**-**	-	**115.6**	106.4
Online	**90.7**	91.0	**-**	-	**90.7**	91.0
Licensing	**-**	-	**31.0**	25.4	**31.0**	25.4
Revenue	**494.7**	445.4	**31.0**	25.4	**525.7**	470.8
Cost of sales	**(151.2)**	(149.2)	**-**	-	**(151.2)**	(149.2)
Gross profit	**343.5**	296.2	**31.0**	25.4	**374.5**	321.6
Trade	**(13.9)**	(11.8)	**-**	-	**(13.9)**	(11.8)
Retail	**(65.4)**	(61.7)	**-**	-	**(65.4)**	(61.7)
Online	**(12.0)**	(15.6)	**-**	-	**(12.0)**	(15.6)
Design, manufacturing, logistics and operations	**(52.4)**	(41.4)	**-**	-	**(52.4)**	(41.4)
Licensing	**-**	-	**(4.0)**	(3.4)	**(4.0)**	(3.4)
Group	**(5.5)**	(4.9)	**-**	-	**(5.5)**	(4.9)
Share-based payment charge	**(1.1)**	(1.0)	**-**	-	**(1.1)**	(1.0)
Group Profit Share Scheme	**(18.4)**	(11.6)	**-**	-	**(18.4)**	(11.6)
Operating expenses	**(168.7)**	(148.0)	**(4.0)**	(3.4)	**(172.7)**	(151.4)
Operating profit	**174.8**	148.2	**27.0**	22.0	**201.8**	170.2
Finance income	**2.5**	1.3	**-**	-	**2.5**	1.3
Finance costs	**(1.3)**	(0.9)	**-**	-	**(1.3)**	(0.9)
Profit before tax	**176.0**	148.6	**27.0**	22.0	**203.0**	170.6

NOTES TO THE FINANCIAL STATEMENTS continued

4. Segment information continued

Revenue analysis

Segment revenue and segment profit include transactions between business segments; these transactions are eliminated on consolidation. Sales between segments are carried out at arm's length. The revenue from external parties reported to the executive directors is measured in a manner consistent with that in the income statement. Sales regions analysed within the segments reported to the executive directors differ from the analysis of sales by customer geography, due to the categorisation of some European and Asian customers. For information, core external revenue is analysed further below:

	53 weeks ended 2 June 2024 £m	52 weeks ended 28 May 2023 £m
Trade		
UK and Continental Europe	**125.4**	105.0
North America	**124.4**	112.8
Australia and New Zealand	**16.6**	14.3
Asia	**15.0**	10.4
Rest of world	**4.7**	3.4
Black Library	**2.3**	2.1
Total Trade	**288.4**	248.0
Retail		
UK	**34.3**	32.1
Continental Europe	**24.4**	21.1
North America	**45.1**	41.0
Australia and New Zealand	**8.4**	9.4
Asia	**3.4**	2.8
Total Retail	**115.6**	106.4
Online		
UK	**17.4**	16.2
Continental Europe	**14.3**	15.6
North America	**32.3**	35.7
Australia and New Zealand	**3.8**	4.1
Asia	**0.8**	0.6
Rest of world	**0.8**	1.0
Total Online (excluding digital)	**69.4**	73.2
Digital	**21.3**	17.8
Total Online	**90.7**	91.0
Total external core revenue	**494.7**	445.4

External core revenue analysed by customer geographical location is as follows:

	53 weeks ended 2 June 2024 £m	52 weeks ended 28 May 2023 £m
UK	**107.1**	97.2
Continental Europe	**117.7**	104.8
North America	**216.6**	197.4
Australia and New Zealand	**30.1**	28.9
Asia	**19.9**	14.7
Rest of world	**3.3**	2.4
External core revenue	**494.7**	445.4

The Group is not reliant on any one individual customer.

Analysis of costs

Operating profit as reported above includes impairment, depreciation and amortisation charges as follows:

	53 weeks ended 2 June 2024 £m	52 weeks ended 28 May 2023 £m
Core	**41.6**	43.1
Licensing	**-**	-
Total group charges for impairment, depreciation and amortisation	**41.6**	43.1

Operating expenses were previously analysed by channel. All channels previously analysed are included in the core segment.

4. Segment information continued

Non-current asset analysis

Non-current assets (excluding deferred tax and non-current financial instruments) located within the UK were £88.3m (2023: £95.2m) and all other countries were £38.5m (2023: £32.0m). Tangible, intangible and right-of-use asset additions included within the UK were £31.0m (2023: £26.8m) and all other countries were £11.6m (2023: £13.6m).

Other non-cash charges

Other non-cash charges and significant costs included in operating profit are as follows:

	Charge to inventory provisions		Redundancy costs and compensation for loss of office	
	53 weeks ended 2 June 2024 £m	52 weeks ended 28 May 2023 £m	**53 weeks ended 2 June 2024 £m**	52 weeks ended 28 May 2023 £m
Core	**(5.8)**	(8.0)	**(0.4)**	(0.7)
Licensing	**-**	-	**-**	(0.4)
Total group charge	**(5.8)**	(8.0)	**(0.4)**	(1.1)

5. Operating expenses

	53 weeks ended 2 June 2024 £m	52 weeks ended 28 May 2023 £m
Selling costs	**86.2**	77.3
Administrative expenses	**86.5**	74.1
	172.7	151.4

6. Directors and employees

	Group		Company	
	53 weeks ended 2 June 2024 £m	52 weeks ended 28 May 2023 £m	**53 weeks ended 2 June 2024 £m**	52 weeks ended 28 May 2023 £m
Total directors' and employees' costs:				
Wages and salaries	**121.3**	102.7	**3.7**	3.1
Social security costs	**11.4**	9.9	**0.2**	0.2
Other pension costs	**4.9**	4.3	**-**	-
Share-based payment	**1.1**	1.0	**-**	-
	138.7	117.9	**3.9**	3.3

Details of capitalised salary costs, included in the above, are provided in note 14. Redundancy costs and compensation for loss of office, not included in the above, are provided in note 9.

This includes performance related elements of salary costs and payments under the Group Profit Share Scheme to employees of £23.2m (2023: £14.6m).

Key management compensation

The directors of the Group are considered to be the key management personnel of the Group. The remuneration of the directors of the Group is set out below in aggregate for each of the categories specified in IAS 24 'Related Party Disclosures'.

	53 weeks ended 2 June 2024 £m	52 weeks ended 28 May 2023 £m
Short-term employee benefits	**3.4**	2.6
Share-based payments	**-**	-
	3.4	2.6

In the period, there were two directors (2023: two) to whom retirement benefits were accruing in respect of money purchase schemes. Further information relating to directors' emoluments, shareholdings and share options is disclosed in the remuneration report on pages 40 to 50.

Employee numbers

Group	**53 weeks ended 2 June 2024 No.**	52 weeks ended 28 May 2023 No.
Monthly average full time equivalent number of employees (including directors) by activity:		
Design and development	**315**	295
Production and warehousing	**792**	714
Selling:		
- Full time	**993**	970
- Part time	**77**	80
Services	**629**	586
	2,806	2,645

The monthly average number of employees for the Company was three (2023: six) and there were four non-executive directors (2023: four).

NOTES TO THE FINANCIAL STATEMENTS continued

7. Finance income

	53 weeks ended 2 June 2024 £m	52 weeks ended 28 May 2023 £m
Interest income:		
- On cash and cash equivalents	**2.5**	1.3
	2.5	1.3

8. Finance expenses

	53 weeks ended 2 June 2024 £m	52 weeks ended 28 May 2023 £m
Interest expense:		
- Interest expense on lease liabilities	**1.1**	0.9
- Other interest	**0.2**	-
	1.3	0.9

9. Profit before taxation

	Notes	**53 weeks ended 2 June 2024 £m**	52 weeks ended 28 May 2023 £m
Profit before taxation is stated after charging:			
Depreciation:			
- Owned property, plant and equipment	15	**14.4**	13.7
- Right-of-use assets	16	**11.9**	11.9
Amortisation:			
- Owned computer software	14	**1.7**	1.8
- Development costs	14	**10.8**	12.1
- Other intangible assets	14	**0.2**	-
Impairment of computer software	14	**1.7**	0.7
Impairment of development costs	14	**0.9**	2.9
Employee and agency staff costs (excluding capitalised salary costs shown in note 14)		**135.8**	115.8
Cost of inventories included in cost of sales		**61.2**	56.0
Inventory provision creation	19	**5.8**	8.0
Unrealised and realised exchange losses		**2.0**	0.2
Loss on disposal of tangible assets	15	**0.1**	0.1
Loss on disposal of intangible assets	14	**-**	0.2
Redundancy costs and compensation for loss of office		**0.4**	1.1

Auditor's remuneration and services provided

Services provided by the Group's auditor and network firms are analysed as follows:

	53 weeks ended 2 June 2024 £m	52 weeks ended 28 May 2023 £m
Audit services		
Audit of the Group and Company's financial statements	**0.6**	0.6
Other services		
The audit of the Company's subsidiaries pursuant to legislation	**-**	-
Total services provided	**0.6**	0.6

There are no audit-related assurance services provided by the Group's auditor for the current or prior periods.

10. Taxation

	53 weeks ended 2 June 2024 £m	52 weeks ended 28 May 2023 £m
Current UK taxation:		
UK corporation tax on profits for the period	**48.1**	25.1
Adjustments to tax charge in respect of prior periods	**1.3**	0.6
	49.4	25.7
Current overseas taxation:		
Overseas corporation tax on profits for the period	**5.0**	3.6
Adjustments to tax charge in respect of prior periods	**(1.7)**	(0.9)
Total current taxation	**52.7**	28.4
Deferred taxation:		
Origination and reversal of timing differences	**(1.1)**	6.4
Adjustments to tax charge in respect of prior periods	**0.3**	1.1
Tax expense recognised in the income statement	**51.9**	35.9
Current tax credit relating to sharesave scheme	**(0.1)**	(0.3)
Deferred tax (credit)/debit relating to sharesave scheme	**(0.1)**	0.2
Credit taken directly to equity	**(0.2)**	(0.1)

The tax on the Group's profit before taxation differs in both periods presented from the standard rate of corporation tax in the UK as follows:

	53 weeks ended 2 June 2024 £m	52 weeks ended 28 May 2023 £m
Profit before taxation	**203.0**	170.6
Profit before taxation multiplied by the rate of corporation tax in the UK of 25% (2023: blended 20%)	**50.8**	34.1
Effects of:		
Items not deductible/(assessable) for tax purposes	**0.8**	(0.4)
Different tax rates on overseas earnings	**0.2**	0.9
Tax rate changes	**0.2**	0.5
Adjustments to tax charge in respect of prior periods	**(0.1)**	0.8
Total tax charge for the period	**51.9**	35.9

The UK corporation tax rate increased from 19% to 25% from 1 April 2023. Items not assessable for tax purposes in the prior period include the UK's super deduction for fixed asset additions as well as tax relief for other taxes paid.

11. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the period.

	53 weeks ended 2 June 2024	52 weeks ended 28 May 2023
Profit attributable to owners of the parent (£m)	**151.1**	134.7
Weighted average number of ordinary shares in issue (thousands)	**32,935**	32,881
Basic earnings per share (pence per share)	**458.8**	409.7

Diluted earnings per share

The calculation of diluted earnings per share has been based on the profit attributable to owners of the parent and the weighted average number of shares in issue throughout the period, adjusted for the dilutive effect of share options outstanding at the period end.

	53 weeks ended 2 June 2024	52 weeks ended 28 May 2023
Profit attributable to owners of the parent (£m)	**151.1**	134.7
Weighted average number of ordinary shares in issue (thousands)	**32,935**	32,881
Adjustment for share options (thousands)	**42**	17
Weighted average number of ordinary shares for diluted earnings per share (thousands)	**32,977**	32,898
Diluted earnings per share (pence per share)	**458.2**	409.4

12. Dividends per share

Dividends of £47.7m (145 pence per share), £16.5m (50 pence per share), £39.5m (120 pence per share), and £34.6m (105 pence per share) were declared and paid during the current period.

Dividends of £29.6m (90 pence per share), £9.8m (30 pence per share), £14.8m (45 pence per share), £42.8m (130 pence per share) and £39.5m (120 pence per share) were declared and paid during the prior period.

For the purpose of demonstrating that there were sufficient distributable reserves for dividend payments, interim financial statements for the Company were prepared and filed at Companies House in August 2023, October 2023, January 2024, and April 2024.

NOTES TO THE FINANCIAL STATEMENTS continued

13. Goodwill

Group	**2024** £m	2023 £m
Cost at beginning and end of period	**2.4**	2.4
Accumulated amortisation at beginning and end of period	**(1.0)**	(1.0)
Net book value at beginning and end of period	**1.4**	1.4

The Company had no goodwill at either period end.

Impairment tests for goodwill

In accordance with the requirements of IAS 36 'Impairment of Assets' the Group completed a review of the carrying value of goodwill as at each period end. The impairment review was performed to ensure that the carrying value of the Group's assets are stated at no more than their recoverable amount, being the higher of fair value less costs of disposal and value in use. The key assumptions for the recoverable amount of the goodwill are the long-term growth rate and the discount rate. The long-term growth rate used is purely for the impairment testing of goodwill under IAS 36 'Impairment of Assets' and does not reflect the long term planning assumptions used by the Group for any other assessments. In determining the value in use, the calculations use cash flow projections for a period no greater than three years based on plans approved by management and, for the Group's cash-generating unit concerned, assumes a long-term growth rate no higher than 2% (2023: 2%). The estimated future cash flows expected to arise from the continuing use of the assets were calculated using discount rates ranging from 1.2% to 2.7% (2023: 2.2% to 4.9%).

Management reviewed the planned sales growth and gross margin on the investment in future product releases and initiatives currently being undertaken, to deliver the expected future performance. Goodwill is allocated to the Group's cash-generating units (CGUs) for impairment testing. All of the current goodwill arises in the product and supply segment. Sensitivity analysis has not been disclosed in these financial statements since management consider that there is no reasonably possible change in the key assumptions that would cause the carrying value of goodwill to fall below its recoverable amount.

14. Other intangible assets

Group	Computer software £m	Development costs £m	Other intangible assets £m	Total £m
Cost				
At 29 May 2022 and 30 May 2022	22.7	58.9	-	81.6
Additions	0.4	13.1	-	13.5
Disposals	(0.7)	(24.8)	-	(25.5)
Reclassifications	(0.2)	-	-	(0.2)
At 28 May 2023 and 29 May 2023	22.2	47.2	-	69.4
Additions	0.4	15.4	1.2	17.0
Disposals	(9.3)	(3.6)	-	(12.9)
Exchange differences	(0.1)	-	-	(0.1)
At 2 June 2024	**13.2**	**59.0**	**1.2**	**73.4**
Accumulated amortisation				
At 29 May 2022 and 30 May 2022	(15.7)	(40.3)	-	(56.0)
Amortisation charge	(1.8)	(12.1)	-	(13.9)
Impairment	(0.7)	(2.9)	-	(3.6)
Disposals	0.7	24.6	-	25.3
At 28 May 2023 and 29 May 2023	(17.5)	(30.7)	-	(48.2)
Amortisation charge	(1.7)	(10.8)	(0.2)	(12.7)
Impairment	(1.7)	(0.9)	-	(2.6)
Disposals	9.3	3.6	-	12.9
At 2 June 2024	**(11.6)**	**(38.8)**	**(0.2)**	**(50.6)**
Net book amount				
28 May 2023	4.7	16.5	-	21.2
2 June 2024	**1.6**	**20.2**	**1.0**	**22.8**

Amortisation of £11.3m (2023: £12.1m) has been charged in cost of sales and £1.4m (2023: £1.8m) in operating expenses.

The net book amount of internally generated intangible assets is £17.1m (2023: £17.4m) and acquired intangible assets is £5.7m (2023: £3.8m). The net book amount of internally generated development costs is £17.1m (2023: £14.7m). £16.6m (2023: £14.2m) is capitalised salary costs.

Salary costs of £9.4m (2023: £8.1m) were capitalised as part of development costs during the period.

Assets in the course of development, and not amortised, amount to £0.6m (2023: £0.1m) with current and prior period amounts both being included within computer software.

An impairment loss of £0.9m (2023: £2.9m) has been recognised in relation to animation development costs. This has been charged to cost of sales.
An impairment loss of £1.7m (2023: £0.7m) has been recognised in relation to alterations required to previously capitalised elements of software. This has been charged to operating expenses.

Other intangible assets of £1.2m were capitalised during the period in respect of intellectual property licenses from third parties.

The Company had no other intangible assets at either period end.

15. Property, plant and equipment

Group	Freehold land and buildings £m	Plant and equipment and vehicles £m	Fixtures and fittings £m	Moulding tools £m	Total £m
Cost					
At 29 May 2022 and 30 May 2022	30.4	41.3	30.8	48.2	150.7
Additions	0.1	4.3	3.0	6.8	14.2
Exchange differences	-	0.1	0.1	-	0.2
Disposals	-	(0.6)	(0.4)	-	(1.0)
Reclassifications	0.3	(1.2)	1.1	-	0.2
At 28 May 2023 and 29 May 2023	30.8	43.9	34.6	55.0	164.3
Additions	-	5.4	3.2	7.0	15.6
Exchange differences	-	(0.2)	(0.5)	-	(0.7)
Disposals	(0.1)	(4.2)	(1.8)	(0.5)	(6.6)
Reclassifications	0.3	2.7	(3.0)	-	-
At 2 June 2024	**31.0**	**47.6**	**32.5**	**61.5**	**172.6**
Accumulated depreciation					
At 29 May 2022 and 30 May 2022	(8.7)	(24.5)	(22.9)	(39.6)	(95.7)
Charge for the period	(0.5)	(5.3)	(3.0)	(4.9)	(13.7)
Exchange differences	-	-	(0.1)	-	(0.1)
Disposals	-	0.5	0.4	-	0.9
At 28 May 2023 and 29 May 2023	(9.2)	(29.3)	(25.6)	(44.5)	(108.6)
Charge for the period	(0.5)	(5.1)	(3.1)	(5.7)	(14.4)
Exchange differences	-	0.1	0.3	-	0.4
Disposals	0.1	4.1	1.8	0.5	6.5
Reclassifications	(0.2)	(0.8)	1.2	(0.2)	-
At 2 June 2024	**(9.8)**	**(31.0)**	**(25.4)**	**(49.9)**	**(116.1)**
Net book amount					
28 May 2023	21.6	14.6	9.0	10.5	55.7
2 June 2024	**21.2**	**16.6**	**7.1**	**11.6**	**56.5**

Depreciation expense of £11.2m (2023: £10.8m) has been charged in cost of sales, £1.8m (2023: £1.5m) in selling costs and £1.4m (2023: £1.4m) in administrative expenses. Freehold land amounting to £8.3m (2023: £8.3m) has not been depreciated.

Assets in the course of construction, and not depreciated, amount to £8.1m (2023: £6.1m). £3.2m (2023: £4.0m) of these are included in moulding tools, £3.9m (2023: £1.1m) is included in plant and equipment and vehicles and £1.0m (2023: £1.0m) is included in fixtures and fittings above.

The Company held no property, plant and equipment at either period end.

16. Right-of-use assets

Group	**2024 £m**	2023 £m
Net book value at beginning of period	**48.9**	48.1
Additions	**9.9**	12.7
Disposals	**-**	(0.1)
Exchange differences	**(0.8)**	0.1
Depreciation charge	**(11.9)**	(11.9)
	46.1	48.9

The net book value at end of the period can be analysed as follows:

Group	**2024 £m**	2023 £m
Buildings	**45.8**	48.8
Plant and equipment and vehicles	**0.3**	0.1
	46.1	48.9

The Company held no right-of-use assets at either period end.

Depreciation charged on right-of-use assets during the period was as follows:

	53 weeks ended 2 June 2024 £m	52 weeks ended 28 May 2023 £m
Buildings	**11.7**	11.8
Plant and equipment and vehicles	**0.2**	0.1
	11.9	11.9

NOTES TO THE FINANCIAL STATEMENTS continued

17. Investments in subsidiaries

Company	**2024 £m**	2023 £m
Shares in group undertakings - cost		
Beginning of period and end of period	**30.6**	30.6

Investments in group undertakings are stated at cost less any provision for impairment.

A list of subsidiary undertakings is given below.

Interests in group undertakings

Name of undertaking	Registered address of undertaking	Description of shares held	Proportion of nominal value of issued shares held by: Company	Subsidiary company	Principal business activity
Games Workshop Limited	Willow Road, Lenton, Nottingham, NG7 2WS, UK	£1 ordinary	100%		Manufacturer, distributor and retailer of games and miniatures
Games Workshop Retail Inc.	6211 East Holmes Road, Memphis, Tennessee, 38141, USA	$1 common stock		100%	Distributor and retailer of games and miniatures
Games Workshop (Queen Street) Limited	3251 Yonge Street, Toronto, Ontario, M4N 2L5, Canada	Can $1		100%	Retailer of games and miniatures
EURL Games Workshop	10, Rue Joseph Serlin, Lyon, 69001, France	€1		100%	Retailer of games and miniatures
Games Workshop SL	Aragón 208-210, Planta 4 Puerta 1 08011 Barcelona, Spain	€1		100%	Retailer of games and miniatures
Games Workshop Oz Pty Limited	23 Liverpool Street, Ingleburn, New South Wales 2565, Australia	Aus $1		100%	Distributor and retailer of games and miniatures
Games Workshop Deutschland GmbH	Am Wehrhahn 32, 40211 Düsseldorf, Germany	€1		100%	Retailer of games and miniatures
Games Workshop Limited	80 Queen Street, Auckland, 1010, New Zealand	NZ $1		100%	Retailer of games and miniatures
Games Workshop Italia SRL	Viale Castro Pretorio 122, 00185 Rome, Italy	€1		100%	Retailer of games and miniatures
Games Workshop International Limited	Willow Road, Lenton, Nottingham, NG7 2WS, UK	£1 ordinary	100%		Holding company for overseas subsidiary companies
Games Workshop US Limited	Willow Road, Lenton, Nottingham, NG7 2WS, UK	£1 ordinary		100%	Holding company for US subsidiary companies
Games Workshop US (Holdings) Limited	Willow Road, Lenton, Nottingham, NG7 2WS, UK	£1 ordinary		100%	Intermediary holding company for US subsidiary companies
Games Workshop Good Hobby (Shanghai) Commercial Co. Ltd	153-155 Xujiahui Road, Huangpu Area, Shanghai, 200021, China	Owners capital		100%	Distributor and retailer of games and miniatures
Games Workshop Trustee Limited	Willow Road, Lenton, Nottingham, NG7 2WS, UK	£1 ordinary	100%		Trustee
Games Workshop Stockholm AB	Master Samuelsgatan 67, Stockholm 11121, Sweden	SEK 100		100%	Retailer of games and miniatures
Games Workshop Hong Kong Limited	3806 Central Plaza, 18 Harbour Road, Wanchai, Hong Kong	HK $1 ordinary		100%	Distributor and retailer of games and miniatures
Games Workshop Hobby Pte. Limited	Red House, #01-04, 63 East Coast Road, 428776, Singapore	SG $1 ordinary		100%	Distributor and retailer of games and miniatures
Games Workshop Malaysia Sdn. Bhd.	Unit A-3-6, TTDI Plaza, 3 Jalan Wan Kadir, Taman Tun Dr Ismail, 60000 Kuala Lumpur, Malaysia	MYR 1 ordinary		100%	Distributor and retailer of games and miniatures
Games Workshop Interactive Limited	Willow Road, Lenton, Nottingham, NG7 2WS, UK	£1 ordinary	100%		Dormant
Warhammer Online Limited	Willow Road, Lenton, Nottingham, NG7 2WS, UK	£1 ordinary		100%	Dormant
Citadel Miniatures Limited	Willow Road, Lenton, Nottingham, NG7 2WS, UK	£1 ordinary	100%		Dormant
Games Workshop Step One Limited	Willow Road, Lenton, Nottingham, NG7 2WS, UK	£1 ordinary	100%		Production of motion picture, video and television programmes
Games Workshop EU Espana, SLU	Calle Aragon 208 210, Planta 4, Puerta 6, 08011, Barcelona, Spain	€1		100%	Distributor of games and miniatures

All of the above entities are included in the consolidated financial statements for the Group and 100% of the voting rights of all entities is held.

All of the above companies operate principally in their country of incorporation or registration.

The directors consider the value of the investments is supported by the underlying assets of the relevant subsidiary.

18. Deferred tax assets and liabilities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority.

Group

Analysis of the movement in deferred tax assets is as follows:

	Profit in stock £m	Accelerated depreciation £m	Assets on lease liabilities £m	Liability on right-of-use assets £m	Other £m	Total £m
At 29 May 2022 and 30 May 2022	13.9	0.2	-	-	3.7	17.8
(Charged)/credited to the income statement	(4.6)	(0.2)	6.4	(6.3)	(1.6)	(6.3)
Exchange differences	0.4	-	-	-	0.1	0.5
At 28 May 2023 and 29 May 2023	9.7	-	6.4	(6.3)	2.2	12.0
Credited/(charged) to the income statement	0.7	0.1	(0.6)	0.6	0.4	1.2
Exchange differences	(0.3)	-	(0.2)	0.2	-	(0.3)
At 2 June 2024	**10.1**	**0.1**	**5.6**	**(5.5)**	**2.6**	**12.9**

Analysis of the movement in deferred tax liabilities is as follows:

	Profit in stock £m	Accelerated depreciation £m	Assets on lease liabilities £m	Liability on right-of-use assets £m	Other £m	Total £m
At 29 May 2022 and 30 May 2022	-	-	-	-	-	-
(Charged)/credited to the income statement	-	(2.2)	0.3	(0.3)	1.0	(1.2)
Charged directly to equity	-	-			(0.2)	(0.2)
At 28 May 2023 and 29 May 2023	-	(2.2)	0.3	(0.3)	0.8	(1.4)
(Charged)/credited to the income statement	-	(0.4)	0.4	(0.4)	-	(0.4)
Credited directly to equity	-	-	-	-	0.1	0.1
At 2 June 2024	**-**	**(2.6)**	**0.7**	**(0.7)**	**0.9**	**(1.7)**

Included within the amount charged to the income statement for the prior period are adjustments in respect of right-of-use assets and associated lease liabilities following the application of amendments to IAS 12, 'Income taxes'.

The profit in stock deferred tax asset arises on temporary differences between the recognition of profits on intra group sales within the consolidated group financial statements and the financial statements of subsidiary undertakings. Other deferred tax assets and liabilities include adjustments for inventory provisions of £1.4m (2023: £0.9m), exercise of share options of £0.5m (2023: £0.3m), long service incentive scheme of £0.5m (2023: £0.4m) and losses available for offset of £0.1m (2023: £0.1m).

Deferred tax assets are recognised in respect of tax losses and temporary differences to the extent that the realisation of the related tax benefit through future taxable profits is probable. This is based on a review of the track record of profitability in the country concerned. There was no unrecognised deferred tax at 2 June 2024 or 28 May 2023 in either the Group or the Company. The Group did not obtain a current tax benefit from previously unrecognised tax losses in either of the periods presented.

Company

Deferred tax assets of the Company in respect of accelerated depreciation and other temporary differences were less than £0.1m throughout the periods from 29 May 2022 to 2 June 2024.

19. Inventories

Group	**2024 £m**	2023 £m
Raw materials	**0.8**	1.1
Work in progress	**2.1**	1.5
Finished goods and goods for resale	**39.3**	30.4
	42.2	33.0

The Group holds no inventories at fair value less costs to sell. During the period, the Group utilised an inventory provision of £3.6m (2023: £10.8m) and £5.8m (2023: £8.0m) has been charged to the income statement.

The Company held no inventories at either period end.

20. Non-current receivables

	Group		Company	
	2024 £m	Restated 2023 £m	**2024 £m**	2023 £m
Licensing receivables	**18.7**	12.6	**-**	-
Other receivables	**1.0**	1.0	**-**	-
Loans to group companies	**-**	-	**68.5**	24.2
Total non-current receivables	**19.7**	13.6	**68.5**	24.2

Prior period licensing and other receivables of £13.6m have been disaggregated to £12.6m licensing receivables and £1.0m other receivables to provide more information on the nature of the amounts.

Licensing receivables have been assessed for impairment and are recognised less allowance for expected credit losses of £1.7m (2023: £nil, see note 21 for details of provision recognised against current licensing receivables).

NOTES TO THE FINANCIAL STATEMENTS continued

20. Non-current receivables continued

On 30 April 2024, a loan of £45m was made from the Company to Games Workshop Limited as part of our day-to-day treasury management. This loan has a repayment date of 30 April 2029 and bears interest at 5.0% per annum.

The loan of $25m due to the Company from Games Workshop Retail Inc. has a repayment date of 1 September 2027 and bears interest at 7.7% per annum. All other loans from group undertakings are interest free and have no fixed repayment date.

21. Trade and other receivables

	Group		Company	
		Restated		
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
Trade receivables	**11.5**	10.8	**-**	-
Less allowance for expected credit losses	**(0.4)**	(0.2)	**-**	-
Trade receivables - net	**11.1**	10.6	**-**	-
Prepayments and accrued income	**12.1**	13.2	**0.2**	-
Licensing receivables	**9.6**	8.9	**-**	-
Other receivables	**5.0**	3.6	**-**	0.2
Receivables from group companies	**-**	-	**2.0**	6.4
Loans to group companies	**-**	-	**0.6**	0.4
Total trade and other receivables	**37.8**	36.3	**2.8**	7.0

Prior period licensing and other receivables of £12.5m have been disaggregated to £8.9m licensing receivables and £3.6m other receivables to provide more information on the nature of the amounts.

Trade receivables are recorded at amortised cost, less allowance for expected credit losses. The fair value of trade and other receivables does not differ materially from the book value. There is no significant concentration of credit risk with respect to trade receivables as the Group has a large number of customers which are internationally dispersed. The maximum exposure to credit risk at the balance sheet date is the carrying value of each relevant class of asset above. The Group does not hold any collateral over these balances.

Included within licensing receivables there is accrued income in respect of unreported royalties of £1.8m.

Receivables due from group companies to the Company are interest free and immediately repayable on demand. Provision for impairment of amounts receivable from group companies have been assessed based on lifetime expected credit losses. As all balances are repayable on demand, and the Company expects to be able to recover the outstanding balances if demanded, no provision has been recognised in the 53 weeks ended 2 June 2024 (2023: £nil).

Loss allowances are established using the IFRS 9 simplified approach to expected credit losses. A lifetime loss allowance is calculated based on historical credit losses and is applied to trade receivables held across the Group. The ageing analysis of the Group's core trade receivables is as follows:

	2024			2023		
	Gross value	**Loss allowance**	**Net**	Gross value	Loss allowance	Net
Group	**£m**	**£m**	**£m**	£m	£m	£m
Not yet due	**10.5**	**-**	**10.5**	10.0	-	10.0
Up to 3 months past due	**0.6**	**-**	**0.6**	0.6	-	0.6
3 to 12 months past due	**0.4**	**(0.4)**	**-**	0.2	(0.2)	-
	11.5	**(0.4)**	**11.1**	10.8	(0.2)	10.6

At the prior period end there was also a specific loss allowance against current licensing receivables of £0.8m.

Loss allowance against trade receivables

Movements on the loss allowance against trade receivables are as follows:

Group	£m
At 29 May 2022 and 30 May 2022	0.5
Credit for the period	(0.1)
Receivables written off during the period as uncollectible	(0.2)
At 28 May 2023 and 29 May 2023	0.2
Charge for the period	0.3
Receivables written off during the period as uncollectible	(0.1)
At 2 June 2024	**0.4**

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

	2024	2023
	£m	£m
Sterling	**16.6**	14.4
Euro	**13.6**	6.1
US dollar	**22.6**	25.0
Other currencies	**4.7**	4.4
Total trade and other receivables	**57.5**	49.9

22. Cash and cash equivalents

	Group		Company	
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
Cash at bank and in hand	**107.6**	90.2	**41.6**	32.2
Cash and cash equivalents	**107.6**	90.2	**41.6**	32.2

The Group deposits funds with institutions that have a credit rating of 'A' and above with a term of less than three months, with the exception of cash of £0.1m which was held with banks rated 'A-2' in relation to European retail store banking.

23. Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk and interest rate risk), liquidity risk, capital risk and credit risk. The Group's financial risk management objective is to understand the nature and impact of the financial risks and exposures facing the business.

Foreign currency risk
The majority of the Group's business is transacted in sterling, euros and US dollars. The principal currency of the Group is sterling.
The Group is exposed to foreign exchange risk principally via:
- transactional exposure arising from the future sales and purchases that are denominated in a currency other than the functional currency of the transacting company.
- translation exposure arising on investments in foreign operations, where the net assets are denominated in a currency other than sterling.
- loans to non-UK subsidiaries.

The Group does not use foreign currency borrowings or forward foreign currency contracts to hedge foreign currency risk. The level of the Group's exposure to foreign currency risk is regularly reviewed by the Group's chief financial officer and the Group's treasury policies, including hedging policies, are reviewed to ensure they remain appropriate.

Foreign exchange sensitivity
The impact on the Group's financial assets and liabilities from foreign currency volatility is shown in the sensitivity analysis below.

The sensitivity analysis has been prepared based on all material financial assets and liabilities held at the balance sheet date and does not reflect all the changes in revenue or expenses that may result from changing exchange rates. The analysis is prepared for the euro and US dollar given that these represent the major foreign currencies in which financial assets and liabilities are denominated. The sensitivities shown act as a reasonable benchmark considering the movements in currencies over the last two financial periods.

The following assumptions were made in calculating the sensitivity analysis:
- financial assets and liabilities (including financial instruments) are only considered sensitive to movements in foreign currency exchange rates where they are not in the functional currency of the entity that holds them.
- translation of results of overseas subsidiaries is excluded.

Using the above assumptions, the following table shows the sensitivity of the Group's income statement to movements in foreign exchange rates on US dollar and euro financial assets and liabilities:

	Income statement losses	
	2024	2023
	£m	£m
15% depreciation of the US dollar (2023: 15%)	**4.2**	5.9
15% depreciation of the euro (2023: 15%)	**1.5**	0.9

An appreciation of the stated currencies would have an equal and opposite effect.

There is no impact on equity gains or losses.

Interest rate risk
The Group has no significant exposure to interest rate risk and hence no interest rate sensitivity has been shown.

Credit risk
Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposures to independent retailers.
The Group controls credit risk from a treasury perspective by only entering into transactions involving financial instruments with authorised counter-parties with approved credit ratings, and by ensuring that such positions are monitored regularly. Credit risk on cash and short term deposits is mitigated as the counter-parties are banks with high credit ratings assigned by international credit rating agencies. Trade receivables are all considered to be the same risk level excepting those trade receivables aged over 3 months past due which are fully provided for.

There is no significant concentration of credit risk with respect to trade receivables, as the Group has a large number of customers that are internationally dispersed. Policies are also in place to ensure the wholesale sales of products are made to customers with an appropriate credit history and credit limits are periodically reviewed. Amounts recoverable from customers are reviewed on an ongoing basis and appropriate provision made for bad and doubtful debts (note 21). Provision requirements are determined with reference to ageing of invoices, credit history and other available information. Trade receivables are written off when there is no reasonable expectation of recovery, such as when the customer has been declared insolvent.

Sales made through our own retail stores or our global web stores are made in cash or with major credit cards.

NOTES TO THE FINANCIAL STATEMENTS continued

23. Financial risk factors continued

Capital risk

The capital structure of the Group consists of net funds (see note 31) and owners' equity (see notes 28 and 29). The Group manages its capital to safeguard the ability to operate as a going concern and to optimise returns to shareholders. The Group's objective is not to use long term debt to finance the business. Overdraft facilities will be used to finance the working capital cycle, if required.

The Group manages its capital structure and adjusts it in light of changes to economic conditions and its strategic objectives. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, buy back shares and cancel them or issue new shares. The Group uses return on capital employed to assess capital asset performance.

Liquidity risk

Liquidity is managed by maintaining sufficient cash balances to meet working capital needs. Cash flow requirements are monitored by short and long term rolling forecasts both within the local operating units and for the overall group. In addition, the Group's liquidity management policy involves projecting cash flows in the major currencies and considers the level of liquid assets necessary to meet these, monitoring working capital levels and liquidity ratios.

The undiscounted contractual cash flows of the Group's financial liabilities, including interest charges where applicable, are shown below. All trade payables are contractually due within 12 months and therefore the fair values do not differ from their carrying values.

	2024				2023			
Group	**Within 1 year £m**	**Between 1 and 2 years £m**	**Between 2 and 5 years £m**	**More than 5 years £m**	Within 1 year £m	Between 1 and 2 years £m	Between 2 and 5 years £m	More than 5 years £m
Trade and other payables	**27.0**	**-**	**-**	**-**	23.2	-	-	-
Lease liabilities	**11.1**	**10.2**	**19.4**	**10.1**	10.8	10.0	19.6	12.7
	38.1	**10.2**	**19.4**	**10.1**	34.0	10.0	19.6	12.7

Company	**Within 1 year 2024 £m**	Within 1 year 2023 £m
Trade and other payables	**2.5**	2.0

Financial instruments by category

	Group Financial assets at amortised cost		Company Financial assets at amortised cost	
	2024 £m	Restated 2023 £m	**2024 £m**	2023 £m
Financial assets as per balance sheet				
Trade receivables	**11.1**	10.6	**-**	-
Accrued income	**2.0**	3.9	**-**	-
Licensing receivables	**28.3**	21.5	**-**	-
Other receivables	**6.0**	4.6	**0.1**	0.2
Receivables from group companies	**-**	-	**2.0**	6.4
Loans to group companies	**-**	-	**69.1**	24.6
Cash and cash equivalents	**107.6**	90.2	**41.6**	32.2
Total	**155.0**	130.8	**112.8**	63.4

Prior period licensing and other receivables of £26.1m have been disaggregated to £21.5m licensing receivables and £4.6m other receivables to provide more information on the nature of the amounts.

The increase in the loans to group companies is due to a £45m loan made by the Company in the period as part of our day-to-day treasury management.

	Group Financial liabilities at amortised cost		Company Financial liabilities at amortised cost	
	2024 £m	2023 £m	**2024 £m**	2023 £m
Financial liabilities as per balance sheet				
Trade payables	**12.5**	9.5	**-**	-
Other payables	**4.4**	4.6	**2.1**	1.5
Accruals	**10.1**	9.1	**0.4**	0.3
Payables to group companies	-	-	**-**	0.1
Loans from group companies	-	-	**20.0**	20.7
Lease liabilities	**47.2**	49.9	**-**	-
Total	**74.2**	73.1	**22.5**	22.6

Prepayments, deferred income balances and other taxes and social security payables have been excluded from the above as they are not financial assets or liabilities.

24. Lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

Group	**2024** **£m**	2023 £m
Current	**10.0**	9.9
Non-current	**37.2**	40.0
	47.2	49.9

The Group's leasing activity consists of leases on property, production equipment, IT equipment and motor vehicles. The majority of these leases relate to retail stores. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

Lease liabilities include the net present value of the following lease payments:
- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date; and
- lease payments to be made under reasonably certain extension options.

Variable lease payments not dependent on an index or a rate (such as turnover based rent) are excluded from the measurement of the lease liability and asset.

Leases of retail property generally have a lease term ranging from 1 year to 10 years with a break option after no more than 5 years. Leases of other property, which includes warehouses and offices, generally have a lease term ranging from 2 years to 15 years. Leases of production equipment generally have a lease term ranging from 1 year to 5 years. Leases of vehicles and IT equipment are generally limited to a lease term of 1 to 3 years.

Amounts recognised in the income statement relating to leases:

Group	**53 weeks ended 2 June 2024 £m**	52 weeks ended 28 May 2023 £m
Interest on lease liabilities	**1.1**	0.9
Expenses relating to short-term leases, variable leases and low-value assets	**1.3**	0.9

Amounts recognised in the statement of cash flows relating to leases:

Group	**53 weeks ended 2 June 2024 £m**	52 weeks ended 28 May 2023 £m
Total cash outflow for leases	**14.2**	13.6

Total cash outflows include values paid in respect of repayment of principal under leases, interest on lease liabilities and low value, short-term and variable lease payments.

The lease liabilities are secured by the related underlying assets. Future minimum lease payments as at the balance sheet date were due as follows:

	2024				2023			
Group	**Within 1 year £m**	**Between 1 and 2 years £m**	**Between 2 and 5 years £m**	**More than 5 years £m**	Within 1 year £m	Between 1 and 2 years £m	Between 2 and 5 years £m	More than 5 years £m
Lease payments	**11.1**	**10.2**	**19.4**	**10.1**	10.8	10.0	19.6	12.7
Finance charges	**(1.1)**	**(0.9)**	**(1.2)**	**(0.4)**	(0.9)	(0.7)	(1.1)	(0.5)
Net present value	**10.0**	**9.3**	**18.2**	**9.7**	9.9	9.3	18.5	12.2

The Company held no lease liabilities at either period end.

25. Trade and other payables

	Group		Company	
	2024 £m	2023 £m	**2024 £m**	2023 £m
Current				
Trade payables	**12.5**	9.5	**-**	-
Other taxes and social security	**2.6**	3.5	**-**	0.1
Other payables	**10.9**	9.3	**2.2**	1.5
Accruals	**11.7**	10.7	**0.4**	0.3
Deferred income	**8.6**	4.0	**-**	-
Loans from group companies	**-**	-	**0.4**	0.4
Payables to group companies	**-**	-	**-**	0.1
Total trade and other payables	**46.3**	37.0	**3.0**	2.4

The fair value of trade and other payables does not materially differ from the book value.

The increase in deferred income is due to an increase in advance payments by trade and online customers. The advance payments relate to made to order products and a change in the preorder window for new release products.

Payables due to group companies by the Company are interest free and immediately payable on demand.

NOTES TO THE FINANCIAL STATEMENTS continued

26. Other non-current liabilities

	Group		Company	
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
Accruals and other payables	**0.7**	0.5	**0.4**	0.3
Loans from group companies	**-**	-	**19.6**	20.3
Total other non-current liabilities	**0.7**	0.5	**20.0**	20.6

The fair value of other non-current liabilities does not materially differ from the book value.

The loan due to Games Workshop Limited by the Company has a repayment date of 1 September 2027 and bears interest at 7.575% per annum.

The carrying amounts of the Group's trade and other payables and other non-current liabilities are denominated in the following currencies:

	2024	2023
	£m	£m
Sterling	**26.8**	20.3
Euro	**5.7**	4.5
US dollar	**10.7**	9.5
Other currencies	**3.8**	3.2
Total trade and other payables and other non-current liabilities	**47.0**	37.5

27. Provisions for other liabilities and charges

Analysis of total provisions:

	Group	
	2024	2023
	£m	£m
Current	**0.9**	0.9
Non-current	**1.9**	1.6
	2.8	2.5

Group	Employee benefits £m	Property £m	Total £m
At 28 May 2023 and 29 May 2023	2.0	0.5	2.5
Charged to the income statement:			
- Additional provisions	0.5	-	0.5
Utilised	(0.2)	-	(0.2)
At 2 June 2024	**2.3**	**0.5**	**2.8**

Provisions in respect of the Company were less than £0.1m throughout the periods from 29 May 2022 to 2 June 2024.

The fair value of provisions does not differ from the book value.

Employee benefits
The Group operates a long service incentive scheme under which employees receive a one-off additional holiday entitlement of two weeks when they reach 10, 20, 30 and 40 years of employment (Veterans scheme). The cost of this benefit is accrued over the period of employment based on expected staff retention rates and the anticipated employment costs and are utilised once an employee reaches 10, 20, 30 or 40 years of employment.

Property
Provisions are made for property dilapidations where a legal obligation exists, or where the end of the lease commitment is imminent and a reliable estimate of the exit liability can be made.

28. Share capital

	Number of shares (thousands)	Called up share capital £m	Share premium £m	Total called up share capital and share premium £m
At 29 May 2022	32,840	1.6	16.3	17.9
Shares issued under employee sharesave scheme	74	-	2.6	2.6
At 28 May 2023	32,914	1.6	18.9	20.5
Shares issued under employee sharesave scheme	38	-	2.7	2.7
At 2 June 2024	**32,952**	**1.6**	**21.6**	**23.2**

During the period 37,902 ordinary shares were issued (2023: 74,162). The total authorised number of shares is 42,000,000 shares (2023: 42,000,000 shares) with a par value of 5p per share (2023: 5p per share). All issued shares are fully paid.

29. Other reserves

	2024				2023			
Group	**Capital redemption reserve £m**	**Translation reserve £m**	**Other reserve £m**	**Total £m**	Capital redemption reserve £m	Translation reserve £m	Other reserve £m	Total £m
Beginning of period	**0.1**	**2.3**	**(1.0)**	**1.4**	0.1	3.8	(1.0)	2.9
Exchange differences on translation of foreign operations	**-**	**(0.6)**	**-**	**(0.6)**	-	(1.5)	-	(1.5)
End of period	**0.1**	**1.7**	**(1.0)**	**0.8**	0.1	2.3	(1.0)	1.4

The other reserve relates to a bonus issue to the previous holders of the Company's ordinary shares created on flotation.

As at 2 June 2024, the Company's capital redemption reserve was £0.1m (2023: £0.1m).

30. Notes to the cash flow statement

Reconciliation of profit to net cash from operating activities

	Group		Company	
	2024 £m	Restated 2023 £m	**2024 £m**	2023 £m
Profit before taxation	**203.0**	170.6	**183.2**	131.6
Finance income	**(2.5)**	(1.3)	**(3.1)**	(2.5)
Finance costs	**1.3**	0.9	**1.5**	1.8
Operating profit	**201.8**	170.2	**181.6**	130.9
Adjustments for:				
Depreciation of property, plant and equipment	**14.4**	13.7	**-**	-
Depreciation of right-of-use assets	**11.9**	11.9	**-**	-
Net impairment charge of intangible assets	**2.6**	3.6	**-**	-
Loss on disposal of property, plant and equipment	**0.1**	0.1	**-**	-
Loss on disposal of right-of-use assets	**-**	0.1	**-**	-
Loss on disposal of intangible assets (see below)	**-**	0.2	**-**	-
Amortisation of capitalised development costs	**10.8**	12.1	**-**	-
Amortisation of other intangibles	**1.9**	1.8	**-**	-
Share-based payments	**1.2**	1.0	**-**	-
Exchange movement	**1.1**	(1.6)	**-**	-
Changes in working capital:				
- (Increase)/decrease in inventories	**(10.0)**	6.0	**-**	-
- (Increase)/decrease in trade and other receivables (excluding licensing receivables)	**(0.8)**	4.2	**(39.8)**	1.7
- (Increase)/decrease in licensing receivables	**(6.8)**	3.9	**-**	-
- Increase in trade and other payables	**9.4**	4.2	**1.8**	2.4
- Increase in provisions	**0.3**	0.3	**-**	-
Net cash from operating activities	**237.9**	231.7	**143.6**	135.0

Prior period decrease in trade and other receivables of £8.1m have been disaggregated to a £4.2m decrease in trade and other receivables (excluding licensing receivables) and a £3.9m decrease in licensing receivables to provide more information on the nature of the amounts.

The increase in the trade and other receivables (excluding licensing receivables) in the Company is due to a £45m loan made by the Company in the period as part of our day-to-day treasury management.

The Group disposed of intangible assets with net book amount of less than £0.1m (2023: £0.2m). There were no proceeds on disposal in either period and hence a loss on disposal equivalent to the net book value was recorded.

31. Analysis of net funds

Group	**2024 £m**	2023 £m
Cash at bank and in hand	**107.6**	90.2
Lease liabilities	**(47.2)**	(49.9)
Net funds	**60.4**	40.3

Company	**2024 £m**	2023 £m
Cash at bank and in hand	**41.6**	32.2
Net funds	**41.6**	32.2

31. Analysis of net funds continued

Group	Lease liabilities £m	Cash at bank £m
Net funds as at 29 May 2022 and 30 May 2022	(48.9)	71.4
Cash flows	11.8	19.1
Lease additions	(12.9)	-
Interest expense	(0.9)	-
Interest payments	0.9	-
Foreign exchange movement	0.1	(0.3)
Net funds as at 28 May 2023 and 29 May 2023	(49.9)	90.2
Cash flows	11.8	17.6
Lease additions	(9.9)	-
Interest expense	(1.1)	-
Interest payments	1.1	-
Foreign exchange movement	0.8	(0.2)
At 2 June 2024	**(47.2)**	**107.6**

Cash flows in respect of lease liabilities reflect repayments of principal amounts.

32. Commitments

Capital commitments
Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

Group	**2024 £m**	2023 £m
Property, plant and equipment	**4.9**	2.0
Intangible assets	**3.9**	1.8

Leases
The Group leases various retail stores, offices, warehouses and equipment under non-cancellable lease arrangements. The liabilities for these leases are recorded on the Group's balance sheet when the Group obtains control of the underlying asset. The Group has additional commitments relating to leases where the Group has entered into an obligation but does not yet have control of the underlying asset. The Group currently has a commitment of £2.5m, £2.4m of which is relating to the Australian warehouse lease (2023: less than £0.1m).

The Company had no capital commitments or commitments to leases at either period end.

Inventory purchase commitments

Group	**2024 £m**	2023 £m
Finished goods	**3.6**	2.9
Components	**2.6**	3.0
Raw materials	**2.2**	1.5

The Company had no inventory purchase commitments at either period end.

Pension arrangements
The Group and Company operate defined contribution schemes. Commitments in respect of pensions are included within prepayments and accruals.

33. Contingencies

The Company provides indemnities to third parties in respect of contracts regarding their use of the Group's intellectual property, under commercial terms in the normal course of business.

The Company has also guaranteed the bank overdrafts of certain Group undertakings. There were no amounts outstanding under these arrangements at either period end.

For the 53 weeks ended 2 June 2024, the subsidiary companies listed below are exempt from the requirements of the Companies Act 2006 relating to the audit of individual financial statements by virtue of section 479A. As a result, the Company guarantees all outstanding liabilities to which the subsidiary companies are subject.

Name of undertaking	Country of incorporation or registration	Company registration number
Games Workshop Limited	England and Wales	1467092
Games Workshop International Limited	England and Wales	2924330
Games Workshop US Limited	England and Wales	7462905
Games Workshop US (Holdings) Limited	England and Wales	4428814
Games Workshop Step One Limited	England and Wales	12448253

The Group has provided a guarantee of £0.1m (2023: £0.1m) to the Canada Revenue Agency in relation to the non-resident sales tax returns of Games Workshop Limited.

34. Related party transactions

During the period the Company provided management and similar services to Games Workshop Limited, a subsidiary undertaking.

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation for the Group.

Transactions between the Company and its subsidiaries are shown below:

Subsidiary	Nature of transaction	**2024** **£m**	2023 £m
Games Workshop Limited	Recharges	**0.5**	0.4
	Dividend received	**186.7**	133.4
	Interest on loan received	**1.6**	1.8
	Interest on loan paid	**(0.2)**	-
Games Workshop International Limited	Dividend received	**0.7**	2.4
Games Workshop Retail Inc.	Interest on loan paid	**(1.6)**	(1.8)

Receivables/(payables) outstanding between the Company and its subsidiaries are shown below:

	Amount owed by subsidiaries		Amount owed to subsidiaries	
	2024	2023	**2024**	2023
Subsidiary	**£m**	£m	**£m**	£m
Games Workshop Limited	**1.8**	6.2	**-**	-
Games Workshop (Queen Street) Limited	**-**	-	**-**	(0.1)
Games Workshop Retail Inc.	**0.1**	0.1	**-**	-
Games Workshop Good Hobby (Shanghai) Commercial Co. Ltd	**0.1**	0.1	**-**	-
	2.0	6.4	**-**	(0.1)

Loans outstanding between the Company and its subsidiaries are shown below:

	Amount owed by subsidiaries		Amount owed to subsidiaries	
	2024	2023	**2024**	2023
Subsidiary	**£m**	£m	**£m**	£m
Games Workshop Limited	**49.1**	3.9	**(20.0)**	(20.7)
Games Workshop Retail Inc.	**20.0**	20.7	**-**	-
Games Workshop Interactive Limited	**6.8**	6.8	**-**	-
Less provision for impairment	**(6.8)**	(6.8)	**-**	-
	69.1	24.6	**(20.0)**	(20.7)

The increase in the amounts owed by Games Workshop Limited is due to a £45m loan made by the Company in the period as part of our day-to-day treasury management.

35. Share-based payments

Options to acquire share capital of the Group have been granted to eligible employees who enter into a sharesave contract. Participation in the sharesave scheme is offered to all employees of the Group who have been employed for a continuous period determined by the board. Under the sharesave contract, participating employees are granted a share option, giving the future right to purchase shares in the Company at a 15%-20% discount on the share price at the time of the invitation. Employees save a regular sum each month up to a maximum of £500 per month for three years, or for two years for the US. At the end of this period, on completion of the contract, employees immediately have six months to exercise their options. For the US, options are exercised automatically on the maturity date.

Share options outstanding at the period end date have the following expiry date and exercise prices:

				Share options outstanding	
Scheme	Grant date	Expiry date	Exercise price	**2024 No.**	2023 No.
2020 Scheme - Rest of world	23 Sept 2020	1 May 2024	£71.43	**-**	36,748
2020 Scheme - France	23 Sept 2020	1 May 2024	£76.99	-	465
2021 Scheme - Rest of world	20 Sept 2021	1 May 2025	£95.07	**16,942**	18,496
2021 Scheme - France	20 Sept 2021	1 May 2025	£93.46	**318**	382
2021 Scheme - USA	1 Oct 2021	1 Oct 2023	£87.98	-	1,975
2022 Scheme - Rest of world	20 Sept 2022	1 May 2026	£59.75	**73,078**	78,597
2022 Scheme - France	20 Sept 2022	1 May 2026	£60.56	**542**	592
2022 Scheme - USA	1 Oct 2022	1 Oct 2024	£50.26	**3,221**	3,707
2023 Scheme - Rest of world	19 Sept 2023	1 May 2027	£85.89	**49,574**	-
2023 Scheme - France	19 Sept 2023	1 May 2027	£90.38	**641**	-
2023 Scheme - USA	1 Oct 2023	1 Oct 2025	£89.08	**2,666**	-
				146,982	140,962

The following table summarises the movements in sharesave options during the period:

	2024		2023	
	No. of options	**Weighted average exercise price**	No. of options	Weighted average exercise price
Outstanding at beginning of the period	**140,962**	**£67.73**	166,570	£60.74
Granted	**56,606**	**£86.10**	89,109	£59.30
Exercised	**(37,902)**	**£72.23**	(74,162)	£34.56
Forfeited	**(12,684)**	**£73.20**	(40,555)	£78.62
Outstanding at end of the period	**146,982**	**£73.17**	140,962	£67.73

There were no exercisable shares at the end of either period.

All options granted will be equity settled.

The weighted average market price of Games Workshop Group PLC shares at the date of exercise of sharesave scheme options during the period was £100.41 (2023: £67.11).

The expense or credit in respect of the share-based payments are recharged from the parent company to the subsidiary company in which the relevant employee is contracted.

Options granted during the year

The fair value at grant date is independently determined using an adjusted form of the Black-Scholes model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, and the risk-free interest rate for the term of the option. The key inputs used to derive the fair value of the options granted in the year were as follows:

	Rest of World	France	USA
Share price at grant date	£106.70	£106.70	£105.70
Fair value at grant date	£30.15	£28.11	£31.35
Vesting period	3 years	3 years	2 years
Expected volatility	33.7%	33.7%	46.4%
Expected dividend yield	4.4%	4.4%	4.6%
Risk-free rate	4.7%	4.7%	4.9%

FIVE YEAR SUMMARY

	2024	2023	2022	2021	2020
	£m	£m	£m	£m	£m
Core revenue	**494.7**	445.4	386.8	353.2	269.7
Licensing revenue	**31.0**	25.4	28.0	16.3	16.8
Revenue	**525.7**	470.8	414.8	369.5	286.5
Operating profit	**201.8**	170.2	157.1	151.7	90.0
Finance income	**2.5**	1.3	0.2	0.2	0.1
Finance costs	**(1.3)**	(0.9)	(0.8)	(1.0)	(0.7)
Profit before taxation	**203.0**	170.6	156.5	150.9	89.4
Income tax expense	**(51.9)**	(35.9)	(28.1)	(28.9)	(18.1)
Profit attributable to owners of the parent	**151.1**	134.7	128.4	122.0	71.3
Basic earnings per ordinary share (pence per share)	**458.8**	409.7	391.3	372.7	218.7

FINANCIAL CALENDAR

Annual general meeting	18 September 2024
Announcement of half yearly report	January 2025
Financial period end	1 June 2025
Announcement of final results	July 2025

GLOSSARY

Alternative Performance Measures (APMs)

APM definitions	Closest equivalent IFRS measure	Reconciliation to closest IFRS measure where applicable
Core revenue Direct sales made of our core products to external customers, through the Group's network of retail stores, independent retailers and online through the global web stores.	Revenue	Core revenue is reconciled to revenue in note 4 to the financial statements.
Core gross profit Core gross profit is core revenue less all related cost of sales	Gross profit	Core gross profit is reconciled to gross profit in note 4 to the financial statements.
Core operating expenses Operating expenses relating to the core business of selling directly to external customers	Operating expenses	Core operating expenses are reconciled to operating expenses in note 4 to the financial statements.
Core operating profit Core operating profit is core revenue less all related cost of sales and operating expenses **Core operating profit excluding Group Profit Share**	Operating profit	Core operating profit is reconciled to operating profit in note 4 to the financial statements. Core operating profit above, adding back Group Profit Share payments (2024: £18.4m, 2023: £11.6m).
Licensing revenue Income relating to royalties earned from third party licensees	Revenue	Licensing revenue is reconciled to revenue in note 4 to the financial statements.
Licensing gross profit Licensing gross profit is licensing revenue less any related cost of sales	Gross profit	Licensing gross profit is reconciled to gross profit in note 4 to the financial statements.
Licensing operating expenses Operating expenses relating to the licensing segments	Operating expenses	Licensing operating expenses are reconciled to operating expenses in note 4 to the financial statements.
Licensing operating profit Licensing operating profit is licensing revenue less all related cost of sales and operating expenses	Operating profit	Licensing operating profit is reconciled to operating profit in note 4 to the financial statements.
Revenue at constant currency **Core operating profit at constant currency** **Licensing operating profit at constant currency** Amounts for current and prior periods, stated at a constant exchange rate.	Revenue Operating profit Operating profit	These are calculated by converting underlying revenue, core operating profit and licensing operating profit amounts at local currency values for the current period at the prior period average exchange rate.

	2024			2023
	Actual	Impact of FX	Constant currency	Actual
Revenue	525.7	14.5	540.2	470.8
Core operating profit	174.8	10.8	185.6	148.2
Licensing operating profit	27.0	1.8	28.8	22.0

APM definitions	Closest equivalent IFRS measure	Reconciliation to closest IFRS measure where applicable
Core average capital employed This is a measure of the capital employed in the core business averaged over a 12 month period	None	This value is calculated by taking monthly net assets and adjusting for any cash, borrowings, licensing receivables, taxation and dividends, for each of the 12 months. These are then added together and divided by 12 to give the core average capital employed.

	12 month average 2024 £m	12 month average 2023 £m
Net assets	262.1	257.4
Cash	(126.9)	(105.3)
Licensing receivables	(25.9)	(22.5)
Taxation	(10.0)	(17.9)
Core average capital employed	99.3	111.7

APM definitions	Closest equivalent IFRS measure	Reconciliation to closest IFRS measure where applicable
Return on capital employed (ROCE) Measure of the profit relative to the amount of capital employed. The higher the ROCE, the greater the return for the capital employed	None	Return is a percentage calculated by dividing the core operating profit (2024: £174.8, 2023: £148.2m) by the core average capital employed (2024: £99.3m, 2023: £111.7m).
Cash generated - pre dividends paid Movement in cash in the period before any payments of dividends are taken into account	Net increase/(decrease) in cash and cash equivalents	Net increase in cash-pre dividends paid can be calculated by taking the net increase in cash and cash equivalents (2024: £17.6m, 2023: £19.0m) and adding back the dividends which have been paid in the period (2024: £138.3m, 2023: £136.5m).

NOTICE OF ANNUAL GENERAL MEETING

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice from your stockbroker, solicitor, accountant or other independent adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the UK or, if you reside elsewhere, another appropriately authorised financial adviser.

If you have recently sold or transferred all of your shares in Games Workshop Group PLC, please send this notice and the accompanying documents as soon as possible to the purchaser or transferee or to the person who arranged the sale or transfer, so they can pass these documents to the person who now holds the shares.

Notice is hereby given that the annual general meeting of Games Workshop Group PLC (the 'Company') will be held at Willow Road, Lenton Nottingham, NG7 2WS, at 10.00 a.m. on 18 September 2024 for the following purposes:

Ordinary business
As ordinary business to consider and, if thought fit, to pass the following resolutions 1 to 11 as ordinary resolutions:

Resolution 1
To receive the Company's annual financial statements for the 53 weeks ended 2 June 2024 together with the directors' report, the remuneration report and the independent auditors' report on those financial statements, the auditable part of the remuneration report and the directors' report.

Resolution 2
To re-elect Kevin Rountree as a director.

Resolution 3
To re-elect John Brewis as a director.

Resolution 4
To re-elect Kate Marsh as a director.

Resolution 5
To re-elect Randal Casson as a director.

Resolution 6
To re-elect Mark Lam as a director.

Resolution 7
To elect Elizabeth Harrison as a director.

Resolution 8
To re-appoint KPMG LLP as independent auditors to hold office until the conclusion of the next general meeting at which financial statements are laid by the Company.

Resolution 9
To authorise the directors to fix the auditors' remuneration.

Resolution 10
To approve the remuneration report (excluding the directors' remuneration policy set out on pages 42 to 45) for the 53 weeks ended 2 June 2024.

Resolution 11
To approve the directors' remuneration policy as set out on pages 42 to 45.

Special business
To consider and, if thought fit, pass the following resolutions, of which resolution 12 will be proposed as an ordinary resolution and resolutions 13 and 14 will be proposed as special resolutions.

Resolution 12
That, in accordance with section 551 of the Companies Act 2006 (the 'Act'), the directors of the Company (the 'Directors' or the 'Board') be generally and unconditionally authorised to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:

(a) up to an aggregate nominal amount of £549,198 (such amount to be reduced by the nominal amount of any allotments or grants made under paragraph (b) below in excess of such sum); and
(b) comprising equity securities (as defined in section 560 of the Act) up to an aggregate nominal amount of £1,098,396 (such amount to be reduced by the nominal amount of any allotments or grants made under paragraph (a) above) in connection with a fully pre-emptive offer:

   (i) to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
   (ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

   but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange.

Resolution 12 continued
The authorities conferred on the Directors under paragraphs (a) and (b) shall, unless renewed, varied or revoked by the Company, expire on 17 December 2025 or, if earlier, the date of the next annual general meeting of the Company save that the Company may, before such expiry, make offers or agreements which would or might require shares to be allotted or rights to subscribe for or convert securities into shares to be granted and the Directors may allot shares or grant rights to subscribe for or convert securities into shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot shares or grant rights to subscribe for or convert securities into shares but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

Resolution 13
That subject to the passing of resolution 12 above, the directors of the Company be given the general power pursuant to sections 570 to 573 of the Act to allot or make offers or agreements to allot equity securities for cash, either pursuant to the authority conferred by resolution 12 above or by way of a sale of treasury shares for cash, as if section 561(1) of the Act did not apply to any such allotment or sale, provided that this power shall be limited to:

(a) the allotment of equity securities or sale of treasury shares for cash in connection with a fully pre-emptive offer or rights issue which shall mean an offer of equity securities open for acceptance for a period fixed by the directors to holders of equity securities on the register on a fixed record date in proportion (or as nearly as may be) to their respective holdings of such securities or in accordance with rights attached thereto but subject to such exclusions or other arrangements as the directors consider necessary or expedient in relation to treasury shares, fractional entitlements or any legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory; and
(b) the allotment of equity securities or sale of treasury shares (other than pursuant to paragraph (a) above) for cash up to an aggregate nominal amount of £82,379.

The power granted by this resolution will expire on 17 December 2025 or, if earlier, the conclusion of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired. This resolution revokes and replaces all unexercised powers previously granted to the directors to allot equity securities as if either section 89(1) of the Companies Act 1985 or section 561(1) of the Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities. For the purposes of this resolution the expression ‘equity securities’ and references to ‘allotment of equity securities’ respectively have the meanings given to them in section 560 of the Act.

Resolution 14
That the Company be and is hereby granted general and unconditional authority for the purposes of section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 5p each in the capital of the Company (‘ordinary shares’) on such terms and in such manner as the directors may from time to time determine provided that:

(a) the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company or on 17 December 2025, whichever is the earlier;
(b) the maximum aggregate number of ordinary shares that may be purchased is 3,295,190;
(c) the minimum price which may be paid for an ordinary share is 5p;
(d) the maximum price which may be paid for an ordinary share is the higher of: (i) an amount equal to 105 per cent of the average market value of an ordinary share in the Company for the five business days prior to the day on which the purchase is made; and (ii) the value of an ordinary share calculated on the basis of the higher of the price quoted for: (a) the last independent trade of; and (b) the highest current independent bid for, any number of the Company’s ordinary shares on the trading venue where the purchase is carried out; and
(e) the Company may make a contract to purchase ordinary shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of ordinary shares in pursuance of any such contract.

By order of the Board
Ross Matthews
Company secretary
29 July 2024
Registered office:
Willow Road, Lenton
Nottingham, NG7 2WS
Registered in England and Wales under number 2670969

Notes

1. Only those members registered on the Company's register of members at 6.30 pm on 16 September 2024 or, if this meeting is adjourned, at 6.30pm on the day two days (excluding any day that is not a working day) prior to the adjourned meeting, shall be entitled to attend and vote at the meeting.
2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this document. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. Details of how to appoint more than one proxy are set out in the notes to the proxy form.
5. The notes to the proxy form explain how to direct your proxy to vote on each resolution or withhold their vote. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at their discretion. Your proxy will vote (or abstain from voting) as they think fit in relation to any other matter which is put before the meeting.
6. To appoint a proxy using the proxy form, the form must be completed and signed and sent or delivered to the Company's registrars, Equiniti Limited, at Aspect House, Spencer Road, Lancing, BN99 6DA so as to be received no later than 48 hours before the time fixed for holding the meeting. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company.
7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
8. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. The cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
9. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrars, Equiniti Limited, at Aspect House, Spencer Road, Lancing, BN99 6DA. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by the Company's registrars, Equiniti Limited, at Aspect House, Spencer Road, Lancing, BN99 6DA no later than the time fixed for holding the meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
10. Appointment of a proxy does not preclude you from attending the meeting and voting in person.
11. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.
12. As at 29 July 2024 (being the last practical date prior to the publication of this notice), the Company's issued share capital comprised 32,951,909 ordinary shares of 5 pence each. The Company holds no shares in treasury. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 29 July 2024 is 32,951,909. The website referred to in note 21 will include information on the number of shares and voting rights.
13. If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') you may have a right under an agreement between you and the member of the Company who has nominated you (a 'Relevant Member') to have information rights to be appointed or to have someone else appointed as a proxy for the meeting. If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights. Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.
14. You may not use any electronic address provided either in this notice of annual general meeting or any related documents (including the proxy form), to communicate with the Company for any purposes other than those expressly stated.
15. Under section 338 of the Companies Act 2006, a member or members meeting the qualification criteria set out at note 18 below, may, subject to conditions, require the Company to give to members notice of a resolution which may properly be moved and is intended to be moved at that meeting. The conditions are that: (a) the resolution must not, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise); (b) the resolution must not be defamatory of any person, frivolous or vexatious; (c) the request may be in hard copy form or in electronic form (see note 19 below), must identify the resolution of which notice is to be given by either setting out the resolution in full or, if supporting a resolution sent by another member, clearly identifying the resolution which is being supported, must be authenticated by the person or persons making it (see note 19 below); and must be received by the Company not later than 6 weeks before the meeting to which the request relates.
16. Under section 338A of the Companies Act 2006, a member or members meeting the qualification criteria set out at note 18 below, may, subject to conditions, require the Company to include in the business to be dealt with at the meeting a matter (other than a proposed resolution) which may properly be included in the business (a matter of business). The conditions are that: (a) the matter of business must not be defamatory of any person, frivolous or vexatious, (b) the request may be in hard copy form or in electronic form (see note 19 below), must identify the matter of business by setting it out in full or, if supporting a statement sent by another member, clearly identify the matter of business which is being supported, must be accompanied by a statement setting out the grounds for the request, must be authenticated by the persons or person making it (see note 19 below) and must be received by the Company not later than 6 weeks before the meeting to which the request relates.

Notes continued

17. Pursuant to Chapter 5 of Part 16 of the Companies Act 2006 (sections 527 to 531), where requested by a member or members meeting the qualification criteria set out at note 18 below, the Company must publish on its website, a statement setting out any matter that such members propose to raise at the meeting relating to the audit of the Company's financial statements (including the auditors' report and the conduct of the audit) that are to be laid before the meeting. Where the Company is required to publish such a statement on its website, it may not require the members making the request to pay any expenses incurred by the Company in complying with the request, it must forward the statement to the Company's auditors no later than the time the statement is made available on the Company's website, and the statement may be dealt with as part of the business of the meeting. The request may be in hard copy form or in electronic form (see note 19 below), either set out the statement in full, or if supporting a statement sent by another member, clearly identify the statement which is being supported, must be authenticated by the person or persons making it (see note 19 below), and be received by the Company at least one week before the meeting.
18. In order to be able to exercise the members' right to require circulation of a resolution to be proposed at the meeting (see note 15); a matter of business to be dealt with at the meeting (see note 16) or the Company to publish audit concerns (see note 17), the relevant request must be made by a member or members having a right to vote at the meeting and holding at least 5% of total voting rights of the Company, or at least 100 members having a right to vote at the meeting and holding, on average, at least £100 of paid up share capital. For information on voting rights, including the total number of voting rights, see note 12 above and the website referred to in note 21.
19. Where a member or members wishes to request the Company to circulate a resolution to be proposed at the meeting (see note 15), include a matter of business to be dealt with at the meeting (see note 16) or publish audit concerns (see note 17) such request must be made in accordance with one of the following ways: (a) a hard copy request which is signed by you, which states your full name and address and is sent to Ross Matthews, Games Workshop Group PLC, Willow Road, Lenton, Nottingham NG7 2WS; or (b) a request which states your full name and address, and is sent to ross.matthews@gwplc.com. Please state 'AGM' in the subject line of the e-mail.
20. Under section 319A of the Companies Act 2006 the Company must answer any question you ask relating to the business being dealt with at the meeting unless answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, the answer has already been given on a website in the form of an answer to a question or it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
21. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, is available from http://investor.games-workshop.com.
22. The following documents will be available for inspection for at least 15 minutes prior to the meeting and during the meeting: (a) copies of the service contracts of executive directors of the Company, and (b) copies of the service agreements of the independent directors of the Company.
23. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual on the Euroclear website (www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & International Limited's ('EUI') specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must (in order to be valid) be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
24. As an alternative to completing a hard copy proxy form, a shareholder can appoint a proxy or proxies electronically by visiting www.sharevote.co.uk. Shareholders will need their Voting ID, Task ID and Shareholder Reference Number (this is the series of numbers printed under their name on the proxy form). Alternatively, if a shareholder has already registered with Equiniti Limited's online portfolio service, Shareview, they can submit a proxy form at www.shareview.co.uk. Full instructions are given on both websites. To be valid, your proxy appointment(s) and instructions should reach Equiniti Limited no later than 48 hours before the time fixed to hold the meeting. Any electronic communication sent by a shareholder to the Company or the registrar that is found to contain a computer virus will not be accepted.
25. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by Equiniti. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged no later than 48 hours before the time fixed for holding the meeting in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

Explanatory notes to the notice of annual general meeting

Resolution 1 - Financial statements
This is a standard resolution common to all annual general meetings, whereby members will be asked to receive the Company's annual financial statements for the 53 weeks ended 2 June 2024 together with the relevant reports thereon.

Resolutions 2 to 7 - Election and re-election of directors
The following directors will stand for re-election in accordance with the UK Corporate Governance Code and the Company's articles of association:

- Kevin Rountree
- John Brewis
- Kate Marsh
- Randal Casson
- Mark Lam

Each of the above directors has indicated their willingness to offer themselves for re-election.

The board, having considered the mix of skills, knowledge and experience of the directors confirms that each director continues to perform their duties effectively, showing integrity and high ethical standards whilst maintaining sound, independent judgement in respect of all decisions taken at board level. It is the Board's view that each Director's contribution is, and continues to be, important to the Company's long-term sustainable success.

Biographical details for each of the directors standing for re-election can be found on pages 20 and 21 of the 2024 annual report.

In addition, the Board is requesting that shareholders approve the appointment of Elizabeth Harrison as a director of the Company. Elizabeth Harrison joined Games Workshop in March 2000 as a finance manager for the German sales business. She has had various roles within finance and business analysis within Games Workshop and has been the group reporting manager since February 2013. Liz is a qualified chartered accountant and trained at Coopers & Lybrand.

Resolutions 8 and 9 - Re-appointment of auditors and auditors' remuneration
The Company is required to appoint an auditor at each meeting at which financial statements are presented and KPMG LLP have indicated their willingness to continue in office. Accordingly, resolutions 8 and 9, subject to the approval of the shareholders of the Company, re-appoints KPMG LLP as auditors of the Company and authorises the directors to determine the remuneration of the auditors.

Resolution 10 - Remuneration report
Shareholders will be requested to approve the remuneration report (excluding the directors' remuneration policy) for the financial period ended 2 June 2024 detailed on pages 40 to 50 of the 2024 annual report. In accordance with the Companies Act 2006 (the 'Act'), the vote on the remuneration report resolution is advisory and accordingly no remuneration is conditional on this resolution being passed.

Resolution 11 – Directors' remuneration policy
Shareholders will be requested to approve the directors' remuneration policy as detailed on pages 42 to 45 of the 2024 annual report (the 'Policy'). The vote on the remuneration policy is a binding vote. If resolution 11 is passed, the remuneration policy shall take effect immediately after the end of the AGM.

If approved by shareholders, the Policy will be subject to a binding shareholder vote by ordinary resolution in a further three years (in accordance with the Act), except in the event that a change to the Policy is proposed or the advisory vote on the remuneration report is not passed in any year subsequent to the approval of the Policy.

Resolution 12 - Directors' power to allot relevant securities
Generally, the directors may only allot shares in the Company (or grant rights to subscribe for, or to convert any security into, shares in the Company) if they have been authorised to do so by shareholders.

If passed, resolution 12 will authorise the directors to allot ordinary shares in the Company (and to grant rights to subscribe for, or to convert any security into, ordinary shares in the Company) (i) up to an aggregate nominal amount equal to £549,198 (representing 10,983,960 ordinary shares) as reduced by allotment or grant of rights under paragraph (b) of the resolution in excess of this amount. This amount (before any reduction) represents approximately one-third of the Company's ordinary share capital as at 29 July 2024, being the latest practicable date before publication of this notice; and (ii) comprising equity securities in connection with a fully pre-emptive offer only, up to a nominal amount equal to £1,098,396 (representing 21,967,920 of ordinary shares) as reduced by any allotment or grant of rights under paragraph (a) of the resolution. This amount represents approximately two-thirds of the Company's ordinary share capital (excluding treasury shares) as at 29 July 2024.

If granted, this authority will expire at the conclusion of the Company's next annual general meeting or 15 months from the passing of the resolution (whichever is earlier). It is the directors' intention to renew the allotment authority each year.

The directors have no current intention to exercise either of the authorities sought under resolution 12. However, the directors consider that it is in the best interests of the Company to have the authorities available so that they have the maximum flexibility permitted by institutional shareholder guidelines to allot shares or grant rights without the need for a general meeting should they determine that it is appropriate to do so.

This resolution complies with the latest edition of the Investment Association Share Capital Management Guidelines (the 'Investment Association Guidelines').

Resolution 13 - Disapplication of pre-emption rights on equity issues for cash
Resolution 13, if passed, would enable the directors to allot shares for cash on a non pre-emptive basis in limited circumstances. It is proposed to authorise the directors to issue shares for cash up to an aggregate nominal amount of £82,379 (which represents approximately 5% of the Company's issued share capital as at 29 July 2024), without having to first offer them to shareholders in proportion to their existing holdings. In addition, in accordance with normal practice, the resolution would enable the Board to deal with overseas shareholders and fractional entitlements as it thinks fit in the context of any pre-emptive offer, such as a rights issue or open offer.

If granted, this authority will expire at the conclusion of the Company's next annual general meeting or 15 months from the passing of the resolution (whichever is earlier). It is the directors' intention to renew this authority each year.

The Directors are aware of the Pre-Emption Group's most recent Statement of Principles on Disapplying Pre-emption Rights published in November 2022 ('Statement of Principles') and the increased pre-emption disapplication limits which those guidelines permit. Whilst, in accordance with the Investment Association's Guidelines, the format of resolution 13 follows the template resolutions provided by the Pre-Emption Group (in so far as is applicable to the Company's situation), the Directors consider a disapplication of 5% of the issued ordinary share capital of the Company to be appropriate for its present circumstances, noting that such amount is in line with the Pensions & Investment Research Consultants' (PIRC) recommendations. The Directors will keep emerging market practice under review.

The Directors confirm that they will follow the shareholder protections in Part 2B of the Statement of Principles and also confirm that it will follow the expected features of a follow-on offer as set out in paragraph 3 of Part 2B of the Statement of Principles.

The Board has no current intention to exercise this authority.

Resolution 14 - Market purchase of own shares
A company may only purchase its own shares by either an off-market purchase, in pursuance of a contract approved in advance in accordance with section 694 of the Act or by a market purchase, authorised in accordance with section 701 of the Act. A 'market purchase' is one made through a 'recognised investment exchange'. Although the Act only requires an ordinary resolution, the Investment Association Guidelines recommend that the resolution should be passed as a special resolution. This resolution 14 authorises market purchases of the Company's own shares to be made but only within the limitations specified. In accordance with Investment Association Guidelines the maximum number of shares purchased under this authority must not exceed 3,295,190 ordinary shares (representing 10 per cent. of the Company's issued ordinary shares as at 29 July 2024). The resolution also states the minimum price which may be paid (being the nominal value of 5p per ordinary share) and the maximum price being the higher of: (i) an amount equal to 105 per cent of the average market value of an ordinary share in the Company for the five business days prior to the day on which the purchase is made; and (ii) the value of an ordinary share calculated on the basis of the higher of the price quoted for: (a) the last independent trade of; and (b) the highest current independent bid for, any number of the Company's ordinary shares on the trading venue where the purchase is carried out.

As recommended by the Investment Association Guidelines, the Company renews this authority on an annual basis at each annual general meeting.

The directors have no current intention of exercising this authority to purchase the Company's ordinary shares. As recommended by the Investment Association Guidelines, the Company will only exercise this authority to make such a purchase in the market if the directors consider it is in the best interests of the shareholders generally to do so and only if they considered the effect would be an increase in earnings per share.

The Company is permitted to hold shares it has purchased in treasury, as an alternative to cancelling them. Shares held in treasury may subsequently be cancelled, sold for cash or used to satisfy options exercised under any of the Company's share schemes. Whilst held in treasury, the shares are not entitled to receive any dividend or dividend equivalent (apart from any issue of bonus shares) and have no voting rights. The directors believe it is appropriate for the Company to have the option to hold its own shares in treasury if, at a future date, the directors exercise this authority. The directors will have regard to investor group guidelines which may be in force at the time of any such purchase, holding or re-sale of shares held in treasury.

If granted, this authority will expire at the conclusion of the Company's next annual general meeting or 15 months after the passing of the resolution (whichever is earlier). It is the directors' intention to renew this authority each year.

Recommendation
The directors of the Company consider that all the proposals to be considered at the meeting are in the best interests of the Company and its shareholders as a whole. The directors unanimously recommend that you vote in favour of all the proposed resolutions as they intend to do in respect of their own beneficial holdings.

The results of the voting on all resolutions will be announced via the Regulatory News Service and published on our website http://investor.games-workshop.com as soon as practicable following the conclusion of the AGM.