

REFINITIV

# DELTA REPORT

## 10-Q

LOGITECH INTERNATIONAL S.

10-Q - DECEMBER 31, 2023 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS 991

CHANGES	357
DELETIONS	337
ADDITIONS	297

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

**FORM 10-Q**

(Mark One)

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

For the quarterly period ended **September 30, 2023** **December 31, 2023**

Or

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

For the Transition Period from                      to

Commission File Number: 0-29174

**LOGITECH INTERNATIONAL S.A.**

(Exact name of registrant as specified in its charter)

**Canton of Vaud, Switzerland**

(State or other jurisdiction  
of incorporation or organization)

**None**

(I.R.S. Employer  
Identification No.)

**Logitech International S.A.**  
**EPFL - Quartier de l'Innovation**  
**Daniel Borel Innovation Center**  
**1015 Lausanne, Switzerland**  
**c/o Logitech Inc.**  
**3930 North First Street**  
**San Jose, California 95134**

(Address of principal executive offices and zip code)

**(510) 795-8500**

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Registered Shares	LOGN	SIX Swiss Exchange
Registered Shares	LOGI	Nasdaq Global Select Market

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data file required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

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

Large Accelerated Filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Accelerated filer	<input type="checkbox"/>	Emerging Growth Company	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>		

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

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

As of **October 12, 2023** **January 11, 2024**, there were **156,783,020** **154,819,963** shares of the Registrant's share capital outstanding.

## TABLE OF CONTENTS

	Page
<b>Part I</b>	
<b>FINANCIAL INFORMATION</b>	
<a href="#">Item 1. Financial Statements (Unaudited)</a>	<a href="#">3</a>
<a href="#">Condensed Consolidated Statements of Operations for the Three and Six Nine Months Ended September 30, 2023 December 31, 2023 and 2022</a>	<a href="#">3</a>
<a href="#">Condensed Consolidated Statements of Comprehensive Income for the Three and Six Nine Months Ended September 30, 2023 December 31, 2023 and 2022</a>	<a href="#">4</a>
<a href="#">Condensed Consolidated Balance Sheets as of September 30, 2023 December 31, 2023 and March 31, 2023</a>	<a href="#">5</a>
<a href="#">Condensed Consolidated Statements of Cash Flows for the Six Nine Months Ended September 30, 2023 December 31, 2023 and 2022</a>	<a href="#">6</a>
<a href="#">Condensed Consolidated Statements of Changes in Shareholders' Equity for the Three and Six Nine Months Ended September 30, 2023 December 31, 2023 and 2022</a>	<a href="#">7</a>
<a href="#">Notes to the Condensed Consolidated Financial Statements</a>	<a href="#">9</a>
<a href="#">Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</a>	<a href="#">23 25</a>
<a href="#">Item 3. Quantitative and Qualitative Disclosures About Market Risk</a>	<a href="#">36 39</a>
<a href="#">Item 4. Controls and Procedures</a>	<a href="#">37 40</a>
<b>Part II</b>	
<b>OTHER INFORMATION</b>	
<a href="#">Item 1. Legal Proceedings</a>	<a href="#">38 41</a>
<a href="#">Item 1A. Risk Factors</a>	<a href="#">38 41</a>
<a href="#">Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</a>	<a href="#">38 41</a>
<a href="#">Item 3. Defaults Upon Senior Securities</a>	<a href="#">38 42</a>
<a href="#">Item 4. Mine Safety Disclosures</a>	<a href="#">38 42</a>
<a href="#">Item 5. Other Information</a>	<a href="#">38 42</a>
<a href="#">Item 6. Exhibit Index</a>	<a href="#">40 44</a>
<a href="#">Signatures</a>	

In this document, unless otherwise indicated, references to the "Company," "Logitech," "we," "our," and "us" are to Logitech International S.A. and its consolidated subsidiaries. Unless otherwise specified, all references to U.S. Dollar, Dollar or \$ are to the United States Dollar, the legal currency of the United States of America. All references to CHF are to the Swiss Franc, the legal currency of Switzerland.

Logitech, the Logitech logo, and the Logitech products referred to herein are either the trademarks or the registered trademarks of Logitech. All other trademarks are the property of their respective owners.

Our fiscal year ends on March 31. Interim quarters are generally thirteen-week periods, each ending on a Friday of each quarter. The **second third** quarter of fiscal year 2024 ended on **September 29, 2023** **December 29, 2023**. The same quarter in the prior fiscal year ended on **September 30, 2022** **December 30, 2022**. For purposes of presentation, we have indicated our quarterly periods end on the last day of the calendar quarter.

The term "sales" means net sales, except as otherwise specified.

We make available, free of charge on our website, access to our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as soon as reasonably practicable after we file or furnish them electronically with the Securities and Exchange Commission ("SEC").

Recordings of our earnings videoconferences and certain events we participate in or host, with members of the investment community are posted on our investor relations website at <https://ir.logitech.com>. Additionally, we provide notifications of news or announcements regarding our operations and financial performance, including SEC filings, investor events, and press and earnings releases as part of our investor relations website. We intend to use our investor relations website as means of disclosing material nonpublic information and for complying with our disclosure obligations under Regulation FD. Our corporate governance information also is available on our investor relations website.

All references to our websites are intended to be inactive textual references only, and the contents of such websites do not constitute a part of and are not intended to be incorporated into this Quarterly Report on Form 10-Q.

## PART I — FINANCIAL INFORMATION

### ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

**LOGITECH INTERNATIONAL S.A.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In thousands, except per share amounts)  
(unaudited)

		Three months ended September 30,		Six months ended September 30,			Three months ended December 31,		Nine months ended December 31,	
		2023	2022	2023	2022		2023	2022	2023	2022
Net sales	Net sales	\$ 1,057,008	\$ 1,148,951	\$ 2,031,507	\$ 2,308,816	Net sales	\$ 1,255,473	\$ 1,269,925	\$ 3,286,980	\$ 3,578,741
Cost of goods sold	Cost of goods sold	615,403	707,026	1,211,115	1,404,246	Cost of goods sold	726,252	789,489	1,937,367	2,193,735
Amortization of intangible assets	Amortization of intangible assets	2,983	3,145	6,128	6,187	Amortization of intangible assets	2,441	3,168	8,569	9,355
Gross profit	Gross profit	438,622	438,780	814,264	898,383	Gross profit	526,780	477,268	1,341,044	1,375,651
Operating expenses:	Operating expenses:					Operating expenses:				
Marketing and selling	Marketing and selling	176,356	202,091	355,541	431,469	Marketing and selling	189,175	196,653	544,716	628,122
Research and development	Research and development	68,559	69,009	139,118	144,526	Research and development	72,704	65,640	211,822	210,166
General and administrative	General and administrative	35,538	26,589	76,835	62,449	General and administrative	39,711	29,766	116,546	92,215
Amortization of intangible assets and acquisition-related costs	Amortization of intangible assets and acquisition-related costs	3,318	2,873	6,003	6,242	Amortization of intangible assets and acquisition-related costs	2,276	2,810	8,279	9,052
Restructuring charges (credits), net		(1,788)	10,817	1,723	10,817					
Restructuring charges, net						Restructuring charges, net	839	5,654	2,562	16,471
Total operating expenses	Total operating expenses	281,983	311,379	579,220	655,503	Total operating expenses	304,705	300,523	883,925	956,026
Operating income	Operating income	156,639	127,401	235,044	242,880	Operating income	222,075	176,745	457,119	419,625
Interest income	Interest income	11,856	3,459	21,682	4,908	Interest income	12,826	4,665	34,508	9,573
Other income (expense), net	Other income (expense), net	(1,044)	(25,397)	(14,016)	(19,773)	Other income (expense), net	189	1,406	(13,827)	(18,367)

Income before income taxes	Income before income taxes	167,451	105,463	242,710	228,015	Income before income taxes	235,090	182,816	477,800	410,831
Provision for income taxes	Provision for income taxes	30,334	23,372	42,866	45,088	Provision for income taxes	(9,594)	42,663	33,272	87,751
Net income	Net income	\$ 137,117	\$ 82,091	\$ 199,844	\$ 182,927	Net income	\$ 244,684	\$ 140,153	\$ 444,528	\$ 323,080
Net income per share:	Net income per share:					Net income per share:				
Basic	Basic	\$ 0.87	\$ 0.50	\$ 1.26	\$ 1.12	Basic	\$ 1.57	\$ 0.87	\$ 2.82	\$ 1.98
Diluted	Diluted	\$ 0.86	\$ 0.50	\$ 1.25	\$ 1.11	Diluted	\$ 1.55	\$ 0.86	\$ 2.80	\$ 1.96
Weighted average shares used to compute net income per share:	Weighted average shares used to compute net income per share:					Weighted average shares used to compute net income per share:				
Basic	Basic	157,911	163,186	158,385	163,937	Basic	155,933	161,244	157,568	163,042
Diluted	Diluted	158,934	164,328	159,545	165,371	Diluted	157,440	162,529	158,843	164,427

The accompanying notes are an integral part of these condensed consolidated financial statements.

**LOGITECH INTERNATIONAL S.A.**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(In thousands)  
(unaudited)

		Three months ended September 30,		Six months ended September 30,			Three months ended December 31,		Nine months ended December 31,	
		2023	2022	2023	2022		2023	2022	2023	2022
Net income	Net income	\$ 137,117	\$ 82,091	\$ 199,844	\$ 182,927	Net income	\$ 244,684	\$ 140,153	\$ 444,528	\$ 323,080
Other comprehensive income (loss):	Other comprehensive income (loss):					Other comprehensive income (loss):				
Currency translation loss:										
	Currency translation loss, net of taxes	(10,622)	(18,063)	(12,151)	(39,283)					
Currency translation gain (loss):						Currency translation gain (loss):				
	Currency translation gain (loss), net of taxes					Currency translation gain (loss), net of taxes	25,319	33,076	13,168	(6,207)
	Reclassification of cumulative translation adjustments included in other income (expense), net					Reclassification of cumulative translation adjustments included in other income (expense), net	—	219	—	219
Defined benefit plans:	Defined benefit plans:					Defined benefit plans:				
	Net gain and prior service costs, net of taxes	—	28	—	112					
	Net gain (loss) and prior service costs, net of taxes					Net gain (loss) and prior service costs, net of taxes	—	(104)	—	8

Reclassification of amortization included in other income (expense), net	Reclassification of amortization included in other income (expense), net	(244)	(113)	(248)	(226)	Reclassification of amortization included in other income (expense), net	500	(112)	252	(338)
Hedging gain (loss):	Hedging gain (loss):					Hedging gain (loss):				
Deferred hedging gain, net of taxes		2,078	4,935	1,374	11,564					
Deferred hedging gain (loss), net of taxes						Deferred hedging gain (loss), net of taxes	(2,539)	(6,325)	(1,165)	5,239
Reclassification of hedging loss (gain) included in cost of goods sold	Reclassification of hedging loss (gain) included in cost of goods sold	1,370	(4,947)	4,356	(7,038)	Reclassification of hedging loss (gain) included in cost of goods sold	(863)	(4,728)	3,493	(11,766)
Total other comprehensive loss		(7,418)	(18,160)	(6,669)	(34,871)					
Total other comprehensive income (loss)						Total other comprehensive income (loss)	22,417	22,026	15,748	(12,845)
Total comprehensive income	Total comprehensive income	\$ 129,699	\$ 63,931	\$ 193,175	\$ 148,056	Total comprehensive income	\$ 267,101	\$ 162,179	\$ 460,276	\$ 310,235

The accompanying notes are an integral part of these condensed consolidated financial statements.

**LOGITECH INTERNATIONAL S.A.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(In thousands, except per share amounts)  
(unaudited)

		September 30, 2023	March 31, 2023		December 31, 2023	March 31, 2023
<b>Assets</b>	<b>Assets</b>			<b>Assets</b>		
Current assets:	Current assets:			Current assets:		
Cash and cash equivalents	Cash and cash equivalents	\$ 1,163,904	\$ 1,149,023	Cash and cash equivalents	\$ 1,412,650	\$ 1,149,023
Accounts receivable, net	Accounts receivable, net	656,895	630,382	Accounts receivable, net	685,777	630,382
Inventories	Inventories	532,943	682,893	Inventories	447,262	682,893
Other current assets	Other current assets	138,482	142,876	Other current assets	150,754	142,876
Total current assets	Total current assets	2,492,224	2,605,174	Total current assets	2,696,443	2,605,174
Non-current assets:	Non-current assets:			Non-current assets:		
Property, plant and equipment, net	Property, plant and equipment, net	122,027	121,503	Property, plant and equipment, net	119,200	121,503
Goodwill	Goodwill	461,401	454,610	Goodwill	463,978	454,610
Other intangible assets, net	Other intangible assets, net	58,081	63,173	Other intangible assets, net	53,724	63,173
Other assets	Other assets	291,297	316,293	Other assets	326,594	316,293
Total assets	Total assets	\$ 3,425,030	\$ 3,560,753	Total assets	\$ 3,659,939	\$ 3,560,753
<b>Liabilities and Shareholders' Equity</b>	<b>Liabilities and Shareholders' Equity</b>			<b>Liabilities and Shareholders' Equity</b>		
Current liabilities:	Current liabilities:			Current liabilities:		

Accounts payable	Accounts payable	\$ 492,905	\$ 406,968	Accounts payable	\$ 527,988	\$ 406,968
Accrued and other current liabilities	Accrued and other current liabilities	594,042	643,139	Accrued and other current liabilities	673,435	643,139
Total current liabilities	Total current liabilities	1,086,947	1,050,107	Total current liabilities	1,201,423	1,050,107
Non-current liabilities:	Non-current liabilities:			Non-current liabilities:		
Income taxes payable	Income taxes payable	114,235	106,391	Income taxes payable	111,924	106,391
Other non-current liabilities	Other non-current liabilities	146,583	146,695	Other non-current liabilities	156,491	146,695
Total liabilities	Total liabilities	1,347,765	1,303,193	Total liabilities	1,469,838	1,303,193
Commitments and contingencies (Note 10)	Commitments and contingencies (Note 10)			Commitments and contingencies (Note 10)		
Shareholders' equity:	Shareholders' equity:			Shareholders' equity:		
Registered shares, CHF 0.25 par value:	Registered shares, CHF 0.25 par value:	30,148	30,148	Registered shares, CHF 0.25 par value:	30,148	30,148
Issued shares — 173,106 at September 30, 2023 and March 31, 2023						
Additional shares that may be issued out of conditional capital — 50,000 at September 30, 2023 and March 31, 2023						
Additional shares that may be issued out of authorized capital — 17,311 at September 30, 2023 and March 31, 2023						
Issued shares — 173,106 at December 31, 2023 and March 31, 2023				Issued shares — 173,106 at December 31, 2023 and March 31, 2023		
Additional shares that may be issued out of conditional capital — 50,000 at December 31, 2023 and March 31, 2023				Additional shares that may be issued out of conditional capital — 50,000 at December 31, 2023 and March 31, 2023		
Additional shares that may be issued out of authorized capital — 17,311 at December 31, 2023 and March 31, 2023				Additional shares that may be issued out of authorized capital — 17,311 at December 31, 2023 and March 31, 2023		
Additional paid-in capital	Additional paid-in capital	47,311	127,380	Additional paid-in capital	60,892	127,380
Shares in treasury, at cost — 16,029 at September 30, 2023 and 13,763 at March 31, 2023		(1,083,468)	(977,266)			
Shares in treasury, at cost — 18,108 at December 31, 2023 and 13,763 at March 31, 2023				Shares in treasury, at cost — 18,108 at December 31, 2023 and 13,763 at March 31, 2023		(1,251,314)
Retained earnings	Retained earnings	3,190,220	3,177,575	Retained earnings	3,434,904	3,177,575

Accumulated other comprehensive loss	Accumulated other comprehensive loss	(106,946)	(100,277)	Accumulated other comprehensive loss	(84,529)	(100,277)
Total shareholders' equity	Total shareholders' equity	2,077,265	2,257,560	Total shareholders' equity	2,190,101	2,257,560
Total liabilities and shareholders' equity	Total liabilities and shareholders' equity	\$ 3,425,030	\$ 3,560,753	Total liabilities and shareholders' equity	\$ 3,659,939	\$ 3,560,753

The accompanying notes are an integral part of these condensed consolidated financial statements.

**LOGITECH INTERNATIONAL S.A.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)  
(unaudited)

		Six months ended September 30,		Nine months ended December 31,	
		2023	2022	2023	2022
<b>Cash flows from operating activities:</b>	<b>Cash flows from operating activities:</b>			<b>Cash flows from operating activities:</b>	
Net income	Net income	\$ 199,844	\$ 182,927	Net income	\$ 444,528
Adjustments to reconcile net income to net cash provided by operating activities:	Adjustments to reconcile net income to net cash provided by operating activities:			Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	Depreciation	34,135	37,288	Depreciation	48,874
Amortization of intangible assets	Amortization of intangible assets	11,509	12,244	Amortization of intangible assets	16,583
Loss on investments	Loss on investments	11,609	11,577	Loss on investments	12,213
Share-based compensation expense	Share-based compensation expense	43,579	35,935	Share-based compensation expense	64,192
Deferred income taxes	Deferred income taxes	11,108	3,040	Deferred income taxes	(9,515)
Other	Other	100	118	Other	336
Changes in assets and liabilities, net of acquisitions:	Changes in assets and liabilities, net of acquisitions:			Changes in assets and liabilities, net of acquisitions:	
Accounts receivable, net	Accounts receivable, net	(35,362)	(121,909)	Accounts receivable, net	(46,786)
Inventories	Inventories	146,369	21,790	Inventories	237,969
Other assets	Other assets	11,999	4,757	Other assets	3,698
Accounts payable	Accounts payable	88,022	(78,354)	Accounts payable	120,383
Accrued and other liabilities	Accrued and other liabilities	(59,853)	(72,157)	Accrued and other liabilities	13,536
Net cash provided by operating activities	Net cash provided by operating activities	463,059	37,256	Net cash provided by operating activities	906,011
<b>Cash flows from investing activities:</b>	<b>Cash flows from investing activities:</b>			<b>Cash flows from investing activities:</b>	

Purchases of property, plant and equipment	Purchases of property, plant and equipment	(34,731)	(45,384)	Purchases of property, plant and equipment	(45,585)	(69,122)
Investment in privately held companies	Investment in privately held companies	(356)	(2,275)	Investment in privately held companies	(406)	(2,626)
Acquisitions, net of cash acquired	Acquisitions, net of cash acquired	(14,138)	(5,839)	Acquisitions, net of cash acquired	(14,138)	(8,527)
Purchases of deferred compensation investments	Purchases of deferred compensation investments	(2,548)	(2,499)	Purchases of deferred compensation investments	(7,893)	(5,186)
Proceeds from sales of deferred compensation investments	Proceeds from sales of deferred compensation investments	2,622	2,436	Proceeds from sales of deferred compensation investments	8,193	4,750
Net cash used in investing activities	Net cash used in investing activities	(49,151)	(53,561)	Net cash used in investing activities	(59,829)	(80,711)
<b>Cash flows from financing activities:</b>	<b>Cash flows from financing activities:</b>			<b>Cash flows from financing activities:</b>		
Payment of cash dividends	Payment of cash dividends	(182,305)	(158,680)	Payment of cash dividends	(182,305)	(158,680)
Payment of contingent consideration for business acquisition	Payment of contingent consideration for business acquisition	(5,002)	(5,954)	Payment of contingent consideration for business acquisition	(5,002)	(5,954)
Purchases of registered shares	Purchases of registered shares	(188,941)	(237,561)	Purchases of registered shares	(376,775)	(327,731)
Proceeds from exercises of stock options and purchase rights	Proceeds from exercises of stock options and purchase rights	15,319	12,850	Proceeds from exercises of stock options and purchase rights	15,319	16,064
Tax withholdings related to net share settlements of restricted stock units	Tax withholdings related to net share settlements of restricted stock units	(26,224)	(26,742)	Tax withholdings related to net share settlements of restricted stock units	(28,596)	(28,734)
Other financing activities	Other financing activities	(1,116)	—	Other financing activities	(1,116)	—
Net cash used in financing activities	Net cash used in financing activities	(388,269)	(416,087)	Net cash used in financing activities	(578,475)	(505,035)
Effect of exchange rate changes on cash and cash equivalents	Effect of exchange rate changes on cash and cash equivalents	(10,758)	(27,823)	Effect of exchange rate changes on cash and cash equivalents	(4,080)	(24,006)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>Net increase (decrease) in cash and cash equivalents</b>	14,881	(460,215)	<b>Net increase (decrease) in cash and cash equivalents</b>	263,627	(292,585)
Cash and cash equivalents, beginning of the period	Cash and cash equivalents, beginning of the period	1,149,023	1,328,716	Cash and cash equivalents, beginning of the period	1,149,023	1,328,716
<b>Cash and cash equivalents, end of the period</b>	<b>Cash and cash equivalents, end of the period</b>	<u>\$ 1,163,904</u>	<u>\$ 868,501</u>	<b>Cash and cash equivalents, end of the period</b>	<u>\$ 1,412,650</u>	<u>\$ 1,036,131</u>
<b>Supplementary Cash Flow Disclosures:</b>	<b>Supplementary Cash Flow Disclosures:</b>			<b>Supplementary Cash Flow Disclosures:</b>		

Non-cash investing and financing activities:	Non-cash investing and financing activities:			Non-cash investing and financing activities:			
Property, plant and equipment purchased during the period and included in period end liability accounts	Property, plant and equipment purchased during the period and included in period end liability accounts	\$	9,218	\$	9,436	Property, plant and equipment purchased during the period and included in period end liability accounts	\$ 8,738 \$ 9,250
Right-of-use assets obtained in exchange for operating lease liabilities	Right-of-use assets obtained in exchange for operating lease liabilities	\$	2,574	\$	47,408	Right-of-use assets obtained in exchange for operating lease liabilities	\$ 4,621 \$ 42,814
<b>Supplemental cash flow information:</b>	<b>Supplemental cash flow information:</b>			<b>Supplemental cash flow information:</b>			
Income taxes paid, net	Income taxes paid, net	\$	17,408	\$	44,864	Income taxes paid, net	\$ 32,777 \$ 65,154

The accompanying notes are an integral part of these condensed consolidated financial statements.

**LOGITECH INTERNATIONAL S.A.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
(In thousands, except per share amounts)  
(unaudited)  
Three Months Ended **September 30, 2023** **December 31, 2023**

		Registered Shares		Additional Paid-in Capital	Treasury Shares		Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholders' Equity	Registered Shares	
		Shares	Amount		Shares	Amount				Amount	\$
<b>June 30, 2023</b>		173,106	\$30,148	\$ 49,734	14,484	\$ (994,581)		\$3,240,302	\$ (99,528)	\$ 2,226,075	
<b>September 30, 2023</b>							Comprehensive Loss		<b>September 30, 2023</b>	173,106	\$30,148
Total comprehensive income	Total comprehensive income	—	—	—	—	—	137,117	(7,418)	129,699	Total comprehensive income	—
Purchases of registered shares	Purchases of registered shares	—	—	—	1,895	(124,096)	—	—	(124,096)	Purchases of registered shares	—
Sales of shares upon exercise of stock options and purchase rights		—	—	(13,888)	(267)	27,094	—	—	13,206		
Issuance of shares upon vesting of restricted stock units	Issuance of shares upon vesting of restricted stock units	—	—	(10,143)	(83)	8,115	—	—	(2,028)	Issuance of shares upon vesting of restricted stock units	—
Share-based compensation	Share-based compensation	—	—	21,608	—	—	—	—	21,608	Share-based compensation	—
Cash dividends (\$1.19 per share)		—	—	—	—	—	(187,199)	—	(187,199)		
<b>September 30, 2023</b>		173,106	\$30,148	\$ 47,311	16,029	\$ (1,083,468)	\$ 3,190,220	\$ (106,946)	\$ 2,077,265		
<b>December 31, 2023</b>										<b>December 31, 2023</b>	173,106 \$30
<b>Six Months Ended September 30, 2023</b>											
<b>Nine Months Ended December 31, 2023</b>											
		Registered Shares		Additional Paid-in	Treasury Shares		Retained Earnings	Accumulated Other	Total Shareholders'	Registered Shares	
		Shares	Amount		Shares	Amount				Amount	\$

		Capital						Comprehensive		Equity				
		Shares	Amount		Shares	Amount		Shares			Amount			
March 31, 2023	March 31, 2023	173,106	\$30,148	\$127,380	13,763	\$ (977,266)	Accumulated	\$3,177,575		\$(100,277)	\$ 2,257,560	March 31, 2023	173,106	\$30,148
Total comprehensive income	Total comprehensive income	—	—	—	—	—	Other Comprehensive Loss	199,844		(6,669)	193,175	Total comprehensive income	—	—
Purchases of registered shares	Purchases of registered shares	—	—	—	3,502	(219,172)	—	—			(219,172)	Purchases of registered shares	—	—
Sales of shares upon exercise of stock options and purchase rights	Sales of shares upon exercise of stock options and purchase rights	—	—	(15,755)	(315)	31,074	—	—			15,319	Sales of shares upon exercise of stock options and purchase rights	—	—
Issuance of shares upon vesting of restricted stock units	Issuance of shares upon vesting of restricted stock units	—	—	(108,120)	(921)	81,896	—	—			(26,224)	Issuance of shares upon vesting of restricted stock units	—	—
Share-based compensation	Share-based compensation	—	—	43,806	—	—	—	—			43,806	Share-based compensation	—	—
Cash dividends (\$1.19 per share)	Cash dividends (\$1.19 per share)	—	—	—	—	—	(187,199)	—			(187,199)	Cash dividends (\$1.19 per share)	—	—
September 30, 2023		173,106	\$30,148	\$ 47,311	16,029	\$ (1,083,468)	\$ 3,190,220	\$ (106,946)			\$ 2,077,265			
December 31, 2023												December 31, 2023	173,106	\$30,148

Three Months Ended **September 30, 2022** **December 31, 2022**

		Accumulated												
		Registered Shares		Additional	Treasury Shares		Retained	Comprehensive		Total				
		Shares	Amount	Paid-in Capital	Shares	Amount		Earnings	Accumulated	Losses	Shareholders' Equity	Registered Shares	Amount	
June 30, 2022		173,106	\$30,148	\$ 98,800	9,051	\$(722,273)		Other	\$3,076,517		\$(120,834)	\$ 2,362,358		
September 30, 2022								Comprehensive Loss				September 30, 2022	173,106	\$30,148
Total comprehensive income	Total comprehensive income	—	—	—	—	—		82,091		(18,160)		63,931	Total comprehensive income	—
Purchases of registered shares	Purchases of registered shares	—	—	—	2,241	(116,942)		—		—		(116,942)	Purchases of registered shares	—
Sales of shares upon exercise of stock options and purchase rights	Sales of shares upon exercise of stock options and purchase rights	—	—	1,652	(268)	11,198		—		—		12,850	Sales of shares upon exercise of stock options and purchase rights	—
Issuance of shares upon vesting of restricted stock units	Issuance of shares upon vesting of restricted stock units	—	—	(5,965)	(81)	3,367		—		—		(2,598)	Issuance of shares upon vesting of restricted stock units	—

Share-based compensation	Share-based compensation									Share-based compensation				
	—	—	11,643	—	—	—	—	—	11,643		—			
Cash dividends (\$1.00 per share)	—	—	—	—	—	(162,681)	—	—	(162,681)					
September 30, 2022	173,106	\$30,148	\$106,130	10,943	\$ (824,650)	\$ 2,995,927	\$ (138,994)	\$ 2,168,561						
December 31, 2022										December 31, 2022	173,106	\$30,1		
Six Months Ended September 30, 2022														
Nine Months Ended December 31, 2022														
		Registered Shares		Additional	Treasury Shares			Accumulated		Total	Registered Shares			
				Paid-in			Retained	Other		Shareholders'				
		Shares	Amount	Capital	Shares	Amount	Earnings	Comprehensive		Equity	Amount			
March 31, 2022	March 31, 2022	173,106	\$30,148	\$129,925	7,855	\$ (632,893)	Accumulated	\$2,975,681		\$ (104,123)	\$ 2,398,738	March 31, 2022	173,106	\$30,1
Total comprehensive income	Total comprehensive income	—	—	—	—	—	Other Comprehensive Loss	182,927		(34,871)	148,056	Total comprehensive income	—	
Purchases of registered shares	Purchases of registered shares	—	—	—	4,221	(237,561)	—	—		(237,561)		Purchases of registered shares	—	
Sales of shares upon exercise of stock options and purchase rights	Sales of shares upon exercise of stock options and purchase rights	—	—	1,652	(268)	11,198	—	—		12,850		Sales of shares upon exercise of stock options and purchase rights	—	
Issuance of shares upon vesting of restricted stock units	Issuance of shares upon vesting of restricted stock units	—	—	(61,348)	(865)	34,606	—	—		(26,742)		Issuance of shares upon vesting of restricted stock units	—	
Share-based compensation	Share-based compensation	—	—	35,901	—	—	—	—		35,901		Share-based compensation	—	
Cash dividends (\$1.00 per share)	Cash dividends (\$1.00 per share)	—	—	—	—	—	(162,681)	—		(162,681)		Cash dividends (\$1.00 per share)	—	
September 30, 2022		173,106	\$30,148	\$106,130	10,943	\$ (824,650)	\$ 2,995,927	\$ (138,994)		\$ 2,168,561				
December 31, 2022												December 31, 2022	173,106	\$30,1

The accompanying notes are an integral part of these condensed consolidated financial statements.

**LOGITECH INTERNATIONAL S.A.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

**Note 1 — The Company and Summary of Significant Accounting Policies and Estimates**

**The Company**

Logitech International S.A, together with its consolidated subsidiaries ("Logitech" or the "Company"), designs, manufactures and sells products that help businesses thrive and bring people together when working, creating, gaming and streaming.

The Company sells its products to a broad network of international customers, including direct sales to retailers, e-tailers and end consumers through the Company's e-commerce platform, and indirect sales to end customers through distributors.

Logitech was founded in Switzerland in 1981 and Logitech International S.A. has been the parent holding company of Logitech since 1988. Logitech International S.A. is a Swiss holding company with its registered office in Hautemorges, Switzerland, and headquarters in Lausanne, Switzerland, which conducts its business through subsidiaries in the Americas, Europe, Middle East and Africa ("EMEA") and Asia Pacific. Shares of Logitech International S.A. are listed on both the SIX Swiss Exchange under the trading symbol LOGN and the Nasdaq Global Select Market under the trading symbol LOGI.

#### Basis of Presentation

The condensed consolidated financial statements include the accounts of Logitech and its subsidiaries. All intercompany balances and transactions have been eliminated. The condensed consolidated financial statements are presented in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") for interim financial information and therefore do not include all the information required by U.S. GAAP for complete financial statements. The condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the fiscal year ended March 31, 2023, included in its Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC") on May 17, 2023.

In the opinion of management, these condensed consolidated financial statements include all adjustments, consisting of only normal and recurring adjustments, necessary and in all material aspects, for a fair statement of the results of operations, comprehensive income, financial position, cash flows and changes in shareholders' equity for the periods presented. Operating results for the three and **six nine** months ended **September 30, 2023** **December 31, 2023** are not necessarily indicative of the results that may be expected for the fiscal year ending March 31, 2024, or any future periods.

#### Change in Presentation of Sales by Product Category

During the first quarter of fiscal year 2024, the Company changed its presentation of Sales by Product Category, included in Note 12, to provide a simpler and clearer view of the Company's business. The change in presentation did not have an impact on previously reported total sales. These changes included reclassifications of sales between certain product categories resulting in the following:

- The Webcams category (previously PC Webcams) now includes PC webcams and VC webcams;
- Headsets is a new category which includes PC headsets and VC headsets;
- The Mobile Speakers category is no longer a separate category as sales have been reclassified into the Other category;
- The Audio & Wearables category is no longer a separate category as sales have been reclassified into other categories as discussed below.

As a result of these changes, certain prior-period amounts for the three and **six nine** months ended **September 30, 2022** **December 31, 2022** have been reclassified to conform to the current period presentation as follows (in thousands):

		Three months ended September 30, 2022			Three months ended December 31, 2022			
		As previously reported	Reclassifications	As adjusted	As previously reported	Reclassifications	As adjusted	
Gaming	Gaming	\$ 297,676	\$ 24,352 <sup>(1)</sup>	\$ 322,028	Gaming	\$ 391,975	\$ 19,952 <sup>(1)</sup>	\$ 411,927
Keyboards & Combos	Keyboards & Combos	200,853	—	200,853	Keyboards & Combos	220,059	—	220,059
Pointing Devices	Pointing Devices	185,200	—	185,200	Pointing Devices	199,106	—	199,106
Video Collaboration	Video Collaboration	236,180	(56,981) <sup>(2)</sup> <sup>(3)</sup>	179,199	Video Collaboration	226,374	(52,858) <sup>(2)</sup> <sup>(3)</sup>	173,516
Webcams <sup>(3)</sup>	Webcams <sup>(3)</sup>	60,166	41,852 <sup>(3)</sup>	102,018	Webcams <sup>(3)</sup>	58,481	35,771 <sup>(3)</sup>	94,252
Tablet Accessories	Tablet Accessories	54,203	—	54,203	Tablet Accessories	65,157	—	65,157
Headsets	Headsets	—	44,750 <sup>(2)</sup>	44,750	Headsets	—	46,736 <sup>(2)</sup>	46,736
Other	Other	2,207	58,493 <sup>(4)</sup> <sup>(5)</sup>	60,700	Other	1,348	57,824 <sup>(4)</sup> <sup>(5)</sup>	59,172
Mobile Speakers	Mobile Speakers	39,195	(39,195) <sup>(4)</sup>	—	Mobile Speakers	38,321	(38,321) <sup>(4)</sup>	—
Audio & Wearables	Audio & Wearables	73,271	(73,271) <sup>(1)</sup> <sup>(2)</sup> <sup>(5)</sup>	—	Audio & Wearables	69,104	(69,104) <sup>(1)</sup> <sup>(2)</sup> <sup>(5)</sup>	—
Total Sales	Total Sales	\$ 1,148,951	\$ —	\$ 1,148,951	Total Sales	\$ 1,269,925	\$ —	\$ 1,269,925

		Six months ended September 30, 2022			Nine months ended December 31, 2022		
		As previously reported	Reclassifications	As adjusted	As previously reported	Reclassifications	As adjusted

Gaming	Gaming	\$ 580,482	\$ 39,467 <sup>(1)</sup>	\$ 619,949	Gaming	\$ 972,457	\$ 59,419 <sup>(1)</sup>	\$ 1,031,876
Keyboards & Combos	Keyboards & Combos	428,573	—	428,573	Keyboards & Combos	648,632	—	648,632
Pointing Devices	Pointing Devices	368,483	—	368,483	Pointing Devices	567,589	—	567,589
Video Collaboration	Video Collaboration	482,422	(121,591) <sup>(2)</sup> <sup>(3)</sup>	360,831	Video Collaboration	708,796	(174,449) <sup>(2)</sup> <sup>(3)</sup>	534,347
Webcams <sup>(3)</sup>	Webcams <sup>(3)</sup>	119,552	91,728 <sup>(3)</sup>	211,280	Webcams <sup>(3)</sup>	178,033	127,499 <sup>(3)</sup>	305,532
Tablet Accessories	Tablet Accessories	120,788	—	120,788	Tablet Accessories	185,945	—	185,945
Headsets	Headsets	—	90,693 <sup>(2)</sup>	90,693	Headsets	—	137,429 <sup>(2)</sup>	137,429
Other	Other	4,294	103,925 <sup>(4)</sup> <sup>(5)</sup>	108,219	Other	5,642	161,749 <sup>(4)</sup> <sup>(5)</sup>	167,391
Mobile Speakers	Mobile Speakers	61,505	(61,505) <sup>(4)</sup>	—	Mobile Speakers	99,826	(99,826) <sup>(4)</sup>	—
Audio & Wearables	Audio & Wearables	142,717	(142,717) <sup>(1)</sup> <sup>(2)</sup> <sup>(5)</sup>	—	Audio & Wearables	211,821	(211,821) <sup>(1)</sup> <sup>(2)</sup> <sup>(5)</sup>	—
<b>Total Sales</b>	<b>Total Sales</b>	<b>\$ 2,308,816</b>	<b>\$ —</b>	<b>\$ 2,308,816</b>	<b>Total Sales</b>	<b>\$ 3,578,741</b>	<b>\$ —</b>	<b>\$ 3,578,741</b>

(1) Reclassification of Blue Microphones from "Audio & Wearables" to the Gaming category.

(2) Reclassification of VC headsets and PC headsets to the new Headsets category from "Video Collaboration" and "Audio & Wearables," respectively.

(3) The Webcams category includes amounts previously reported as "PC Webcams" as well as amounts from VC webcams reclassified from "Video Collaboration."

(4) Reclassification of all amounts previously reported in "Mobile Speakers" to the Other category.

(5) Reclassification of PC speakers previously reported in "Audio & Wearables" to the Other category.

#### Changes in Significant Accounting Policies

There have been no material changes in the Company's significant accounting policies during the three and **six** **nine** months ended **September 30, 2023** **December 31, 2023** compared with the significant accounting policies described in its Annual Report on Form 10-K for the fiscal year ended March 31, 2023.

#### Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make judgments, estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and accompanying notes. Management bases its estimates on historical experience and various other assumptions believed to be reasonable. Significant estimates and assumptions made by management involve the fair value of goodwill and intangible assets acquired from business acquisitions, contingent consideration for a business acquisition and periodic reassessment of its fair value, valuation of investment in privately held companies classified under Level 3 fair value hierarchy, pension obligations, accruals for customer incentives, cooperative marketing, and pricing programs and related breakage when appropriate, inventory valuation, share-based compensation expense, uncertain tax positions, and valuation allowances for deferred tax assets. Although these estimates are based on management's best knowledge of current events and actions that may impact the Company in the future, actual results could differ materially from those estimates.

#### Risks and Uncertainties

##### Impacts of Macroeconomic and Geopolitical Conditions on the Company's Business

The Company's business has been impacted by adverse macroeconomic and geopolitical conditions. These conditions include inflation, interest rate and foreign currency fluctuations, slowdown of economic activity around the world, and lower consumer and enterprise spending.

The global and regional economic and political conditions adversely **affect** **affected** demand for the Company's products. **These** **In addition, these conditions, also had an impact on including recent transportation issues in the Company's suppliers, contract manufacturers, logistics providers, Red Sea, have caused and distributors, causing may continue to cause** volatility in the cost of materials and **shipping logistics**, and transportation **rates, delays**, and as a result **impacting may impact** the pricing of the Company's **products. products, product availability and the Company's results of operations.**

##### Recent Accounting Pronouncements Not Yet Adopted

In November 2023, the Financial Accounting Standard Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. ASU 2023-07 improves reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses that are regularly provided to the chief operating decision maker. In addition, ASU 2023-07 requires that all existing annual disclosures about segment profit or loss must be provided on an interim basis and clarifies that single reportable segment entities are subject to the disclosure requirement under Topic 280 in its entirety. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023 and interim periods within those fiscal years beginning after December 15, 2024. A public entity should apply ASU 2023-07 retrospectively to all prior periods presented in the financial statements. Early adoption is permitted. The Company is currently evaluating the impact of ASU 2023-07 on its consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. ASU 2023-09 requires additional disclosures related to rate reconciliation, income taxes paid, and other disclosures. Under ASU 2023-09, for each annual periods presented, public entities are required to (1) disclose specific categories in the tabular rate reconciliation and (2) provide additional information for reconciling items that meet a quantitative threshold. In addition, ASU 2023-09 requires all reporting entities to disclose on an annual basis the amount of income taxes paid disaggregated by federal, state, and foreign taxes as well as the amount of income taxes paid by individual jurisdiction. ASU 2023-09 is effective for public business entities for annual periods beginning after December 15, 2024 and can be applied on a prospective basis with an option to apply the standard retrospectively. Early adoption is permitted. The Company is currently evaluating the impact of ASU 2023-09 on its consolidated financial statements and related disclosures.

## Note 2 — Net Income Per Share

The following table summarizes the computations of basic and diluted net income per share for the three and ~~six~~ nine months ended September 30, 2023 December 31, 2023 and 2022 (in thousands, except per share amounts):

		Three months ended September 30,					Three months ended December 31,			
				Six months ended September 30,					Nine months ended December 31,	
		2023	2022	2023	2022		2023	2022	2023	2022
Net income	Net income	\$ 137,117	\$ 82,091	\$ 199,844	\$ 182,927	Net income	\$ 244,684	\$ 140,153	\$ 444,528	\$ 323,080
Shares used in net income per share computation:	Shares used in net income per share computation:					Shares used in net income per share computation:				
Weighted average shares outstanding - basic	Weighted average shares outstanding - basic	157,911	163,186	158,385	163,937	Weighted average shares outstanding - basic	155,933	161,244	157,568	163,042
Effect of potentially dilutive equivalent shares	Effect of potentially dilutive equivalent shares	1,023	1,142	1,160	1,434	Effect of potentially dilutive equivalent shares	1,507	1,285	1,275	1,385
Weighted average shares outstanding - diluted	Weighted average shares outstanding - diluted	158,934	164,328	159,545	165,371	Weighted average shares outstanding - diluted	157,440	162,529	158,843	164,427
Net income per share:	Net income per share:					Net income per share:				
Basic	Basic	\$ 0.87	\$ 0.50	\$ 1.26	\$ 1.12	Basic	\$ 1.57	\$ 0.87	\$ 2.82	\$ 1.98
Diluted	Diluted	\$ 0.86	\$ 0.50	\$ 1.25	\$ 1.11	Diluted	\$ 1.55	\$ 0.86	\$ 2.80	\$ 1.96

Share equivalents attributable to outstanding stock options, restricted stock units and employee share purchase plans totaling 1.1 0.8 million and 1.7 1.6 million for the three months ended September 30, 2023 December 31, 2023 and 2022, respectively, and 1.6 1.3 million and 2.6 2.0 million for the ~~six~~ nine months ended September 30, 2023 December 31, 2023 and 2022, respectively, were excluded from the calculation of diluted net income per share because their effect would have been anti-dilutive. A small number of performance-based restricted stock units were not included in the dilutive net income per share calculation because all necessary conditions had not been satisfied by the end of the respective period, and those shares were not issuable if the end of the reporting period were the end of the performance contingency period.

## Note 3 — Employee Benefit Plans

### Employee Share Purchase Plans and Stock Incentive Plans

As of September 30, 2023 December 31, 2023, the Company offers the 2006 Employee Share Purchase Plan (Non-U.S.), as amended and restated ("2006 ESPP"), the 1996 Employee Share Purchase Plan (U.S.), as amended and restated ("1996 ESPP"), and the 2006 Stock Incentive Plan ("2006 Plan") as amended and restated. Shares issued to employees as a result of purchases or exercises under these plans are generally issued from shares held in treasury stock.

The following table summarizes the share-based compensation expense and total income tax benefit recognized for share-based awards for the three and **six nine** months ended **September 30, 2023** **December 31, 2023** and 2022 (in thousands):

		Three months ended September 30,				Three months ended December 31,				Nine months ended December 31,	
		2023		2022		2023		2022		2023	
		2023		2022		2023		2022		2023	
Cost of goods sold	Cost of goods sold	\$ 2,462	\$ 1,443	\$ 3,877	\$ 2,904	\$ 2,189	\$ 1,324	\$ 6,066	\$ 4,228		
Marketing and selling	Marketing and selling	9,262	7,429	19,745	17,226	8,878	8,014	28,623	25,240		
Research and development	Research and development	4,694	3,280	9,147	8,812	4,421	2,756	13,568	11,568		
General and administrative	General and administrative	5,650	93	10,810	6,993	5,125	3,711	15,935	10,704		
Total share-based compensation expense	Total share-based compensation expense	22,068	12,245	43,579	35,935	20,613	15,805	64,192	51,740		
Income tax expense (benefit)		(2,548)	102	(7,866)	(4,220)						
Total share-based compensation expense, net of income tax expense (benefit)		\$ 19,520	\$ 12,347	\$ 35,713	\$ 31,715						
Income tax benefit	Income tax benefit					(3,391)	(3,276)	(11,257)	(7,496)		
Total share-based compensation expense, net of income tax benefit	Total share-based compensation expense, net of income tax benefit	\$ 17,222	\$ 12,529	\$ 52,935	\$ 44,244						

The income tax benefit in the respective periods primarily consisted of tax benefits related to the share-based compensation expense for the period and direct tax benefit realized, including net excess tax benefits recognized from share-based awards vested or exercised during the period.

Share-based compensation costs capitalized as part of inventory were **\$1.5** **\$1.4** million and \$1.3 million for the three months ended **September 30, December 31, 2023** and 2022, respectively, and **\$3.4** **\$4.8** million and **\$3.1** **\$4.4** million for the **six nine** months ended **September 30, 2023** **December 31, 2023** and 2022, respectively.

#### Defined Benefit Plans

Certain of the Company's subsidiaries sponsor defined benefit pension plans or non-retirement post-employment benefits covering substantially all of their employees. Benefits are provided based on employees' years of service and earnings, or in accordance with applicable employee benefit regulations. The Company's practice is to fund amounts sufficient to meet the requirements set forth in the applicable employee benefit and tax regulations. The costs of \$1.9 million and **\$2.8** **\$2.7** million recorded for the three months ended **September 30, 2023** **December 31, 2023** and 2022, respectively, and **\$3.8** **\$5.7** million and **\$5.6** **\$8.3** million recorded for the **six nine** months ended **September 30, 2023** **December 31, 2023** and 2022, respectively, were primarily related to service costs.

#### Note 4 — Income Taxes

The Company is incorporated in Switzerland but operates in various countries with differing tax laws and rates. Further, a portion of the Company's income before taxes and the provision for (benefit from) income taxes are generated outside of Switzerland.

The income tax provision (benefit) for the three and **six nine** months ended **September 30, 2023** **December 31, 2023** was **\$30.3** **\$9.6** million and **\$42.9** **\$33.3** million based on an effective income tax rate of **18.1%** **(4.1)%** and **17.7%** **7.0%** of pre-tax income, respectively. The income tax provision for the same periods ended **September 30, December 31, 2022** was **\$23.4** **\$42.7** million and **\$45.1** **\$87.8** million based on effective income tax rate of **22.2%** **23.3%** and **19.8%** **21.4%** of pre-tax income, respectively.

The change in the effective income tax rate for the three and **six nine** months ended **September 30, 2023** **December 31, 2023**, compared with the same periods ended **September 30, December 31, 2022** was primarily due to the mix of income and losses in the various tax jurisdictions in which the Company operates **and** as well as the favorable tax impacts from share-based compensation, an agreement to remeasure the tax **impact** basis of goodwill under the Swiss Federal Act on Tax Reform and AHV Financing ("TRAF") with

the canton of Vaud, remeasurement of the Company's Swiss deferred tax assets due to a change in tax rate, and Foreign-Derived Intangible Income ("FDII") incentive provided by the Tax Cuts and Jobs Act.

The canton of Vaud completed the legislative process to enact TRAF, a reform to better align the Swiss tax system to international tax standards, on March 10, 2020 to take effect as of January 1, 2020. In March 2020, the Company reached an agreement with the Vaud Tax Administration that would allow for an increase in the tax basis of goodwill, as a transition measure under TRAF, to be amortized over ten years beginning on January 1, 2020. During the three months ended December 31, 2023, the Company reached an agreement to remeasure the tax basis of goodwill under TRAF with the canton of Vaud, which resulted in an income tax benefit of \$25.1 million, net of assessment of uncertain tax positions. The remeasurement of the step-up will be amortized over the remaining ten-year amortization period.

On December 29, 2023, a change to the cantonal tax legislation was published. According to the law approved by the Vaud parliament, a progressive scale will be applicable for cantonal tax purposes resulting in an increase from share-based compensation, the current tax rate of 13.61% to 14.28% effective fiscal year 2025. The increase in tax rate resulted in a tax benefit of \$5.1 million due to a remeasurement of the Company's Swiss deferred tax assets in the fiscal quarter ended December 31, 2023.

The Tax Cuts and Jobs Act enacted Section 250, which provides for a deduction with respect to Global Intangible Low-Taxed Income ("GILTI") and FDII in the US. The application of this tax incentive is inherently complex. During the three months ended December 31, 2023, the Company analyzed the applicability of FDII and determined that this tax incentive applies to fiscal 2021 to 2023 tax years. As a result, the Company realized a tax benefit of \$17.9 million related to FDII. The Company has also concluded that any GILTI tax since the enactment of Tax Cuts and Jobs Act would be immaterial.

Although the Company has adequately provided for uncertain tax positions, the provisions related to these positions may change as revised estimates are made or the underlying matters are settled or otherwise resolved. During fiscal year 2024, the Company continues to review its tax positions and to provide for or reverse unrecognized tax benefits as they arise. During the next twelve months, while it is reasonably possible that the amount of unrecognized tax benefits could increase or decrease significantly, it is not possible to provide a range of potential changes.

On August 16, 2022, the "Inflation Reduction Act" (H.R. 5376) ("IRA") was signed into law in the United States. The IRA establishes established a new corporate alternative minimum tax based on financial statement income adjusted for certain items. The new minimum tax is effective for tax years beginning after December 31, 2022. The IRA is not expected to have a material impact to the Company's financial statements for the tax year ending March 31, 2024.

On December 22, 2023, the Federal Council enacted the relevant ordinance for implementing a (Qualified) Domestic Minimum Tax (QDMTT) in Switzerland for tax years beginning from January 1, 2024. The Company is currently evaluating the impact of this ordinance on its consolidated financial statements.

#### Note 5 — Balance Sheet Components

The following table presents the components of certain balance sheet asset amounts (in thousands):

		September 30, 2023	March 31, 2023		December 31, 2023	March 31, 2023
Accounts receivable, net:	Accounts receivable, net:			Accounts receivable, net:		
Accounts receivable	Accounts receivable	\$ 882,607	\$ 851,576	Accounts receivable	\$ 970,549	\$ 851,576
Allowance for doubtful accounts	Allowance for doubtful accounts	(16)	(86)	Allowance for doubtful accounts	—	(86)
Allowance for sales returns	Allowance for sales returns	(10,898)	(10,146)	Allowance for sales returns	(12,487)	(10,146)
Allowance for cooperative marketing arrangements	Allowance for cooperative marketing arrangements	(37,781)	(40,495)	Allowance for cooperative marketing arrangements	(47,165)	(40,495)
Allowance for customer incentive programs	Allowance for customer incentive programs	(63,082)	(71,645)	Allowance for customer incentive programs	(97,497)	(71,645)
Allowance for pricing programs	Allowance for pricing programs	(113,935)	(98,822)	Allowance for pricing programs	(127,623)	(98,822)
		<u>\$ 656,895</u>	<u>\$ 630,382</u>		<u>\$ 685,777</u>	<u>\$ 630,382</u>
Inventories:	Inventories:			Inventories:		
Raw materials	Raw materials	\$ 92,083	\$ 171,790	Raw materials	\$ 71,969	\$ 171,790
Finished goods	Finished goods	440,860	511,103	Finished goods	375,293	511,103
		<u>\$ 532,943</u>	<u>\$ 682,893</u>		<u>\$ 447,262</u>	<u>\$ 682,893</u>

Other current assets:	Other current assets:			Other current assets:		
Value-added tax ("VAT") receivables	Value-added tax ("VAT") receivables	\$ 51,651	\$ 60,343	Value-added tax ("VAT") receivables	\$ 55,920	\$ 60,343
Prepaid expenses and other assets	Prepaid expenses and other assets	86,831	82,533	Prepaid expenses and other assets	94,834	82,533
		<u>\$ 138,482</u>	<u>\$ 142,876</u>		<u>\$ 150,754</u>	<u>\$ 142,876</u>
Property, plant and equipment, net:	Property, plant and equipment, net:			Property, plant and equipment, net:		
Property, plant and equipment	Property, plant and equipment	\$ 510,881	\$ 518,358	Property, plant and equipment	\$ 497,994	\$ 518,358
Less: accumulated depreciation and amortization	Less: accumulated depreciation and amortization	(388,854)	(396,855)	Less: accumulated depreciation and amortization	(378,794)	(396,855)
		<u>\$ 122,027</u>	<u>\$ 121,503</u>		<u>\$ 119,200</u>	<u>\$ 121,503</u>
Other assets:	Other assets:			Other assets:		
Deferred tax assets	Deferred tax assets	\$ 163,053	\$ 171,989	Deferred tax assets	\$ 197,460	\$ 171,989
Right-of-use assets	Right-of-use assets	61,823	67,330	Right-of-use assets	61,721	67,330
Investments in privately held companies	Investments in privately held companies	31,544	33,323	Investments in privately held companies	30,991	33,323
Investments for deferred compensation plan	Investments for deferred compensation plan	28,546	28,213	Investments for deferred compensation plan	29,905	28,213
Other assets	Other assets	6,331	15,438	Other assets	6,517	15,438
		<u>\$ 291,297</u>	<u>\$ 316,293</u>		<u>\$ 326,594</u>	<u>\$ 316,293</u>

The following table presents the components of certain balance sheet liability amounts (in thousands):

		September 30, 2023	March 31, 2023		December 31, 2023	March 31, 2023
Accrued and other current liabilities:	Accrued and other current liabilities:			Accrued and other current liabilities:		
Accrued customer marketing, pricing and incentive programs	Accrued customer marketing, pricing and incentive programs	\$ 187,559	\$ 206,546	Accrued customer marketing, pricing and incentive programs	\$ 193,216	\$ 206,546
Accrued personnel expenses	Accrued personnel expenses	95,279	103,592	Accrued personnel expenses	142,936	103,592
Accrued loss for inventory purchase commitments	Accrued loss for inventory purchase commitments	33,157	46,608	Accrued loss for inventory purchase commitments	33,772	46,608
Accrued sales return liability	Accrued sales return liability	33,906	49,462	Accrued sales return liability	33,527	49,462
Warranty liabilities	Warranty liabilities	28,085	28,861	Warranty liabilities	28,784	28,861
VAT payable	VAT payable	22,480	33,328	VAT payable	37,748	33,328

Income taxes payable	Income taxes payable	26,354	18,788	Income taxes payable	28,136	18,788
Operating lease liabilities	Operating lease liabilities	14,099	12,655	Operating lease liabilities	14,915	12,655
Contingent consideration	Contingent consideration	1,700	6,629	Contingent consideration	1,809	6,629
Other current liabilities	Other current liabilities	151,423	136,670	Other current liabilities	158,592	136,670
		<u>\$ 594,042</u>	<u>\$ 643,139</u>		<u>\$ 673,435</u>	<u>\$ 643,139</u>
Other non-current liabilities:	Other non-current liabilities:			Other non-current liabilities:		
Operating lease liabilities	Operating lease liabilities	\$ 59,673	\$ 58,361	Operating lease liabilities	\$ 62,800	\$ 58,361
Employee benefit plan obligations	Employee benefit plan obligations	30,241	32,421	Employee benefit plan obligations	32,212	32,421
Obligation for deferred compensation plan	Obligation for deferred compensation plan	28,546	28,213	Obligation for deferred compensation plan	29,905	28,213
Warranty liabilities	Warranty liabilities	12,180	12,025	Warranty liabilities	12,993	12,025
Deferred tax liabilities	Deferred tax liabilities	2,528	2,803	Deferred tax liabilities	2,529	2,803
Other non-current liabilities	Other non-current liabilities	13,415	12,872	Other non-current liabilities	16,052	12,872
		<u>\$ 146,583</u>	<u>\$ 146,695</u>		<u>\$ 156,491</u>	<u>\$ 146,695</u>

#### Note 6 — Fair Value Measurements

##### Fair Value Measurements

The Company considers fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. The Company utilizes the following three-level fair value hierarchy to establish the priorities of the inputs used to measure fair value:

- Level 1 — Quoted prices in active markets for identical assets or liabilities.
- Level 2 — Observable inputs other than quoted market prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

The following table presents the Company's financial assets and liabilities that were accounted for at fair value on a recurring basis, excluding assets related to the Company's defined benefit pension plans, classified by the level within the fair value hierarchy (in thousands):

		September 30, 2023			March 31, 2023					December 31, 2023			March 31, 2023		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets:	Assets:							Assets:							
Cash equivalents	Cash equivalents	\$ 712,451	\$ —	\$ —	\$ 661,884	\$ —	\$ —	Cash equivalents	\$ 959,932	\$ —	\$ —	\$ —	\$ 661,884	\$ —	\$ —
Investments for deferred compensation plan included in other assets:	Investments for deferred compensation plan included in other assets:							Investments for deferred compensation plan included in other assets:							
Cash	Cash	\$ 82	\$ —	\$ —	\$ 41	\$ —	\$ —	Cash	\$ 402	\$ —	\$ —	\$ —	\$ 41	\$ —	\$ —

Common stock	Common stock	1,139	—	—	988	—	—	Common stock	1,257	—	—	988	—	—
Money market funds	Money market funds	10,544	—	—	9,606	—	—	Money market funds	9,760	—	—	9,606	—	—
Mutual funds	Mutual funds	16,781	—	—	17,578	—	—	Mutual funds	18,486	—	—	17,578	—	—
Total investments for deferred compensation plan	Total investments for deferred compensation plan	\$ 28,546	\$ —	\$ —	\$ 28,213	\$ —	\$ —	Total investments for deferred compensation plan	\$ 29,905	\$ —	\$ —	\$ 28,213	\$ —	\$ —
Currency derivative assets included in other current assets	Currency derivative assets included in other current assets	\$ —	\$ 2,446	\$ —	\$ —	\$ 107	\$ —	Currency derivative assets included in other current assets	\$ —	\$ 118	\$ —	\$ —	\$ 107	\$ —
Liabilities:	Liabilities:							Liabilities:						
Contingent consideration included in accrued and other current liabilities	Contingent consideration included in accrued and other current liabilities	\$ —	\$ —	\$ 1,700	\$ —	\$ —	\$ 6,629	Contingent consideration included in accrued and other current liabilities	\$ —	\$ —	\$ 1,809	\$ —	\$ —	\$ 6,629
Currency derivative liabilities included in accrued and other current liabilities	Currency derivative liabilities included in accrued and other current liabilities	\$ —	\$ 86	\$ —	\$ —	\$ 2,187	\$ —	Currency derivative liabilities included in accrued and other current liabilities	\$ —	\$ 1,813	\$ —	\$ —	\$ 2,187	\$ —

#### Contingent Consideration for Business Acquisitions

The following table summarizes the change in the Company's contingent consideration balance during the **six** nine months ended **September 30, 2023** **December 31, 2023** and 2022 (in thousands):

		Six months ended September 30,			Nine months ended December 31,	
		2023	2022		2023	2022
Beginning of the period	Beginning of the period	\$ 6,629	\$ 12,259	Beginning of the period	\$ 6,629	\$ 12,259
Fair value of contingent consideration upon acquisition	Fair value of contingent consideration upon acquisition	—	1,142	Fair value of contingent consideration upon acquisition	—	2,151
Payments of contingent consideration	Payments of contingent consideration	(5,002)	(5,954)	Payments of contingent consideration	(5,002)	(5,954)
Effect of foreign currency exchange rate changes	Effect of foreign currency exchange rate changes	73	(2,119)	Effect of foreign currency exchange rate changes	182	(1,843)
End of the period	End of the period	\$ 1,700	\$ 5,328	End of the period	\$ 1,809	\$ 6,613

The contingent consideration arising from a technology acquisition on May 19, 2021, represented the future potential earn-out payments of up to \$10.0 million payable in cash upon the achievement of three technical development milestones to be completed as of December 31, 2021, June 30, 2022, and June 30, 2023. The fair value of the contingent consideration was \$10.0 million at the acquisition date, which was determined using a probability-weighted expected payment model and discounted at the estimated cost of debt. During fiscal year 2022, the Company paid \$0.9 million for the contingent consideration related to the first technical development milestone. During fiscal year 2023, the Company

paid \$4.0 million for the contingent consideration related to the second technical development milestone. During the **six months ended September 30, 2023**, **second quarter of fiscal year 2024**, the Company paid \$3.3 million for the contingent consideration related to the third technical development milestone.

The contingent consideration arising from a technology acquisition on January 4, 2021, represented the future potential earn-out payments of up to \$3.0 million payable in cash upon the achievement of two technical development milestones to be completed as of December 31, 2021 and March 31, 2022. The fair value of the contingent consideration was determined using a probability-weighted expected payment model and discounted at the estimated cost of debt. During fiscal year 2023, the Company paid \$2.0 million for the contingent consideration related to the first technical development milestone. During the **six months ended September 30, 2023**, **second quarter of fiscal year 2024**, the Company paid \$1.0 million for the contingent consideration related to the second technical development milestone.

#### **Investments for Deferred Compensation Plan**

The marketable securities for the Company's deferred compensation plan were recorded at a fair value of **\$28.5 million**, **\$29.9 million** and \$28.2 million, as of **September 30, 2023**, **December 31, 2023** and March 31, 2023, respectively, based on quoted market prices. Quoted market prices are observable inputs that are classified as Level 1 within the fair value hierarchy. Unrealized gains (losses) related to marketable securities for the three and **six nine** months ended **September 30, December 31, 2023** and 2022 were not material and were included in other income (expense), net, and corresponding changes in the deferred compensation liability were included in operating expenses and cost of goods sold, in the Company's condensed consolidated statements of operations.

#### **Equity Method Investments**

The Company has certain non-marketable investments included in other assets that are accounted for as equity method investments, with a carrying value of **\$18.5 million**, **\$18.4 million** and \$20.5 million as of **September 30, 2023**, **December 31, 2023** and March 31, 2023, respectively. Gains (losses) related to equity method investments for the three and **six nine** months ended **September 30, 2023**, **December 31, 2023** and 2022 were not material and are included in other income (expense), net, in the Company's condensed consolidated statements of operations.

During the **three months ended September 30, 2022**, **second quarter of fiscal year 2023**, the Company recorded an impairment charge, before tax, of \$21.4 million for one of its equity method investments as it was determined that the carrying value of the investment was not recoverable. The impairment charge is included in other income (expense), net, in the Company's condensed consolidated **statements** statement of operations for the **three and six nine** months ended **September 30, 2022**, **December 31, 2022**. There was no impairment of equity method investments during the three and **six nine** months ended **September 30, 2023**, **December 31, 2023**.

#### **Assets Measured at Fair Value on a Nonrecurring Basis**

##### **Financial Assets**

The Company has certain equity investments without readily determinable fair values due to the absence of quoted market prices, the inherent lack of liquidity, and the fact that inputs used to measure fair value are unobservable and require management's judgment. When certain events or circumstances indicate that impairment may exist, the Company revalues the investments using various assumptions, including the financial metrics and ratios of comparable public companies. The carrying value is also adjusted for observable price changes with the same or similar security from the same issuer. The amount of these equity investments without readily determinable fair values included in other assets was **\$12.6 million**, **\$12.1 million** and **\$12.6 million** as of **September 30, 2023**, **December 31, 2023** and March 31, 2023, respectively. During the **six months ended September 30, 2022**, **first quarter of fiscal year 2023**, the Company recorded an unrealized gain, before tax, of \$6.9 million for its investment in a private company as a result of observable price changes for similar securities issued by this company (level 2 fair value measurement). There **was were** no impairment **of charges related to** these financial assets during the three and **six nine** months ended **September 30, 2023**, **December 31, 2023** and 2022, other than **an** immaterial impairment **charge charges** related to **one of the Company's certain** investments without readily determinable fair **value recorded during the three months ended September 30, 2022, values.**

During the **six months ended September 30, 2023**, **first quarter of fiscal year 2024**, the Company recorded an impairment loss, before tax, of \$9.6 million as a result of the write-off of a note receivable which has been deemed no longer recoverable. This note receivable was previously obtained in conjunction with an exchange transaction related to the Company's investment in a privately held company. The impairment loss is included in other income (expense), net, in the Company's condensed consolidated statement of operations for the **six nine** months ended **September 30, 2023**, **December 31, 2023**.

##### **Non-Financial Assets**

Goodwill, intangible assets, and property, plant and equipment, are not required to be measured at fair value on a recurring basis. However, if the Company is required to evaluate these non-financial assets for impairment, whether due to certain triggering events or because of the required annual impairment test, and a resulting impairment is recorded to reduce the carrying value to the fair value, the non-financial assets are measured at fair value during such period. There was no impairment of non-financial assets during the three and **six nine** months ended **September 30, 2023**, **December 31, 2023** and 2022.

#### **Note 7 — Derivative Financial Instruments**

Under certain agreements with the respective counterparties to the Company's derivative contracts, subject to applicable requirements, the Company is allowed to net settle transactions of the same type with a single net amount payable by one party to the other. However, the Company presents its derivative assets and derivative liabilities on a gross basis in other current assets and accrued and other current liabilities, respectively, on the condensed consolidated balance sheets as of **September 30, 2023** **December 31, 2023** and March 31, 2023. See Note 6 for the fair values of the Company's derivative instruments as of **September 30, 2023** **December 31, 2023** and March 31, 2023.

#### Cash Flow Hedges

The Company enters into cash flow hedge contracts to protect against exchange rate exposure of forecasted inventory purchases. These hedging contracts mature within approximately four months. Gains and losses in the fair value of the effective portion of the hedges are deferred as a component of accumulated other comprehensive loss until the hedged inventory purchases are sold, at which time the gains or losses are reclassified to cost of goods sold. Cash flows from such hedges are classified as operating activities in the condensed consolidated statements of cash flows. Hedging relationships are discontinued when the hedging contract is no longer eligible for hedge accounting, or is sold, terminated or exercised, or when the Company removes hedge designation for the contract. Gains and losses in the fair value of the effective portion of the discontinued hedges continue to be reported in accumulated other comprehensive loss until the hedged inventory purchases are sold, unless it is probable that the forecasted inventory purchases will not occur by the end of the originally specified time period or within an additional two-month period of time thereafter.

The notional amounts of foreign currency exchange forward contracts outstanding related to forecasted inventory purchases were **\$119.2 million** **\$91.2 million** and \$72.6 million as of **September 30, 2023** **December 31, 2023** and March 31, 2023, respectively. The Company had **\$1.8 million** **\$1.6 million** of net **gains** **loss** related to its cash flow hedges included in accumulated other comprehensive loss as of **September 30, 2023** **December 31, 2023**, which will be reclassified into earnings within the next twelve months.

The following table presents the amounts of gain (loss) on the Company's derivative instruments designated as hedging instruments for the three and **six** **nine** months ended **September 30, 2023** **December 31, 2023** and 2022 and their locations on its condensed consolidated statements of operations and condensed consolidated statements of comprehensive income (in thousands):

		Three months ended September 30,				Three months ended December 31,			
		Amount of Gain Deferred as a Component of Accumulated Other Comprehensive Loss		Amount of Loss (Gain) Reclassified from Accumulated Other Comprehensive Loss to Costs of Goods Sold		Amount of Gain (Loss) Deferred as a Component of Accumulated Other Comprehensive Loss		Amount of (Gain) Loss Reclassified from Accumulated Other Comprehensive Loss to Costs of Goods Sold	
		2023	2022	2023	2022	2023	2022	2023	2022
Cash flow hedges	Cash flow hedges	\$ 2,078	\$ 4,935	\$ 1,370	\$ (4,947)	\$ (2,539)	\$ (6,325)	\$ (863)	\$ (4,728)
		Six months ended September 30,				Nine months ended December 31,			
		Amount of Gain Deferred as a Component of Accumulated Other Comprehensive Loss		Amount of Loss (Gain) Reclassified from Accumulated Other Comprehensive Loss to Costs of Goods Sold		Amount of Gain (Loss) Deferred as a Component of Accumulated Other Comprehensive Loss		Amount of (Gain) Loss Reclassified from Accumulated Other Comprehensive Loss to Costs of Goods Sold	
		2023	2022	2023	2022	2023	2022	2023	2022
Cash flow hedges	Cash flow hedges	\$ 1,374	\$ 11,564	\$ 4,356	\$ (7,038)	\$ (1,165)	\$ 5,239	\$ 3,493	\$ (11,766)

The Company presents the earnings impact from forward points in the same line item that is used to present the earnings impact of the hedged item, i.e. cost of goods sold, for hedging forecasted inventory purchases and such amount is not material for all periods presented.

#### Other Derivatives

The Company also enters into foreign currency exchange forward and swap contracts to reduce the short-term effects of currency exchange rate fluctuations on certain receivables or payables denominated in currencies other than the functional currencies of its subsidiaries. These contracts generally mature within approximately one month. The primary risk managed by using forward and swap contracts is the currency exchange rate risk. The gains or losses on these contracts are not material and included **in** **in** other income (expense), net, in the condensed consolidated statements of operations based on the changes in fair value. The notional amounts of these contracts outstanding as of **September 30, 2023** **December 31, 2023** and March 31, 2023 were **\$121.6 million** **\$78.2 million** and \$111.2 million, respectively. Foreign currency exchange forward and swap contracts outstanding as of **September 30, 2023** **December 31, 2023** primarily consisted of contracts in Canadian Dollar, Brazilian Real, and **Australian New Taiwan** Dollar to be settled at future dates at predetermined exchange rates.

The fair value of all foreign currency exchange forward and swap contracts is determined based on observable market transactions of spot currency rates and forward rates. Cash flows from these contracts are classified as operating activities in the condensed consolidated statements of cash flows.

#### Note 8 — Goodwill and Other Intangible Assets

The Company conducts its impairment analysis of goodwill annually at December 31 or more frequently if changes in facts and circumstances indicate that it is more likely than not that the fair value of the Company's reporting unit may be less than its carrying amount. **There have been no triggering events identified affecting the valuation** The Company conducted its annual impairment analysis of goodwill as of December 31, 2023 by performing a qualitative assessment and **intangible assets** during concluded that it was more likely than not that the **three** fair value of its reporting unit exceeds its carrying amount. In assessing the qualitative factors, the Company considered the impact of change in industry and **six months ended September 30, 2023** competitive environment, the Company's market capitalization and **2022** budgeted-to-actual revenue performance for the last twelve months.

The following table summarizes the activities in the Company's goodwill balance (in thousands):

As of March 31, 2023	\$	454,610
Acquisition		8,117
Effects of foreign currency translation		(1,326)
As of <b>September 30, 2023</b> December 31, 2023	\$	<b>461,401</b> 463,978

The Company's acquired intangible assets were as follows (in thousands):

		September 30, 2023			March 31, 2023				December 31, 2023				M
		Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount		Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	
Trademarks and trade names	Trademarks and trade names	\$ 35,290	\$ (27,172)	\$ 8,118	\$ 36,790	\$ (26,774)	\$ 10,016	Trademarks and trade names	\$ 32,390	\$ (25,005)	\$ 7,385	\$ 36,790	
Developed technology	Developed technology	115,221	(89,742)	25,479	121,730	(94,792)	26,938	Developed technology	107,421	(84,398)	23,023	121,730	
Customer contracts/relationships	Customer contracts/relationships	71,587	(49,768)	21,819	71,110	(47,688)	23,422	Customer contracts/relationships	69,087	(49,164)	19,923	71,110	
In-process R&D	In-process R&D	3,526	—	3,526	3,526	—	3,526	In-process R&D	3,526	—	3,526	3,526	
Effects of foreign currency translation	Effects of foreign currency translation	(1,273)	412	(861)	(1,021)	292	(729)	Effects of foreign currency translation	(214)	81	(133)	(1,021)	
<b>Total</b>	<b>Total</b>	<b>\$224,351</b>	<b>\$ (166,270)</b>	<b>\$58,081</b>	<b>\$232,135</b>	<b>\$ (168,962)</b>	<b>\$63,173</b>	<b>Total</b>	<b>\$212,210</b>	<b>\$ (158,486)</b>	<b>\$53,724</b>	<b>\$232,135</b>	

## Note 9 — Financing Arrangements

The Company had several uncommitted, unsecured bank lines of credit and letters of credit aggregating **\$171.5 million** **\$176.1 million** and \$181.3 million as of **September 30, 2023** **December 31, 2023** and March 31, 2023, respectively. There are no financial covenants under the lines of credit with which the Company must comply. There was no borrowing outstanding under the lines of credit as of **September 30, 2023** **December 31, 2023** or March 31, 2023. As of **September 30, 2023** **December 31, 2023** and March 31, 2023, the Company had outstanding bank guarantees of **\$12.2 million** **\$11.1 million** and \$13.6 million, respectively.

## Note 10 — Commitments and Contingencies

### Product Warranties

Changes in the Company's warranty liabilities for the three and **six nine** months ended **September 30, 2023** **December 31, 2023** and 2022 were as follows (in thousands):

		Three months ended September 30,		Six months ended September 30,			Three months ended December 31,		Nine months ended December 31,	
		2023	2022	2023	2022		2023	2022	2023	2022
Beginning of the period	Beginning of the period	\$ 39,885	\$ 43,841	\$ 40,886	\$ 46,219	Beginning of the period	\$ 40,265	\$ 41,960	\$ 40,886	\$ 46,219
Provision	Provision	10,393	7,897	19,485	14,520	Provision	11,249	8,920	30,734	23,440
Settlements	Settlements	(9,838)	(9,098)	(19,756)	(17,379)	Settlements	(10,158)	(8,979)	(29,914)	(26,358)
Effects of foreign currency translation	Effects of foreign currency translation	(175)	(680)	(350)	(1,400)	Effects of foreign currency translation	421	730	71	(670)
End of the period	End of the period	<b>\$ 40,265</b>	<b>\$ 41,960</b>	<b>\$ 40,265</b>	<b>\$ 41,960</b>	End of the period	<b>\$ 41,777</b>	<b>\$ 42,631</b>	<b>\$ 41,777</b>	<b>\$ 42,631</b>

## Indemnifications

The Company indemnifies certain of its suppliers and customers for losses arising from matters such as intellectual property disputes and product safety defects, subject to certain restrictions. The scope of these indemnities varies, but in some instances, includes indemnification for damages and expenses, including reasonable attorneys' fees. As of September 30, 2023 December 31, 2023, no material amounts have been accrued for these indemnification provisions. The Company does not believe, based on historical experience and information currently available, that it is probable that any material amounts will be required to be paid under its indemnification arrangements.

The Company also indemnifies its current and former directors and certain of its current and former officers. Certain costs incurred for providing such indemnification may be recoverable under various insurance policies. The Company is unable to reasonably estimate the maximum amount that could be payable under these arrangements because these exposures are not limited, the obligations are conditional in nature and the facts and circumstances involved in any situation that might arise are variable.

## Legal Proceedings

From time to time the Company is involved in claims and legal proceedings that arise in the ordinary course of its business. The Company is currently subject to several such claims and legal proceedings. The Company intends to vigorously defend against them. Management periodically assesses the Company's liabilities and contingencies in connection with these matters based upon the latest information available. The Company follows ASC ("Accounting Standards Codification") 450 in determining the accounting and disclosure for these contingencies. Based on currently available information, the Company does not believe that resolution of pending matters will have a material adverse effect on its financial condition, cash flows and results of operations. However, litigation is subject to inherent uncertainties, and there can be no assurances that the Company's defenses will be successful or that any such lawsuit or claim would not have a material adverse impact on the Company's business, financial condition, cash flows and results of operations in a particular period. Any claims or proceedings against the Company can have an adverse impact because of defense costs, diversion of management and operational resources, negative publicity and other factors. Any failure to obtain a necessary license or other rights, or litigation arising out of intellectual property claims, could adversely affect the Company's business.

## Note 11 — Shareholders' Equity

### Share Repurchases

#### 2020 Share Repurchase Program

In May 2020, the Company's Board of Directors approved the 2020 share repurchase program, which authorized the Company to use up to \$250.0 million to purchase Logitech shares to support equity incentive plans or potential acquisitions. Shares may be repurchased from time to time on the open market, through block trades or otherwise. Purchases may be started or stopped at any time without prior notice depending on market conditions and other factors. In April 2021, the Company's Board of Directors approved an increase of \$750.0 million to the

2020 share repurchase program, to an aggregate amount of \$1.0 billion. The Swiss Takeover Board approved this increase and it became effective on May 21, 2021. In July 2022, the Company's Board of Directors approved an increase of \$500 million to the 2020 share repurchase program, to an aggregate amount of up to \$1.5 billion. The Swiss Takeover Board approved this increase and it became effective on August 19, 2022. The 2020 share repurchase program expired on July 27, 2023. The Company repurchased 16.7 million shares for an aggregate cost of \$1.2 billion under the 2020 share repurchase program, of which 2.6 million shares for an aggregate cost of \$159.1 million were repurchased during fiscal year 2024 prior to the six months ended September 30, 2023, expiration of the program.

#### 2023 Share Repurchase Program

In June 2023, the Company's Board of Directors approved a new, three-year share repurchase program, which allows the Company to use up to \$1.0 billion to repurchase its shares. The 2023 share repurchase program enables the Company to repurchase shares for cancellation, as well as to support equity incentive plans or potential acquisitions. The Swiss Takeover Board approved the 2023 share repurchase program in July 2023 and the program became effective on July 28, 2023. During the six nine months ended September 30, 2023 December 31, 2023, the Company repurchased 0.9 3.0 million shares for an aggregate cost of \$60.1 \$232.5 million under the 2023 share repurchase program for cancellation, of which \$30.2 \$14.8 million of the aggregate cost was not paid yet as of September 30, 2023 December 31, 2023. As of September 30, 2023 December 31, 2023, \$940.0 \$767.8 million was available for repurchase under the 2023 share repurchase program.

Swiss law limits a company's ability to hold or repurchase its own shares. The aggregate par value of all shares held in treasury by the Company and its subsidiaries may not exceed 10% of the share capital of the Company, which for the Company corresponds to approximately 17.3 million registered shares. This limitation does not apply to shares repurchased for cancellation, due to the Board of Directors' authority under the Company's capital band set forth in the Company's Articles of Incorporation to cancel shares up to a limit of 10% of the Company's current share capital. As of September 30, 2023 December 31, 2023, the Company had a total of 16.0 18.1 million shares held in treasury stock, which includes 0.9 3.0 million shares that have been repurchased for cancellation.

To the extent that the shares are repurchased to support equity incentive plans or potential acquisitions, the shares are repurchased on the ordinary trading line of SIX Swiss Exchange ("SIX") and/or The Nasdaq Global Select Market ("Nasdaq"). Shares repurchased for cancellation purposes are repurchased on a second trading line on SIX. Shares may be repurchased from time to time on the open market or in privately negotiated transactions, including under plans complying with the provisions of Rule 10b5-1 and Rule 10b-18 of

the Securities Exchange Act of 1934, as amended. Purchases may be started or stopped at any time without prior notice depending on market conditions and other factors and the program does not require the purchase of any minimum number of shares.

#### Dividends

During the **three and six nine** months ended **September 30, 2023** **December 31, 2023**, the Company declared and paid cash dividends of CHF 1.06 (USD equivalent of \$1.19 based on the exchange rate on the date of declaration) per share, totaling \$187.2 million on the Company's outstanding shares. During the **three and six nine** months ended **September 30, 2022** **December 31, 2022**, the Company declared and paid cash dividends of CHF 0.96 (USD equivalent of \$1.00 based on the exchange rate on the date of declaration) per share, totaling \$162.7 million on the Company's outstanding shares.

Any future dividends will be subject to approval of the Company's shareholders.

#### Accumulated Other Comprehensive Income (Loss)

The accumulated other comprehensive income (loss) was as follows (in thousands):

	Cumulative Translation		Deferred Hedging Gains		Total
	Adjustment	Defined Benefit Plans	(Losses)		
March 31, 2023	\$ (100,869)	\$ 4,525	\$ (3,933)	\$	(100,277)
Other comprehensive income (loss)	(12,151)	(248)	5,730		(6,669)
September 30, 2023	<u>\$ (113,020)</u>	<u>\$ 4,277</u>	<u>\$ 1,797</u>	<u>\$</u>	<u>(106,946)</u>

	Cumulative Translation		Deferred Hedging Losses		Total
	Adjustment	Defined Benefit Plans			
March 31, 2023	\$ (100,869)	\$ 4,525	\$ (3,933)	\$	(100,277)
Other comprehensive income	13,168	252	2,328		15,748
December 31, 2023	<u>\$ (87,701)</u>	<u>\$ 4,777</u>	<u>\$ (1,605)</u>	<u>\$</u>	<u>(84,529)</u>

#### Note 12 — Segment Information

The Company operates in a single operating segment that encompasses the design, manufacturing and marketing of peripherals for gaming, PCs, tablets, video conferencing, and other digital platforms. Operating performance measures are provided directly to the Company's CEO, who is considered to be the Company's Chief Operating Decision Maker. The CEO periodically reviews information such as sales and adjusted operating income (loss) to make business decisions. These operating performance measures do not include restructuring charges (credits), net, share-based compensation expense, amortization and impairment of intangible assets, acquisition-related costs, and change in fair value of contingent consideration from business acquisitions.

During the first quarter of fiscal year 2024, the Company changed its presentation of Sales by Product Category to provide a simpler and clearer view of the Company's business. The change in presentation did not have an impact on previously reported total sales. As a result of these changes, certain prior-period amounts for the three and **six nine** months ended **September 30, 2022** **December 31, 2022** have been reclassified to conform to the current period presentation. See Note 1 for further information on the change in presentation.

Sales by product category in the current presentation for the three and **six nine** months ended **September 30, 2023** **December 31, 2023** and 2022 were as follows (in thousands):

		Three months ended September 30,		Six months ended September 30,				Three months ended December 31,		Nine months ended December 31,	
		2023	2022	2023	2022			2023	2022	2023	2022
Gaming <sup>(1)</sup>	Gaming <sup>(1)</sup>	\$ 282,104	\$ 322,028	\$ 548,533	\$ 619,949	Gaming <sup>(1)</sup>	\$	409,043	\$ 411,927	\$ 957,576	\$ 1,031,876
Keyboards & Combos	Keyboards & Combos	194,914	200,853	375,769	428,573	Keyboards & Combos		229,432	220,059	605,201	648,632
Pointing Devices	Pointing Devices	191,676	185,200	366,130	368,483	Pointing Devices		206,180	199,106	572,310	567,589
Video Collaboration	Video Collaboration	152,389	179,199	291,735	360,831	Video Collaboration		169,522	173,516	461,257	534,347

Webcams	Webcams	88,222	102,018	163,422	211,280	Webcams	85,851	94,252	249,273	305,532
Tablet	Tablet					Tablet				
Accessories	Accessories	63,677	54,203	134,013	120,788	Accessories	64,239	65,157	198,252	185,945
Headsets	Headsets	44,411	44,750	81,261	90,693	Headsets	41,762	46,736	123,023	137,429
Other (2)	Other (2)	39,615	60,700	70,644	108,219	Other (2)	49,444	59,172	120,088	167,391
<b>Total Sales</b>	<b>Total Sales</b>	<b>\$ 1,057,008</b>	<b>\$ 1,148,951</b>	<b>\$ 2,031,507</b>	<b>\$ 2,308,816</b>	<b>Total Sales</b>	<b>\$ 1,255,473</b>	<b>\$ 1,269,925</b>	<b>\$ 3,286,980</b>	<b>\$ 3,578,741</b>

(1) Gaming includes streaming services revenue generated by Streamlabs.

(2) Other primarily consists of mobile speakers and PC speakers.

Sales by geographic region (based on the customers' locations) for the three and ~~six~~ nine months ended ~~September 30, 2023~~ December 31, 2023 and 2022 were as follows (in thousands):

		Three months ended September 30,		Six months ended September 30,			Three months ended December 31,		Nine months ended December 31,	
		2023	2022	2023	2022		2023	2022	2023	2022
Americas	Americas	\$ 462,406	\$ 492,176	\$ 907,574	\$ 994,483	Americas	\$ 538,530	\$ 513,835	\$ 1,446,104	\$ 1,508,318
EMEA	EMEA	311,805	297,176	570,683	587,655	EMEA	416,618	428,532	987,301	1,016,187
Asia	Asia					Asia				
Pacific	Pacific	282,797	359,599	553,250	726,678	Pacific	300,325	327,558	853,575	1,054,236
<b>Total Sales</b>	<b>Total Sales</b>	<b>\$ 1,057,008</b>	<b>\$ 1,148,951</b>	<b>\$ 2,031,507</b>	<b>\$ 2,308,816</b>	<b>Total Sales</b>	<b>\$ 1,255,473</b>	<b>\$ 1,269,925</b>	<b>\$ 3,286,980</b>	<b>\$ 3,578,741</b>

Revenue from sales to customers in the United States, Germany and China each represented 10% or more of the total consolidated sales for each of the periods presented herein. No other countries represented 10% or more of the Company's total consolidated sales for the periods presented herein.

Switzerland, the Company's country of domicile, represented ~~3.0%~~ 3% and ~~2.0%~~ 4% of the Company's total consolidated sales for the three months ended ~~September 30, 2023~~ December 31, 2023 and 2022, respectively, and ~~2.0%~~ 2% and 3% for each of the ~~six~~ nine months ended ~~September 30, 2023~~ December 31, 2023 and ~~2022~~ 2022, respectively.

Three customers of the Company each represented 10% or more of the total consolidated gross sales for each of the three and ~~six~~ nine months ended ~~September 30, 2023~~ December 31, 2023 and 2022.

Property, plant and equipment, net (excluding software) and right-of-use assets by geographic region were as follows (in thousands):

		September 30, 2023		March 31, 2023			December 31, 2023		March 31, 2023	
Americas	Americas	\$ 69,504		\$ 59,183		Americas	\$ 68,996		\$ 59,183	
EMEA	EMEA	32,950		38,890		EMEA	32,839		38,890	
Asia Pacific	Asia Pacific	58,778		69,939		Asia Pacific	56,734		69,939	
<b>Total</b>	<b>Total</b>	<b>\$ 161,233</b>		<b>\$ 168,012</b>		<b>Total</b>	<b>\$ 158,569</b>		<b>\$ 168,012</b>	

Property, plant and equipment, net (excluding software) and right-of-use assets in the United States, China, and Ireland were ~~\$69.0 million~~ \$67.8 million, ~~\$40.2 million~~ \$37.6 million and ~~\$16.6 million~~ \$16.9 million, respectively, as of ~~September 30, 2023~~ December 31, 2023, and \$58.7 million, \$48.8 million, and \$17.7 million, respectively, as of March 31, 2023. No other countries represented more than 10% of the Company's total consolidated property, plant and equipment, net (excluding software) and right-of-use assets as of ~~September 30, 2023~~ December 31, 2023 or March 31, 2023.

Property, plant and equipment, net (excluding software) and right-of-use assets in Switzerland, the Company's country of domicile, were ~~\$9.9 million~~ \$9.8 million and \$13.7 million as of ~~September 30, 2023~~ December 31, 2023 and March 31, 2023, respectively.

#### Note 13 — Restructuring

During the second quarter of fiscal year 2023, the Company initiated a restructuring plan to realign its business group and engineering structure with its go-to-market strategy to more effectively compete within the enterprise market and to better serve end-users. During the fourth quarter of fiscal year 2023, the Company undertook further actions to remove organization layers as well as streamline its marketing organization to increase efficiency. These actions resulted in charges related to employee severance and other termination benefits as well as contract termination and other costs. The Company expects to substantially complete these restructuring activities within fiscal year 2024.

The following table summarizes restructuring-related activities during the **six** nine months ended **September 30, 2023** **December 31, 2023** (in thousands):

		Termination Benefits	Contract Termination and Other	Total		Termination Benefits	Contract Termination and Other	Total
Accrued restructuring liability at March 31, 2023 <sup>(1)</sup>	Accrued restructuring liability at March 31, 2023 <sup>(1)</sup>	\$ 14,177	\$ 5,357	\$ 19,534	Accrued restructuring liability at March 31, 2023 <sup>(1)</sup>	\$ 14,177	\$ 5,357	\$ 19,534
Charges (credits), net	Charges (credits), net	3,309	(1,586)	1,723	Charges (credits), net	4,310	(1,748)	2,562
Cash payments	Cash payments	(16,804)	(1,231)	(18,035)	Cash payments	(17,688)	(1,581)	(19,269)
Accrued restructuring liability at September 30, 2023 <sup>(1)</sup>		\$ 682	\$ 2,540	\$ 3,222				
Accrued restructuring liability at December 31, 2023 <sup>(1)</sup>	Accrued restructuring liability at December 31, 2023 <sup>(1)</sup>					\$ 799	\$ 2,028	\$ 2,827

(1) The accrual balances are included in accrued and other current liabilities on the Company's condensed consolidated balance sheets.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on beliefs of our management as of the filing date of this Quarterly Report on Form 10-Q. These forward-looking statements include, among other things, statements related to:

- Our strategy for growth, future revenues, earnings, cash flow, uses of cash and other measures of financial performance, and market position;
- Our business strategy and investment priorities in relation to competitive offerings and evolving consumer demand trends affecting our products and markets, current and future worldwide geopolitical, economic and capital market conditions, including fluctuations in currency exchange rates, inflation, economic downturns, and economic downturns; disruptions in global transportation lines;
- Our expectations regarding our restructuring efforts, including the timing thereof;
- Long-term, secular trends that impact our product categories;
- The evolution and adoption of artificial intelligence ("AI"), its impact on our industry and related risks and opportunities for our business;
- The scope, nature or impact of acquisition, strategic alliance, and divestiture activities
- Our expectations regarding the success of our strategic acquisitions, including integration of acquired operations, products, technology, internal controls, personnel and management teams;
- Our expectations regarding our effective tax rate, future tax benefits, tax settlements, the adequacy of our provisions for uncertain tax positions;
- Our expectations regarding our potential indemnification obligations, and the outcome of pending or future legal proceedings and tax audits;
- Our business development, product development and innovation, and their impact on future operating results and anticipated operating costs for fiscal year 2024 and beyond;
- Opportunities for growth and our ability to execute on and take advantage of them, including our marketing initiatives and strategy and our expectations regarding the success thereof;
- Potential tariffs, their effects and our ability to mitigate their effects;
- Our expectations regarding our share repurchase and dividend programs;
- The sufficiency of our cash and cash equivalents, cash generated from operations, and available borrowings under our bank lines of credit to fund capital expenditures and working capital needs; and
- The effects of environmental and other laws and regulations in the United States and other countries in which we operate.

Forward-looking statements also include, among others, those statements including the words "anticipate," "believe," "could," "estimate," "expect," "forecast," "intend," "may," "plan," "project," "predict," "should," "will," and similar language. These statements reflect our views and assumptions as of the date of this Quarterly Report on Form 10-Q. All forward-looking statements involve risks and uncertainties that could cause our actual performance to differ materially from those anticipated in the forward-looking statements

depending on a variety of factors. Important information as to these factors can be found in this Quarterly Report on Form 10-Q under the headings of "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Overview of our Company," "Critical Accounting Estimates," and "Liquidity and Capital Resources," among others. Factors that might cause or contribute to such differences include, but are not limited to, those discussed under Part II, Item 1A "Risk Factors" as well as elsewhere in this Quarterly Report on Form 10-Q and in our other filings with the U.S. Securities and Exchange Commission, or "SEC." You are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date of this Quarterly Report on Form 10-Q. We undertake no obligation to publicly release any revisions to the forward-looking statements or reflect events or circumstances after the date of this document.

You should read the following discussion in conjunction with the interim unaudited condensed consolidated financial statements and related notes.

## Overview of Our Company

Logitech's mission is to help all people pursue their passions in a way that is good for people and the planet. We design, manufacture, and sell products that help businesses thrive and bring people together when working, creating, gaming and streaming. We sell these products through a number of brands: Logitech, Logitech G, (including ASTRO Gaming, Streamlabs and Blue Microphones) and Ultimate Ears.

Our diverse portfolio includes Gaming, Keyboards & Combos, Pointing Devices, Video Collaboration, Webcams, Tablet Accessories, and Headsets. We sell our products to a broad network of international customers, including direct sales to retailers, e-tailers, and end consumers through our e-commerce platform, and indirect sales to end customers through distributors.

From time to time, we may seek to partner with or acquire, when appropriate, companies that have products, personnel, and technologies that complement our strategic direction. We continually review our product offerings and our strategic direction in light of our profitability targets, competitive conditions, changing consumer trends and the evolving nature of the interface between the consumer and the digital world.

## Impacts of Macroeconomic and Geopolitical Conditions on our Business

Our business has been impacted by adverse macroeconomic and geopolitical conditions. These conditions include inflation, interest rate and foreign currency fluctuations, slowdown of economic activity around the world, and lower consumer and enterprise spending.

The global and regional economic and political conditions adversely affect demand for our products. These In addition, these conditions, also had an impact on our suppliers, contract manufacturers, logistics providers, including recent transportation issues in the Red Sea, have caused and distributors, causing may continue to cause volatility in the cost of materials and shipping logistics, and transportation rates, delays, and as a result impacting may impact the pricing of our products, products, product availability and our results of operations.

For additional information, see "Liquidity and Capital Resources" below and Part II, Item 1A "Risk Factors". Factors."

## Trends and Uncertainties

Several long-term secular-trends offer long-term structural growth opportunities across Logitech's product portfolio, including work and learn from anywhere (hybrid work and learn), video everywhere, the rise of social gaming for participants and spectators, and the democratization of digital content creation. We design, create and sell products that benefit from these secular trends. The trend of hybrid work and learn provides an opportunity to equip meeting rooms, classrooms and personal workspaces, at home or in the office. It also provides an opportunity for increased commercial and consumer adoption of video conferencing. Our video collaboration products are compatible with a variety of video conference platforms, including Zoom, Microsoft Teams, Google Meet, etc. Moving from work to play, Logitech gaming and streaming products benefit from social gaming which continues to gain popularity through online gaming, multi-platform experiences and esports. In addition, the democratization of digital content creation presents an opportunity for anyone to be a content creator because of the accessibility of the tools necessary to code, design, create, make music, game or broadcast to professional standards.

While we believe we will further benefit from these secular trends, we have experienced and will continue to experience challenges that impact our business and financial results. These challenges include (i) the current macroeconomic environment, including interest rate fluctuations, inflation, foreign exchange movements and low economic growth in certain regions, (ii) low consumer confidence and recent declines in enterprise spending leading to reduced demand for some of our products, (iii) the uncertainty in with enterprise strategy for office space utilization and related timing of enterprises' "return-to-office" impacting enterprise investments in infrastructure and technology to support future ways of working, which impacts demand for our Video Collaboration and other products, and (iv) the timing of further development of our business-to-business go-to-market capabilities.

We expect these challenges to continue in the near-term. We have taken steps to mitigate the impact of these challenges, including but not limited to: (i) reduction in our operating expenses in order to maintain margins and size the business for the current market, (ii) reduction in inventories to more appropriately align with demand, (iii) continued investment in our business-to-business direct sales channel in order to improve performance, and (iv) release of new products to increase the value proposition of our portfolio.

The rapid evolution and adoption of generative artificial intelligence indicates that how we collaborate, communicate, play and create across industries and professions will change, perhaps dramatically, over the next few years. AI has reshaped expectations for productivity improvements, product innovation and technology ecosystem evolution. While we have used AI solutions and machine learning to enhance the features of different products in our portfolio, AI offers additional growth opportunities and risks as we work to integrate our capabilities with our ecosystem partners. Ultimately our customers might begin to integrate AI into their workflows for productivity, play, learning and creativity. We believe that the shift to AI will transform the consumer electronics industry, leading to changes including more intelligent and personalized products, enhanced customer experiences, and increased competition among companies to leverage AI capabilities for innovation and growth.

For additional information, see Part II, Item 1A "Risk Factors."

## Business Seasonality and Product Introductions

We have historically experienced higher sales in our third fiscal quarter ending December 31, compared to other fiscal quarters in our fiscal year, primarily due to the increased consumer demand for our products during the year-end holiday buying season and year-end spending by enterprises. Additionally, new product introductions and business acquisitions can significantly impact sales, product costs and operating expenses. Product introductions can also impact our sales to distribution channels as these channels are filled with new product inventory following a product introduction, and often channel inventory of an earlier model product declines as the next related major product launch

approaches. Sales can also be affected when consumers and distributors anticipate a product introduction or changes in business circumstances. However, neither historical seasonal patterns nor historical patterns of product introductions should be considered reliable indicators of our future pattern of product introductions, future sales or financial performance. Furthermore, cash flow is correspondingly lower in the first half of our fiscal year as we typically build inventories in advance for the third quarter and we pay an annual dividend following our Annual General Meeting, which is typically in September.

## Summary of Financial Results

Our total sales for the three and six nine months ended September 30, 2023 December 31, 2023 decreased 8% 1% and 12% 8%, compared to the three and six nine months ended September 30, 2022 December 31, 2022, respectively, driven by a decline in sales of most of our product categories, as a result of lower demand.

Sales for the three months ended September 30, 2023 December 31, 2023 increased 5% in the Americas region, and decreased 21% 8% and 6% 3% in the Asia Pacific and Americas EMEA regions, respectively, and increased 5% in the EMEA region, compared to the three months ended September 30, 2022 December 31, 2022. Sales for the six nine months ended September 30, 2023 December 31, 2023 decreased 24% 19%, 9% 4%, and 3% in the Asia Pacific, Americas, and EMEA regions, respectively, compared to the six nine months ended September 30, 2022 December 31, 2022.

Gross margin was 41.5% 42.0% and 40.1% 40.8% for the three and six nine months ended September 30, 2023 December 31, 2023, respectively, and increased by 330 440 and 120 240 basis points, respectively, compared to the three and six nine months ended September 30, 2022. The increase in gross margin for the three months ended September 30, 2023 December 31, 2022, compared to the three months ended September 30, 2022, was primarily driven by cost improvement lower material and less reliance on expedited shipping, logistics costs, as well as lower promotions, partially offset by unfavorable product mix. The increase in gross margin for the six months ended September 30, 2023, compared to the six months ended September 30, 2022, was primarily driven by cost improvement and less reliance on expedited shipping, partially offset by unfavorable product mix.

Operating expenses for the three months ended September 30, 2023 December 31, 2023 were \$282.0 million \$304.7 million, or 26.7% 24.3% of sales, compared to \$311.4 million \$300.5 million, or 27.1% 23.7% of sales, for the three months ended September 30, 2022 December 31, 2022. Operating expenses for the six nine months ended September 30, 2023 December 31, 2023 were \$579.2 million \$883.9 million, or 28.5% 26.9% of sales, compared to \$655.5 million \$956.0 million, or 28.4% 26.7% of sales, for the six nine months ended September 30, 2022 December 31, 2022. The decrease in operating expense was primarily driven Operating expenses, for the three and nine months ended December 31, 2023, compared to the nine months ended December 31, 2022, were impacted by a reduction in marketing and advertising spend, spend and an increase in personnel-related costs, mainly due to higher performance-based compensation.

We had an income tax benefit of \$9.6 million and an income tax provision of \$33.3 million for the three and nine months ended December 31, 2023, respectively, and an income tax provision of \$42.7 million and \$87.8 million for the three and nine months ended December 31, 2022, respectively. The change in the income tax provision (benefit) for the three and nine months ended December 31, 2023, compared to the three and nine months ended December 31, 2022, was primarily due to the mix of income and losses in the various tax jurisdictions in which we operate as well as the favorable tax impacts from share-based compensation, an agreement to remeasure the tax basis of goodwill under the Swiss Federal Act on Tax Reform and AHV Financing ("TRAF") with the canton of Vaud, remeasurement of our Swiss deferred tax assets due to a change in tax rate, and Foreign-Derived Intangible Income ("FDII") incentive provided by the Tax Cuts and Jobs Act.

Net income for the three and six nine months ended September 30, 2023 December 31, 2023 was \$137.1 244.7 million and \$199.8 million \$444.5 million, respectively, compared to \$82.1 million \$140.2 million and \$182.9 million \$323.1 million for the three and six nine months ended September 30, 2022 December 31, 2022, respectively.

## Critical Accounting Estimates

The preparation of financial statements and related disclosures in conformity with U.S. GAAP requires us to make assumptions, judgments, and estimates, that affect reported amounts of assets, liabilities, sales and expenses, and the disclosure of contingent assets and liabilities.

We consider an accounting estimate critical if it: (i) requires management to make judgments and estimates about matters that are inherently uncertain; and (ii) is important to an understanding of our financial condition and operating results.

We base our assumptions, judgments and estimates on historical experience and various other factors that we believe to be reasonable under the circumstances. Actual results could differ materially from these estimates under different assumptions or conditions. On a regular basis, we evaluate our assumptions, judgments and estimates. We also discuss our critical accounting policies and estimates with the Audit Committee of the Board of Directors.

We believe that the assumptions, judgments and estimates involved in the accounting for accruals for customer incentives and related breakage when appropriate, accrued sales return liability, inventory valuation, and uncertain tax positions, have the greatest potential impact on our condensed consolidated financial statements. These areas are key components of our results of operations and are based on complex rules requiring us to make judgments and estimates and consequently, we consider these to be our critical accounting policies. Historically, our assumptions, judgments and estimates relative to our critical accounting policies have not differed materially from actual results.

There have been no material changes in our critical accounting estimates during the six nine months ended September 30, 2023 December 31, 2023 compared with the critical accounting estimates disclosed in Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the fiscal year ended March 31, 2023.

## Inflation Reduction Act in New Accounting Pronouncements

Refer to Note 1 to the U.S.

On August 16, 2022, the "Inflation Reduction Act" (H.R. 5376) ("IRA") was signed into law in the U.S. The IRA establishes a new corporate alternative minimum tax based on financial statement income adjusted for certain items. The new minimum tax is effective for tax years beginning after December 31, 2022. The IRA is not expected to have a material

impact on our condensed consolidated financial statements included in this Quarterly Report on Form 10-Q for the tax year ending March 31, 2024, recent accounting pronouncements to be adopted.

Constant Currency

We refer to our net sales growth rates excluding the impact of currency exchange rate fluctuations as "constant currency" sales growth rates. Percentage of constant currency sales growth is calculated by translating prior period sales in each local currency at the current period's average exchange rate for that currency and comparing that to current period sales.

Given our global sales presence and the reporting of our financial results in U.S. Dollars, our financial results could be affected by significant shifts in currency exchange rates. See "Results of Operations" for information on the effect of currency exchange rate fluctuations on our sales. If the U.S. Dollar appreciates or depreciates in comparison to other currencies in future periods, this will affect our results of operations in future periods as well.

References to Sales

The term "sales" means net sales, except as otherwise specified and the sales growth discussion and sales growth rate percentages are in U.S. Dollars, except as otherwise specified.

Results of Operations

Net Sales

Our sales for the three and six nine months ended September 30, 2023 December 31, 2023 decreased 8% 1% and 12% 8%, respectively, compared to the three and six nine months ended September 30, 2022 December 31, 2022, respectively, primarily due to a decline in sales of most of our product categories as a result of lower demand. If currency exchange rates had been constant in the three and six nine months ended September 30, 2023 December 31, 2023 and 2022, our constant dollar sales reduction rates would have been 9% 3% and 12% 9%, respectively.

Sales Denominated in Other Currencies

Although our financial results are reported in U.S. Dollars, a portion of our sales was generated in currencies other than the U.S. Dollar, such as the Euro, Chinese Renminbi, Australian Dollar, Canadian Dollar, Japanese Yen, Pound Sterling and New Taiwan Dollar. During the three months ended September 30, 2023 December 31, 2023, approximately 50% 52% of our sales were denominated in currencies other than the U.S. Dollar.

Sales by Region

The following table presents the change in sales by region for the three and six nine months ended September 30, 2023 December 31, 2023, compared with the three and six nine months ended September 30, 2022 December 31, 2022:

		Sales Growth Rate				Constant Dollar Sales Growth Rate				Sales Growth Rate				Constant Dollar Sales Growth Rate				
		Three Months Ended		Six Months Ended		Three Months Ended		Six Months Ended		Three Months Ended		Nine Months Ended		Three Months Ended		Nine Months Ended		
		September 30, 2023		September 30, 2023		September 30, 2023		September 30, 2023		December 31, 2023		December 31, 2023		December 31, 2023		December 31, 2023		
Americas	Americas	(6)	%	(9)	%	(6)	%	(9)	%	Americas	5	%	(4)	%	4	%	(4)	%
EMEA	EMEA	5	%	(3)	%	(2)	%	(6)	%	EMEA	(3)	%	(3)	%	(9)	%	(7)	%
Asia Pacific	Asia Pacific	(21)	%	(24)	%	(18)	%	(21)	%	Asia Pacific	(8)	%	(19)	%	(7)	%	(17)	%

Americas:

The decrease/increase in sales in the Americas region for the three-month period presented above was primarily driven by an increase in sales of Keyboards & Combos, Video Collaboration, and six-month periods Webcams, partially offset by a decrease in sales of speakers in our Other category. The decrease in sales in the Americas region for the nine-month period presented above was primarily driven by a decline decrease in sales of speakers in our Other category, Video Collaboration, and Webcams, partially offset by an increase in sales of Tablet Accessories.

EMEA:

The decrease in sales in our EMEA region for the three-month period presented above was primarily driven by a decrease in sales of most of our product categories, partially offset by an increase in sales of Tablet Accessories.

EMEA:

Gaming and Pointing Devices. The increase/decrease in sales in our EMEA region sales for the three-month/nine-month period presented above was primarily driven by the increase mainly due to a decrease in sales of Gaming, Pointing Devices, Webcams and Keyboards & Combos, partially offset by a decline in sales of Webcams. The decrease in

Sales in our EMEA region for the six-month period presented above was primarily driven by decreases in sales of Video Collaboration, and Webcams, partially offset by an increase in sales of Pointing Devices, Devices and Gaming.

#### Asia Pacific:

The decrease in sales in our Asia Pacific region for the three-month and six-month periods period presented above was primarily driven by the a decrease in sales of Gaming and Video Collaboration. The decrease in sales in our Asia Pacific region for the nine-month period presented above was driven by decreases in sales of Gaming, Keyboards & Combos and Video Collaboration.

#### Sales by Product Category

During the first quarter of fiscal year 2024, we changed the presentation of sales by product category to provide a simpler and clearer view of our business. The change in presentation did not have an impact on previously reported total sales. As a result of these changes, certain prior-period amounts for the three and six months ended September 30, 2022 December 31, 2022 have been reclassified to conform to the current period presentation. See Note 1 to the condensed consolidated financial statements for further information on the change in presentation.

Sales by product category in the current presentation for the three and six months ended September 30, 2023 December 31, 2023 and 2022 were as follows (dollars in thousands):

		Three months ended September 30,			Six months ended September 30,				Three months ended December 31,			Nine months ended December 31,		
		2023	2022	Change	2023	2022	Change		2023	2022	Change	2023	2022	Change
Gaming (1)	Gaming (1)	\$ 282,104	\$ 322,028	(12) %	\$ 548,533	\$ 619,949	(12) %	Gaming (1)	\$ 409,043	\$ 411,927	(1) %	\$ 957,576	\$1,031,876	(7) %
Keyboards & Combos	Keyboards & Combos	194,914	200,853	(3)	375,769	428,573	(12)	Keyboards & Combos	229,432	220,059	4	605,201	648,632	(7)
Pointing Devices	Pointing Devices	191,676	185,200	3	366,130	368,483	(1)	Pointing Devices	206,180	199,106	4	572,310	567,589	1
Video Collaboration	Video Collaboration	152,389	179,199	(15)	291,735	360,831	(19)	Video Collaboration	169,522	173,516	(2)	461,257	534,347	(14)
Webcams	Webcams	88,222	102,018	(14)	163,422	211,280	(23)	Webcams	85,851	94,252	(9)	249,273	305,532	(18)
Tablet Accessories	Tablet Accessories	63,677	54,203	17	134,013	120,788	11	Tablet Accessories	64,239	65,157	(1)	198,252	185,945	7
Headsets	Headsets	44,411	44,750	(1)	81,261	90,693	(10)	Headsets	41,762	46,736	(11)	123,023	137,429	(10)
Other (2)	Other (2)	39,615	60,700	(35)	70,644	108,219	(35)	Other (2)	49,444	59,172	(16)	120,088	167,391	(28)
Total Sales	Total Sales	\$ 1,057,008	\$ 1,148,951	(8) %	\$ 2,031,507	\$ 2,308,816	(12) %	Total Sales	\$ 1,255,473	\$ 1,269,925	(1) %	\$ 3,286,980	\$ 3,578,741	(8) %

(1) Gaming includes streaming services revenue generated by Streamlabs.

(2) Other primarily consists of mobile speakers and PC speakers.

#### Gaming

Our Gaming category includes gaming mice, steering wheels, headsets, keyboards, console gaming headsets, simulation controllers, studio-quality Blue Microphones and Streamlabs services.

Sales of Gaming decreased 12% in each of 1% for the three and six months ended September 30, 2023 December 31, 2023, compared to the three and six months ended September 30, 2022 December 31, 2022, primarily driven by a decrease in sales of gaming keyboards and gaming mice, partially offset by an increase in sales of gaming mouse pads. Sales of Gaming decreased 7% for the nine months ended December 31, 2023, compared to the nine months ended December 31, 2022, primarily driven by a decrease in sales of gaming steering wheels, gaming keyboards and gaming mice, and Blue Microphones, partially offset by an increase in sales of gaming mouse pads.

#### Keyboards & Combos

Our Keyboards & Combos category includes PC keyboards and keyboard/mice combo products.

Sales of Keyboards & Combos decreased 3% increased 4% for the three months ended September 30, 2023 December 31, 2023, compared to the three months ended September 30, 2022 December 31, 2022, primarily driven by the an increase in sales of both cordless and corded keyboard/mice combo products, partially offset by a decrease in sales of our cordless keyboards. Sales of Keyboards & Combos decreased 7% for the nine months ended December 31, 2023, compared to the nine months ended December 31, 2022, primarily driven by a decrease in sales of cordless keyboards, partially offset by an increase in sales of cordless keyboard/mice combo products. Sales of Keyboards & Combos decreased 12% for the six months ended September 30, 2023, compared to the six months ended September 30, 2022, primarily driven by the decrease in sales of cordless keyboards.

#### Pointing Devices

Our Pointing Devices category includes PC- and Mac-related mice including trackballs, touchpads, and presentation tools.

Sales of Pointing Devices increased 3% 4% for the three months ended September 30, 2023 December 31, 2023, compared to the three months ended September 30, 2022 December 31, 2022, primarily driven by the increase in sales of cordless mice. Sales of Pointing Devices for the six months ended September 30, 2023 declined 1%, compared with sales for the six months ended September 30, 2022, mainly due to a decrease in the sales of cordless mice, partially offset by an increase in sales of presentation tools, mouse pads and mouse cases. Sales of Pointing Devices increased 1% for the nine months ended December 31, 2023, compared to the nine months ended December 31, 2022, primarily driven by an increase in sales of mouse pads and mouse cases, partially offset by a decrease in sales of cordless mice.

#### Video Collaboration

Our Video Collaboration category includes Logitech's conference room cameras, which combine affordable enterprise-quality audio and high definition 4K video to bring video conferencing to a variety of room sizes.

Sales of Video Collaboration decreased 15% 2% and 19% 14% for the three and six nine months ended September 30, 2023 December 31, 2023, compared to the three and six nine months ended September 30, December 31, 2022, respectively, primarily due to a decrease in sales of most many of our Video Collaboration products driven by lower enterprise spending.

#### Webcams

Our Webcams category includes PC-based webcams that are targeted primarily at consumers, including streaming cameras, and VC webcams that turn any desktop into an instant collaboration space.

Sales of Webcams decreased 14% 9% and 18% for the three and nine months ended September 30, 2023 December 31, 2023, compared to the three and nine months ended September 30, 2022 December 31, 2022, respectively, primarily driven by the decrease in sales of our PC-based webcams, such as 1080p Pro Stream Webcam and Brio 500, as well as our VC webcams, such as Webcam C930e. Sales of Webcams decreased 23% for the six months ended September 30, 2023, compared to the six months ended September 30, 2022, primarily driven by the decrease declines in sales of our VC webcams such as Webcam C930e and Webcam C925E, as well as sales of our PC-based webcams, such as 1080p Pro Stream Webcam.webcams.

#### Tablet Accessories

Our Tablet Accessories category primarily includes tablet keyboards and styluses.

Sales of Tablet Accessories increased 17% and 11% decreased 1% for the three and six months ended September 30, 2023 December 31, 2023, compared to the three and six months ended September 30, 2022 December 31, 2022, respectively, primarily driven by a decrease in sales of Combo Touch iPad Pro 12.9-inch, partially offset by an increase in sales of Combo Touch. Sales of Tablet Accessories increased 7% for the nine months ended December 31, 2023, compared to the nine months ended December 31, 2022, primarily driven by an increase in sales of our Rugged Combo 3 Touch as well as Combo Touch, and Rugged Combo 4 Touch, introduced in the third quarter of fiscal year 2023, 2023. For the six months ended September 30, 2023, compared to the six months ended September 30, 2022, the increase in sales of these products was partially offset by the decrease in sales of Rugged Folio. Sales of Tablet Accessories for the nine months ended December 31, 2023, compared to the nine months ended December 31, 2022, benefited from strong demand from the education sector.

#### Headsets

Our Headsets category includes PC and VC headsets, in-ear headphones, and premium wireless earbuds.

Sales of Headsets for the three months ended September 30, 2023 remained consistent with sales for the three months ended September 30, 2022. Sales of Headsets decreased 11% and 10% for the six three and nine months ended September 30, 2023, December 31, 2023, compared to the six three and nine months ended September 30, 2022 December 31, 2022, respectively, primarily driven by the a decrease in sales of VC headsets and corded PC headsets.

#### Other

Our Other category primarily consists of mobile speakers and PC speakers.

Sales in Other category category decreased 35% in each of 16% and 28% for the three and six nine months ended September 30, 2023 December 31, 2023, compared to the three and six nine months ended September 30, December 31, 2022, respectively, primarily driven by a decline decrease in sales of mobile speakers.

#### Gross Profit

Gross profit for the three and six nine months ended September 30, 2023 December 31, 2023 and 2022 was as follows (dollars in thousands):

		Three months ended September 30,			Six months ended September 30,					Three months ended December 31,			Nine months ended December 31,		
		2023	2022	Change	2023	2022	Change			2023	2022	Change	2023	2022	Change
Net sales	Net sales	\$1,057,008	\$1,148,951	(8) %	\$2,031,507	\$2,308,816	(12) %	Net sales	\$	1,255,473	\$ 1,269,925	(1) %	\$ 3,286,980	\$ 3,578,741	(8) %
Gross profit	Gross profit	\$ 438,622	\$ 438,780	— %	\$ 814,264	\$ 898,383	(9) %	Gross profit	\$	526,780	\$ 477,268	10 %	\$ 1,341,044	\$ 1,375,651	(3) %
Gross margin	Gross margin	41.5 %	38.2 %		40.1 %	38.9 %		Gross margin	42.0	% 37.6	%	40.8	% 38.4	%	

Gross profit consists of sales, less cost of goods sold (which includes materials, direct labor and related overhead costs, costs of manufacturing facilities, royalties, costs of purchasing components from outside suppliers, distribution costs, warranty costs, customer support costs, shipping and handling costs, outside processing costs and write-down of inventories), and amortization of intangible assets.

Gross margin was 41.5% 42.0% and 40.1% 40.8% for the three and six nine months ended September 30, 2023 December 31, 2023, respectively, and increased by 330 440 and 120 240 basis points, compared to the three and six nine months ended September 30, December 31, 2022, respectively. The increase in gross margin for the three months ended September 30, 2023, compared to the three months ended September 30, 2022, was respectively; primarily driven by cost improvement lower material and less reliance on expedited shipping, logistics costs, as well as lower promotions, partially offset by unfavorable product mix. The increase in gross margin for the six months ended September 30, 2023, compared to the six months ended September 30, 2022, was primarily driven by cost improvement and less reliance on expedited shipping, partially offset by unfavorable product mix.

### Operating Expenses

Operating expenses for the three and six nine months ended September 30, 2023 December 31, 2023 and 2022 were as follows (dollars in thousands):

		Three months ended September 30,		Six months ended September 30,				Three months ended December 31,		Nine months ended December 31,	
		2023	2022	2023	2022			2023	2022	2023	2022
Marketing and selling	Marketing and selling	\$176,356	\$202,091	\$355,541	\$431,469	Marketing and selling		\$189,175	\$196,653	\$544,716	\$628,122
% of sales	% of sales	16.7 %	17.6 %	17.5 %	18.7 %	% of sales		15.1 %	15.5 %	16.6 %	17.6 %
Research and development	Research and development	68,559	69,009	139,118	144,526	Research and development		72,704	65,640	211,822	210,166
% of sales	% of sales	6.5 %	6.0 %	6.8 %	6.3 %	% of sales		5.8 %	5.2 %	6.4 %	5.9 %
General and administrative	General and administrative	35,538	26,589	76,835	62,449	General and administrative		39,711	29,766	116,546	92,215
% of sales	% of sales	3.4 %	2.3 %	3.8 %	2.7 %	% of sales		3.2 %	2.3 %	3.5 %	2.6 %
Amortization of intangible assets and acquisition-related costs	Amortization of intangible assets and acquisition-related costs	3,318	2,873	6,003	6,242	Amortization of intangible assets and acquisition-related costs		2,276	2,810	8,279	9,052
% of sales	% of sales	0.3 %	0.3 %	0.3 %	0.3 %	% of sales		0.2 %	0.2 %	0.3 %	0.3 %
Restructuring charges (credits), net		(1,788)	10,817	1,723	10,817						
Restructuring charges, net						Restructuring charges, net		839	5,654	2,562	
% of sales	% of sales	(0.2) %	0.9 %	0.1 %	0.5 %	% of sales		0.1 %	0.4 %	0.1 %	0.5 %
Total operating expenses	Total operating expenses	\$281,983	\$311,379	\$579,220	\$655,503	Total operating expenses		\$304,705	\$300,523	\$883,925	\$956,026
% of sales	% of sales	26.7 %	27.1 %	28.5 %	28.4 %	% of sales		24.3 %	23.7 %	26.9 %	26.7 %

The increase in total operating expenses for the three months ended December 31, 2023, compared to the three months ended December 31, 2022, was primarily driven by an increase in general and administrative expenses, partially offset by a decrease in marketing and selling expenses. The decrease in total operating expenses during for the three and six nine months ended September 30, 2023 December 31, 2023, compared to the three and six nine months ended September 30, 2022 December 31, 2022, was mainly due to decreases primarily driven by a decrease in marketing and selling expenses, partially offset by increases to an increase in general and administrative expenses.

### Marketing and Selling

Marketing and selling expenses consist of personnel and related overhead costs, corporate and product marketing, promotions, advertising, trade shows, technical support for customer experiences and facilities costs.

During the three and six months ended September 30, 2023 December 31, 2023, marketing and selling expenses decreased \$25.7 million and \$75.9 million \$7.5 million, respectively, compared to the three and six months ended September 30, 2022 December 31, 2022, primarily driven by our reduction in third-party marketing and advertising spend, as well as decreases partially offset by higher performance-based compensation expense. During the nine months ended December 31, 2023, marketing and selling expenses decreased \$83.4 million, compared to the nine months ended December 31, 2022, primarily driven by our reduction in personnel-related costs as a result of headcount reduction, third-party marketing and advertising spend.

### Research and Development

Research and development expenses consist of personnel and related overhead costs for contractors and outside consultants, supplies and materials, equipment depreciation and facilities costs, all associated with the design and development of new products and enhancements of existing products.

During the three months ended September 30, 2023 December 31, 2023, research and development expenses remained relatively consistent, increased \$7.1 million, compared to the three months ended September 30, 2022 December 31, 2022, primarily driven by higher performance-based compensation expense. During the six nine months ended September 30, 2023 December 31, 2023, research and development expenses decreased \$5.4 million increased \$1.7 million, compared to the six nine months ended September 30, 2022 December 31, 2022, primarily driven due to higher performance-based compensation expense, partially offset by lower outsourcing expenses, costs.

Research and development expenses as a percentage of sales increased from 6.0% 5.2% and 6.3% 5.9% in the three and six nine months ended September 30, 2022 December 31, 2022, respectively, to 6.5% 5.8% and 6.8% 6.4% in the three and six nine months ended September 30, 2023 December 31, 2023, respectively, reflecting our continued investment in innovation.

### General and Administrative

General and administrative expenses primarily consist of personnel and related overhead, information technology, and facilities costs for the infrastructure functions such as finance, information systems, executives, human resources and legal.

During the three and six nine months ended September 30, 2023 December 31, 2023, general and administrative expenses increased \$8.9 million \$9.9 million and \$14.4 million \$24.3 million, respectively, compared to the three and six nine months ended September 30, 2022 December 31, 2022, primarily driven by higher personnel-related costs, mainly due to higher accruals for performance-based compensation, compensation expense.

### Amortization of Intangible Assets and Acquisition-Related Costs

Amortization of intangible assets consists of amortization of acquired intangible assets, including customer relationships and trademarks and trade names. Acquisition-related costs include legal expenses, due diligence costs, and other professional costs incurred for business acquisitions.

During the three and six nine months ended September 30, 2023 December 31, 2023, amortization of intangible assets and acquisition-related costs remained relatively flat, compared to the three and six nine months ended September 30, 2022 December 31, 2022.

### Restructuring Charges, (Credits), Net

The restructuring charges, (credits), net for the three and six nine months ended September 30, 2023 December 31, 2023 and 2022, were related to costs incurred as a result of our restructuring plan initiated during fiscal year 2023. We expect to substantially complete this restructuring plan within fiscal year 2024.

See Note 13 to our condensed consolidated financial statements for additional information.

### Interest Income

Interest income for the three and six nine months ended September 30, 2023 December 31, 2023 and 2022 was as follows (in thousands):

	Three months ended September 30,		Six months ended September 30,	
	2023	2022	2023	2022
Interest Income	\$ 11,856	\$ 3,459	\$ 21,682	\$ 4,908

	Three months ended December 31,		Nine months ended December 31,	
	2023	2022	2023	2022
Interest Income	\$ 12,826	\$ 4,665	\$ 34,508	\$ 9,573

We invest in highly liquid instruments with an original maturity of three months or less at the date of purchase, which are classified as cash equivalents. During the three and six nine months ended September 30, 2023 December 31, 2023, interest income increased \$8.4 million \$8.2 million and \$16.8 million \$24.9 million, respectively, compared to the three and six nine months ended September 30, 2022 December 31, 2022, respectively, primarily driven by the an increase in interest rates.

#### Other Income (Expense), Net

Other income (expense), net for the three and six nine months ended September 30, 2023 December 31, 2023 and 2022 was as follows (in thousands):

		Three months ended September 30,		Six months ended September 30,			Three months ended December 31,		Nine months ended December 31,	
		2023	2022	2023	2022		2023	2022	2023	2022
Investment gain (loss) related to the deferred compensation plan	Investment gain (loss) related to the deferred compensation plan	\$ (324)	\$ (762)	\$ 700	\$ (4,148)	Investment gain (loss) related to the deferred compensation plan	\$ 2,061	\$ 758	\$ 2,761	\$ (3,390)
Currency exchange loss, net		(1,712)	(2,052)	(4,798)	(5,012)					
Gain (loss) on investments, net		214	(22,934)	(11,609)	(11,577)					
Currency exchange gain (loss), net						Currency exchange gain (loss), net	(1,850)	1,734	(6,648)	(3,278)
Loss on investments, net						Loss on investments, net	(604)	(1,488)	(12,213)	(13,065)
Non-service cost net pension income and other	Non-service cost net pension income and other	778	351	1,691	964	Non-service cost net pension income and other	582	402	2,273	1,366
Total	Total	\$ (1,044)	\$ (25,397)	\$ (14,016)	\$ (19,773)	Total	\$ 189	\$ 1,406	\$ (13,827)	\$ (18,367)

Investment gain (loss) related to the deferred compensation plan represents earnings, gains, and losses on marketable securities related to a deferred compensation plan offered by one of our subsidiaries. The investment gain or loss for three and six nine months ended September 30, 2023 December 31, 2023, compared to the three and six nine months ended September 30, 2022 December 31, 2022, primarily relates to the change in market performance of the underlying securities.

Currency exchange loss, gain (loss), net, relates to balances denominated in currencies other than the functional currency in our subsidiaries, as well as to the sale of currencies, and gains or losses recognized on currency exchange forward contracts. We do not speculate in currency positions, but we are alert to opportunities to maximize currency exchange gains and minimize currency exchange losses. The loss for the three months ended September 30, 2023 December 31, 2023 was primarily due to the weakening fluctuations in currency exchange rates of the Swiss Franc Chinese Renminbi and Swedish Krona against the U.S. Dollar. The loss gain for the three months ended September 30, 2022 December 31, 2022 was primarily due to the weakening of the Australian Dollar and the Brazilian Real against the U.S. Dollar offset by gains in the Swiss Franc. The loss for the six months ended September 30, 2023 was primarily due to weakening strengthening of the Japanese Yen against the U.S. Dollar. The loss for the six nine months ended September 30, 2022 December 31, 2023 was primarily due to fluctuations in currency exchange rates of the Chinese Renminbi, Brazilian Real, and Australian Dollar against the U.S. Dollar. The loss for the nine months ended December 31, 2022 was primarily due to weakening of the Brazilian Real Australian Dollar, and the Japanese Yen, offset by the gain from the weakening of the Chinese Renminbi against the U.S. Australian Dollar.

Gain (loss) Loss on investments, net, includes unrealized gain (loss) from the change in fair value change of investment, investments, gain (loss) on equity-method investments and impairment of investments during the periods presented, as applicable. The loss on investments, net, for the six nine months ended September 30, 2023 December 31, 2023 was primarily due to an impairment loss, as a result of the write-off of a note receivable which has been deemed no longer recoverable. This note receivable was previously obtained in conjunction with an exchange transaction related to our investment in a privately held company. The loss on investments, net, for the three and six nine months ended September 30, 2022 December 31, 2022 was primarily due to an impairment charges charge related to one of our equity method investments. The loss for the six months ended

September 30, 2022 was investments, partially offset by an the unrealized gain related to one of our equity method investments without readily determinable fair value resulting from observable price changes. See Note 6 to our condensed consolidated financial statements for additional information.

#### Provision for Income Taxes

The provision for (benefit from) income taxes and effective income tax rates for the three and six nine months ended September 30, 2023 December 31, 2023 and 2022 were as follows (dollars in thousands):

		Three months ended September 30,		Six months ended September 30,		Three months ended December 31,		Nine months ended December 31,	
		2023	2022	2023	2022	2023	2022	2023	2022
Provision for income taxes		\$ 30,334	\$ 23,372	\$ 42,866	\$ 45,088				
Provision for (benefit from) income taxes						\$ (9,594)	\$ 42,663	\$ 33,272	\$ 87,751
Effective income tax rate	Effective income tax rate	18.1 %	22.2 %	17.7 %	19.8 %	(4.1) %	23.3 %	7.0 %	21.4 %

The change in the effective income tax rate for the three and six nine months ended September 30, 2023 December 31, 2023 compared with the three and nine months ended December 31, 2022 was primarily due to the mix of income and losses in the various tax jurisdictions in which we operate and as well as the favorable tax impact impacts from share-based compensation, compared an agreement to remeasure the tax basis of goodwill under TRAF with the three canton of Vaud, remeasurement of our Swiss deferred tax assets due to a change in tax rate, and six FDII incentive provided by the Tax Cuts and Jobs Act.

The canton of Vaud completed the legislative process to enact TRAF, a reform to better align the Swiss tax system to international tax standards, on March 10, 2020 to take effect as of January 1, 2020. In March 2020, we reached an agreement with the Vaud Tax Administration that would allow for an increase in the tax basis of goodwill, as a transition measure under TRAF, to be amortized over ten years beginning on January 1, 2020. During the three months ended September 30, 2022 December 31, 2023, we reached an agreement to remeasure the tax basis of goodwill under TRAF with the canton of Vaud, which resulted in an income tax benefit of \$25.1 million, net of assessment of uncertain tax positions. The remeasurement of the step-up will be amortized over the remaining ten-year amortization period.

On December 29, 2023, a change to the cantonal tax legislation was published. According to the law approved by the Vaud parliament, a progressive scale will be applicable for cantonal tax purposes resulting in an increase from the current tax rate of 13.61% to 14.28% effective fiscal year 2025. The increase in tax rate resulted in a tax benefit of \$5.1 million due to a remeasurement of our Swiss deferred tax assets in the fiscal quarter ended December 31, 2023.

The Tax Cuts and Jobs Act enacted Section 250, which provides for a deduction with respect to Global Intangible Low-Taxed Income ("GILTI") and FDII in the US. The application of this tax incentive is inherently complex. During the three months ended December 31, 2023, we analyzed the applicability of FDII and determined that this tax incentive applies to fiscal 2021 to 2023 tax years. As a result, we realized a tax benefit of \$17.9 million related to FDII. We have also concluded that any GILTI tax since the enactment of Tax Cuts and Jobs Act would be immaterial.

#### Liquidity and Capital Resources

##### Cash Balances, Available Borrowings, and Capital Resources

As of September 30, 2023 December 31, 2023, we had cash and cash equivalents of \$1,163.9 million \$1,412.7 million, compared with \$1,149.0 million as of March 31, 2023. Our cash and cash equivalents consist of bank demand deposits, and short-term time deposits, and U.S. Treasury securities, of which 65% 64% is held in Switzerland and 12% 16% were held in China (including Hong Kong). We do not expect to incur any material adverse tax impact except for what has already been recognized, or to be significantly inhibited by any country in which we do business, from the repatriation of funds to Switzerland, our country of domicile.

As of September 30, 2023 December 31, 2023, our working capital was \$1,405.3 million \$1,495.0 million, compared to \$1,555.1 million as of March 31, 2023. The decrease was driven by a reduction in inventories and an increase in accounts payable, partially offset by a decline in accrued and other current liabilities and an increase in cash and cash equivalents and accounts receivable.

We had several uncommitted, unsecured bank lines of credit and letters of credit aggregating \$171.5 million \$176.1 million as of September 30, 2023 December 31, 2023. There are no financial covenants under these lines of credit with which we must comply.

There was no borrowing outstanding under the lines of credit as of **September 30, 2023** **December 31, 2023**. As of **September 30, 2023** **December 31, 2023**, we had outstanding bank guarantees of **\$12.2 million** under these lines of credit. **\$11.1 million**.

The following tables present selected financial information and statistics as of and for the three months ended **September 30, 2023** **December 31, 2023** and 2022 (dollars in thousands):

		As of September 30,		As of December 31,	
		2023	2022	2023	2022
Accounts receivable, net	Accounts receivable, net	\$ 656,895	\$ 772,731	Accounts receivable, net	\$ 685,777 \$ 802,435
Accounts payable	Accounts payable	\$ 492,905	\$ 546,563	Accounts payable	\$ 527,988 \$ 491,488
Inventories	Inventories	\$ 532,943	\$ 879,979	Inventories	\$ 447,262 \$ 797,695

		Three months ended September 30,		Three months ended December 31,	
		2023	2022	2023	2022
Days sales in accounts receivable ("DSO") (Days) <sup>(1)</sup>	Days sales in accounts receivable ("DSO") (Days) <sup>(1)</sup>	56	61	Days sales in accounts receivable ("DSO") (Days) <sup>(1)</sup>	49 57
Days accounts payable outstanding ("DPO") (Days) <sup>(2)</sup>	Days accounts payable outstanding ("DPO") (Days) <sup>(2)</sup>	72	69	Days accounts payable outstanding ("DPO") (Days) <sup>(2)</sup>	65 56
Inventory turnover ("ITO") (x) <sup>(3)</sup>	Inventory turnover ("ITO") (x) <sup>(3)</sup>	4.6	3.2	Inventory turnover ("ITO") (x) <sup>(3)</sup>	6.5 4.0

(1) DSO is determined using ending accounts receivable, net, as of the most recent quarter-end and sales for the most recent quarter.

(2) DPO is determined using ending accounts payable as of the most recent quarter-end and cost of goods sold for the most recent quarter.

(3) ITO is determined using ending inventories **as of the most recent quarter-end** and annualized cost of goods sold (based on the most recent quarterly cost of goods sold).

DSO for the three months ended **September 30, 2023** **December 31, 2023** decreased by **58** days to **56** **49** days, compared to **61** **57** days for the three months ended **September 30, 2022** **December 31, 2022**, primarily due to the timing of sales within the quarter.

DPO for the three months ended **September 30, 2023** **December 31, 2023** increased by **3** **9** days to **72** **65** days, compared to **69** **56** days for the three months ended **September 30, 2022** **December 31, 2022**, primarily due to softened demand **offset by lower** **as well as higher** inventory purchases **and marketing spend** **to replenish certain products**.

ITO for the three months ended **September 30, 2023** **December 31, 2023** increased by **1.4** **2.5** to **6.5**, compared to **3.2** **4.0** for the three months ended **September 30, 2022** **December 31, 2022**, primarily due to lower inventory as of **September 30, 2023** **December 31, 2023** resulting from focused inventory management to align with softened demand.

If we are not successful in launching and phasing in our new products, or market competition increases, or we are not able to sell the new products at the prices planned, it could have a material impact on our sales, gross profit margin, operating results including operating cash flow, and inventory turnover in the future.

The following table summarizes our condensed consolidated statements of cash flows (in thousands):

		Six months ended September 30,		Nine months ended December 31,	
		2023	2022	2023	2022
Net cash provided by operating activities	Net cash provided by operating activities	\$ 463,059	\$ 37,256	Net cash provided by operating activities	\$ 906,011 \$ 317,167
Net cash used in investing activities	Net cash used in investing activities	(49,151)	(53,561)	Net cash used in investing activities	(59,829) (80,711)

Net cash used in financing activities	Net cash used in financing activities	(388,269)	(416,087)	Net cash used in financing activities	(578,475)	(505,035)
Effect of exchange rate changes on cash and cash equivalents	Effect of exchange rate changes on cash and cash equivalents	(10,758)	(27,823)	Effect of exchange rate changes on cash and cash equivalents	(4,080)	(24,006)
Net increase (decrease) in cash and cash equivalents	Net increase (decrease) in cash and cash equivalents	\$ 14,881	\$ (460,215)	Net increase (decrease) in cash and cash equivalents	\$ 263,627	\$ (292,585)

For the **six** **nine** months ended **September 30, December 31, 2023**, net cash provided by operating activities was **\$463.1 million** **\$906.0 million** resulting from net income of **\$199.8 million** **\$444.5 million**, a favorable impact from adding back non-cash expenses totaling **\$112.1 million**, **\$132.7 million**, and a favorable net change in operating assets and liabilities of **\$151.2** **\$328.8** million. Non-cash expenses were primarily related to share-based compensation expenses, and depreciation and amortization. The increase in accounts receivable, net, was primarily driven by higher **sales, sales due to seasonality of our business**. The decrease in inventories was primarily driven by our effort to manage inventory level. The increase in accounts payable was due to **timing of higher inventory purchases in preparation for the holiday season, to replenish certain products**. The **decrease** **increase** in accrued and other liabilities was primarily driven by **an increase in accrued personnel expenses, partially offset by a reduction in accrued liabilities related to our customer marketing, pricing and incentive programs and sales return liability in line with reduction in channel inventory, return**.

For the **six** **nine** months ended **September 30, December 31, 2023**, net cash used in investing activities was **\$49.2 million** **\$59.8 million**, primarily resulting from **\$34.7 million** **\$45.6 million** of purchases of property, plant, and equipment and \$14.1 million payments for acquisitions, net of cash acquired.

For the **six** **nine** months ended **September 30, December 31, 2023**, net cash used in financing activities was **\$388.3 million** **\$578.5 million**, primarily resulting from payment for repurchases of our registered shares of **\$188.9 million** **\$376.8 million** and payment of cash dividends of \$182.3 million.

For the **six** **nine** months ended **September 30, December 31, 2023**, there was a **\$10.8 million** **\$4.1 million** loss from currency exchange rate effect on cash and cash equivalents, primarily due to exchange rate fluctuations of Swiss Franc, **Euro, Chinese Renminbi**, and **Chinese Renminbi Euro** versus the U.S. Dollar, and timing of our cash transactions over the period. The loss from currency translation exchange rate effect during the **six** **nine** months ended **September 30, 2022 December 31, 2022** was primarily due to **the weakening exchange rate fluctuations of the Euro, Swiss Franc, Chinese Renminbi, Swiss Franc, and Australian Dollar New Taiwan Dollar and the Japanese Yen** versus the U.S. **Dollar**. Dollar and timing of our cash transactions over the period.

#### Cash Outlook

Our principal sources of liquidity are our cash and cash equivalents, cash flow generated from operations, and, to a much lesser extent, capital markets and borrowings. Our future working capital requirements and capital expenditures may increase to support investments in product innovations and growth opportunities or to acquire or invest in complementary businesses, products, services, and technologies. Market volatility driven by the current macroeconomic and geopolitical environment may increase our costs of capital and otherwise adversely affect our business, results of operations, financial condition and liquidity.

In fiscal year 2024, we paid a cash dividend of CHF 169.1 million (U.S. Dollar amount of \$182.3 million based on the exchange rate on the date of payment) out of fiscal year 2023 retained earnings. In fiscal year 2023, we paid a cash dividend of CHF 156.1 million (U.S. Dollar amount of \$158.7 million based on the exchange rate on the date of payment) out of fiscal year 2022 retained earnings. In fiscal year 2022, we paid a cash dividend of CHF 147.0 million (U.S. Dollar amount of \$159.4 million) out of fiscal year 2021 retained earnings.

In May 2020, our Board of Directors approved the 2020 share repurchase program, which authorized us to invest up to \$250.0 million to purchase our own shares to support equity incentive plans or potential acquisitions. In April 2021, our Board of Directors approved an increase of \$750.0 million to the 2020 share repurchase program, to an aggregate amount of \$1.0 billion. The Swiss Takeover Board approved this increase and it became effective on May 21, 2021. In July 2022, our Board of Directors approved an increase of \$500 million to the 2020 share repurchase program to an aggregate amount of up to \$1.5 billion. The Swiss Takeover Board approved this increase and it became effective on August 19, 2022. The 2020 share repurchase program expired on July 27, 2023. We repurchased 16.7 million shares for an aggregate cost of \$1.2 billion under the 2020 share repurchase program, of which 2.6 million shares for an aggregate cost of \$159.1 million were repurchased during **fiscal year 2024 prior to the six months ended September 30, 2023, expiration of the program**.

In June 2023, our Board of Directors approved a new, three-year share repurchase program, which allows us to use up to \$1.0 billion to repurchase our shares. The 2023 share repurchase program enables us to repurchase shares for cancellation, as well as to support equity incentive plans or potential acquisitions. The Swiss Takeover Board approved the 2023 share repurchase program in July 2023 and the program became effective on July 28, 2023. During the **six** **nine** months ended **September 30, 2023 December 31, 2023**, we repurchased **0.9** **3.0** million shares for an aggregate cost of **\$60.1** **\$232.5** million, under the 2023 share repurchase program for **the purpose of cancellation**, of which **\$30.2** **\$14.8** million of the aggregate cost was not paid yet as of **September 30, 2023 December 31, 2023**. As of **September 30, 2023 December 31, 2023**, **\$940.0** **\$767.8** million was available for repurchase under the 2023 share repurchase program.

Swiss law limits a company's ability to hold or repurchase its own shares. The aggregate par value of all shares held in treasury by us and our subsidiaries may not exceed 10% of our share capital, which corresponds to approximately 17.3 million registered shares. This limitation does not apply to shares repurchased for cancellation, due to the Board of Directors' authority under the capital band set forth in the Company's Articles of Incorporation to cancel shares up to a limit of 10% of our current share capital. As of **September 30,**

2023 December 31, 2023, we had a total of 16.0 million 18.1 million shares held in treasury stock, which includes 0.9 million 3.0 million shares that have been repurchased for cancellation.

Although we enter into trading plans for systematic repurchases (e.g., 10b5-1 trading plans) from time to time, our 2023 share repurchase program provides us with the opportunity to make opportunistic repurchases during periods of favorable market conditions and is expected to remain in effect for a period of three years through July 27, 2026. To the extent that the shares are repurchased to support equity incentive plans or potential acquisitions, the share are repurchased on the ordinary trading line of Swiss Exchange ("SIX") and/or the Nasdaq Global Select Market ("Nasdaq"). Shares repurchased for cancellation purposes are repurchased via a second trading line on SIX. Opportunistic purchases may be started or stopped at any time without prior notice depending on market conditions and other factors.

If we do not generate sufficient operating cash flows to support our operations and future planned cash requirements, our operations could be harmed and our access to credit facilities could be restricted or eliminated. However, we believe that the trend of our historical cash flow generation, our projections of future operations and our available cash balances will provide sufficient liquidity to fund our operations for at least the next 12 months.

#### **Operating Leases Obligations**

We lease facilities under operating leases, certain of which require us to pay property taxes, insurance and maintenance costs. Operating leases for facilities are generally renewable at our option and usually include escalation clauses linked to inflation. There have been no material changes to our contractual obligations as previously disclosed in our Annual Report on Form 10-K for the year ended March 31, 2023. The remaining terms of our non-cancelable operating leases expire in various years through 2033.

#### **Purchase Commitments**

As of September 30, 2023 December 31, 2023, we had non-cancelable purchase commitments of \$391.5 million \$344.0 million for inventory purchases made in the normal course of business from original design manufacturers, contract manufacturers and other suppliers, the majority of which are expected to be fulfilled within the next 12 months. We record a liability for firm, non-cancelable, and unhedged inventory purchase commitments in excess of anticipated demand or net realizable value consistent with our valuation of excess and obsolete inventory. As of September 30, 2023 December 31, 2023, the liability for these purchase commitments was \$33.2 \$33.8 million and is recorded in accrued and other current liabilities in the condensed consolidated balance sheet.

We have firm purchase commitments of \$10.7 million \$14.0 million for capital expenditures primarily related to commitments for tooling and equipment for new and existing products. We expect to continue making capital expenditures in the future to support product development activities and ongoing and expanded operations. Although open purchase commitments are considered enforceable and legally binding, the terms generally allow us to reschedule or adjust our requirements based on business needs prior to delivery of goods or performance of services.

#### **Other Contractual Obligations and Commitments**

For further detail about our contractual obligations and commitments, refer to our Annual Report on Form 10-K for the fiscal year ended March 31, 2023.

#### **Indemnifications**

We indemnify certain suppliers and customers for losses arising from matters such as intellectual property disputes and product safety defects, subject to certain restrictions. The scope of these indemnities varies, but in some instances includes indemnification for damages and expenses, including reasonable attorneys' fees. As of September 30, 2023 December 31, 2023, no material amounts have been accrued for indemnification provisions. We do not believe, based on historical experience and information currently available, that it is probable that any material amounts will be required to be paid under our indemnification arrangements.

We also indemnify our current and former directors and certain current and former officers. Certain costs incurred for providing such indemnification may be recoverable under various insurance policies. We are unable to reasonably estimate the maximum amount that could be payable under these arrangements because these exposures are not capped, the obligations are conditional in nature, and the facts and circumstances involved in any situation that might arise are variable.

#### **Legal Proceedings**

From time to time we are involved in claims and legal proceedings that arise in the ordinary course of our business. For more information about Legal Proceedings, see Part II Item 1 Legal Proceedings of this quarterly report on Form 10-Q for the period ended September 30, 2023 December 31, 2023.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

#### **Market Risk**

Market risk represents the potential for loss due to adverse changes in the fair value of financial instruments. As a company with global operations, we face exposure to adverse movements in currency exchange rates and interest rates. These exposures may change over time as business practices evolve and could have a material adverse impact on our financial results.

#### **Currency Exchange Rates**

We report our results in U.S. Dollars. Changes in currency exchange rates compared to the U.S. Dollar can have a material impact on our results when the financial statements of our non-U.S. subsidiaries are translated into U.S. Dollars. The functional currency of our operations is primarily the U.S. Dollar. Certain operations use the Swiss Franc or the local currency of the country as their functional currencies. Accordingly, unrealized currency gains or losses resulting from the translation of net assets or liabilities denominated in other currencies to the U.S. Dollar are accumulated in the cumulative translation adjustment component of accumulated other comprehensive income (loss) ("AOCI") in shareholders' equity.

We are exposed to currency exchange rate risk as we transact business in multiple currencies, including exposure related to anticipated sales, anticipated purchases and assets and liabilities denominated in currencies other than the U.S. Dollar. We transact business in approximately 30 currencies worldwide, of which the most significant to operations are the Euro, Chinese Renminbi, Australian Dollar, Canadian Dollar, Japanese Yen, Pound Sterling and New Taiwan Dollar. For the three months ended **September 30, 2023** **December 31, 2023**, approximately **50%** **52%** of our sales were in non-U.S. denominated currencies, with **23%** **27%** of our sales denominated in Euro. The mix of our costs of goods sold and operating expenses by currency are significantly different from the mix of our sales, with a larger portion denominated in U.S. Dollar and less denominated in Euro and other currencies. A strengthening U.S. Dollar has a more unfavorable impact on our sales compared to the favorable impact on our cost of goods sold and operating expenses, resulting in an adverse impact on our operating results.

We enter into currency forward and swap contracts to reduce the short-term effects of currency fluctuations on certain receivables or payables denominated in currencies other than the functional currencies of our subsidiaries. These contracts generally mature within approximately one month. The gains or losses on these contracts are recognized in earnings based on the changes in fair value.

If an adverse 10% foreign currency exchange rate change had been applied to total monetary assets and liabilities denominated in currencies other than the functional currencies at the balance sheet dates, it would have resulted in an adverse effect on income before income taxes of approximately **\$10.9 million** **\$16.4 million** and \$17.0 million as of **September 30, 2023** **December 31, 2023** and March 31, 2023, respectively. The adverse effect as of **September 30, 2023** **December 31, 2023** and March 31, 2023 is after consideration of the offsetting effect of approximately **\$9.4 million** **\$6.8 million** and \$8.1 million, respectively, from foreign exchange contracts in place as of such dates.

We enter into cash flow hedge contracts to protect against exchange rate exposure of forecasted inventory purchases. These hedging contracts mature within approximately four months. Gains and losses in the fair value of the effective portion of the hedges are deferred as a component of AOCI until the hedged inventory purchases are sold, at which time the gains or losses are reclassified to cost of goods sold.

If the U.S. dollar had weakened by 10%, the amount recorded in AOCI related to our foreign exchange contracts before tax effect as of **September 30, 2023** **December 31, 2023** and March 31, 2023 would have been approximately **\$11.9 million** **\$9.1**

**million** and \$7.3 million lower, respectively. The change in the fair value recorded in AOCI would be expected to offset a corresponding foreign currency change in cost of goods sold when the hedged inventory purchases are sold.

#### ITEM 4. CONTROLS AND PROCEDURES

##### *Disclosure Controls and Procedures*

Logitech's management, with the participation of the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), has evaluated the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)) as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on this evaluation, the CEO and the CFO have concluded that, as of such date, our disclosure controls and procedures are effective at the reasonable assurance level.

##### *Definition of Disclosure Controls*

Disclosure Controls are controls and procedures designed to reasonably assure that information required to be disclosed in the Company's reports filed under the Exchange Act, such as this Quarterly Report on Form 10-Q, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure Controls are also designed to reasonably assure that such information is accumulated and communicated to the Company's management, including the CEO and CFO, as appropriate to allow timely decisions regarding required disclosure. The Company's Disclosure Controls include components of its internal control over financial reporting, which consists of control processes designed to provide reasonable assurance regarding the reliability of its financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles in the United States. To the extent that components of the Company's internal control over financial reporting are included within its Disclosure Controls, they are included in the scope of the Company's annual controls evaluation.

##### *Limitations on the Effectiveness of Controls*

The Company's management, including the CEO and the CFO, does not expect that the Company's Disclosure Controls or internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

##### *Changes in Internal Control over Financial Reporting*

There have been no changes in the Company's internal control over financial reporting during the fiscal quarter ended **September 30, 2023** **December 31, 2023**, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

## PART II — OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS

From time to time the Company is involved in claims and legal proceedings that arise in the ordinary course of its business. The Company is currently subject to several such claims and legal proceedings. The Company intends to vigorously defend against them. Management periodically assesses the Company's liabilities and contingencies in connection with these matters based upon the latest information available. The Company follows ASC ("Accounting Standards Codification") 450 in determining the accounting and disclosure for these contingencies. Based on currently available information, the Company does not believe that resolution of pending matters will have a material adverse effect on its financial condition, cash flows and results of operations. However, litigation is subject to inherent uncertainties, and there can be no assurances that the Company's defenses will be successful or that any such lawsuit or claim would not have a material adverse impact on the Company's business, financial condition, cash flows and results of operations in a particular period. Any claims or proceedings against the Company can have an adverse impact because of defense costs, diversion of management and operational resources, negative publicity and other factors. Any failure to obtain a necessary license or other rights, or litigation arising out of intellectual property claims, could adversely affect the Company's business.

### ITEM 1A. RISK FACTORS

The Company's business, reputation, results of operations, financial condition and stock price can be affected by a number of factors, whether currently known or unknown, including those described in Part I, Item 1A of the 2023 Form 10-K under the heading "Risk Factors." When any one or more of these risks materialize from time to time, the Company's business, reputation, results of operations, financial condition and stock price can be materially and adversely affected. In the **second third** quarter of fiscal year 2024, there have been no material changes to the risk factors disclosed in the Company's Form 10-K, as updated in our Quarterly Report on Form 10-Q for the quarter ended on June 30, 2023.

### ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

#### Share Repurchases

In the **second third** quarter of fiscal year 2024, the following approved share repurchase **programs were** **program was** in place (in thousands):

Share Repurchase Program	Share Repurchase Program	Shares Approved	Approved Amounts	Share Repurchase Program	Shares Approved	Approved Amounts
May 2020 <sup>(1)</sup>		17,311	\$ 1,500,000			
July 2023 <sup>(2) (1)</sup>	July 2023 <sup>(2) (1)</sup>	17,311	\$ 1,000,000	July 2023 <sup>(2) (1)</sup>	17,311	\$ 1,000,000

<sup>(1)</sup> The 2020 share repurchase program expired on July 27, 2023. See Note 11 to the condensed consolidated financial statements for further information.

<sup>(2)</sup> In June 2023, our Board of Directors approved a new, three-year share repurchase program. The Swiss Takeover Board approved the 2023 share repurchase program in July 2023 and the program became effective on July 28, 2023. See Note 11 to the condensed consolidated financial statements for further information.

The following table presents certain information related to purchases made by Logitech of its equity securities under the **2020 and 2023** share repurchase **programs** **program** (in thousands, except per share amounts):

	Total Number of Shares Repurchased	Weighted Average Price Paid Per Share		Remaining Amount that May Yet Be Repurchased under the Programs <sup>(1)</sup>		Total Number of Shares Repurchased	Weighted Average Price Paid Per Share		Remaining Amount that May Yet Be Repurchased under the Programs
		CHF (LOGN)	USD (LOGI)				CHF (LOGN)	USD (LOGI)	
During the three months ended September 30, 2023									
During the three months ended December 31, 2023					During the three months ended December 31, 2023				
Month 1	Month 1				Month 1				
July 1, 2023 to July 28, 2023									

October 1, 2023 to October 27, 2023						October 1, 2023 to October 27, 2023					
SIX	SIX	1,034 <sup>(2)</sup>	54.01	N/A	\$ 1,000,000	SIX	552 <sup>(1)</sup>	64.35	N/A	\$ 900,769	
Nasdaq	Nasdaq	—	N/A	\$ —	1,000,000	Nasdaq	—	N/A	\$ —	900,769	
Month 2	Month 2					Month 2					
July 29, 2023 to August 25, 2023											
October 28, 2023 to November 24, 2023						October 28, 2023 to November 24, 2023					
SIX	SIX	—	—	N/A	1,000,000	SIX	1,193 <sup>(1)</sup>	73.84	N/A	802,519	
Nasdaq	Nasdaq	—	N/A	\$ —	1,000,000	Nasdaq	—	N/A	\$ —	802,519	
Month 3	Month 3					Month 3					
August 26, 2023 to September 29, 2023											
November 25, 2023 to December 29, 2023						November 25, 2023 to December 29, 2023					
SIX	SIX	861 <sup>(3)</sup>	63.37	N/A	940,000	SIX	381 <sup>(1)</sup>	78.93	N/A	767,750	
Nasdaq	Nasdaq	—	N/A	\$ —	940,000	Nasdaq	—	N/A	\$ —	767,750	
		1,895	58.26	\$	940,000		2,126	72.29	\$	767,750	

<sup>(1)</sup> The 2020 share repurchase program expired on July 27, 2023. The 2023 share repurchase program became effective on July 28, 2023.

<sup>(2)</sup> Shares repurchased on the ordinary trading line under the 2020 share repurchase program to support equity incentive plans or potential acquisitions.

<sup>(3)</sup> Shares repurchased on the second trading line for cancellation under the 2023 share repurchase program.

### ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

### ITEM 4. MINE SAFETY DISCLOSURES

None.

### ITEM 5. OTHER INFORMATION

#### Securities Trading Plans of Directors and Executive Officers

During the **second third** quarter of fiscal year 2024, **no director or officer**, **the following officers**, as defined in Rule 16a-1(f), adopted **or terminated** a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," each as defined in Regulation S-K Item 408.

On November 3, 2023, Prakash Arunkundrum, our Chief Operating Officer, adopted a Rule 10b5-1 trading arrangement providing for the sale of an aggregate of up to 30,916 shares of our common stock acquired by Mr. Arunkundrum under our equity plans. The trading arrangement is intended to satisfy the affirmative defense in Rule 10b5-1(c). The first date that sales of any shares are permitted to be sold under the trading arrangement will be February 2, 2024. The trading arrangement terminates on October 2, 2024, or upon the earlier completion of all transactions thereunder.

On November 9, 2023, Samantha Harnett, our Chief Legal Officer, adopted a Rule 10b5-1 trading arrangement providing for the sale of an aggregate of 850 shares of our common stock acquired by Ms. Harnett under our equity plans. The trading arrangement is intended to satisfy the affirmative defense in Rule 10b5-1(c). The first date that sales of any shares are permitted to be sold under the trading arrangement will be February 8, 2024. The trading arrangement terminates on May 9, 2024, or upon the earlier completion of all transactions thereunder.

No other officers or directors, as defined in Rule 16a-1(f), adopted and/or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as defined in Item 408 of Regulation S-K, during the last fiscal quarter.

## ITEM 6. EXHIBITS

### Exhibit Index

Exhibit No.	Description
<a href="#">3.1</a> <a href="#">10.1</a>	<a href="#">A Employment Agreement between Logitech Europe S.A. and Johanna W. (Hanneke) Faber dated October 29, 2023</a> <a href="#">mended Articles of Incorporation</a> ** (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 30, 2023 (File No. 000-29174))
<a href="#">10.1</a>	** <a href="#">Employment Agreement between Logitech, Inc. and Guy Gecht, Interim CEO</a>
31.1	<a href="#">Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer</a> , <a href="#">Officer</a>
31.2	<a href="#">Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer</a> , <a href="#">Officer</a>
32.1	* <a href="#">Section 1350 Certifications of Chief Executive Officer and Chief Financial Officer</a> , <a href="#">Officer</a>
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Definition Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

\* This exhibit is furnished herewith, but not deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability under that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that we explicitly incorporate it by reference.

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

### SIGNATURES

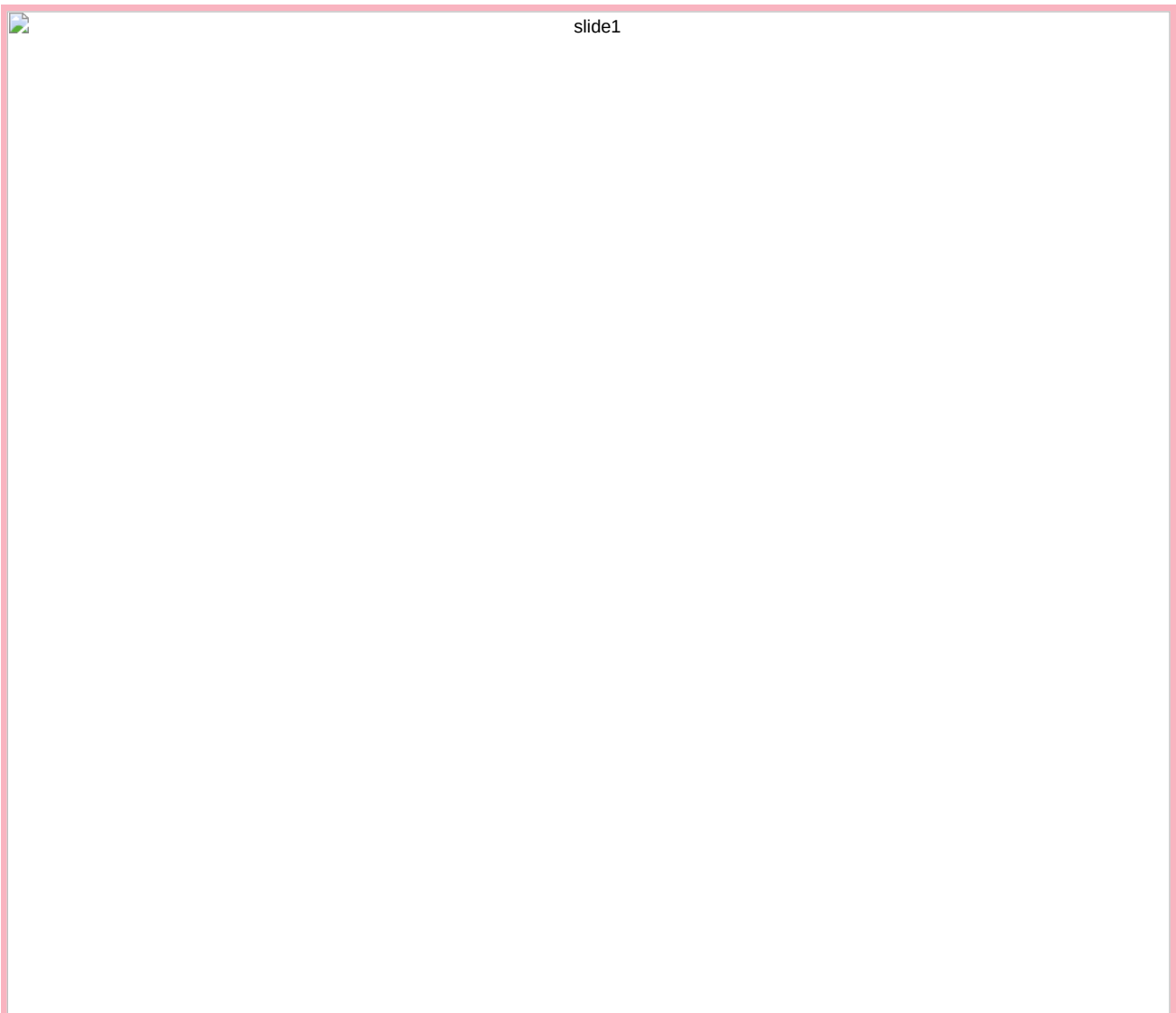
Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

October 26, 2023	January 25, 2024	/s/ Guy GechtJohanna (Hanneke) Faber
Date		Guy GechtJohanna (Hanneke) Faber
		Interim Chief Executive Officer

October 26, 2023	January 25, 2024	/s/ Charles Boynton
Date		Charles Boynton
		Chief Financial Officer

41



LOGITECH INTERNATIONAL S.A. ARTICLES OF INCORPORATION TITLE I CORPORATE NAME – REGISTERED OFFICE – PURPOSE – DURATION Article 1 There exists under the corporate name "Logitech International S.A." a corporation (société anonyme) governed by these Articles of Incorporation and by Title twenty-six of the Swiss Code of Obligations (the "CO"). The duration of the Company shall be indefinite. The registered office is in Hautemorges. Article 2 The Company shall be a holding company with the purpose of coordinating the activities of various Swiss and foreign subsidiaries of the Logitech group. In addition, it shall have as a purpose the acquisition and management of shareholdings in other companies, and in particular the acquisition, holding and/or assignment of shareholdings in other commercial, industrial, financial or real property companies and enterprises, in Switzerland or abroad, directly or indirectly, in its own name and for its own account, or for the accounts of third parties, as investments or for other reasons, as well as for the financing of affiliated companies. The Company may conduct, in Switzerland or abroad, any manner of activities, create branch offices, and undertake any real estate, financial or commercial operations which relate directly or indirectly to its purpose.



slide2

2 TITLE II SHARE CAPITAL AND SHARES Article 3 The share capital is fixed at CHF 43,276,655 (forty-three million two hundred seventy-six thousand six hundred fifty-five Swiss francs), entirely paid-in. It is divided into 173,106,620 (one hundred seventy-three million one hundred and six thousand six hundred twenty) registered shares with a nominal value of CHF 0.25 (twenty-five centimes) each. Article 4 The shares shall be registered. Subject to the paragraph below, the registered shares of the Company will be uncertificated securities (in terms of the Swiss Code of Obligations) and book entry securities (in terms of the Swiss Book Entry Securities Act). A shareholder registered in the Company's shareholders' register may request from the Company a statement of the shareholder's registered shares at any time. Shareholders do not have a right to the printing and delivery of share certificates. The Company may, however, print and deliver certificates for shares at any time at its option. The Company may also, at its option, withdraw uncertificated shares from the custodian system where they have been registered and, with the consent of the shareholder, cancel issued certificates that are returned to the Company. Article 5 Each share shall confer the right to a proportional part of the profit resulting from the balance sheet and the proceeds of liquidation. Shareholders shall only have those obligations specified in these Articles of Incorporation, and shall not be personally liable for the debts of the Company. Shares shall be indivisible; the Company shall recognize only one representative per share. The ownership of a share shall entail acceptance of the provisions of these Articles of Incorporation. Article 6 The Company shall maintain a share register which lists the names of the owners and beneficiaries of the shares as well as their domiciles. Only those persons entered in the share register as owners shall be deemed to be shareholders of the Company. The transfer of ownership of certificated shares shall require delivery of the properly endorsed share certificate to the purchaser.



slide3

3 The transfer of ownership of shares held as book entry securities shall be carried out according to the provisions of the Swiss Book Entry Securities Act. Registered shares not incorporated into a certificate and that are not held as book entry securities as well as the respective rights associated therewith which are not incorporated into any certificate may be transferred only by assignment. Such assignment shall be valid only if the Company has been notified thereof.

Article 7 Should a shareholder change his, her or its address, such shareholder must so inform the Company. As long as a shareholder has not provided notice of a change of his, her or its address to the Company, any written communication shall be validly made to his, her or its last address entered in the share register. TITLE III THE ORGANIZATION OF THE COMPANY A. GENERAL MEETING OF SHAREHOLDERS Article 8 The general meeting of shareholders (the "General Meeting") shall be the supreme authority of the Company. It holds the inalienable rights provided by law. The General Meeting shall convene at the place designated by the Board of Directors. The Board of Directors may also decide to hold General Meetings in several locations or virtually without any physical place of meeting. One or more shareholders who represent together at least five percent of the share capital or the voting rights may demand that a General Meeting be called. One or more shareholders, who represent together shares representing at least 0.5 percent of the share capital or the voting rights may demand that an item be included on the agenda of a General Meeting. A shareholder demand to call a General Meeting and to include an item on the agenda shall be made in writing and shall describe the matters to be considered and any proposals to be made to the shareholders. Such written request shall be received by the Board of Directors at least sixty (60) days before the date proposed for the General Meeting. Article 9 General Meetings shall be called at least twenty days before the date of the meeting by a single notice published in the media specified in Article 24 below and/or by including the notice in the proxy statement pursuant to the rules of the U.S. Securities and Exchange Commission



slide4



4. A General Meeting can alternatively be called by means of a notice sent to shareholders at the address entered in the share register. In such a case, the twenty-day notice period referred to above shall begin on the day following the date on which the notice shall have been mailed. Article 10 Each share confers the right to one vote. Article 11 Any shareholder may appoint a representative who need not be a shareholder, provided that person holds a written proxy. Members of the Board of Directors who are present shall decide whether to accept or refuse such proxies. Statutory provisions relating to the representations of shareholders by the independent proxy are reserved. Article 12 The General Meeting shall be presided over by the Chairperson of the Board of Directors or any other member of the Board of Directors. In the absence of such persons, the Chairperson shall be appointed by the General Meeting. The Chairperson of the General Meeting shall appoint the secretary of the General Meeting and the scrutineers. Article 13 In the absence of any provision to the contrary in the law or these Articles of Incorporation, the General Meeting shall take resolutions and proceed to elections by a simple majority of the votes cast. In the event of a tied vote, the vote of the Chairperson of the General Meeting shall decide. The Chairperson of the General Meeting shall determine the voting procedure.

---



slide5

5 B. BOARD OF DIRECTORS Article 14 The Board of Directors of the Company shall be composed of at least three members elected individually by the General Meeting for a term of office expiring after completion of the subsequent Annual General Meeting and who shall be re-eligible. The Chairperson of the Board of Directors shall also be appointed by the General Meeting for a term of office expiring after completion of the subsequent Annual General Meeting and who shall be re-eligible. Unless provided otherwise in the law or these Articles of Incorporation, the Board of Directors shall organize itself. It shall be entitled to elect one or more vice-chairpersons, who shall assume the responsibilities of the Chairperson of the Board of Directors if the latter is incapacitated. Members of the Board of Directors may enter into agreements relating to their compensation for a fixed term or for an indefinite term. Duration and termination shall comply with the term of office and the law. Article 15 The Board of Directors shall take decisions and proceed to elections by a simple majority of the votes cast. In the event of a tie vote, the vote of the Chairperson shall decide. Further details of the Board of Directors' corporate governance shall be set forth in the Company's organizational regulations. Article 16 The Board of Directors shall have the non-transferable and inalienable powers provided for under Art. 716a of the CO. It may take decisions on any matters which have not been reserved to another corporate body of the Company pursuant to the law or these Articles of Incorporation. Article 17 The Board of Directors may, in compliance with the organizational regulations, entrust the management and the representation of the Company to one or more of its members or to other natural persons who need not be shareholders (the "Management Team"). Article 17 bis No member of the Board of Directors shall assume more than ten (10) Mandates in other enterprises with an economic purpose, of which no more than four (4) may be in listed companies. In addition, members of the Board of Directors may assume up to ten (10) Mandates in charitable or similar organizations. The Chairperson of the Board of Directors must be informed of such Mandates. The term "Mandates" shall mean an activity carried out as a member of the board of directors, the executive management or an advisory board or comparable functions thereto. The limits contemplated in the preceding paragraph do not apply to Mandates.



slide6



7 entire period during which the prohibition of competition applies, the average of the total compensation paid or granted to the relevant member of the Management Team during the three (3) financial years immediately preceding the termination or expiration of the notice period of the employment agreement. Article 18 ter No member of the Management Team may assume more than five (5) Mandates in other enterprises with an economic purpose, of which no more than two (2) may be in listed companies. In addition, Members of the Management Team may assume up to five (5) Mandates in charitable or similar organizations. Any such Mandate shall require the approval of the Board of Directors. The term "Mandates" shall mean an activity carried out as a member of the board of directors, the executive management or an advisory board or comparable functions thereto. This restriction does not include Mandates: a) for companies controlled by the Company or that control the Company; and b) that a member of the Management Team assumes at the request of the Company or of a company controlled by it. Mandates for legal entities under common control are counted as one single Mandate for the purpose of this Article 18 ter. D. AUDITORS Article 19 The General Meeting shall appoint one or several auditors as statutory auditors. It may appoint substitute auditors. The term of office of the auditors shall be one year; it shall end after completion of the subsequent Annual General Meeting. Reappointment shall be possible. TITLE IV COMPENSATION Article 19 bis The compensation of the members of the Board of Directors who do not have delegated management responsibilities shall consist of cash payments and shares or share equivalents. The value of cash compensation and shares or share equivalents shall correspond to a fixed amount, which shall reflect the functions and responsibilities assumed. The value of shares or share equivalents shall be calculated at market value. Members of the Board of Directors who have delegated management responsibilities shall be compensated in the manner contemplated in Article 19 ter below.

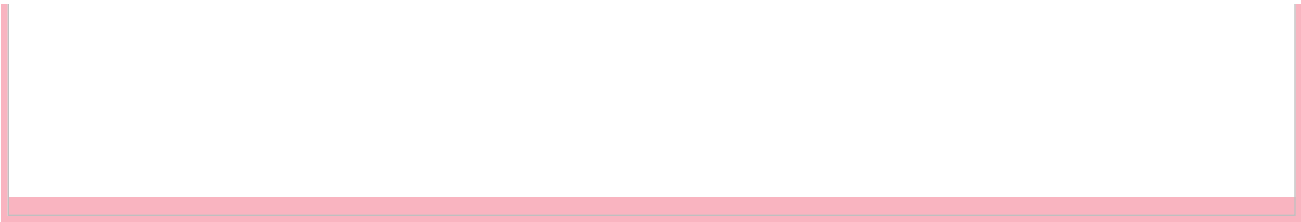


slide8

8 The Company shall reimburse the expenses incurred by the members of the Board of Directors. Expenses reimbursements are not part of the compensation. Article 19 ter The principal components of the compensation of the Management Team shall be: (i) base salary; (ii) performance-based cash compensation, in the form of incentive cash payments and (iii) equity incentive awards. The base salary shall reward the relevant members of the Management Team for their individual contribution to the Company and their expected day-to-day services. The performance-based cash compensation shall take appropriate account of the achievement of the Company's, individual employees' or other performance goals. The target level of the performance-based cash compensation elements shall be determined as a percentage of the base salary. The performance-based cash compensation may amount up to a pre-determined multiplier of the target level. Its amount may also reflect an overall assessment of the relevant employee's performance or the Company's objectives. Equity incentive awards shall provide, in particular, a direct incentive for future performances and align the interest of the Management Team with those of the Company's shareholders. Equity incentive awards shall be governed by performance metrics that take into account strategic or other objectives of the Company or by reference to the duration of the relevant employee's service to the Company or companies controlled by it. The Board of Directors or, to the extent delegated to it, the Compensation Committee, shall determine performance metrics and target levels applicable to performance-based cash compensation and equity incentive awards, as well as their achievement. Compensation may be paid or granted in the form of cash, shares, other benefits or in kind; compensation to members of the Management Team may also be paid or granted in the form of financial instruments or similar units. The Board of Directors or, to the extent delegated to it, the Compensation Committee shall decide upon each grant as well as the applicable vesting, blocking, exercise and forfeiture conditions; they may provide for continuation, acceleration or removal of vesting and exercise conditions, for payment or grant of compensation assuming target achievement or for forfeiture in the event of pre-determined events such as termination of employment or office or change of control. Compensation may be paid by the Company or companies controlled by it. Members of the Management Team may participate in share purchase plans established by the Company or companies controlled by it, under the terms of which eligible employees may allocate a portion of their compensation to the purchase of shares



slide9



9 a) the Board of Directors, for the period up to the next Annual General Meeting; and b) the Management Team, for the next business year. The Board of Directors may submit to the General Meeting for approval proposals in respect of maximum aggregate amounts and/or individual compensation components for other time periods and/or propose the payment of additional amounts for special or extraordinary services of some or all of the members of the Board of Directors or of the Management Team. If the General Meeting rejects a proposal submitted by the Board of Directors, the latter shall submit an alternative proposal to the same or a subsequent General Meeting. The Company or companies controlled by it may grant or pay compensation subject to subsequent ratification at a General Meeting and claw-back by the Company in case of rejection by the General Meeting. Article 19 quinquies If the maximum aggregate amount of compensation already approved by the General Meeting is not sufficient to also cover the compensation of one or more persons who become members of the Management Team during a compensation period for which the General Meeting has already approved the compensation of the Management Team (new hire), the Company or companies controlled by it shall be authorized to pay an additional amount with respect to the compensation period(s) already approved. Such additional amount shall for each relevant compensation period not exceed: a) for the head of the Management Team (CEO), one hundred and forty percent (140%) of the (maximum) amount allocated to the CEO in the aggregate amount of maximum compensation of the Management Team last approved by shareholders at a General Meeting; and b) for any new hire of a member of the Management Team other than the CEO, one hundred and forty percent (140%) of the highest (maximum) amount allocated to a member of the Management Team other than the CEO in the aggregate amount of maximum compensation of the Management Team last approved by shareholders at a General Meeting. Article 19 sexies Subject to Article 19 quarter, paragraph 4, above, Members of the Board of Directors and the Management Team shall not receive credits or loans from the Company or from a company controlled by it. Compensation paid to members of the Board of Directors or Management Team for activities in companies that are controlled by the Company shall be permitted. This compensation shall be included in the total compensation payable to the Board of Directors or Management Team, as applicable, which shall be subject to the approval of the General Meeting. Pension contributions and benefits shall be made or provided in accordance with the regulations applicable to the pension schemes in which the Company or the companies controlled by it participate in Switzerland or abroad.



slide10

10 TITLE V BUSINESS YEAR, ANNUAL ACCOUNTS AND ALLOCATION OF PROFITS Article 20 The business year shall begin on April 1st and end on March 31st. Article 21 Five percent of the annual profits shall be allocated to the legal profit reserve until such reserve reaches twenty percent of the share capital registered with the commercial register. Should the legal profit reserve be reduced, annual profits shall be reallocated to the legal profit reserve until such reserve again reaches twenty percent of the share capital registered with the commercial register. The balance of the profits arising from the balance sheet and the repayment of the statutory capital contribution reserves shall be distributed according to the resolutions of the General Meeting, upon proposition of the Board of Directors; however, the mandatory legal provisions of the law relating to the legal reserves must be complied with. Article 22 Dividends shall be paid at the time specified by the Board of Directors. Any dividend which has not been claimed within five years of it becoming due is time-barred by statute of limitations and shall be forfeited to the Company by simple right and automatically. TITLE VI LIQUIDATION Article 23 The General Meeting shall retain its right to approve the accounts at the time of liquidation and shall have the authority to discharge the liquidators with respect to their activities in connection therewith. After payment of liabilities, the assets of the dissolved Company shall be distributed among the shareholders pro rata according to the par value of each such shareholders' shares. TITLE VII PUBLIC NOTICES COMMUNICATIONS Article 24 Public communications by the Company shall be made in the Swiss Official Gazette of Commerce (Feuille Officielle Suisse du Commerce) and/or in the form that allows proof by text specified by the Board of Directors from time to time. Notices of General Meetings may be given solely through the



slide11

11 notice included in the proxy statement pursuant to the rules of the U.S. Securities and Exchange Commission, TITLE VIII CONDITIONAL CAPITAL AND CAPITAL BAND Article 25 By the exercise of share option or other rights granted to certain employees, officers and directors of the group according to the group's employee equity incentive plans, the share capital of the Company may be increased at most by CHF 6,250,000 (six million two hundred fifty thousand Swiss Francs) by way of the issue of 25,000,000 (twenty-five million) registered shares with a nominal value of CHF 0.25 (twenty-five centimes) each. The shareholders' preferential subscription rights shall be eliminated for such new shares. Article 26 By the exercise of conversion rights which are granted in relation with the issue of convertible bonds, the share capital of the Company shall be increased by a maximum aggregate amount of CHF 6,250,000 (six million, two hundred fifty thousand Swiss Francs) through the issuance to the holders of such bonds of a maximum of 25,000,000 (twenty-five million) fully paid-in registered shares with a nominal value of CHF 0.25 (twenty-five centimes) each. The shareholders shall not have the right to subscribe by preference for the shares issuable on conversion of the bonds. The Board of Directors may limit or withdraw the shareholders' right to subscribe for the bonds by preference for valid reasons, in particular (a) if the bonds are issued in connection with the financing or refinancing of the acquisition of one or more companies, businesses or parts of businesses, or (b) to facilitate the placement of the bonds on the international markets or to increase the security holder base of the Company. If the shareholders' right to subscribe for the bonds by preference is limited or withdrawn, the bonds must be issued at market conditions, the exercise period of the conversion rights must not exceed 7 (seven) years from the date of issuance of the bonds, and the conversion price must be set at a level that is not lower than the market price of the shares preceding the determination of the final conditions for the bonds. Article 27 The Company has a capital band ranging from CHF 38,948,989.50 (lower limit) to CHF 47,604,320.50 (upper limit). The Board of Directors shall be authorized within the capital band to (i) increase or decrease the share capital once or several times and in any amounts or (ii) acquire (including based on a share repurchase program approved by the Board of Directors) shares directly or indirectly, until September 13, 2028 or until an earlier expiration of the capital band. The capital increase or decrease may be effected (x) by issuing up to 17,310,662 fully paid-in registered shares with a nominal value of CHF 0.25 each and canceling up to 17,310,662 registered shares with a nominal value of CHF 0.25 each, as applicable, (y) by increasing or decreasing the nominal value of



slide12

12 the existing shares within the limits of the capital band, or (2) by simultaneous decrease and re-increase of the share capital. In the event of a capital increase within the capital band, the Board of Directors shall, to the extent necessary, determine the issue price, the type of contribution (including a cash contribution, a contribution in kind, a set-off of a receivable and a conversion of freely available equity capital), the date of issue, the conditions for the exercise of subscription rights and the commencement date for dividend entitlement. The Board of Directors may issue new shares by means of a firm underwriting through a financial institution, a syndicate of financial institutions or another third party and a subsequent offer of these shares to the existing shareholders or third parties (if the subscription rights of the existing shareholders have been withdrawn or have not been duly exercised). The Board of Directors is entitled to permit, to restrict or to exclude the trade with subscription rights. The Board of Directors may permit the expiration of subscription rights that have not been duly exercised, or it may place such rights or shares as to which subscription rights have been granted, but not duly exercised, at market conditions or may use such rights or shares otherwise in the interest of the Company. In the event of an issuance of shares, the Board of Directors is further authorized to withdraw or restrict subscription rights of existing shareholders and allocate such rights to third parties (including individual shareholders), the Company or any of its group companies: a) if the issue price of the new shares is determined by reference to the market price, or b) for raising equity capital in a fast and flexible manner, which would not be possible, or would only be possible with great difficulty or at significantly less favorable conditions, without the exclusion of the subscription rights of existing shareholders; or c) for the acquisition of companies, part(s) of companies or participations, for the acquisition of products, intellectual property or licenses by or for investment projects of the Company or any of its group companies, or for the financing or refinancing of any of such transactions through a placement of shares; or d) for purposes of broadening the shareholder constituency of the Company in certain financial or investor markets, for purposes of the participation of strategic partners, including financial investors, or in connection with the listing of new shares on domestic or foreign stock exchanges; or e) for purposes of granting an over-allotment option (Greenshoe) of up to 20% of the total number of shares in a placement or sale of shares to the respective initial purchaser(s) or underwriter(s). After a change of the nominal value, new shares shall be issued within the capital band with the same nominal value as the existing shares. If the share capital increases as a result of an increase from conditional capital pursuant to Article 25 or Article 26 of these Articles of Incorporation, the upper and lower limits of the capital band shall increase in an amount corresponding to such increase in the share capital. In the event of a decrease of the share capital within the capital band, the Board of Directors shall, to the extent necessary, determine the use of the decrease amount. The Board of Directors shall make the necessary ascertainties and amend the Articles of Incorporation accordingly.



slide13

13 Article 28 The total number of newly issued shares which may be issued subject to a limitation or the withdrawal of subscription rights or advance subscription rights from (i) the capital band pursuant to Article 27 of these Articles of Incorporation and/or (ii) the conditional share capital pursuant to Article 26 of these Articles of Incorporation may not exceed 17,310,662 new shares with a nominal value of CHF 0.25 each. \*\*\*\*\* These articles of incorporation were approved on June 24th, 1993, and modified on June 27th, 1996, February 13th, 1998, June 25th, 1998, June 23rd and June 29th, 2000, March 19th, 2001, May 1st, 2001, June 1st and 28th, 2001, June 26th and 27th, 2002, June 24th, 2004, June 16th, 2005, June 16th, 2006, June 19th, June 20th, 2007, September 10, 2008, September 11, 2008, September 8, 2010, September 5, 2012, December 18, 2014, September 5, 2018, September 9, 2020, September 14, 2022 and September 13, 2023. The above text is a translation of the original French articles of incorporation (statuts), which constitute the definitive text and are binding in law.



slide1

ORGANIZATIONAL REGULATIONS OF LOGITECH INTERNATIONAL SA 1. Governing principles These organizational regulations (hereafter the "Regulations") are adopted in accordance with Article 17 of the Articles of Incorporation of the Company. They govern the organization, the voting procedure, as well as the powers and duties of the following organs of the Company: - Board of Directors ("Board") - Chairperson of the Board - Chief Executive Officer - Group Management Team 2. The Board 2.1 Organization The Board, constituted at a minimum by three members, is self-governed (except with respect to the Chairperson, who is elected by the general meeting of shareholders). The members of the Board are elected for a 1-year term which is indefinitely renewable subject to the age and tenure limits specified in Article 2.8 below. Subject to the independence requirements pursuant to the Governance Principles, employees of the Company or any of its group companies may be members of the Board provided such persons do not receive compensation for their activities both as members of the Board and as employees. At the first meeting following the ordinary general shareholders' meeting, the Board appoints one or two Vice-Chairpersons (if any), a Lead Independent Director (if any), and a Secretary. The role of Chairperson or Vice-Chairperson, on the one hand, and Lead Independent Director, on the other hand, may be cumulated. It is not mandatory that the Secretary be a member of the Board or a shareholder. The term of office of the Chairperson, Vice-Chairperson, and Lead Independent Director matches the term of office of their appointment as members of the Board. These persons can be indefinitely re-elected to their respective positions subject to the age and tenure limits specified in Article 2.8 below.



slide2

2.2 Meetings, convening of meetings and agenda A meeting of the Board may be called by the Chairperson as often as the business of the Company requires. The Board may also be convened upon request of any one of the directors. Such request is made to the Chairperson in writing (including, without limitation, by electronic mail), and it includes the reasons for which the Board meeting is being called. Upon receipt of such request, the Chairperson shall convene the Board without delay. When necessary, the Lead Independent Director may also convene the Board. Where appropriate, but at least four times a year, the directors who meet the independence requirements of the Nasdaq Stock Market rules and regulations shall meet in executive session. Such meetings may be scheduled in conjunction with the meetings of the Board. The notice convening the Board meeting shall mention the day, the time and the place of the meeting as well as the agenda. The relevant documentation relating to the forthcoming meeting shall be delivered reasonably in advance. Resolutions on items that were not mentioned in the agenda may only be taken if all members of the Board have been consulted, except in case of emergency. The Board is chaired by the Chairperson and, in case of his or her absence, by the Vice-Chairperson or, if he or she is absent, by the Lead Independent Director or another member of the Board. Meetings of independent directors are chaired by the Chairperson, if independent, or Lead Independent Director. Board meetings may be validly held by way of video conference, telephone conference, or similar communications equipment. 2.3 Attendance quorum, vote, minutes 2.3.1 Vote A quorum of the Board shall be constituted when a majority of its members then in office are present in person or participate by means of a video- or teleconference or similar communication equipment allowing all persons participating in the meeting to hear each other. A quorum of the Board shall not be required at meetings convened only to record in relation to the ascertainment of capital changes and the amendments to the Articles of Incorporation in connection therewith. The Board takes its resolutions by the approval of the simple majority of the members who are present. In the event of a tie, the Chairperson has a casting vote. 2



slide3

While preparing its recommendations to the general shareholders' meeting for election or removal of independent auditors, the Board shall pay due consideration to the recommendations of the Audit Committee established pursuant to Article 2.4.3 below. The resolutions of the Board may be taken by way of written consent (including by email or similar electronic or digital means), provided that no member requests a discussion in an in-person meeting within two (2) calendar days after receipt of the proposed resolutions. The resolutions by way of written consent are adopted if they have been approved by the majority of the members of the Board. In the event of a tie, the Chairperson has a casting vote. 2.3.2 Minutes The discussions and the resolutions of the Board are set forth in minutes, signed by the Chairperson and the Secretary. Each member of the Board receives a copy of the minutes. The resolutions taken by way of written consent must be included in the minutes of the following meeting of the Board. The minutes of each meeting must be ratified at the following meeting of the Board. 2.4 Attribution of powers 2.4.1 Powers delegated by the Board The Board delegates the entire management of the Company to the Group Management Team under the lead of the Chief Executive Officer, except where the law, the Articles of Incorporation or the present Regulations provide differently. 2.4.2 Powers not delegated by the Board The Board exercises at any time the superior management and supervision of the Company. It issues directives concerning the business policy and keeps itself regularly informed on the Company's performance. In particular, the Board has the following non-transferable and inalienable powers and duties: 1. It ultimately oversees the Chief Executive Officer and the Group Management Team and issues the necessary guidelines; this includes the determination of strategic objectives, the allocation of resources and the company policy; 2. It determines the organization structure; 3.



slide4

3. It establishes accounting and financial control principles as well as the financial plan; 4. It appoints and dismisses the Chief Executive Officer and the members of the Group Management Team and resolves on their signatory power; it appoints and dismisses the head of the Internal Audit function; 5. It exercises the ultimate supervision of the persons in charge of the management of the business in order to ensure that their activity is carried out in compliance with the law, the Articles of Incorporation, the internal regulations and the instructions given; 6. It oversees the preparation of the annual report, prepares the shareholders' meetings and carries out its decisions; 7. It informs the court in case of overindebtedness (technical insolvency); 8. It takes resolutions regarding the payment of non fully paid-in shares (Art. 634 a CO); 9. It publishes the report provided for under Article 132 para. 1 of the Swiss Federal Act on Financial Market Infrastructures setting out the position of the Board with respect to a public takeover offer; and 108. It is responsible for establishing the Company's compensation reports, the report on non-financial matters and the report on the due diligence applied in the Company's supply chain. The Board keeps the power to resolve itself on the following objects: a) the signatory power of its members, if any; b) the approval of the budget submitted by the Chief Executive Officer; c) the approval of any type of investment or acquisition not included in the approved budgets; provided that management may from time to time request authorization to make investments and/or acquisitions up to an aggregate amount of USD 10,000,000 without Board approval, subject to management's obligation to conduct periodic post close reviews of such transactions and to present the findings of such reviews to the Board; d) the approval of the acquisition and sale of, as well as the constitution of security interests over, the Company's real estate; and e) the approval of any expenditure of more than USD 10,000,000 not specifically identified in the approved budgets. 2.4.3 Special committees The members of the Compensation Committee are elected individually from among the members of the Board by the general shareholders' meeting. In addition, the Board constitutes within its ranks the following three committees in charge of specific issues: 4



slide5

a) Audit Committee b) Nominating and Governance Committee c) Technology and Innovation Committee Except where otherwise contemplated in the charter of the applicable committee, the recommendations of these four committees are submitted to the Board for approval. In accordance with the law and the Articles of Incorporation of the Company, the Board shall issue charters for each of these Committees which define their attributions and powers, and shall appoint the Chairperson of each of these Committees. 2.5 Right to information and consultation Each member of the Board has the right to obtain information on the entire business of the Company. During the meetings, each member of the Board may request information from the other members as well as from the persons entrusted with the management. Outside of the meetings, each member of the Board may request from the persons entrusted with the management information regarding the course of business and, with the authorization of the Chairperson, on specific business issues. To the extent it is necessary for the accomplishment of his or her duties, each member of the Board may request from the Chairperson to review the books and files. If the Chairperson rejects a request for information, for a hearing or for consultation, the Board decides. 2.5.1 Reports During each meeting, the Board must be informed by the Chief Executive Officer on the development of the current affairs and on important events. Extraordinary events are to be notified to the members of the Board in the shortest possible time in writing (including by email or similar means). 2.6 Signatory rights The Chairperson and those members of the Board who shall have the right to represent the Company shall have either: a. Collective signature authority, to be exercised together with another person authorized to sign, or b. Individual signature authority, in which case their acts require prior approval of another person authorized to sign. 5



slide6

The signature of a member of the Board is not necessary on documents signed on behalf of the Company. Any two authorized officials of the Company registered with the Register of Commerce, including members of the Board, may execute documents on behalf of the Company. In addition, other officials of the Company may execute certain classes of documents on behalf of the Company together with authorized officials under limited powers of attorney granted by the Board. 2.7 Discretion, secrecy Each member of the Board is accountable for the documents entrusted to him or her. Each member is under an obligation to maintain absolute confidentiality towards third persons on the facts that came to his or her attention during the exercise of his or her directorship. 2.8 Age and tenure limits No member of the Board of Directors can seek re-election after he or she has reached the age of 70 years, unless a specific exception is approved by the Board. The same age limit is applicable to the Board of consolidated subsidiaries. No member of the Board can seek re-election after he or she has served on the Board as a non-employee member for 12 years, unless a specific exception is approved by the Board. A member of the Board who has reached the age or tenure limit referred to above during the term of his or her directorship may remain a director until the expiration of his or her term. 2.9 Annual review The Board shall review at least once a year its own structure, processes, and performance, including the adequacy of these Regulations. Independent directors shall assess the adequacy of their relationship and cooperation with executive directors and the impact of any change in their professional or personal situation on their position as an independent director. 2.10 Compensation Subject to the powers of the general shareholders' meeting, the Board determines the compensation of its non-employee members on the recommendation of the Compensation Committee. The compensation of employee members of the Board is determined by the Compensation Committee. 6



slide7

3. The Chairperson of the Board. In urgent cases, the Chairperson of the Board has the power to take on his or her own a decision which would otherwise fall in the competence of the Board, provided that a resolution by way of written consent in accordance with Article 2.3.1 above is not possible or practicable. Decisions taken by the Chairperson of the Board in this way shall be immediately notified in writing (including, without limitation, by electronic mail) to the other members of the Board, and are subject to ratification by the Board at its next meeting or by way of written consent. 4. The Chief Executive Officer 4.1 General responsibilities In application of Article 17 of the Articles of Incorporation and subject to Article 2.4 above, the Board delegates the entire management of the business to the Group Management Team under the lead of the Chief Executive Officer, who does not need to be a member of the Board. The Chief Executive Officer spends his or her full time in this capacity. He or she conducts the business with the support of the Group Management Team. He or she organizes the Group Management Team and presides at its meetings. 4.2 Detailed list of responsibilities The Chief Executive Officer has, in particular, the following responsibilities and prerogatives: - define and implement the short and medium term strategy and plans; - establish preliminary and final budgets for submission to the Board for approval; - produce the Company's preliminary financial statements as well as the annual report for submission to the Board for approval and subsequent presentation to shareholders; - hire, dismiss and promote employees, except members of the Group Management Team and the head of the Internal Audit function; - take immediate measures to protect the interests of the Company where a breach of duty is suspected from a member of the Group Management Team, including suspending the relevant member of the Group Management Team from office. In such a case, the Board must decide on the matter within a reasonable period of time; - implement the decisions taken by the Board; - report regularly to the Chairperson of the Board on the evolution of the business; 7



slide8



- prepare supporting documents for decisions which are to be made by the Board; - decide on issues that are brought to his or her attention by the Group Management Team; - keep the share register of the Company, under the supervision of the Board. 4.3 Reporting line The Chief Executive Officer reports to the Board. 4.4 Compensation Subject to the powers of the general shareholders' meeting, the Compensation Committee determines the compensation, including salary and bonus, of the Chief Executive Officer. 5. The Group Management Team 5.1 Appointment, dismissal, remuneration The Board appoints and dismisses the members of the Group Management Team. 5.2 Roles and responsibilities The roles and responsibilities of the members of the Group Management Team are in the job descriptions of each of the members of the Group Management Team. 5.3 Subordination The members of the Group Management Team are directly subordinated to the Chief Executive Officer. They keep him or her informed on the development of the business in general, as well as on events that impact the Company. The head of the Internal Audit function is directly subordinated to the Audit Committee. 5.4 Compensation Subject to the powers of the general shareholders' meeting, the Compensation Committee determines the compensation, including salary and bonus, of the members of the Group Management Team. Subject to the powers of the general shareholders' meeting, the Audit Committee determines the compensation, including salary and bonus, of the head of the Internal Audit function. The Audit Committee may delegate this responsibility to its Chair. 8



slide9

6. Prohibition on Loans to Directors and Officers The Company will not, directly or indirectly, extend or maintain credit, arrange for the extension of credit, or renew an extension of credit in the form of a personal loan to or for any member of the Group Management Team or member of the Board of the Company. 7. Final provisions 7.1 Entry into force The present Regulations shall take effect upon their approval by the Board. 7.2 Amendments On the Chairperson's request the present Regulations must be reviewed and, as the case may be, updated on a yearly basis or as often as the business of the Company requires. Adopted as of the 24th of April, 1996, and amended as of the 28th of June, 1999, the 14th day of October, 2003, the 8th day of April, 2004, the 15th day of June, 2006, the 17th day of June, 2008, the 5th day of September, 2013, the 25th day of March, 2015, the 29th day of June, 2016, the 6th day of December, 2018, the 2nd day of December, 2020, the 12th day of January, 2022, and the 13th day of September, 2023. LAUSANNE, SWITZERLAND Wendy Becker Samantha Harnett Chairperson of the Board Secretary 9



July 24, 2023 Dear Guy, On behalf of Logitech Inc. ("Logitech"), we are pleased to offer you employment with Logitech as Interim Chief Executive Officer of Logitech International S.A. ("Logitech International") effective June 13, 2023. Your base salary will be prorated based on your term of service as the Interim Chief Executive Officer. Your annualized base salary will be \$1,000,000. Your bi-weekly base salary will be \$38,461.54, payable every two weeks. You will continue to receive your Board cash retainer and receive annual Board equity for the 2023 to 2024 Board Year. Your annual restricted stock unit ("RSU") grants will be the number of shares equal in number to CHF 200,000 divided by the closing share price of Logitech shares on the SIX Swiss Exchange on the date of the 2023 AGM, rounded up to the nearest whole share, a grant date effective as of the day of the 2023 AGM, and vesting in full on the earlier of (A) the one-year anniversary of the grant date or (B) the date of the next year's Annual General Meeting to the extent that you are not re-elected at such meeting and are still providing service to the Company up to such meeting. These RSUs have been approved by Logitech International's Compensation Committee. However, should the shareholders not elect you to the Board during the 2023 AGM, you will not be provided the above-referenced grants for the 2023 to 2024 Board year. Your annual cash target bonus opportunity will be set at 125% of your base salary, prorated for your term of service as Interim Chief Executive Officer, and with the actual bonus award 3930 N. FIRST STREET Page 1 of 2 SAN JOSE, CA 95134 USA T + 1.510.795.8500



slide2

being determined in accordance with the terms and conditions of the Bonus Plan, at the regular time of such determination after the relevant fiscal year. For your information, Logitech's compensation plans and programs are reviewed each year and may be subject to change. Logitech reserves the right to cancel or change the benefit plans and programs it offers to its employees, including its executive officers, at any time. Any adjustment to your base salary or your target incentive bonus and other compensation shall be in the sole discretion of the Logitech International Board of Directors or the Compensation Committee of the Board. In addition, you will be subject to Logitech's Executive Clawback Policy, a copy of which is enclosed. While it is our sincere hope and belief that our working relationship will be mutually beneficial, we also want to advise you that Logitech is an at-will employer. Consequently, either Logitech or you can terminate the employment relationship at-will, at any time, with or without cause, and with or without advance notice. We encourage you to discuss this offer with your own lawyer. Guy, the single most important factor of our success is our people and we look forward to having you on, and leading the Logitech team. If you have any questions, or need clarification on any information contained in this letter, please do not hesitate to contact us. Please sign and return both pages of the offer letter to Kirsty Russell, Head of People & Culture. Sincerely yours, % Kirsty Russell Kirsty Russell Head of People & Culture 3930 N. FIRST STREET Page 2 of 2 SAN JOSE, CA 95134 USA T + 1.510.795.8500

#### CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER PURSUANT TO SECURITIES AND EXCHANGE COMMISSION RULE 13a-14(a)

I, **Guy Gecht, Johanna (Hanneke) Faber**, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Logitech International S.A.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

October 26, 2023 January 25, 2024

/s/ Guy Gecht Johanna (Hanneke) Faber

Guy Gecht Johanna (Hanneke) Faber

Interim Chief Executive Officer

Exhibit 31.2

**CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECURITIES AND EXCHANGE COMMISSION RULE 13a-14(a)**

I, Charles Boynton, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Logitech International S.A.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

October 26, 2023 January 25, 2024

/s/ Charles Boynton

Charles Boynton

Chief Financial Officer

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER  
PURSUANT TO RULE 13A-14(B) OR RULE 15D-14(B) AND SECTION 1350 OF CHAPTER 63 OF TITLE 18 OF  
THE UNITED STATES CODE

The certification set forth below is being submitted in connection with this quarterly report on Form 10-Q (the "Report") of Logitech International S.A. (the "Company") for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

Guy Gecht, Interim Johanna (Hanneke) Faber, Chief Executive Officer of the Company, and Charles Boynton, Chief Financial Officer of the Company, each certify that, to the best of his knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

October 26, 2023 January 25, 2024

/s/ Guy Gecht Johanna (Hanneke) Faber

Guy Gecht Johanna (Hanneke) Faber

Interim Chief Executive Officer

/s/ Charles Boynton

Charles Boynton

Chief Financial Officer

#### DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

©2024, Refinitiv. All rights reserved. Patents Pending.